

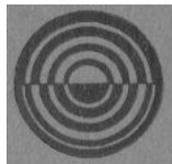
THE FIG TREE

Quarterly

Contributions by

D. E. Faulkner Jones	Fate Takes a Hand
Nicholas Mere	Thoreau Revisited
G. Hickling	The Crisis Factory
A. B. C.	Old Testament Anticipations
G. F. Powell	Some Notes on Alberta
Arthur Welford	The Rate's Progress
Arthur Brenton	Money and Morals
G. W. L. Day	Motes and Beams
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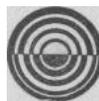
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The editorship of this issue is changed because Major Douglas has resigned from the Social Credit Secretariat Limited and expressed a wish that his name should not appear in any of the publications of the company in the sense of supporting it.



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*But they shall sit every man under his vine
and under his Fig tree; and none shall
make them afraid. Micah iv., 4.*

Apotheosis of Work

WHATEVER sinister world plot may be behind the progressive encroachments on personal liberty that have accompanied the development of the industrial era, the truth is that so long as the paramount problem of society is accepted as that of unemployment, so long can the working of any such plot proceed. The philosophy of life that demands individual work as a prerequisite of continued existence—that elevates work, essentially a means, into an end—springs from a materialistic conception that man must judge man, a faithlessness which rejects the possibility of such original goodness as can be trusted to dispense with the system of human rewards and punishments, a disbelief in the soundness of the Christian injunction to judge not.

When the engineer deliberately set himself to “direct the great sources of power in nature for the use and convenience of man,” he planted a seed that was bound, sooner or later, to produce decisive alternatives. Either the competition for work between man and machine would develop into the unemployment problem, or the work philosophy would have to be replaced by a leisure philosophy. These are the alternatives; there is no third way; and a decision must soon be made, for the apotheosis of the work philosophy is at hand.

Fate Takes a Hand

By D. E. FAULKNER JONES

FUTURE historians, passing in review the mighty events of our century, will recognise that in 1918 the ruling group which now dominates the British Empire was confronted by a problem of colossal dimensions. They are still confronted by this problem—still striving desperately to solve it. Their efforts—carefully concealed from the general public—have in fact determined the course of historical evolution. We owe the present catastrophic world situation not primarily to the Continental dictators, but to the deliberate policy of our hidden dictator-oligarchy—a policy which has received, and is still receiving, the steady backing of nearly every influential man in the British Empire and in America.

The problem was this: How to maintain intact the principles of orthodox finance, through which a powerful and continuous, though unrecognised, control is exercised over the lives of all men and women outside the relatively small number who enjoy financial independence. It cannot be too often emphasised that this control is considered highly desirable, indeed absolutely necessary, by almost all people who attain positions of power in any sphere.

It is psychologically probable that the full acknowledgment and the unconditional “honouring” of national and municipal debt is regarded as the keystone of the arch of orthodox finance. Commercial investments are at their best insecure; but gilt-edged bonds have been regarded, ever since the founding of the Bank of England, as a basis of hereditary wealth more stable, more secure, more permanent and far less troublesome than even the ownership of land and property. If it was once clearly demonstrated and openly admitted that a State or a municipality could insist on the issue of direct credits for public use, then the fall of orthodox finance would be only a matter of time.

In 1919 our credit-controllers were faced by the problem of making the public believe, in the calm of peacetime reflection, that the war had been fought on borrowed money, and that interest-payments on stupendous sums must be provided annually out of taxation. They could not have carried out such a gigantic piece of bluff if they had not had the countenance and assistance of the most influential public men not only here in England but throughout the British Empire and America. The total deposits in all the banks of the country amounted, in 1914, to a paltry nine hundred million pounds. Yet in four years our National Debt was increased by more than seven and a half thousand million pounds. It would be interesting to know what explanation of these figures would be given by statesmen who at that period were supposed to be serving the common weal. Can they explain to us how savings of nine hundred millions could be transformed into loans of seven thousand millions? The loans could not have come out of current income during these four years, for our total current income amounted only to two thousand millions annually. We should all

have had to invest all our money in National Debt the moment we received it—and live on air the while, one supposes.

Our ruling oligarchy succeeded in carrying out their vast deception firstly because the majority of the English people were—as they still are—very ignorant, very self-absorbed and easily led by the nose; and secondly because practically all men of position and influence, strongly desiring the maintenance of the existing social order, could be relied on to support the extreme measures judged necessary for the preservation of credit-control. These measures may be summed up briefly thus: the drastic whittling down of our fleet, the destruction of our air force and the plant which produced it, and the deliberate throwing back of English agriculture into a condition of ruin worse than that prevailing before 1914. The destruction of our national defences was carried out so that the money necessary for their maintenance might be deflected to the service of the stupendous National Debt. A glance at any old income-tax form will show that, prior to the last rise, the total revenue from this very important source was swallowed up by debt interest-charges. Obviously the very principles of orthodox finance itself make it impossible for this country to pay for adequate defences, military and civilian, and at the same time keep up interest payments on the astronomical figures dished up to us as the “cost” of the Great War. A similar line of policy was adopted in the Dominions; debt interest was put first—and out of the miserable revenue left after this had been duly discharged there was no possibility of building up adequate armaments. The destruction of English agriculture was, of course, strictly necessary so that interest on Dominion and Argentine bonds could be paid through the sale of food products in the English markets.

* * * *

Unfortunately for our rulers,
“The best-laid schemes o’ mice an’ men
Gang aft agley.”

The Absolutist States have, since 1930, created the one situation in face of which “Basle Elders” and credit-controllers of every type are helpless. Nations united in arms, bent on using armed force as a means of conquest, present weapons against which the abstractions of the mere brain-intelligence, whether financial or political, are helpless.

In Germany, Russia, Italy and Japan, a central power has seized control of the financial machine and is working it by what may be called a dual system. Before the eyes of the masses—even in Russia—the principles of orthodox finance are steadily maintained. The people are taxed to the limit of endurance and are told—as we are told—that these monetary sacrifices are necessary to the existence of the State. But the abrogation of so-called “democratic” methods has done away with parliamentary discussion of “ways and means” and all pretence of public control over State expenditure. In addition to the public money raised by orthodox taxation and borrowing, the dictator is perfectly able to issue secret public credits for home consumption, provided he avoids inflation. He can avoid inflation by issuing strictly controlled credits to producers, while at the same time keeping a rigid control over prices and wages. It must be by such secret credits that the dictators have financed their vast public works and, above all, their enormous armaments programmes.

Our own experience and the experience of America shows that public expenditure on the scale necessary for the building up of modern armaments and modern defences cannot be financed either out of current taxation or by borrowing savings. If we undertook, in the next two years, to arm and defend this country at the pace set by Hitler, we should require funds comparable with, if not greater than, those spent between 1914 and 1918. Such large-scale borrowing might well double even the present rate of income tax if orthodox principles were maintained. Income-tax charges ultimately figure as an item in commercial costs, and with such a crushing handicap our industrialists would find it impossible to hold their own in world markets. There is, and there can be, no definite proof that the dictators are financing armaments by secret State credits to industry; but observation and common sense, and the fact that Hitler has repeatedly made sneering references to the economic principles of “the Democracies,” all point to such a secret undercurrent.

In Russia the State issues and controls all credits, though ostensibly making use of orthodox banking mechanism. A survey of the mighty works achieved by the Soviet in the last two decades proves that State credits must have been issued in no niggardly spirit. The Russian air force—the largest in Europe—must have been built up during the very years in which we have been unable even to maintain the aeroplane plant laid down between 1914 and 1918. In addition to the building up of enormous armaments the Russians have, during this period, cut strategic canals, built thousands of miles of railway, strongly fortified their borders, and created out of the void numerous large, well-

populated towns—all the while we have been unable to “afford” even the digging of protective trenches and the subsidising of our Merchant Service.

Mussolini’s recent colonisation scheme, on which he is prepared to spend about £2,000 per family, may well be contrasted with our alleged inability to give substantial financial help to would-be British emigrants; especially when we consider that Mussolini’s scheme is being carried out simultaneously with the costly Spanish adventure, the garrisoning of Abyssinia and the extensive fortification of strategic points on the Mediterranean. Italy is a country relatively poor in raw materials. Why then can the Italians afford these achievements while England, a rich country, cannot even afford to protect good agricultural land from the encroachments of the sea? There can be little doubt that Mussolini, like Stalin and Hitler, uses the dual method of issuing credit; and by this means keeps the people in ignorance of the real nature of credit, while at the same time he avoids the inconvenience of having his own hands tied by the orthodox methods necessary for the deceiving and controlling of the people he governs.

Secret credits have also been freely used by the Absolutist States for the subsidising of export trade. By this means the Japanese, before their national energies were concentrated so intensively on military ends, were able to make devastating attacks on the strongholds of British trade, driving out British goods triumphantly by the simple method of undercutting. The subsidising of the German Opel car, and the barter trade-agreements by which Hitler is getting an economic control of the Balkan countries, are further examples of how the dual method can be used.

The dictator can use credit freely in secret, while maintaining sufficient orthodoxy to allow of his controlling his people by economic compulsion even more strictly than we are controlled. He is in the happy position of being able to hunt with the hounds and run with the hare. It is this that makes him so admired and envied by our unfortunate incognito “rulers,” who are now struggling in the very bonds they have created for the enslavement of the people.

The dual method of credit-issue can be carried out on a wide scale only when political and economic power are both highly centralised. The people must be deprived of all political control over expenditure. There must be no parliamentary discussion on either the raising or the spending of money. There must, on the contrary, be a central authority with unquestioned power over all financial matters. The dictator centralises political power in himself. But in addition he must also centralise, as far as possible, all the economic activities of the country. His orders, and the credits which implement them, must be carried out through the medium of a few selected industrial organisations, the heads of which can be trusted to work the dual method without betraying it to the public. If secret credits had to be issued to hundreds and even thousands of small industrialists and agriculturalists, the dictator would find it increasingly difficult to maintain rigid control over the economic life of the country. The natural aim of any dictator is to create a salaried State bureaucracy directly dependent on himself, and trained to carry out orders competently, while refraining from the initiation of activities. Parallel with this bureaucracy he must establish a system of economy in which salaried managers carry out the orders of a few industrial magnates, who must be carefully watched by the dictator, and removed from their positions—on trumped-up political charges—the instant they manifest any signs of spiritual or psychic independence. In brief, any dictator must inaugurate some form of State Socialism if he is to maintain his position for many years. The converse is also true: State Socialism is the natural breeding-ground of dictatorship; it gives the very conditions which enable some “inspired” and ruthless egoist to seize absolute power.

One very vital reason for the ease with which the Continental dictatorships established themselves was that the important industries of the countries concerned were already highly centralised and closely bound up with the banking system. Germany’s industrial development, for example, did not really begin till late in the nineteenth century. It was, from the start, financed with the definite object of keeping the heavy industries centralised in the hands of a small powerful group, closely connected with the Prussian landowners who, after 1870, obtained the secret credit-domination of united Germany. In Japan, banking and industry are still more closely identified and still more intensively centralised. From an industrial basis of this type it is easy to create a kind of “economic bureaucracy”—a system by which the economic life of the country is dominated by a few industrial magnates who are at the same time financial magnates. Salaried managers may be competent men—but they never have the sturdy independent spirit of the owner-producer or the owner-retailer. They are trained to respect authority—they win promotion only if they are subservient in spirit. If they ever displayed any real initiative in matters of financial policy they would risk dismissal. There is small wonder that Germany was doomed, when once the Prussian Junkers and the few leading German industrialists had decided to finance Hitler—for Germany was par excellence the home of the salaried manager and the salaried official, bred to the unconscious servility which arises in any man who is liable to dismissal on the complaint of superiors.

Exactly the opposite conditions have characterised the growth of English industry. Modern technical industry was initiated in eighteenth century England, and it grew up spontaneously, little by little, from the individual genius of

innumerable “small” men. For well over a century it remained divided up among thousands of independent “family” firms, strongly local in feeling, and akin in spirit to the free and sturdy yeomanry who formed the backbone of agricultural England. Even today the spirit of the English yeoman lives on in thousands of small manufacturers and farmers who cherish fiercely their independence and strongly resent being turned into mere salaried managers for boards and commissions.

It is these independent producers and retailers who are presenting the greatest obstacle to our credit-controllers; for they oppose strongly every effort to impose on the country some form of State Socialism, without which no modern dictatorship, open or secret, can exist in this age of militarism run mad. If our rulers could eliminate the independent businessman and concentrate production and distribution into the hands of a few trusted tools or supporters, they could begin to imitate the dictators and, by issuing secret credits, could at least hope to vie with them in the building up of armaments and the subsidising of exports.

Since 1918 the credit policy of this country has been steadily directed towards the goal of intensive centralisation. One main object of the post-war slump was the ruin of small firms which, by accepting loans for nationally important wartime expansion, had walked into the trap set for them. There was, for example, a specially drastic clearance of the small shippers and ship-owners. Shipping business is becoming ever more concentrated into the sphere of a few powerful organisations.

But English independence has deep roots and is not easy to kill. The rapidly growing menace of the dictators has forced our rulers into a politically dangerous effort to hasten on the process of economic centralisation. They are trying desperately to do in a short time what they probably meant to spread out over a generation. Terrified of the country’s being involved in a major war, they yet dare not issue secret credits on the scale required until they have eliminated or thoroughly subjugated, the independent producer-proprietor. That independent industrialists can, by uniting their forces, resist the policy of the credit-controllers is suggested by certain aspects of the Anglo-American Trade Agreement. The English motor industry, which is in the hands of a relatively small number of *prosperous* firms, has been successful in fighting the American demand for spectacular tariff reductions on American cars. This demand appears to have been favoured by the Power behind our Government—probably because it would have brought to heel almost the only English industry which is solvent enough to be independent of the Bank.

The Milk Bill—which has been withdrawn for the present—is a clear example of how centralisation in an industry may be quickly achieved. A Milk Commission, chosen by the Minister of Agriculture, was to “keep generally under review all matters relating to the production, distribution and consumption of milk and milk-products.” But, in addition, the Commission would assume “such other functions as are entrusted to it by or under the following provisions of this Act.” These “following provisions” are both drastic and startling. They provide for a system of block distribution, under which this country would be divided into localities within which certain specified firms would be given the monopoly of distribution. Thus the small producer-retailer and the typical English “milkman,” would be forced out of business in their thousands. The Bill itself admits their probable ruin by coolly specifying that they shall be paid “some compensation” for the loss of their business. Compulsory pasteurisation schemes would in any case force the producer into the hands of the banks—and, incidentally, would compel the housewife to buy pasteurised milk whether she wished or not. The Milk Commission, which would be composed of businessmen who need have no special knowledge of farming, would also be empowered to arbitrate on questions of prices arising between producers and buyers of milk. Thus the farmer who sells wholesale would be at the mercy of the Commission and the local monopolist organisations.

The provisions of this Bill are the more alarming when we consider the efforts which have been made since 1918 to ruin mixed farming in England and force our farmers to turn to milk production. The general purpose of our credit-controllers emerges with great clarity. Unregulated State-subsidised foreign competition has been permitted to force the English farmer into dairy work. Legislation has then been introduced to give the State a tight grip of all dairy production and bring about conditions in which the small producer-retailer cannot exist. The legal machinery, set up ostensibly to protect the public interest, would allow the Milk Commission gradually to drive out all but a few selected big-scale agriculturalists employing hired labour; and the production and distribution of milk could thus be centralised into the hands of a few trusted men. It would then be possible to issue secret State credits on the dual system, and so control from within not only the producer but the consumer.

A similar process is being carried on within the cotton industry of Lancashire and the woollen industry of the West Riding. Under pretence of reorganising the industry and eliminating redundant spindles, the small manufacturer is being rapidly edged out, robbed of his initiative, ruined by subsidised foreign competition.

Engineering is being subjected to a similar steady pressure. It is noticeable that shipbuilding activities are being concentrated more and more into the hands of the Clydebank firms. Enormous public funds are continually being expended on some form of shipbuilding, but the general public does not know how and why particular firms are chosen as the recipients of big orders. For example, why should the Queen Mary and the Queen Elizabeth, subsidised largely by the English taxpayer, have been built by a firm in Scotland, while Tyneside shipyards have been allowed to sink into decay?

Mr. P. C. Loftus, M.P. for Lowestoft, in a letter to the Daily Telegraph of December 5, enumerates some of the heavy disabilities, which are crushing out of existence the English fisherman-proprietor, the man who owns and works his own boat and corresponds to the small farmer. Mr. Loftus ends with the following significant statement: "Regarding the 1938 Act, which grants £250,000 for providing new motor-vessels costing about £3,000 apiece, the types of boat concerned are not suited to East Anglian autumn fishing, and in practice it will mean that this sum will go almost entirely to Scotland to provide dual-purpose boats for fishing in Scottish waters.

"The whole industry hopes that the new Board will be able to provide more effective help than the old; but the English catchers are concerned that the new Board appears to be entirely Scottish, and they feel that it should be remembered by the Ministry of Agriculture and Fisheries that over half the herring caught in British waters are caught by English boats."

The Herring Subsidy thus provides another instance of how, by devices which the general public has not enough technical knowledge to appreciate, an entire class of small independent owners can be quietly eliminated in favour of selected competitors. The motorboat is unsuitable for the waters in which the East Anglian herring fishers work—they are obliged to use steam drifters. By earmarking an apparently generous subsidy for the buying of motorboats only, those behind the Act can make the English fishermen hopelessly outclassed by their Scottish rivals. Yet it should always be remembered that about 85 per cent of all public revenue is provided by the English taxpayers. It may be added that the steam trawler is more useful in time of war.

If the allocating of small subsidies can have such important economic effects, it is easy to realise that the power of our ruling oligarchy would be enormously increased were it once to acquire the power to issue large, secret State credits. All hope of successful opposition will vanish when once State control of economic life has been firmly established. It is clear that the hidden Power would be able to pick and choose the recipients of secret State credits—and without the aid of such State credits it will become more and more impossible in the future for any firm to remain solvent.

In a recently published book on the Air Defence of Britain, Lieut.-Commander R. Fletcher, M.P., points out that Government orders and Government subsidies for aeroplane construction have been concentrated deliberately into the hands of 19 "ring firms." Other engineering works have had only sub-contracts and put out work, given to them arbitrarily by the selected monopolists. This procedure, taken in conjunction with the deliberate Scottish orientation of Admiralty and Board of Trade contracts, and the Herring Subsidy, gives a sinister indication of what will happen if and when the dual method of issuing credits is adopted on a grand scale.

* * * *

The turning point of our epoch is at hand, for Destiny must quickly settle the question as to whether or not England, threatened with destruction from within and from without, can awaken in time to fight her way through to survival and renewed spiritual strength.

If the centralisation process can be carried out successfully, uninterrupted by a war, there seems no human possibility that any section of the people will ever be able to resist the power of the ruling oligarchy. The people simply do not recognise that a financial-economic dictatorship has long been established in this country, and is rapidly robbing them of their spiritual and political liberty. If the process of centralisation were cleverly linked up with the giving of cheap food and holiday facilities to the workers—as it well could be through the use of secret credits—the masses would naturally hail the changes with enthusiasm. We should be told, as in the case of the Milk Bill, that superior organisation by reducing working costs had made possible cheaper supplies. The strong desire of the Labour intelligentsia for State control of industry could easily be mobilised in support of the very measures necessary for the preservation of our hidden dictatorship. The choice of the Co-operative Society as Milk Monopolist for the North of England indicates the methods which would be used to pit the working classes against the independent producers and retailers, whom they are already inclined to regard with jealousy.

Fortunately, however, the farmers and the fishermen are well aware that their "liquidation" is being planned just as

definitely as the Soviet Government planned the liquidation of the kulaks. The Farmers' Union has been for some time deeply stirred; and when the kind of Englishman who is usually politically quiescent becomes deeply stirred against any Government, those in high places would do well to beware—especially if these men, like Hampden and Cromwell, are bound up with the soil. There is always a chance that the ancient English urge to personal independence may survive with all the strength of a primitive instinct in some of these land-loving and sea-faring men who are being driven from homes where their ancestors have lived for generations. The smouldering resentment which Government foreign and domestic policy has been rousing for several years among all sections of the public, might flare up like tinder if leadership of the traditional English type could, even at this eleventh hour, arise and take command. The hasty, though temporary, withdrawal of the Milk Bill shows that the credit controllers recognised a danger signal.

The dictators are thus working in a two-fold manner against our rulers. The latter are being forced into politically dangerous expedients through their fear of external military pressure. But the military danger itself can scarcely be over-estimated. The time-lag between dictator rearmament and British rearmament is increasing with terrible rapidity and has already forced on our rulers a foreign policy which they are obliged to excuse by hinting at the nakedness of our defences. At any moment the German colonial question may plunge the British Government into quagmires of humiliation far worse than any yet experienced. If once the people realise in full—as they surely must realise before many months are past—that England is in danger of a bloody and annihilating military defeat, their rage and despair may well achieve what human reason has failed to compass—the sweeping away of the group which has so long been aiming at the complete domination of England and the Empire. “Necessity” was the name of Siegfried’s dragon-slaying sword; there is every indication that Necessity in its grimmest forms will before long give the English people practical instruction on the true nature of credit.

The logic of world-history is a very different matter from the petty logic of the human brain. To one who stands aloof in spirit and looks at the mighty world drama now working up to its climax, there is satanic humour in the spectacle of Evil driving an opposite Evil to desperation, cornering it, forcing it to meet the edge of the sword. It is at such historic moments that the greatest leaders of humanity arise, unheralded and unforeseen, to take control of world events. A premature appearance would be useless; for when one type of Evil has reached its maximum strength it can be destroyed only through a skilful utilisation of the opposite type of Evil, which must be allowed to develop its full strength. Finance, by keeping the world masses at starvation point, has generated the militaristic dictatorships which are bent on destroying British world power.

Whether in this clash of Evil against Evil the spiritual entity “England” can revive in its true strength, overcome the forces working for its extinction and lead the world into a new historic era, depends on what leaders are hidden among us, waiting for their hour to strike. It is for such leadership that, consciously or unconsciously, the Social Credit Movement has been preparing the ground for nearly twenty years.

Thoreau Re-visited

By NICHOLAS MERE

IT would be inspiring information if it were a fact that 48,000,000 of the population now in the United Kingdom knew that money was made by writing figures in a book. There are thousands who are well aware of the process; it is knowledge that should gain momentum in time, be accelerated in diffusion, and made more common. What I call the “New Knowledge” is still only at the stage of a faint dawn on the human horizon. I both think and feel that any man can justify his existence by gently insisting on getting this New Knowledge in a simple form widely known, amongst his friends and acquaintances, by speech and the written word. The inducement to do so, operating on the Light Bringer of the New Knowledge, is, on a common plane, like repointing the bricks in a house without knocking the house down to its foundations to do it.

These thoughts came as I read Thoreau’s “Walden” for the third time. That amusing American monthly, Ballyhoo, in its April issue, published a reproduction of a photograph of Thoreau, describing him as “a man who refused to pay any taxes at all and got away with it. Of course, that was in the dark ages!” This wit, which is more than a sneeze of the reason, was responsible for a renewal of the knowledge of the basic truths in “Walden.” A third perusal did not prompt me to disagree with my former underlinings and comments. In the hope that the following may be useful to the student who has the New Knowledge, I shall give my underlinings so that both of us may see what Thoreau was unaware of when he wrote; but even what he did see is good mental health to us. He would teach anyone never to be

lost; he had had soil on his hands. Buddha tasted the earth and it was sweet, and we shall renew our vitality by a wholesome contact with the earth at a time when a reputation for wisdom may be had by making the simple complex.

In my "Everyman" edition of "Walden," the preface is written by Walter Raymond. With what you and I will understand as the New Knowledge that money is made by writing figures in a book, we will look at this underlining in the preface. "Many others, no doubt, perceive the truths in obedience to which Thoreau lived. Roughly speaking, there are three—that this earth is a garden of delights; that the world crowds round the individual, leaving him no vista, and shuts out the beauty of the earth; and that the wholesome wants of man are few." Truths one and two the Social Crediter will readily accept; the third will need a little examination. The qualification of wants, by the word "wholesome," makes the proposition ship-shape. A look round the shops and factories finds them cluttered up with a multitude of immovable things. It can be deduced that many of the things do not satisfy "wholesome" wants it can be proved that many of the things are unobtainable to most with the present poor distribution of money. We might agree with the statement that the wholesome wants of man are few, but the present money system has brought about the creation of things that do not fall under the heading of "wholesome."

From a Surrey paper dated November 26, 1938, I take the following extract of a speech made by a member of the Old Kingstonian Association at a dinner. He said: "With the wisdom of Solomon and the business acumen of any other member of the same race, enough tact to outweigh a county council, and a full training in law and the possession of a few other degrees, one was in a fair way of becoming clerk of a county council." Sour or sweet grapes, true or untrue, witty or cynical, it is not beyond the intelligence of young and old Kingstonians to find out that money is made by writing figures in a book; the implications from the basic truth should also be easy to grasp by those who are studying during the time when those who are not so fortunate are being educated out of their common sense with daily newspapers and eight hours of mechanical work. Having passed his examinations, Thoreau is said to have considered five dollars too high a price for the honour of a degree.

Another quotation, and we have finished with the preface: "And as day by day life becomes more complex, the value of his [Thoreau's] message increases—that men groan under self-inflicted burdens, for the wholesome wants of life are few." We cannot part with this so easily as with the others. With power having been taken away from the individual by taxation, the denial of initiation of policy from the individual, the choice of a Member of Parliament being delegated or taken to or by a committee, the qualification of "self-inflicted" is ridiculous. The adjective, as Voltaire somewhere writes, is the enemy of the noun in real earnest. The wholesome wants of life are few, but the burdens are legion and certainly not self-inflicted. I was told the case of an old woman, apparently friendless and none too wealthy who had to be prevented from using a restaurant lavatory for her weekly washing.

I can see every morning and evening sixteen and more passengers in a railway compartment, and this instance can be multiplied by thousands: this is not self-inflicted. Many jokes hammer at my head about a square deal as I write this.

We can now move in the fresh air of the pages of the text. Open the book where you like and you shall find something akin to the statement of Whitman:

But I shall be good health to you nevertheless,
And filter and fibre your blood.

My first underlining in the chapter "Economy" is about the labouring man; the man who has to be made to feel the truths of Social Credit. This is no easy task, but it is one that can be undertaken with hope. No politics for him; if politics could have saved him he would now be in the seventh heaven of delight, for we have had a surfeit of politics. Where the word politics does not excite derision it creates disgust. We shall, however, by helping the labouring man help ourselves, for labour is now a word that has no clear-cut definition, and machines do not help to clarify the picture. Of labouring men, Thoreau writes as follows:

Actually, the labouring man has not leisure for a true integrity day by day; he cannot afford to sustain the manliest relations to men; his labour would be depreciated in the market. He has no time to be anything but a machine. How can he remember well his ignorance which his growth requires—who has so often to use his knowledge? We should feed and clothe him gratuitously sometimes, and recruit him with our cordials, before we judge of him. The finest qualities of our nature, like the bloom on fruits, can be preserved only by the most delicate handling. Yet we do not treat ourselves nor one another thus tenderly.

Some of you, we all know, are poor, find it hard to live, are sometimes, as it were, gasping for breath. I have no doubt that some of you who read this book are unable to pay for all the dinners which you have actually

eaten, or for the coats and shoes which are fast wearing or already worn out, and have come to this page to spend borrowed or stolen time, robbing your creditors of an hour.

The author of “Walden,” revolting at poverty, tries to solve the question by reducing his wants, and he succeeded. The New Knowledge, the Key, would have made a tremendous difference; that he did not know of it takes away no lustre from the brilliance of his experiment and the crowning beauty of the thoughts that Thoreau gave to the world—and eternity. So then, no more lectures to the labouring man on being frugal and careful; no more snobbish insults to him, to be wise in the spending of his money; no more kissing of his baby by the candidate for Parliament who drops from the clouds. Money is made by writing figures in a book, and the labouring man “cannot afford to sustain the manliest relations to men,” because he is without the Key. He has to illustrate the horrible truth in the assertion by William Blake that:

Sneaking submission can always live.

And what Englishman, who is not a walking dead man, is going to accept that as a static fact?

On the opposite page, that is, page 5, an expressed thought that entranced me was: “What a man thinks of himself, that it is which determines, or rather indicates, his fate.”

There is, in the present day, precious little chance given to man to think at all. One can hardly even talk in a public house for the hullabaloo made by dart throwers. Wireless has invaded and captured the home. Newspapers on railway trains have made pathetic pill-boxes of men concreted by a barrier of paper—first line for a poem: “Leave me in peace, to read my daily murder,” and a man may travel twice daily on a railway line for eight years without hearing a fellow passenger guilty of expressing an idea. The newspapers have done their work well.

I find that I have almost come to the end of my space. In my copy of “Walden” there is almost as much marked as unmarked, but I cannot conclude without recording the following: “For more than five years I maintained myself thus solely by the labour of my hands, and I found that by working about six weeks in a year, I could meet all the expenses of living.”

Knowledge of this kind is not common. In fact, there is very little done, as distinct from what is written, to make men see that it is not necessary to be a glorified ant or an ignorant galley slave all his life. Yet, in the grand march on the broad highway, the student, the thinker, the Secular Shepherd knows that there is movement.

“The pale pathetic peoples still plod on
Through hoodwinkings to light.”

Thoreau, as a handbook, together with the New Knowledge, will make the heart sing of any man who can look on the world’s trash—and laugh. When three men stand together, the kingdom of hoodwinking is less by three. That kingdom of hoodwinking is founded on a false concept; it cannot endure, and its end can be hastened by the professions who have everything to gain, by the common man who must be told that money is made by writing figures in a book. This is the basic truth; for those who must go further there are, of course, technical books, and theories which are well known to the student of the analysis made by Major Douglas.

But in my opinion there is work, pleasant work, with martyrdom shown the door, for many thousands of men and women who will not sell out, and who remain true to their own species. This work is almost like autumn and winter ploughing and digging of the land. This work consists of getting it common knowledge that money is made by writing figures in a book. And if one chooses to be a Light Bringer instead of counsel darkener or a newspaper gramophone record, if one cannot be satisfied with a slice of bread while thousands of his kind have only a crumb, then let him take up the simple task. Right ideas, right faith, and right action—the following is assured, even if all the following cannot deeply think.

At least, the Light Bringer will have no share in the exploitation of ignorance—that can be left to newspapers so long as they endure—until the time when one will regard it as cowardly and indecent to be seen reading a newspaper. In this task, the simplicity of Thoreau will refresh again and again the worker who has made his choice in the present world, which is choked with clever people, and in no danger of being choked with common sense.

Freedom By Education

By EDWARD P. KAYE

No one will disagree with the idea that, of the three functions of man, body, soul and spirit, the soul is not unimportant; no reply is expected to the oratorical question, "What shall a man give in exchange for his soul?"

Let us quickly dismiss the body from our discussion. According to the advertisements there are few parts of the human body, internal or external, which cannot be so drugged, massaged, hemmed in or filled out as to assume that perfection of function or beauty of form which will fill an artist with delight or a doctor with despair. And it is quite right that we should be proud of a wholesome body; our bodies, like those of other animals, are meant to be beautiful.

Soul and spirit, however, are on a higher plane, and it is much more desirable for civilisation and progress that these nobler attributes should be one hundred per cent efficient than that the body should be free from pain and disease. The ideal is the combination, *mens Sana in corpore sano*.

It is with the soul and spirit I am here concerned, and it is not necessary to separate or define them. Because neither pills nor poultices avail anything towards their perfecting, and as neither smiles nor cosmetics serve to cover their lack, we grow careless about their cultivation, and even boast about our ability to live quite well without them.

How may soul and spirit best be developed and stimulated? Upon what do they feed? What course of gymnastics trains them? We need not deal with the uses to be made of them; that is safe with the individual who has them; for behaviour is the effect, just as *joie de vivre* indicates good health. The nurture of soul and spirit not only is the reason and purpose of education, it is education, education at its best, not cramming, vocational guidance, careering, finishing schools or other *ad hoc* inventions which would be spurned and rejected in happier circumstances. Their persistence today in Britain is a ghastly and preventable tragedy, for Britain is theoretically, at least, a democratic country where we have what we ask for.

Why is it that so much of our present-day expensive schooling produces, even under democracy, the inefficient soul? In the main it is due to the authoritarian character of much existent pedagogy, which during schooldays insidiously saps the child's freedom and initiative, replacing them by the easy, lazy reliance upon authority.

Do not blame the schoolmaster. He is a cog in the system of a State education which trains the mind fairly successfully but leaves the soul severely alone; there is no time or opportunity to stimulate interest and individuality, the more the boys become similar the more successful will they be in the Leaving Certificate examination, failing which they miss the best positions in life. This "conveyor belt" plan stands self-condemned in crisis; it has merits in turning out boots, cars or cigarettes, but civilisation is stultified when it is applied to education.

What then are teachers to do? As a first approximation they may take it that each pupil is to be educated and trained to become a leader. Let us think for a moment of all that we require from a man we are ready to follow, whose views and opinions, thoughts and actions, in religion, politics, economics or art we wish to share, not blindly and uncritically, but freely and gladly. How has such a one gained his inspiration and quality of soul? By exercising freedom and liberty—that is the answer every time; freedom to criticise and debate, liberty to launch out and explore. That ideal, however arduous, however costly, must be the Herculean task.

In a school of 800, I have annually for 15 years given the boys on the science side a chance to carry out a simple original research, and I know of no educational test of greater value for discovering the highest type of boy. Originality of attack, ingenuity of organisation and rationality of inference are among the attributes required for success. Apart from a certain amount of necessary directive supervision complete freedom exists, freedom, be it noted, for a modicum of slackness, which margin is a vital concomitant for the soul's evolution.

Similar values are derived from voluntary school societies scientific, debating, dramatic and the like, all of which give the future citizen opportunity for asserting and defending his own individual opinions with scope for examining critically the beliefs of his peers.

The above argument is fairly well known and admitted, but is stifled because the applicable funds are too slight to stand the strain of improvements such as smaller classes, more appropriate laboratories and larger staffs. At the universities poverty cripples the soul of the man whose career depends on his degree and who consequently dare not indulge in the non-essential extras; his thwarted emotions force him to consider the safety of each course of action.

These have been called “the mind-maiming effects of our pinchbeck educational system.”

Not all, of course, fall under this gloomy nemesis; some avoid it by chance, some by innate strength of character. How many more would escape these moral blinkers and emotional strait jackets did that liberty of action exist which a free economic system would initiate and ensure!

It is for this reason, above all, that we must press towards economic freedom through democracy, and it is vital to our cause that we preserve the emotional environment of our children. Unless we can, by real education, create in them a freedom from biased opinion, and instill a readiness at all times to judge fearlessly, the present financial shackles will be forged surely and ever more surely. For it is a tragic fact that 99 per cent of the people we meet in the street remain quite unmoved—and unmovable—in the face of a general wrong. This is actually a complex reaction and difficult to analyse; it is partly due to the fear of the unknown, and the herd instinct, but mostly due to this inability to face up to an issue, waiting for some authoritative statement which will hoist them out of their dilemma.

Once more, then, we come back to the vital need for real education; for lack of it the people perish.

The Crisis Factory

By G. HICKLING

I

YELLOW FEVER was banished from the Panama Canal zone as the result of the researches of a doctor who traced its cause to the bite of the female mosquito which bred in millions in the stagnant pools of that swampy area.

By sterilising the breeding places, the recurring epidemics of the deadly yellow jack were ended, and conditions of health now obtain where death once swept his scythe in regular rhythm wide and free.

The researcher who made possible this result did a good job of work. Had he confined himself merely to dealing with the “crisis” effect of the fever itself upon the victims, he would not have eliminated the “cause.” His task of tracing the infection to its breeding place was no easy one, but it proved not to be “beyond the wit of man”; he found the septic source of infection—the “cause”—and in cleansing it forestalled the widespread evil effect of fever “crisis” which so often turned the victim to death.

Today the word “crisis” is more familiar than ever. In economic affairs booms and slumps of the trade cycle produce a crisis at every turn, with additional complications relating to war, poverty, politics, and the right to live itself.

If a factory hand today loses his job, he is face to face with a crisis which is none the less serious for him because it may be an isolated one. It is serious for him not only because his wages are suddenly cut off, but because he may never connect up with wages again. In fact, his very life is threatened, because his access to the means of life are suddenly and drastically restricted.

The restriction is due, not to the scarcity of the means of life, but to the fact that the flow of money to him has been severely curtailed.

His problem is not “unemployment”; it is how to live with a reduced “money” income. His crisis is not a general famine, it is a money-lack which denies him access to the abundance around him and which makes the sales-value of his labour practically nil.

So with the war crisis, one which affects all; it is due to the fight for markets, a fight necessitated because the consumers of a country cannot buy, at the price values, the total values or goods they produce. Again a money-lack problem.

Poverty and malnutrition are obviously states of deadly crisis to those afflicted by them, due to the money-lack of the poor and starving.

So it would appear that society is afflicted with a money fever, a fever that has run its course to a crisis. While this

fever goes unchecked, who is safe from one form or another of the deadly infection of money-lack which produces its crisis and danger of death? Actually, if the causes are sought, we have an easier task than that successfully accomplished by the doctor who conquered yellow fever.

If we look at history we may observe that money-lack fever, and its attribute of crisis—whatever form it takes—can always be traced back to one septic source. In fact, it will be seen that money-lack fever and crises are not so accidental as they may superficially appear. They are brought about by the decisions of a few dominant men, who are unknown to the public because they take precautions to cover their activities. To many it may be startling to learn that there exists such a concentration of power, divorced from the full light of day and exercised arbitrarily to bring millions of people (who are never consulted) to distress, misery, ruin and even death. But let us take a look at history's page.

II

In Britain the penny came first, then the pound, then the shilling. The earliest pennies which have come down to us are those of Offa, King of Mercia, issued about A.D. 775. It is thought that these were copied from coins of Pepin of France, struck a few years earlier. They were silver pennies, and within a century all the Saxon kingdoms had them, and 240 of them were always called a pound.

A.E. Feavearyear says* an old tradition was recorded in a Statute of 1266 that “a penny should always weigh 32 wheat corns in the midst of the ear.” There is also some evidence that a pound weight of silver should always be minted into 240 pennies.

*”The Pound Sterling” (Clarendon Press, Oxford, 1931).

From Saxon times until the eighteenth century, the English pound was based on silver, and quite early its high standard of fineness gained a wide reputation in Europe as “sterling silver.” It was William the Conqueror who fixed a shilling as meaning twelve pennies. “Scyilling,” to divide, cut off, was a Saxon name supposed to refer to a broken bit of silver thrown in when coins were dealt in by weight.

Gold coins were at no time popular, because people had little use for money of high value. In 1257, Henry III minted a gold penny twice the size of a silver penny and worth 20 pence, but it was not liked, and after eight years dropped right out of sight in the old records. Nobles and other gold coins were minted later, and in 1489 Henry VII issued the first gold pieces of twenty shillings, calling them “soveraignes.” Henry also minted the first silver shillings in 1504.

Copper coins were first struck in 1672 to replace lead token money issued by tradesmen for petty transactions, and began with farthings and halfpennies.

Coins with milled edges were not issued until 1663 and were the invention of a Frenchman named Pierre Blondeau. This same year on Christmas Eve, to give advertisement and encouragement to the new African Company, the Mint was ordered to stamp a little elephant on all coins made of the gold and silver supplied by this company. The gold coins so stamped became known as “guineas” from their land of origin, but they had attained their value of 21 shillings only in 1717, when the Mint price of gold was fixed by Parliament at £3 17s. 10½d. the standard ounce.

It was at this time (in 1717), when the Mint fixed the price of gold, that the basis of English money was changed from silver to gold; and this was further consolidated when in 1774 it was laid down in law that the silver coin was legal tender only up to £25; in 1816 the amount was reduced to forty shillings which it has ever since stood.

This shows that circulating money was really based on the goods purchased, rather than on the weight of silver they were supposed to represent. Maybe this had a bearing on the complete freedom of those days from booms and slumps and price juggling by money manipulation. The word “sterling” meant, in practice, genuine marketable commodity values, whatever the Mint might relate it to in terms of the metallic weight of fine silver.*

*“ . . . the English pound has been a silver pound throughout most of its history. And Feavearyear points out that even so it was as much a unit of account as it is today. Its value was often far from that of the intrinsic value of the metal it contained; debts were settled by tale with coins of an infinite variety of weights and fineness, and all ranked as of equal value. The payment was throughout in sterling, not in silver or gold.”—A. N. Field in *The Examiner*, April 1938.

In any case, during this period, prices were steadier than they have ever been since banking and bank-credit were introduced. Adam Smith remarks* that from 1351 to the accession of Queen Elizabeth in 1558—over a period of two

centuries—a price of 6s. 8d. a quarter was throughout regarded as a fair average price for wheat. In our own times, between 1920 and 1934, the price fluctuated from 80s. to 20s. a quarter.

* “Wealth of Nations.”

It is true that Henry VIII in 1542 debased the coinage by alloy, and this had an inflationary effect. Prices rose; but after a few years corrective measures were taken and they fell again, though not quite to the previous level.

Thorold Rogers, in his “Six Centuries of Work and Wages,” states that up to the first quarter of the sixteenth century the lot of the English labourer was that of plenty and hope.

Cobbett, writing in 1827, noted that, in marked contrast with workers’ diet in his own times, a statute of Henry VIII fixing the price of beef, pork, mutton and veal, described them in its preamble as “being the food of the poorer sorts.” He noted that in 1380 men punished for disorderly conduct had to “fast for a fortnight on bread and beer.” Wages and prices in the days of Edward III, according to Cobbett, showed that a farm labourer earned about enough in a day’s labour to buy a pair of shoes, in four days enough to buy a fat shorn sheep, and other articles at a similar rate. The wages of a reaper then would buy between three and four times as much in commodities as a reaper could buy with his wages in 1827.

It was in this early period that the great cathedrals were built or completely rebuilt, and on every four square miles arose a handsome and commodious parish church. The Trades Guilds housed themselves in buildings of great architectural beauty, all built apparently without regard to cost.

Writers in the fifteenth, and early sixteenth centuries testify in detail to the great and general prosperity of the English. With a population of three million there were ten thousand students at Oxford University.

What a contrast to our own day with its distressed areas and malnutrition! It is true that the English in those days were not the centre of a great Empire, but it is also true that they managed very well without any National Debt.

Macaulay, in his history of England, tells us that in 1660 banking had not yet begun in this country. Feaveryear fixes the date of origin of banking as 1662, in which year he says the goldsmiths began to solicit the merchants to be allowed to keep their cash. Macaulay says, “It was about the year 1688 that the word stockjobber was first heard in London.”

It had been heard on the Continent before this, though; for in 1609 the Bank of Amsterdam, the first bank in Northern Europe, was established. The Amsterdam Stock Exchange was opened four years later, in 1613.

In London, the goldsmiths’ discovery that they could lend what they had not got (and charge interest for it) by a system of receipts and overdrafts, was first put into practice about 1662, and preparations were soon afoot to consolidate, monopolise and exploit the secret of bank- credit.*

*Macaulay quotes a pamphlet published in 1695 as stating, as a matter of notoriety: “Indeed no goldsmith had in his vaults guineas and crowns to the full value of his paper.”

By 1694, the plans matured and the so-called Bank of England was founded, and with it the National Debt. This operation is widely attributed to one, Paterson, but the fact that in the second year of the Bank’s existence his name was removed from the board (or court) of directors tends to confirm the suggestion that he was only a nominee acting for the real principals who, by this means, avoided publicity.

III

The history of the Bank of England is that of a series of crises with the peculiarity that every one has provided the Bank with the means progressively to consolidate its power. Every crisis has been a stepping stone to monopoly for this institution, which, as history testifies, has thrived at the expense of the suffering and misery of millions of British people.

When, after the war of 1914-18, the Bank is observed preparing to do exactly what was done after the Napoleonic wars, with the same disastrous results for the British people and the same increase of monopolistic power, what does it mean?

Does it not indicate that the decisions made by those who control the Bank and which produce widespread ruin and

“crises,” are taken in the light of previous experience and therefore with full knowledge of the results that will occur?

What can be the motive behind such decisions? It cannot be the mere acquisition of wealth, for those who make these decisions are rich already. Let the results show; a motive does appear; and throughout the history of the Bank this motive is consistent. It bears all the evidence of design, to work for the consummation of a planned purpose, but a purpose (again testified by history) that must be concealed from the public, because if it were guessed too soon, the people would rise and frustrate it.

From its foundation the Bank's* greatest asset has been the secret, discovered by the goldsmiths, of the creation of an abstract form of money—bank-credit—costlessly. It has been kept secret because essentially it is cheating on a colossal scale. By the theft of the nation's financial credit, ownership and control has been acquired over the nation's *real credit*.

*Reference to the Bank henceforth must be read as meaning the men who own and control it.

Space forbids reference to more than a few instances of the technique adopted by the Bank, but they are quite sufficient to prove that the Bank deliberately creates crises. The motive appears in each of the instances that follow. It is finally to achieve complete control of all forms of activity, of wealth, of people. It aims to *own* everything and everybody, under conditions in which resistance is impossible or fatal, and every crisis has brought it nearer to this end.

It costs the Bank nothing but ink to finance a war. It costs the people blood and effort; but, win or lose, the people are left owing the financial cost to the Bank. The blind acceptance of this trick as an honourable debt by the people permits of the progressive encroachment by the Bank upon the people's liberties. This encroachment proceeds ruthlessly; the plan demands the action; and if millions of people suffer unnecessarily—well, that is incidental. The paper debt must be transformed into tangible assets. The people, having paid in labour and loss to create the “debt,” must be made to sacrifice again in handing over or losing what assets they have left.

And so, after the Napoleonic wars, the National Debt stood at £816,000,000, of which about £600,000,000 was paper money unbacked by gold, and bank-credit, issued at practically no cost to itself by the Bank.

Preparations for a return to gold payments were made in legislation enacted in 1819 (the year of the Peterloo massacre at Manchester), and payments were finally resumed on May 1, 1821. Having adopted again the gold standard, the Bank restricted its paper accordingly (what an effective camouflage gold has been for these shady operations!) and credit was constricted to the point of more than doubling the weight of the debt in real values.

Prices fell and continued to fall; years of misery and distress followed. By 1839 one person in every seven in the British Isles was a pauper on the rates. “A leader in the fight for a return to the gold standard was David Ricardo, who was chiefly responsible for formulating the Bullion Report.”*

*“Stabilised Money,” by Professor Irving Fisher, 1935.

The sinking fund set up by William Pitt in 1786 wiped out £238,000,000 of debt by 1813. This sinking fund was abolished by Nicholas Vansittart, Chancellor of the Exchequer, who on March 3, 1813, said in Parliament: “The great danger of the sinking fund . . . is that it will liquidate the debt too rapidly . . . All our financiers, accordingly, have concurred in the necessity of limiting, in some way or other, this powerful agent of liquidation.”*

*“All These Things,” by A. N. Field (page 251), (Britons Publishing Society, London).

In 1833 the Bank of England was exempted from the Usury Law, which then forbade charging higher interest than 5 per cent, and was allowed to run its discount rate up to any figure it liked. At the same time Bank of England notes were made legal tender.

The Bank Charter Act of 1844 consolidated the Bank's monopoly of central banking. It became the Bank of the other banks, which means that they came under its control in the sense that the whole banking system now had become rivetted legally to the gold standard, and, as Bank of England notes were legal tender and the Bank, under the new Act, was obliged to buy with its notes all gold offered it at £3 17s. 10½d. an ounce of standard fineness, other banks were restricted by the operations of the central Bank which could buy gold at the cost of merely printing its own notes.

This manoeuvre enabled the Bank to restrict credit at its own will and plead it was governed by gold; but it could

expand bank-credit without relation to gold if it so chose, in a way that no other bank could.

Strangely enough, in 1846, only two years after the Bank's accretion of power by the recurrent crises of the post-war period, the law relating to high treason, which had stood unchanged for many centuries, was altered. "Bringing pressure to bear on one or both Houses of Parliament by any person or group of persons to the danger of the State" was deleted from amongst the capital charges of high treason.*

*Some unemployed mechanics in Coventry in the depression of 1921-2-3, looking up the law on high treason and its bearing on the persons who made the decision that caused the "crisis," were struck by this alteration of the Act, and concluded that the passing of the Bank Charter Act in 1844 and the alteration of the Statute of High Treason were related.

Three years after the Bank Charter Act was passed the Irish potato famine made it necessary to import foodstuffs heavily into Britain, and caused a drain of about £6,000,000 on the Bank's gold reserve. In the paper-money years of the Napoleonic wars much greater gold movements had caused no upset at all. Under the new gold standard law the result was the greatest commercial crisis Britain had known up to this date. A terrific price slump ensued, wheat falling from 102s. to 48s. during the year. It was stated in Parliament that even a man with £60,000 of silver bullion in his possession was unable to raise a penny on it, old-established firms crashed in every direction and Sir Archibald Alison put the total losses at about £300,000,000. After the Bank had changed its discount rate 13 times during the year, the new Bank Act was suspended on October 25, three years after it had been passed. That is to say, after having brought thousands to ruin, the law which could not be altered to save the victims was suspended in favour of the Bank to relieve it of its gold responsibilities; but its privileges and power remained.

This means, in effect, that the Bank is above the law. Strange coincidence that the Statute of High Treason was altered the year before, was it not? The "hungry forties," the blackest period in English history, was a successful era for the Bank. The suspension of the Act helped the Bank, after it had, by its decisions, devastated a nation by a rigid rule it abandoned itself when the pickings were ready.

From then on, the Bank had its claws on land, on whole industries, and on the railways. By juggling with *financial credit* it became possessed of *real credit*. This period marked its entrance into industrial, agricultural and transport control.

Again crises lifted up the Bank, whatever happened to the victims.

IV

The history of the Bank during the last 25 years is consistent with its past; the evidence is more than ever overwhelmingly in proof of its role as a crisis-maker for a secret and sinister motive. The generation of Britons which faced the European War in 1914 grew up in total ignorance of the monetary history of their country, and this fact is not accidental.

When the war broke out the National Debt was less than £800,000,000. In 1918, it had grown to nearly £8,000,000,000:

By the 31st March 1920, Great Britain's deadweight debt amounted to £7,828,779,095, more than five-sixths of which was internal! *

*"War Finance and its Consequences," by F. Fairer Smith (Faber and Faber).

The banks had created and lent about £7,000,000,000 during the war, and actually before the war was over preparations were made to repeat the manoeuvre that succeeded the Napoleonic wars. A Committee was appointed by the Treasury in January 1918, "to consider the various problems which will arise in connection with currency, and the foreign exchanges, during the period of reconstruction, and report upon the steps required to bring about the restoration of normal conditions in due course."

The following words were subsequently added: "and to consider the working of the Bank Act, 1844, and the constitution and functions of the Bank of England with a view to recommending any alterations which may appear to them to be necessary or desirable." The Committee, composed almost entirely of bankers, had for its Chairman Lord Cunliffe, Governor of the Bank of England!

This Committee advised "the repayment by the Government of a large portion of the Government's securities held by the banks," and further advised against the reconstruction policies which had been promised by Mr. Lloyd George

as Prime Minister, on the ground that such policies would require “the creation of new credit which would interfere with the restoration of the gold standard.” Note “*restoration of the gold standard.*”

Some years later, statesmen and bankers were asserting that the present crisis was not, and could not, have been foreseen by anyone; but the deceit behind this statement can be proved in the writings of a few men who saw what was happening at the time of the issue of the Cunliffe Report. Six articles written by the late Arthur Kitson were published in *The Times*, in which all the disasters, unemployment, bankruptcy, and misery that followed were foretold, and Mr. Kitson sent copies of his criticism to the Cunliffe Committee a year before the final report was issued. His warning was ignored.

The final words of his *Times* articles were: “To raise the value of money after the war is an old trick of the world’s financiers. It was practised after the Napoleonic and American Civil Wars, and led to years of industrial and social disaster and untold misery. At all costs a repetition of such jugglery should be prevented.”

Early in 1920 Mr. Austen Chamberlain, then Chancellor of the Exchequer, announced in Parliament that “the Government had set its heart on deflating the currency.” Mr. Montagu Norman, now Governor of the Bank of England, at once began the work. He raised the Bank rate, restricted credit, and a year later prices had fallen by 40 per cent, and nearly two million Britons were workless and in poverty.* Bankruptcies in Britain in 1920 had numbered 1,521 with liabilities totalling £4,500,000; next year they numbered 4,625 with liabilities of just under £16,000,000.

*On May 18, 1920, at a secret conference of the Federal Reserve—the minutes of which an honest man thereat made public years after—ordered the restriction of credit (Document 310, 67th U.S.A. Congress, 4th Session). The U.S. price index stood at 247 at the time of this conference. By the following December prices were down to 179. The crisis had arrived and millions were ruined.

But another pinch of restriction was preparing. On April 28, 1925, Mr. Winston Churchill announced, as Chancellor of the Exchequer, that the Bank of England was resuming gold payments. Thus after a lapse of 11 years the gold standard was again restored but it was a peculiar gold standard. The Bank was compelled to deliver gold only if sufficient of its notes were presented to buy a 400-ounce bar of gold at £3 17s. 10½d. an ounce.

This gave the Bank complete control over the volume of circulating money in Britain; it enabled the Bank to raise or lower prices of all commodities and the rate of wages, to create slumps and booms, and to become possessed of assets of real value at its own costless prices.

The crisis of 1931 followed, and vast schemes of rationalisation, amalgamation and capital reorganisation were forced on those permitted to survive at all in industry. The result is a closely-knit formation of horizontal trusts interlocked with the vertical cartel—with bankers on top.

The vast ramifications of their monopolistic power is well camouflaged by the device of having bank directors or nominees on several of the boards that thus are linked and interlock, but which to the uninformed appear unrelated.

The Bank of England forms the apex of the banks, the finance houses, the insurance companies; and, through their medium, controlling interest in practically every industry has been acquired.

Any firm or group of firms refusing rationalisation or amalgamation faces ruin—and a crisis is a good way (from the Bank’s point of view) of killing two birds with one stone.

It ruins those who will not “put their house in order”; it camouflages a planned design into the appearance of a natural event, and so shields the planners from responsibility. These forced amalgamations are always hailed by the press as steps towards efficiency and economy. The public are doped by promises of better service due to the elimination of overlapping and “waste”—but these promises are not translated into benefits for the public, once the “powers” are granted.

Thus today we see huge combines (though many are unseen because of the interlocking control which, with a single eye, overlooks and owns apparently rival combines) operating with monopolistic powers. The aim is to make impossible the initiation of a free business or industry of any kind, and ultimately to make it so that a man cannot even engage in so simple a business as that of growing potatoes and selling them without the permission of the secret monopoly. This, in fact, has already been accomplished.

William Cobbett’s words, written as long ago as the beginning of last century, have again been substantiated by history since. Here is what he said then:

I set to work to read the Act of Parliament by which the Bank of England was created (in 1694). The inventors knew well what they were about. Their design was to mortgage by degrees the whole of the country, all the lands, all the houses, and all other property, and even all labour, to those who would lend their money to the State—the scheme, the crafty, the cunning, the deep scheme has produced what the world never saw before—starvation in the midst of abundance.

The words of Arthur Kitson* in describing the Bank are also worth reading:

Here is a private trading company to which has been given, by Mr. Baldwin's Government, the absolute control of the public's money system; a corporation owned by a number of shareholders who are under no obligation to publish their names or holdings; a company that can adopt any policy its directors see fit; that is under no obligation to meet the needs of British trade and industry; that is international in character; that has the power to loan and does actually loan British credit to foreign countries to build up rival industries to those of this country; that can raise or lower the Bank Rate for its own interests, and so penalise the British public; that can depress trade and increase unemployment or revive trade and reduce unemployment, without any interference from the Government, and without any obligation to explain its conduct!

*"The Bankers' Conspiracy" (Elliot Stock).

To this we may add that the Bank can and does manufacture crises to consolidate its power; it can and does condemn millions to starve in the midst of plenty; it can and does create bankruptcies in order to become possessed of a monopoly for its own controlled combines; it can and does place its own nominees in every key position in politics, industry, the Church, and the Services.

In "Modern Democracies" the late Lord Bryce said:

Democracy has no more persistent or insidious foe than the money-power, That enemy is formidable because he works secretly by persuasion or deceit, rather than by force, and so takes men unawares. He is a danger to good government everywhere.

* * *

So here we have found the septic source, the origin of money-fever, the cause of the money-lack bite which in turn produces deadly "crisis." The remedy is to sterilise the source so as to prevent the usurpation and abuse of power. Behind the deceptions of "economic blizzards," "tide-turnings," "recessions," "confidences" and "appeasements" there exists a powerful will ruthlessly opposed to personal freedom.

What can be done? It would appear that only by the mobilisation of a stronger will, the will of the people, can this plot to enslave the world be frustrated.

And in the uniting of that popular will, a wide dissemination of the true facts relative to money and life is vital and urgent because even the freedom to do this is being withdrawn.

Jigger

By TOM DIXON

JIGGER is dead, yet I cannot, in writing about him, say "nothing but what is good." In the interests of truth it has to be recorded that he was thoroughly selfish, vindictive and heartless.

He was an old man all the time I knew him, and I cannot imagine what he must have been like when he was young. I picture him as I used to see him most often, wearing his ragged pit clothes in the coalmine. Very early in the day, before most of us had got dirty to speak of, Jigger would be marked by reason of a habit he had of blowing his nose out with his thumb and forefinger. His job required him to work a lot with tarry, steel rope, so that the effect of his habit was to build up a dark, enveloping smudge on his red nose. The process, as the day wore on, was rather like a fire going out.

He once called me a schoolmistress. This was not because I resembled in any way Herr Hitler's notion of Mr.

Churchill. My hands were as tarry as Jigger's; but what he objected to was my fastidiousness. There was no way of washing our hands when it was time to eat our sandwiches, so I used to hold my sandwiches with a piece of paper held in my fingers. This precaution did not meet with Jigger's approval. He called me a schoolmistress, and said that tar was good for you. He claimed to have smoked barrels of it.

And he had, without a doubt. There was never very much tobacco in the bowl of his filthy clay pipe, with its inch or so of stem. He kept it going mainly with the tar which was unavoidably thrust into the bowl as he pressed down the tobacco with his finger. You could hear it sputtering with a sound as of frying bacon.

It was his other claim, the claim that tar is good for you, that was open to question. That is, at any rate, if Jigger himself was an example of what tar does for you. He was flat-footed, but you could not blame the tar for that. Nor could you blame the tar for his knees. They were not knock-knees. Nothing so definite as that. They used, I think, to share Jigger's own cantankerous humour. They were at odds with one another. And to see them in all their glory was vouchsafed to humanity only once, to my knowledge. It was when he was seen fleeing before a set of trucks which had broken loose from the rope. There was little to be seen in the darkness save his knees illuminated by the lamp he carried. Each knee seemed to be not only trying to escape, but at the same time to be trying to thrust its companion into danger.

No, it was his asthma which I used to regard as a bad advertisement for tar. He was always coughing and trying to clear his chest. It was his asthma which finally killed him, yet, on the other hand, he would not have been such a poetical figure without it.

Perhaps I ought not to have called him a poetical figure. He was not a poetical figure in the sense that he would specially have provided a poet with a subject. The point is, rather, that Jigger was a poet himself.

Like all true poets, he loved the sound of words. That was his first demand on his words: that they should sound well. He cared only secondarily for what they meant. He swore most of the time, and he seemed to take a deliberate pride in his swearing. I once saw him when his shuffling gait was suddenly halted by a collision between his head and the roof. His legs gave way, and, for a moment, he sat quite still. He had been carrying a lamp and a pick, and his first action was quietly and deliberately to place these on the ground beside him. Then he began to express himself. Every word was carefully chosen, but it was chosen more for its sound than its sense, and the words were arranged on the same principle. Verbs did duty for adjectives, and nouns for adverbs. There was no order save the order of euphony. But the result was a hymn of hate.

And this, like all his utterances, was punctuated with his coughing and spluttering and fighting for breath. The terrible pleasure of listening to the sounding words was enriched by the sense conveyed that here was art performed in a difficult medium. He could express anything with a cough and a spit, from the most unutterable scorn to the most hilarious amusement.

It was dangerous to mention anything you cared for in his presence, for he would be almost sure, if it sounded well, to incorporate it into his next swearing bout. A devout Catholic told him once about the Brothers of St. Vincent de Paul. I do not think that he noticed much what was said about them, but he noticed their name, for he literally swore by them ever after.

I argue that Jigger might have been famous if he had been granted reasonable opportunities. With all his crudity of outlook, he saw with a poet's eye. When the more matter-of-fact, for example, saw a youth wearing "Oxford bags," it was Jigger who saw a youth with his feet sunk into the pavement up to the ankles. When a favourite tool was stolen from him, it was the poet who disclaimed any desire for revenge. "I bear no malice," he said, "but I'd just like to know who it is. And just so that I'll know who it is, I hope I'll meet the culpet at the pit shaft, with his arm withered off by the elbow; never to come back more."

Old Testament Anticipations

By A.B.C.

Can religion, or can it not, synthesise the needed effort to lift mankind out of our present disorders, dangers, baseness, frustrations, and futilities, to a phase of relative security, accumulating knowledge, systematic and continuing growth in power and the widespread, deep happiness of hopeful and increasing life? —So Mr. H. G. Wells.

IT is no part of my purpose to debate the cogency of Mr. Wells's challenge, however timely it may be deemed. On the other hand, when the Social Credit teaching has been mentioned in Church Assembly or the House of Commons, so often has Scripture been appealed to as giving decisive word against the idea, it may be a matter of surprise in some quarters how far even in Old Testament times joyous prosperity and the sense of the goodness of things is anticipated. And that, moreover, not in the bargaining spirit. We have been used from childhood's days to the drilling, "Do this and this and this and so shalt thou have good success." The present endeavour is rather on other lines.

What may strike one as remarkable is that many of the Old Testament pictures of social good originate with the most advanced among the spiritual geniuses of the race. Take, for instance, the case of Jeremiah. While for many Jeremiah still passes as a synonym for the man of dolorousness, and while maybe his significance does not readily disclose itself to the superficial reader, this man is now regarded as one of the peers of the race for his marvellous insight, an insight matched with equally marvellous courage and devotion to his country.

Over 70 years ago Sir J. R. Seeley wrote of the teachings of the Hebrew prophets: "When we consider the age in which they were delivered, we can clearly perceive that no more precious treasure was ever bestowed upon a nation than these oracles of God." Among those teachers Jeremiah stands second to none.

Very well. At a time when to him it was painfully clear that his country stood on the verge of ruin (these prophets, the greatest of them, were realists; hence their unpopularity), his heart was surcharged with a great hope. No matter that for his inflexible loyalty to the truth that was in him he had been subject to the public ridicule of the stocks, and indeed that his cup of bitterness had overspilled till he could curse the day of his birth (a very human body is this), when Jerusalem stood trembling on the brink of disaster he gave to the world what is quite possibly the finest disclosure of the Divine purpose and grace we ever had until the advent of Christ. Jeremiah's teaching of the New Covenant (Jer. 31, verses 31 f.f.) has found many commentators and exponents, one of the most important being St. Paul. Biblical teachers of all schools are agreed in according to it the highest place in Old Testament revelation. That is not in debate.

But let the interested read on in Chapters 32 and 33. Or let him read back to the first fourteen verses of Chapter 31. Let it be recalled that this man, in loyalty to his vocation as the spokesman of God to his time, had been required to forego the satisfaction of sharing a home with wife and family. He was required to be ready to lay down his life at any time, hence to be unshackled of any domestic responsibility. But see this man, denied of happiness for himself (Chapters 16, verses 1-8) radiating and exulting in the prospect of happiness for others. While shut up in prison (for his faithful speaking) he tells of the purpose of God for Jerusalem. "Behold I will bring it health and cure, and I will reveal to them abundance of peace and truth. . . and this city shall be to Me for a name of joy for a praise and a glory before all the nations of the earth which shall hear all the good that I do unto them . . . Again there shall be heard in this place the voice of joy and the voice of gladness, the voice of the bridegroom and the voice of the bride" (Chapter 33, verses 1-11).

Or consider this as from the mouth of the "doleful" prophet—"And they shall come and sing . . . and shall flow together unto the goodness of the Lord, to the corn, and to the wine, and to the oil and to the young of the flock and of the herd . . . and they shall not sorrow any more at all. Then shall the virgin rejoice in the dance, and the young men and the old together: For I will turn their mourning into joy . . . and My people shall be satisfied with My goodness, saith the Lord."

There is nothing anaemic about the religion of Jeremiah. (There is known a country parson who frequently incorporates this reading into the marriage service.) Or, again, if in one or two concentrated sentences one would apprise oneself of Jeremiah's conception of God, let him read simply the two verses, (Jer. 9, 23-4). ". . . I am the Lord which exercises loving kindness, judgment (i.e. justice) and righteousness in the earth: for in these things I delight"—which means especially would God delight to find these qualities reflected in the people.

"My people shall be satisfied with My goodness." In being so bold in bespeaking of the Divine bounty there is no sign that the prophet had any glint of knowledge of the modern achievements in agricultural research, either in regard to the fixation of nitrogen, or the provision of fertilisers, or the selection and rearing of peculiarly appropriate seeds, or the increased resource available through mechanical cultivators, or through the application of electricity to

agricultural processes. Nor any more is there with the writer who affirmed the bounty of God as manifest in crops so abundant “that the plowman shall overtake the reaper” (Amos 9, verse 13).

Whatever miracles have been wrought in recent years, probably most of those who passed through Palestine in 1917-18 found little in it to correspond with the description of it as “a land flowing with milk and honey.” Nevertheless, Jeremiah conceived of the availing purpose of God, and of His bounty, as to guarantee the repletion of the people. And while it is repeatedly stated “I admit the criticism of Social Credit upon our institutions, but its constructive proposals appear altogether too materialistic,” he observed that the profoundest religious genius of the Old Testament apparently found no obstacle in affirming the high social good of the ancient people as included in the Divine purpose.

Perhaps it is best here to note for a moment the significance of one or two passages in Deuteronomy. This Scripture is thought to be the book whose discovery is announced in II Kings 22, verses 8-11. Its date may be about the time of the beginning of Jeremiah’s ministry. (Almost all scholars are of this opinion. Moses could not very well have given the world the account of his own death.—Deut. 34.)

For its fearsomeness probably many Bible readers pass lightly over Deut. 28, verses 15-68. It is indeed a terrible piece, setting out the disasters which shall follow in a certain event. But what event? Not for idolatry or apostasy, this time. But simply for the *rejection* of the bounty of God! “Because thou servedst not the Lord thy God with joyfulness and with gladness of heart by reason of the abundance of all things” (verse 47).

From America the news is just to hand, “A bumper orange crop is being harvested in California, and citrus growers are *daily* dumping 120 tons of fruit . . . into a dike (sic) of the Santa Ana river and sprayed with oil” (*Today and Tomorrow*, Nov. 24, 1938). The Deuteronomist conceived a better notion. Perhaps it is that the reading is obscured in the Authorised Version, or else that we have accustomed ourselves to the habit of refusing to be surprised (or have we lost the sense of wonder, or dulled the sense?) or one might have thought that Deut. 15, verse 4 R.V., would surely have stirred some wholesome reactions—“*Howbeit* there shall be no poor with thee.”

Even if one concedes that this legislation is idealistic, it cannot escape notice that in that meagre age, in relatively a poor country, the conquest of poverty is conceived both a feasible and desirable thing. It is enjoined with the highest sanctions—and without being hampered by a lot of qualifying “ifs.” On this standard the campaign to abolish poverty has the highest credentials; and our responsibility is heightened so much the more as our resources are enormously multiplied.

This paper will be too long if one stays to point out in any great detail certain of the Old Testament prescriptions whereby the liberty and the inheritance of the commoner is defended. However hard pressed a man might be, though occasion may cause him to mortgage his holding, yet “the land shall not be sold in perpetuity.” “In the year of Jubilee ye shall return every man to his possession” (Levit. 25, verses 23 and 13). And if a man has been straitened so that he has sold himself as a bondsman to another, there is a term set (Deut. 15, verse 12). And, “It shall not seem hard to thee when thou lettest him go free (verse 18), and “thou shalt not let him go empty” (verse 13). “For I have broken the bars of your yoke and made you go upright” (Levit. 26, verse 13).

What a reproach to us, the millions of dwarfed, crooked, starved, prematurely aged and utterly dispirited men and women, in this unparalleled age of plenty!

Sir J. G. Frazer called Isaiah 65, verses 17-25, the oracle of “The Golden Age.” It is not an unfamiliar Scripture. It is frequently cited by our advocates of peace. Would that they would consider a little the quality and the nature of the Peace. Pertinent to our present purpose are verses 21-23: “They shall build houses and inhabit them, they shall plant vineyards *and* eat the fruit of them. They shall not build and *another* inhabit, they shall not plant and *another* eat. They shall not labour in vain, nor bring forth for calamity . . . My chosen shall long enjoy the work of their hands.”

William Morris used to say that no compensation was commensurate with the injury done to a man by stripping him of joy in his work. Here men enjoy both their work and the *product* of it. In this age we have contrived the opposite; few men can go to their work to rejoice in it—they are so dogged about by uncertainty. And the precise contrary is the emphatic doctrine of the hour: every day it is dinned into the British worker he must work at such a pace and at such a price as to succeed in *exporting* the work of his hands.

Granted that over 2,500 years the relations of trading communities have altered, the prophet’s conception of the true society at any rate runs up into this—that the fruit of his labour or its corresponding equivalent in exchanged wealth is his reward. Which precisely is *not* what our orthodox economy allows. And can we possibly have the peace except

we have the true polity?

Here is one for us when we are nearly persuaded to resign all our efforts to inaugurate or expedite reform of our financial machinery, and when the plea of archbishops and other chief officers of the Church urges upon us the precedent claim of the change of heart. The reference is to the oracle Joel 2, verses 18-29. "Joy is withered away from the sons of men" (Joel 1, verse 12). The land is denuded by pestilence. And the prophet affirms notwithstanding the kindly pity of God: "Be glad and rejoice in the Lord . . . the floors shall be full of wheat and the vats shall overflow with wine and oil. . . . And ye shall eat in plenty and be satisfied, the Lord hath dealt wondrously with you, and My people shall never be ashamed. . . . And *afterward* I will pour out My spirit upon all flesh."

George Adam Smith comments: "Every real revival of religion that the Christian world has seen has happened in years of prosperity. Religious degradation and social degradation go *hand in hand*." "Afterward," writes a modern thinker, "when men live in homes that they have built, that they own; when a sense of security has taken the place of economic fear; when children can prolong their natural childhood; when the wealth of the land has been distributed according to the principles of justice, so that a few do not control uncounted millions whereas the many are living from hand to mouth, or are not living at all— then, when that day comes, the Church will know an outpouring of the Spirit of God and men shall see visions of themselves and of the world which they never saw before" (Raymond Calkins, "The Holy Spirit").

To the *Westminster Review* nearly ninety years ago, J. H. Froude contributed a finely discerning article on the Book of Job. Of more recent time G. K. Chesterton, among popular writers, has also given attention to the Book. It is one of the most eminent discussions in the world on the problem of suffering. The point in this present paper is not the debate of Job with his friends, but his last passionate outbreak bespeaking the man he had been. And in Chapters 29 and 31 we are given the portrait of a full-framed man the like of which is perhaps unsurpassed before the time of Christ.

He has been stung to make this self-attestation. He tells of his former state in the affairs of men:

Unto me men gave ear and waited . . .
They waited for me as for the rain,
For when the ear heard me, then it blessed me . . .
Because I delivered the poor that cried.
The fatherless also, that had none to help him.
The blessing of him that was ready to perish came upon me,
And I caused the widow's heart to sing for joy . . .

In Chapter 31 he turns the searchlight upon his more intimate life and affirms his integrity notwithstanding his wife had bade him "Curse God and die." He invites scrutiny as to the manner of his dispensation of judgment. Had he ever despised the cause of his manservant or maidservant when they contended with him? Had he deflected the course of justice because he "saw help in the gate" (had friends at court)? Had he become ensnared of the glamour of gold? Or had he eaten his morsel alone? Had he seen any perish for want of clothing? Had he ever lifted up his hand against the fatherless? And as though fearing no challenge on any of those points he goes on still more searchingly—had he failed to do his duty to his land? "*If my land cry out against me!*" (verse 38).

Here is a magnificent conception of the full duty of man. And many an anxious landowner or farmer will rejoice in the recognition of a man's proper responsibility to his estate.

What is our case compared with a standard like this? What can we say about the befoulment of Britain, its neglected ploughshares, its scrubby pasture, the decay of the countryside? Everywhere penury, debt, anxiety, masters and men in the same boat.

There is a New Testament corollary to this. In one of the most forthright of our Lord's parables of warning is the picture of *the undeveloped estate*. In the story of the Talents the man who was damned was the man who had not used his opportunity. And what shall we say in this age of Power as touching the present spectacle of Britain? What might not we do? Before our Maker what ought we not to be striving to do?

We have been called by the Archbishop of Canterbury to seek again the Will of God. Have these Scriptures nothing to suggest as to what might be His purpose concerning the resources entrusted to us? Can any interpretation of religion be accepted of us which refuses to measure itself and its enjoinders by these standards?

And perchance is not the sum of the new disclosures made to us of the world's resourcefulness in all its many aspects a peculiar revelation of the Grace and Bounty of God to a distracted world?

We have heard much of the burden of the world's superabundance. It is a lie while so much poverty remains unrelieved.

Dr. Stanley Jones, writing of religion in India, while acknowledging that Christ is the goal of character, says: "But men need more than a goal; they need a free, full life; for life is crippled and dwarfed. Said a lady to him, 'You talk to these people of religion. What they need is Bread. Look how starved and pinched they are. Why don't you give them bread?' " And he is compelled to admit the justice of the appeal. "Forty million people have never known a full stomach and never will from birth to death."

That is only a single aspect of the world's poverty. And one is reminded of the current news about the embarrassment in the markets of the world because of the abundance of wheat—typical of much else.

The world is very tired of the unending successions of conferences and debates about an ever-increasing complex in politics. One single, simple, sustained, forthright endeavour to bring the world's abundance into relation with the world's need might wonderfully bring together distracted nations, and there might arise a nobleness of purpose from the heart of mankind that would astonish us and leave a mark on history.

A marginal reading of Amos 1, verse 11, tells of a people who "*corrupted their compassions.*" A perpetuation of that crime by those who darken counsel can only lead to confusion and disaster.

364 Days in the Year

By Griselda COCHRANE-SHANKS

"... And do let us see to it that on one day of the year at least we manage to make everybody happy."

The Rev. H. M. Chilham, Bishop of Filchester, folded the neat notes his secretary had typed for the sermon to be given in the Cathedral on the Sunday before Christmas.

Chilham gave a sigh of satisfaction and settled himself more comfortably in his wing-backed armchair to wait for Jepson—Jepson, who came over to play chess with him every Saturday evening after dinner. The Bishop gazed happily into the glowing fire and thought how snug it was in his study and how cold it must be outside in contrast. The frosty weather made the fire burn well and crackle cheerily. There was one large piece of coal that looked as if it would topple over at any moment. Perhaps he ought to poke it back a bit. No, couldn't be bothered.

"God rest you merry, gentlemen, let nothing you dismay,"

Sweet and clear the words of the old carol rang out suddenly on the still night air.

"For Jesus Christ, our Saviour, was born upon this day."

Never before had the Bishop heard carol singers with voices of such ineffable beauty. They might have been angels calling him out. He really must give the boys half-a-crown. Such splendid singing should be encouraged. Chilham rose and went to the door. What! not a trace? All he could see was the snow falling steadily, but not a sign of the singers remained, not even a footprint in the snow. The Bishop could, however, hear something else—the bells of Filchester Cathedral ringing out through the otherwise silent night.

Good gracious! it must be Sunday evening and time for the Bishop to deliver his sermon. Fortunately he was dressed in his vestments, and, clutching his notes, he hurried to the Cathedral. As he swept through the empty streets he noticed one curious thing; instead of walking he was being borne along in the air with his feet a few inches above ground, his white robes fluttering with the swiftness of his motion. To make sure of this the Bishop looked back the way he had come, and sure enough not a footprint was to be seen in the snow. This is the way a Bishop should always proceed, thought Chilham, much more dignified than walking.

Not a soul did the Bishop meet as he passed through the narrow overcrowded streets of Filchester, but as he turned

a corner the bells sounded louder and Chilham thought he had never heard them ring before in such harmony or variety. They might have been the bells of Heaven itself.

At last the Bishop reached the rich pile of the Cathedral which rose above the mean streets. A door opened by some unseen agency and the Bishop swept in and floated up the winding stair to the eminence which was the pulpit.

Looking down, the Bishop got a shock. The Cathedral was crowded. Crowded out in fact, with people standing at the back and hanging precariously on to the pillars. And such people! Well, they certainly weren't all churchgoers, for some of them looked as if they had never been in a church before, and apparently they didn't know how to behave once they were there. Some of them were down-and-out tramps sleeping with their heads resting on their folded arms and their arms on the pew in front of them. There were painted and bejewelled women, there were cynical men of the world, and nearly everyone was talking, laughing or quarrelling, smoking and waving to friends. The motley crowd stretched out and back to the confines of the building, the end of which was lost in mist, and it seemed to Chilham as if all humanity was stretched out before him, all waiting to hear what he had to say.

However, the choirboys were just the same, neatly ranged in their purple and white vestments. It cheered the Bishop to see them and gave him a sense of security. He clutched the lectern, and that also gave him a sense of security, for now he felt an almost irresistible desire to keep on floating, and he felt that unless he held on to something he would sail about all over the place. He would like to fly up among the arches of the cathedral and see what the carving was like near at hand and also what the rest of the building looked like from a height, but, of course, that was a tendency which must be resisted.

“Let us pray,” said the Bishop. “Our Father, which art in heaven, Hallowed be Thy Name,”

A sudden hush fell on the people, the laughter and conversation and argument died away. Chilham was pleased to see that his sonorous voice had impressed them.

“Thy Kingdom come, Thy will be done on Earth as it is in Heaven.”

As he said these words, Chilham felt something rushing past him as if someone had opened a door and a soft southwest wind was blowing over him. Looking up he was surprised to see that in place of his seemingly choirboys there were now bright Beings who radiated an aura of glory and strength. They may, of course, have been human beings, but they were too beautiful, too straight, too wise, too happy to be men. The nearest thing Chilham had seen to them were the Greeks on the Parthenon friezes, but everyone knew there were no men left like that—not nowadays.

Looking further the Bishop was still more dismayed. For along the length of the aisles, in every passage and every space, even right up by the altar itself, there were tables spread and laden with food as if for a great feast. Indeed, thought Chilham, it is a display which would not disgrace a City Guild. And the Bishop could judge these things—he had been to City banquets.

Instead of the coarse ware and plated spoons usually associated with church teas, there was sparkling silver, scintillating glass and crystal, exquisite flowers, and fine china.

And the food! There was real turtle soup. There was not only meat, there was game. There was not only fish, there were cunning savoury sauces. There were not only sweets, there were rare and succulent tropic fruits. There was every kind of drink—milk, liqueurs, beverages, wines, fruit juices, spirits.

The Bishop considered himself something of a connoisseur, but not even in his wildest dreams had he ever imagined such a spread as this. Here was no Sunday School Treat with grudging buns. This was no “Social” for tired working women, with cheap tea. Here was the heaped-up abundance of God Himself.

Anything more unsuitable in God's house, thought the Bishop, it would be hard to imagine. However, having begun the service he must continue.

“Give us this day our daily bread.”

There was a scuffling noise and, as if they had only been waiting for the signal, the congregation rose as one man and made for the tables, where they sat themselves down and started eating heartily. They gobbled the food greedily as if they were famished, or savoured it slowly and with relish, according to their circumstances in life.

The Bishop rose in dignity and disgust. It was manifestly impossible to continue praying. He had not meant the people to take his words so literally, but as they were not churchgoers it was not, after all, surprising.

“I should like to know who is paying for all this,” Chilham’s voice boomed out.

The Bishop had not meant to blurt it all out quite like that, but anyhow that was what he was thinking.

None of the people feasting paid the slightest attention, but one of the Beings came forward.

“Do not worry,” it said. “It is the Gift of God.”

That was not quite what the Bishop had meant, of course, but he thought it best not to argue at that moment. However, one of the Beings came to him and said, “Will you not take your place at the Feast? And, looking down, the Bishop saw that surprisingly enough there was actually one seat left vacant. And now Chilham was sorely tempted. He would dearly have liked to float down and join the merry-makers, who by this time were not only eating, but toasting each other, throwing flowers at each other, and waving to friends across the table.

It was as if some Great and Beloved Personage had arranged a huge Birthday Party for all mankind, and the Great Personage had been called away and was not able to attend personally, but it was his wish that the festivities should go on. So the guests, unable to make the Beloved One happy, concentrated on making each other happy, knowing that in this way they would best please their Host.

But the Bishop, pondering these thoughts, took them to be the voice of the devil. For there was another voice inside him which said, “Of course, you mustn’t go down. It is most unsuitable. Whoever else lowers himself, don’t let it be *you*.” This the Bishop took to be the voice of duty. He turned to the Being, who was waiting for an answer. Er, thank you, no,” he said.

Yet as the Bishop stood there, the pulpit seemed higher than ever, and he felt very lonely and as if he were cut off from his fellow-creatures enjoying themselves below, and he began to wonder if, perhaps, what he had taken to be the voice of the devil had not, after all, been the voice of conscience, and if the voice of duty had not been the voice of the devil.

Chilham was interrupted in these thoughts by the people rising from the tables. They had apparently had enough to eat, though there seemed to be as much food left as there had been when they began. But, after all, this wasn’t surprising, for as quickly as they had eaten, the bright Beings that waited on them brought forth more fare from an apparently limitless store.

And now as the Bishop looked he saw that the people were waiting to come up to the altar; and he saw that in front of the altar there rose a gigantic Christmas Tree. So huge was it that it seemed as high as the roof of the Cathedral, in fact higher, for both it and the roof seemed to be lost in space, as if they reached right up to Heaven. Although there was no label on it, Chilham knew instinctively that this was the Tree of Life which bore on its branches every good and perfect gift the heart of man could desire. Every man, woman and child came up to the Tree in turn and asked one of the Beings for that which he or she wanted most in the world and whatever it might be, it was found on the Tree and given to the person who had asked for it.

Most of the children asked for a toy, but many of the men and women asked for money, and, whenever they did, so it was given them. This the Bishop strongly disapproved. It was one thing to give a poor child a toy, or an unemployed man hot tea and bread and dripping; it was quite another to give people money for nothing. That would only encourage sloth and wasn’t proper charity.

In an incredibly short time, however, all the people had received their gifts and returned to their pews, though the Tree seemed as much weighed down as ever with lovely presents. One of the Beings turned to the pulpit.

“And what would you like?” it said.

Chilham thought it was now time to make the position clear.

“I am the Bishop,” he said.

“That makes no difference,” said the Being. “There is plenty for all.”

After all, thought the Bishop, these are no ordinary Beings, and this is no ordinary charity scheme, so perhaps there might not be any harm in asking. In any case, while it would not be suitable for a Bishop to ask for something for himself, there could be no harm in asking for something for others, so he turned to the Being.

“Well, since you have so kindly asked me,” said the Bishop, “there is just one thing I would like to have and that is a cheque for the Fabric Fund. You may not have noticed,” he explained, “that the walls of this cathedral are in very great need of repair. There is also one of the bells which is cracked and rings out of tune.”

“But the walls have been restored. Look,” said the Being, raising its arms; and as Chilham looked, sure enough every crack had disappeared, and even the worn stone carvings and figures appeared as beautifully sharp and clear-cut as if they had just been finished yesterday. “And the bell, too, is now perfect,” said the Being. And the Bishop remembered that as he had been coming along how clear and melodious the bells had been, with never a false note.

“Is there anything else you would like?” said the Shining One.

“That will be all, thank you,” said the Bishop.

And now, decided Chilham, he really must be getting on with his sermon. The events of the evening had rather disturbed him, but fortunately he had his notes with him. He looked down and read.

“Freely ye have received, freely give,” he intoned.

The effect was electrical. The congregation rose as one man and cheered and cheered and cheered. “Good old Bishop,” shouted one man. “Hear, hear,” said another. Really! thought Chilham, taken aback, it was all very irregular, of course, and not the way to behave, but in all the time he had been in Holy Orders—how many years was it?—he had never been so popular before. It was all very gratifying and would have been more gratifying, only, as a matter of fact, that was not how he had intended to begin at all. His notes, like everything else, had been changed. He would have to rely on his memory.

“At this time of the year,” he said, as the cheering died down At this time of the year, when we try to fill our hearts with goodwill towards all and hatred towards none—at this time of the year, I say, when we have been forgiven our sins and should forgive others, when we have been forgiven our debts and should forgive others——”

Here there was another interruption, and a little man at the back got up and said: “Wot I should like to know is this, if I forgive others will the landlord forgive me the rent and not distrain on me?” “If I forgive others,” said a cynical young man, “will my creditors forgive me and not send me to Carey Street?” “And if I forgive others,” said a woman, “will the furniture people forgive me the instalments and not take away the dining-room suite?”

The Bishop shut his eyes and held up his hand in the way he always did when he wanted to be emphatic.

“All debts will be forgiven,” he said.

If the cheers had been loud before, they were wild now. But it was something more than that. There was a feeling of immense relief as if a huge burden had fallen from the backs of the people, and there was a feeling of friendliness which had been lacking before. Hitherto the people had gathered in groups with individuals in their own circumstances or “set”; now they seemed to look about them as if they were seeing something good in humanity at large for the first time.

The Bishop alone was uncomfortable. His tongue, like everything else, had been playing strange tricks. He had meant to say, “All debts must, of course, be paid.” However, he reflected, he would be able to correct the mistake in next month’s Diocesan Gazette, so it did not matter much. And now he really must concentrate in getting his sermon right. He gripped the lectern and plunged straight into it, and this time he got it correct. But there were no more cheers. The people listened in silence at first, but after a bit they began to murmur and then to interrupt. Nothing, however, would deflect Chilham from his purpose now, and he swept on, drowning all others with his powerful voice, until he finally rolled out his concluding sentence:

“And do let us see to it that on one day of the year, at least, we manage to make everybody happy.”

The little man at the back rose again. “I ’ave listened to everythin’ wot the speaker ’as ’ad to sye” (“Speaker,” indeed! thought Chilham, as if this were a political meeting!), “and wot I should like to sye is this, as ’ow there don’t

seem to be much 'ope for 'umanity if we can only make people 'appy on one dye in the year. Wot about the other 364 dyes in the year?"

"Surely there is some way we can make people happy all the year round," said the woman.

"It doesn't seem to me that our civilisation is worth much," said the cynical young man, "if we can only make people happy for one day in the year. What about trying something with the other 364 days in the year?"

Then all the people stood up and began shouting, "What about the other 364 days in the year?" The bells began clanging, and Chilham noticed that they had lost all their sweetness of tone and he could hear the discordant note of the old cracked bell again. As they rang so harshly they seemed to say, "364 days in the year; 364 days in the year." Now they seemed to be ringing inside the Bishop's head, and he, too, heard himself saying, "364 days in the year; 364 days in the year."

The Bishop clung feverishly to the lectern for support, but he felt it slipping away from him and he had nothing left to hold on to. He found he could no longer float in the air, but was falling from the great height of the pulpit. Falling, falling . . .

"I am afraid I woke you up letting the fireirons fall," said Jepson. "I was just putting back a piece of coal which had fallen out. Been dreaming?"

"Yes. Why?" said Chilham.

"Just wondered. You said something about "364 days in the year." One short, surely?"

"I don't remember. Nothing of importance, I fancy. I can only remember I was preaching to some people, and—well—they certainly weren't ordinary churchgoers."

"I shouldn't worry," said Jepson, "I shouldn't think there is much likelihood of that happening."

The Bishop sighed.

Some Notes on Alberta

By G. F. POWELL

"That this Province, under God, shall have a new birth of freedom and that government of THE PEOPLE for results prescribed by THE PEOPLE shall be shown to all the earth."—The Aberhart Government.

YOU can roughly divide people in Alberta into three sections. First, those who ache to make mixed grills of all Social Credit Crusaders, and with the most intense mediaeval intolerance at that. Second, those who would rather be grilled than abjure their faith in that which they understand to be Social Credit; and, third, those who sense that the Social Credit Crusaders are more in the right than their would-be executioners, but are not prepared to declare it publicly. They fear the certain resultant financial penalisation by banks, or social ostracism by lawyers, parsons, and professors, and of those dependent upon them among the doctors, dentists and tradesmen.

Many of those employed by these discredited and discarded remnants of the "old line" political parties dare not support the Aberhart Government of Alberta, openly, by word or deed, or they would soon find themselves dismissed and "on relief."

But for this the Aberhart Government would soon be even stronger in the cities than in the countryside, for rapidly increasing numbers of citizens are seeing that, if the Government cannot succeed in getting more purchasing power into the hands of THE PEOPLE, the citizen and his business are both doomed.

The farmer, of course, feels more safe. He has been saved by the Government's legislation which prevents the mortgage and insurance companies and other subsidiaries of the banking system from taking a man's home for debt.

The owner of a farm, therefore, can always get some sort of a living for himself and his family by keeping a cow, with pigs, poultry and bees, and growing grain and vegetables. In very bad years, too, there are doles of cattle feed, seed-grain, and fuel-oil to help him out. All this because in the eyes of the Aberhart Government the land worker in Alberta is sowing the seed of political and economic democracy from which all the world will, before long, reap such a rich harvest that it is incalculable. He is therefore the horse which must on no account be allowed to starve whilst the grass is growing.

The legislation to secure this immunity for the debtor at the expense of the creditor was started by the predecessors of the present Government, but the latter has bettered the instruction and so engendered bitter enemies. This, and the loss of the sweets of office by the lawyers, doctors, and financial and businessmen, who used to make a fine thing for themselves out of running the Province, has created most of the hatred and active opposition which the Aberhart Government has had to face; far more than any of the legislation it passed to enable THE PEOPLE of the Province to realise the results of their social credit—passed, that is, before June, 1937.

If, however, the Government's "Social Credit legislation" had not incensed its enemies from without, it had certainly created many enemies within its own ranks. So many that in June the only Government in the world which was pledged to give first legislative place to economic freedom for all was within four hours of defeat!

A number of erstwhile supporters of the Government had determined that unless legislation in accordance with their electors' instructions was begun by noon on a certain date they would defeat the Government in caucus, and, if that didn't secure the resignation of the Premier and Cabinet, they would combine with the opposition parties in the Legislative Chamber to do so.

By May 1937, the Government was compelled by its supporters to suspend the submission of the Budget, which they threatened to defeat, and the dissension in the ranks can be gauged best by a brief quotation from an Albertan newspaper dated June 10, 1937. It runs: "Not a single daily newspaper of Alberta has gone anything like as far in criticising Mr. Aberhart and his Ministers as have numerous Social Credit Members of the Legislature—nor has any daily newspaper gone as far in vilification and 'innuendo' as have the 'loyalist' Social Credit Members in their abuse of 'insurgents.' "

A very few days after the publication for this, however, they all came together and have remained so, in the main, ever since. They became convinced that they would secure none of the results their electors had charged them to get without unity in their ranks. What is more, they felt assured that, with unity, those results could eventually be realised, and thereafter, so thoroughly did they "fall in and dress by the right," that their opponents, both in the Legislature and outside it, were completely "left."

One could not help feeling very sorry indeed for all those sincere crusaders who had experienced so much unhappiness and disillusionment as all the bitter dissension of the immediate past had occasioned them. It was so evident to any experienced observer in the Social Credit Crusade that it was due, in the main, to the same old cause—an unbalanced concentration upon the money technique for the realisation of the results of Social Credit, to the almost entire exclusion of any study of its philosophy.

But for that everybody concerned would have known that Social Credit stimulates pressure against resistance, somewhere, somehow, and that the basic principles upon which its results can be directed to achieve ultimate success can be, and have been, as clearly defined as those for bridge building.

Ever since it first "occurred," in some dim primitive way, to one primary cell that by convincing another primary cell to co-operate with it, it could secure an advantage (which was the first instance of Social Credit), Social Credit has always had to stand the test (a) as to whether the thing or relationship it envisaged was really an advantage, (b) whether the suggested association would secure that advantage, and (c) whether some other form of association wouldn't secure it more quickly and with less effort.

Naturally very few in Alberta visualised their situation at that time like that; but what all but the most stupid of Crusaders in Alberta did see, quite clearly, was that there was enormous potential wealth all round them and that, if they could only act unitedly, there was a good chance of each getting a share of it.

That must have been very firmly implanted and held in their minds all through nearly two years of mutual recriminations and alleged blunderings. Because when the first step to the realisation of that idea (the belief that in association they could get what they wanted) was shown to be unity for results, the Government supporters both in and outside the Assembly coalesced again at once, and never since have they indulged in mutual innuendo or

vilification—at any rate publicly.

The next step is one which very many of them will be unable to take until that abstract catalyst Social Credit assails them with the conviction that if THE PEOPLE of one province are not strong enough to secure what they want, then they can get it by soliciting the co-operation of THE PEOPLES of other provinces to that end. Indeed, so unaware are they of the true nature of Social Credit that many of them would be incredulous if you assured them that that belief (not the act of co-operation) is, in truth, Social Credit. Nevertheless, the urge to secure help from electors in other provinces is already being felt and acted upon, by those better instructed on the subject of Social Credit, and its results are already observable all over Canada and will be much more so in the immediate future.

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Many have wondered why legislation of the character recently “disallowed” or “refused assent,” declared “void” and “*ultra vires*” has not been again put forward—some have assumed from the fact that they haven’t been followed up by others similar that the past attempts have failed. Such is, however, not the case. So far from proving failures the dead Acts achieved far more than it was ever anticipated they would when they were projected. Those who framed the Acts thought that it would take very many more months than it eventually did to disclose to THE PEOPLE of Canada the Maginot Line which international finance had built to thwart their determination to progress. Anyone who thought that the Acts would ever be allowed to be implemented couldn’t have understood what would follow if they were, or could have known very little about the forces arraigned against them, or the strategic position which the men who framed them were trying to win.

The Aberhart Government, in consultation, were convinced, from June of 1937 onwards, that the way to get THE PEOPLE to coalesce and assert their will was to show them who was thwarting them. To compel the hidden control of public policy, viz., international finance, to come out and fight THE PEOPLE in the open for retention of their control, therefore, to furnish no excuse to them, nothing believed to be *ultra vires* was allowed in any Bill, and everything which savoured of attempts to teach the bankers their business was rigidly excluded. The whole idea in every Bill was to make it a threat to set up some authority which could say to bankers—“these are the results THE PEOPLE want; show that they are unreasonable or obey by taking action to secure them for THE PEOPLE”—that sort of thing, of course, being the particular responsibility of every Government in a democracy, and such an attitude being certain to compel opposition from international finance.

The attitude of the Aberhart Government in this may perhaps be most accurately appreciated by citing an analogy. It was as though the Provincial Government had to deal with chemical works scattered all over a province, the works being subject only to an authority three thousand miles distant. These chemical works, say, are alleged to be emitting fumes which poison sheep, cattle, fish, vegetation, and mankind for miles around. What, then, could be a more reasonable attitude in a local government if it said to the chemical works, “We don’t want to interfere with what you do in your works, we don’t understand anything about chemistry, but we contend that what happens outside those works as a result of what is done in them, when it is locally injurious, is particularly our affair. We want you therefore to listen to boards which we appoint (formed solely of men who know the practical day-to-day situation in industry and agriculture). They will tell you from time to time when emanations from your chemical works harm their activities in serving THE PEOPLE, and we want you to use your professedly exclusive knowledge of managing chemical works to prevent this harm.”

What, it may again be asked, could be more reasonable? And what could be more unreasonable than the attitude of those chemical works if they replied: “Nonsense, you have no power over us. We are not going to alter our methods. An authority three thousand miles away decided seventy years ago that, so far as chemical manufacture is concerned, anything we do in our works has to be good enough for you if we so desire it—and so have any results experienced outside our works in consequence.”

What, again, could be more tyrannous than the first reply of the authority (the Federal Government) three thousand miles away when, appealed to by the Provincial Government, if in effect it said: “We don’t care how many among you starve and freeze to death, or linger in cold and hunger in the naturally richest part of the whole world as a result of what is done in chemical works. We won’t permit your Local Government to have any say even as to the results which accrue outside from what is done inside chemical works—that is under our sole control and we shall do nothing whatever about it. As for your legislation, we ignore the clearly expressed will of eight hundred thousand of your people, and we will not consult THE PEOPLE of Canada, nor their elected representatives; nor will we cite any authoritative Act that has ever been confirmed by any of them. We, a caucus of self-confessed prejudiced men of a

single political party, will ‘disallow’ that legislation!”

That is an exact analogy of the relative position of the banks, the Federal Cabinet and the Provincial Government of Alberta over the Bills passed by the overwhelming majority of the Alberta Legislature in the autumn of 1937.

II

“With malice toward none, with charity for all, with firmness in the right as it is given us to see the right, let us finish the work we are on.”—Abraham Lincoln.

The present situation is that the Provincial Government has asked the banks to do their job, viz., arrange that their system distribute all Albertans want of what they can make or exchange for it. They have received a reply that if it means any change in their system they won’t. Having asked the Federal Government to agree the urgency for bank action, the Provincial Government has been referred to the courts with more than a hint that, if legal, its Bills may still be “disallowed.”

Having gone to the courts, the reply has been: “We know what you want to do penalises the banks; we don’t care whether money costs nothing or not, we are not going to have anything done that inconveniences banks. Your Acts are therefore not legal.” As no authority other than Alberta’s Government attempts to act, nothing immediately effective to prevent people from freezing and starving in the midst of incalculable potential wealth can be done.

The Federal Government has said: “We are guardians of the Constitution”; the Law Courts that they are “solely concerned with upholding the Law”; the banks that they are “only bankers, who must look after their shareholders.” All but the Aberhart Government refuse to do anything fundamentally curative for a big population who have been pushed into deeper and still deeper debt and poverty for over twenty years.

It will go down to history that all the powerful, the educated, the leisured and allegedly cultured class of Canada were unanimous in saying “No” to every proposal of the Aberhart Government, and that no single constructive suggestion has been offered by them or any kindly intelligent help been extended.

* * * *

All this the legislation of the autumn of 1937 disclosed—this sacrificing of humanity for different systems. Millions in Canada now know that it is no democracy, but that it is governed by a succession of coteries controlled by international finance, that Commissions of enquiry will be packed with notorious protagonists of the existing financial system and inimical to all suggestions for its reform.

* * * *

Throughout all Canada that conviction is working like yeast. THE PEOPLE are rapidly realising that voting for methods or parties or persons gets them nowhere but deeper in debt and difficulty. That Socialist, Nazi, Fascist, Liberal, Conservative and Labour are only differently named avenues all landing electors “on the spot” where international finance wants them. All of which prepares them to receive the alternative suggestion that they should vote for the results they want. And it is that preparation which the Aberhart Government has set out to accomplish. For when THE PEOPLE of Alberta want something, their Government believes in assembling all the electors it can who also want it until there is sufficient pressure to ensure all getting it.

That is good government and, if it were done at the initial instance of THE PEOPLE themselves, it would be a perfect example of Social Credit. But that is yet to come. THE PEOPLE have not yet visualised themselves as givers of orders to their institutions—cannot yet realise that there is not, nor ever can be, any possible sense whatever in the existence of those institutions that surround, bully and exploit them except it be as servants of THE PEOPLE—that the fact that these institutions are not to be found in such places as the Sind or Sahara deserts, where there are no people, is proof that they exist only to serve THE PEOPLE.

So the Aberhart Government keeps on keeping on. Whilst the power which will accrue to it as the Canadian public realises increasingly the intelligence and sincerity of its legislation of the past eighteen months is accumulating, it is working out an interim scheme designed to win still wider and more influential support, one which even the bankers have been forced to recognise to the extent of according it full clearing-house facilities.

* * * *

The Aberhart Government of Alberta is more firmly seated than ever it was. The voting for it in 1935 was largely made up of a protest vote against its predecessors. But the overwhelming victory of the East Edmonton Federal Election against everything the most powerful opposition could do to prevent it proved that THE PEOPLE recognised their Government as a good government—as a sound government, as a government which managed the affairs entrusted to it actually better, more honestly and reliably than the protagonists of a rotten financial system themselves had ever done.

This election was a triumph for the Electoral Campaign workers far away in Britain who worked so hard and enthusiastically to gain the experience which helped so largely to win this epic battle. It was a pity that full particulars of it were suppressed at the time in this country. Floyd Baker, Secretary of the Alberta Social Credit Board, organised it upon the lines of “demand results.” A. Orvis Kennedy loyally took his stand as candidate on that basis, and literally swept to success, on the votes of Conservatives, Liberals, Communists, Jews and Roman Catholics, who would sooner die than vote together for a method, but had no hesitancy in voting for a result. They argued: “Why not? We co-operate every day to secure results in building Cathedrals, Synagogues, Hospitals, Masonic Temples.” All the same, there are reasons for thinking that the unquestioning confidence of every elector which A. Orvis Kennedy inspires rather accentuated the immediate and wide acceptance of the policy. It will prove historic and some day essays will be written on its many unique features.

* * * *

The recent Athabasca election has served to confirm the verdict of East Edmonton. This election was also organised by Floyd Baker, and was so decisive as to remove all doubt in the mind of any reasonable Canadian that those who lived and worked under a government of Social Credit Crusaders had anything to fear. What other form of government after operating for three and a half years can claim receipt of such steady public support? That alone is a psychological triumph which will influence all Canada.

* * * *

There is in this world such a thing as a “canon”—it is the law governing all related things. Any dispassionate student of the work of the Aberhart Government will, it is here claimed, see in it convincing evidence that that Government is operating in the wave length of the canon and that it is in tune with it. It is being better understood and winning wider approval every day. The bitter controversies within its ranks have disappeared whilst the opposition without is dying rapidly.

Almost certainly the fight is not over. Whilst it appears as if the Government of Alberta will stand long enough to effect the bloodless non-confiscatory revolution it set out to achieve, it may yet succumb to temporarily overwhelming power. If so, then rest assured that at some time another Government will rise to take its place, fighting under the same banner: “Security in Freedom for All”—because THE PEOPLE, although composed of mortals, are yet immortal; as exerters of pressure for freedom—the power to do what they want to do—they never die, whilst dictators, governments, judges, lawyers and international financiers, who always seek to thwart THE PEOPLE, fall into desuetude or die.

So we can be of good cheer. All history shows that that is why the will of THE PEOPLE always eventually triumphs, and that Carlyle was right when he predicted that “there will be as many revolutions as are necessary” to ensure its doing so.

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The Rate's Progress

By ARTHUR WELFORD

IN Westminster Abbey there is “ . . . a little charter of about the time of Magna Carta (June 15, 1215) by which Aubrey de Vere, second Earl of Oxford, confirmed to the almonry of Westminster Abbey for the support of the poor two parts of the whole tithing of his lordship in Kensington—that lordship which is still commemorated today after seven centuries by the familiar Earl's Court and Baron's Court.” (*Times*, October 18, 1938.)

Apart from gifts such as this the relief of poverty had been the business of the parish from very early times; the tithes of the rector of a parish had to make provision for the poor as enacted by the canons of the Church. These tithes were often acquired from the parish churches, gradually and not without opposition, by the monasteries; often a parish would be left without this means of relieving the poor, so that in 1391 Richard II ordained that when churches were appropriated proper provision should be made for the poor.

“The monastery of the middle ages performed within limits many functions; it was in a sense the public assistance authority, the relieving officer, the parish doctor, and the schoolmaster of its day. It was practically the only agent of poor relief.” (Crew. “Rates and Rating.”) But it is evident that the alms of the monasteries did not entirely cover the need for relief, for in 1530 the poor were licenced to beg if impotent and, if able bodied, they were to be made to work, whipping at a cart’s tail being the punishment for those caught begging without a license.

In the present, for the four and a quarter million of poor people who enjoy weekly four shillings or less each to spend on food, the punishment for being poor, though not so spectacular, is about as cruel but more refined.

However, a whipping was no more a cure for poverty in 1530 than is starvation in the midst of plenty in 1938, so that in 1535 the local authorities were directed that poor people and valiant beggars should be “succoured, relieved and helped with such and convenient and necessary alms as shall be thought meet by their discretions, in such wise as none of them of very necessity shall be compelled to wander idly and go openly in begging to ask alms in any of the same cities, shires, towns, parishes; but also to cause and to compel all and every the said sturdy vagabonds and valiant beggars to be set and kept to continual labour in such wise as by their said labours they and every of them may get their own living with the continual labour of their own hands . . . upon penalty that every parish shall lose and forfeit 20 shillings for every month in which it is omitted and undone.” (Crew.) The onus was hereby definitely put upon the parish under penalty of fine; and here we see also the genesis of the workhouse system which was not to come into full flower until the mid-eighteenth century.

The final dissolution of the monasteries in 1539 left no means of relief available to the poor from that source, for the tithes were spent to some extent upon the fortification of the coast, but mostly they were given to those supporters of the king who had favoured the Reformation. It has been supposed that this event was the cause of much poverty and it is possible that this is true to some extent, but it seems probable that it moved only a part of the responsibility for the relief of poverty on to shoulders other than those of the Church.

In 1552 money for relief was still raised in charity, for by 5 and 6 E. VI, c 2, sects. 2 and 5, it was required that collectors should . . . gently ask and demand of every man and woman what they of their charity will be contented to give weekly towards the relief of the poor,” and if any who were “ . . . able to further this charitable work do obstinately and frowardly refuse,” they could be summoned by the bishop, who could “take order for the reformation thereof.” Ten years later, by 5 Eliz., c. 3, 1562-3, sect. 7, the bishop was further empowered to bind a person who obstinately refused to give according to his ability, to appear at quarter sessions, where the justices could rate him according to their discretion for poor relief, and could on default commit him to prison. (Crew.)

Poor law legislation shows the existence of money poverty from early times, together with the misunderstanding, very common and even less excusable in the present, of the apostle’s saying, “if a man will not work neither shall he eat.” Throughout the middle ages and until the invention of the milled edge for coin by Mestrell in 1553—later improved by Pierre Blondeau in 1639—one of the greatest of the difficulties the Crown experienced in controlling currency was in circumventing the debaser of coins. Clippings, filings, washings, sweatings, and even whole new coins were melted down and exported. Feavearyear says, in “The Pound Sterling”:

“Beginning with the Statute of Stepney in 1299, Act after Act and proclamation after proclamation attempted to prevent the export of coin and, later, of precious metal in any form. They were supplemented by about twenty ‘Statutes of Employment,’ spread over the period from Richard II to Edward VI, which required foreign merchants bringing goods to England to use a portion or the whole of the proceeds of sale in the purchase of English goods. For a long period death was the penalty for those found exporting good English money. Under various statutes in the fourteenth century, those who gave information leading to the discovery of metal about to be sent out received one-quarter to one-half of what was found. Edward III appointed a regular corps of searchers to form a complete chain around the east and south coasts and to search all vessels for bullion, with a promise of receiving one-third of the contraband. To export gold or silver of any sort remained illegal without the King’s license until 1663, in which year an Act was passed allowing the re-export of foreign coin or bullion if entry were made of it at the custom house, by which it was hoped the better to guard against the export of English coin. In 1696, however, another Act forbade the export of bullion unless it were stamped at the

Goldsmiths' Hall and an oath taken that it was not the produce of English coin. All unstamped bullion could be confiscated. In this condition the law remained until complete freedom of trade in the precious metals was established by Peel's Act of 1819."

What of real poverty? Throughout the middle ages, at least up till 1347 when corn was first imported, the supply of food and drink was dependent on seasons, for transport from district to district and even from village to village was always difficult and sometimes impossible. Barter would have been exercised to a great extent and although coin was scarce its purchasing power would have been far greater than that of comparable money in the present. To-day's price of wheat is about 21s. a quarter at the farm, of barley 30s. to 45s. a quarter, and oats 19s. a quarter. In 1281 wheat, in the modern equivalent of money at that time, was 63s. 9d. a quarter, barley 53s. 1½d., and peas 35s. 7½d. In 1289 wheat was 25s. to 10s., barley 7s. 6d. and oats 5s. Today a fat bullock will fetch 55s. per cwt., in 1281 a whole beast sold for 63s. 9d. Chickens today are quoted at 8d. to 1s. 3d. a pound, in 1289 they were 1s. 10½d. for a fat cock or two pullets. Early lambs were £1 between Christmas and Shrovetide, but only 5s. at other times. Poor folk used oats, tares, peas, rye, and barley as the chief part of their diet. (Doughty. "Chronicles of Theberton.") About the year 1386 Chaucer wrote in the Prologue to "The Canterbury Tales" about a Frankeleyn:

"An householder, and that a gret, was he;
Scynt Julian he was in his countree.
His bred, his ale, was alway best of al;
His store of wyn was known in special.
Withoute bake mete never was his hous.
Of flessh and fissh, and that so plentyous,
It snewed in his hous of mete and drynk,
And alle deyntees that men coude thynk.
After the sondry sesouns of the yeer.
He chaunged them at mete and at soper.
Ful many a fat partrich had he in mewe,
And many a bream and many a luce in stewe.
Wo was his cook, unless his sauce were
Poynant and sharp, and redy al his gear.
His table dormant in his halle alway
Stood redy covered al the longe day."

In 1582 Richard Hakluyt wrote a "Remembrance to Master S., Principal English Factor at Constantinople"; this consists of notes on the English woollen cloth manufacture with reference to export, recommending that "There is no commoditie of the Realme that may set so many poore subjects on worke, as this doeth, that doeth bring in so much treasure, and so much enrich the merchant, and so much employ the Navie of this Realme, as this commoditie of our Wooll doeth," and that "... the people of this realme by the great and blessed abundance of victuall are cheaply fed, and therefore may afoord their labour cheape."

England was rich in food, wool, and other things; but poverty abounded.

In 1601 the great Poor Relief Act of Elizabeth became law; upon this Act is based all subsequent law relating to the relief of the poor, and it remained substantially unaltered until the early part of the nineteenth century. Section 1 imposed the liability to be rated on "every inhabitant, parson, vicar and other of every occupier of lands, houses, tithes impropriate or appropriations of tithes, coal mines or saleable underwoods." The churchwardens of every parish, together with four, three, or two substantial householders, according to the size of the parish, were to be overseers of the poor and were to make the rate. Appeal to quarter sessions against the rate was provided for. The parish was definitely made the Poor Law unit, and relief of the poor was almost the only service for which rates were raised. (Crew.)

Assessments were made upon property with regard to the ability of the inhabitant to pay, a system somewhat like the present income tax system.

The entirely local—one might almost say human—character of the law is notable; it was decentralised and at the worst taxpayer and taxed were known one to the other.

A record of a rate made under this Act in 1628 is of some interest; it is taken from Gardener's "History of Dunwich," published in 1754, and relates to a small town on the coast of Suffolk.

“Whereas the Inhabitants of Walberswick, in the Hundrid of Bliething, have a long Tyme made Complaint unto us, of the Myssery and destressed Estate of the pore People, who are so many in Number, and so exceeding pore, as the said Inhabitants, being most of them seafaring Men, and of very mean Estats, are no way able of themselves to leavy sufficient Sums of Mony for their Relief, notwithstanding they have received som Contribution from others of ther neighbouring Townes for the same Purpose. The Number of the Pore being such apering unto us, as well by the Information of the said Inhabittants, as by our own Vewe, to be the Number of fowerscore Persons, and upwards.

We do conceive that thay, or som of them, are very like to perish for want of necessary Food and Sustenance, unles a speedie Cours be taken for a further Supplie therein.

“We, therefore, the Justices of the Peace within the said Countie, taking the Premisses into our serious Consideration, do, according to a Statute made in Anno 43 of Elizabeth, Cap. 2, rate, and assease you, who are underwritten Inhabitants within the Townes and several Places beforementioned, in several particular Warrants to you directed, being dated the 25th Day of May, 1627; which Townes and Persons likewise are hereunder written, to pay such Sum or Sums of Mony weekly to the Church-Wardens and Overseers of the Parish of Walberswick aforesaid, for the said Purpose, and in such Manner, and Form, as is hereafter set down and expressed against ther several Names. Which said Church-Wardens and Overseers for the Time being, and every of them, we do hereby authorize and appoint to collect and receive the same.

“Given under our Hands and Seals, the 12th day of October, Anno Dom. 1628.

		D.
“Bramfield	{	Mr. Aurthur Cok, Esq. 12
		Mr. Reyney Rabett 2
		Mr. John Smyth 2
		Nic. Veysey 1½
		Will. Vella 1½
“Huntingfield	{	Mr. Rob. Mowling 2
		John Stubberd 3
		Mr. Jo. Carye 2
		Bar. Carye 1
“Havenningham	{	Mr. Pratt 1
		Hen. Payne 2
		Hen. Longe 1
		Tho. Jacob 2
“Cratfield	{	Mr. Rob. Warner 2
		Jo. Smyth of Norway 2
		Fra. Alearf 1
		Hen. Fish 2
		Rob. Smyth 2
		Will. Dowsing 1
“Rumburgh	{	Mr. Jo. Bateman 4
		Mr. Thomas Battely 3
		Geo. Lawrence 6
		Peter Wood 1
		Ro. Batteley 4
		Ric. Aldrich 6
“Stoven	{	Will Smyth 2

				D.
"Walpole	{	Mr. Will. Read	...	1½
		John Brown	...	3
		Jo. Sparhawk	...	1
"Linstead Magna		Sim. Barber	...	2
"Linstead Parva	{	Alice Curtize	...	3
		Nic. Spink	...	1
		Rob. Davie	...	1½
		Will. Smyth	...	2
"Wisset	{	Hen. Bales	...	2
		Siprian Sallows	...	3
		John Harvie	...	2
"Chediston	{	Mr. Rob. Scarf	...	1
		Tho. Potter	...	3
		Geo. Mek	...	2
		Mr. Rob. Artize	...	3
		Eckell Knights	...	1
"Uggeshall	{	Fra. Mosse	...	2
		Rob. Baker	...	3
"Brampton	{	Hugh Symonds	...	3
		Tho. Aldrid	...	1
		Geo. Aldrid	...	1
		Ric. Crompton	...	1

"January 13, 1639. Whe whose Hands and Seales are hereunto put do confirme this Rate, and requier Paiement thereof accordingly; except they shall appeal at the next Sessions.

"Sir Thomas Playters, Knight and Baronitt; Sir John Wentworth, and Sir Robert Brook, Knights; Tho. Bedingfield, Josias Fawether, Jo. Scrivener, Frauncis Brewster, Esquires."

Some of the rates remaining unpaid, an order was made on April 13, 1629, by the Court of General Sessions held at Beccles, giving authority to commit any person refusing to pay "unto the next Goale for this said Countie and there to remayne without Baile or Mainprize, until such Tyme as they shall have paide the same accordingly."

The Law was tightening up, but poverty was not yet abolished.

It may here be noted that "Dutch Finance" was introduced during the reign of William III (1689-1702); the National Debt was originated by Montague, Chancellor of the Exchequer, during 1693, and the Bank of England was founded in 1694.

And so matters continued until 1836, when, by the Parochial Assessments Act, it was definitely laid down that assessments were not to be on the Elizabethan "ability to pay" system and personalty was excluded from assessment for purposes of rate, the taxation of personalty being transferred, in effect, to a tax on income imposed by Pitt in 1842.

Since that time liabilities in addition to that of providing poor relief have been thrust upon the ratepayer, until in the present they include payments for education, public health, parks, libraries, highways and bridges, housing, water supplies and so on, no less than twenty-five services in addition to that of poor relief.

The money expenditure on these social services is enormous; it was over £350 million in 1937-38 for England and Wales alone. Of this amount about £214 million was taken from ratepayers, about £51 million was from "fees, rents, recoupments," etc., and over £85 million from Government grants out of National taxation. This last figure may be said to represent the measure of poor relief which the ratepayer himself receives, he who was relieving the poor not so long ago.

And the ratepayer is in debt for £1,451,300,000 for the social services have been built upon a foundation of bank-created debt; municipal assets and the ratepayers' incomes being mortgaged to the bank. Side by side, these public services and the bank-created debt which finances them have grown during the last hundred years, until 21.8 per cent,

of the whole of rates expenditure, or 29.4 per cent, of the whole of rates collected, about £63 million a year, goes on loan charges; in the case of many local authorities the whole of the rates collected does not even cover the charges on their debt.

And still poverty flourishes in the midst of such plenty, actual and potential, as was never dreamed of even as late as 1836, for 10 per cent, of the population have at the present time, on the average, not more than four shillings each a week to spend on food.

The outlook for ratepayers under the lash of orthodox finance is hopeless. Debt is increasing, and with it such little freedom as ratepayers still enjoy through local government is fast disappearing. New schemes of centralised assessment to rates and of rate making are sure to follow in the near future, are even now spoken of openly, the sole object of such schemes being to bind the ratepayer yet more tightly and to screw more money out of him to serve this fictitious debt.

For it is fictitious. And yet, in reality, it is but a bookkeeping account of the issue to the public of public credit for work done in association. It should pay a dividend to ratepayers instead of their having to pay interest on their own credit.

This being realised, action may be taken and the real relief of an entirely artificial poverty will have begun.

Letter to a Shipbuilder

By P. MCDEVITT

The gross tonnage of merchant vessels owned in Great Britain and Ireland fell by 2,657,000 tons between 1930 and 1938.

DEAR Sir A ----- B -----,—You say that “the policy of rationalisation in industry is inevitable and in present circumstances the only common-sense thing to do” that “if shipyards are redundant to present day needs it is better to have ten yards paying their way than twenty competing yards all losing money on their production.” May I put the Social Credit point of view?

Inside the frame of reference made necessary by the existing financial system, your description of restrictions forced upon shipbuilders and called rationalisation aptly describes the present common-sense view. Indeed, there is no alternative, as you say. But another frame of reference of much wider scope may be visualised, within which those things which are the common-sense methods of the existing system are seen to be most uncommon—and not sense.

Within this present system it is also common-sense to burn wheat and coffee beans, to restrict possible production, and generally to sabotage both capital and consumable goods in order to enable producers to collect their costs of production from the amount of money available.

But, in a close analysis, the things which appear on the surface as the common-sense of a thoroughly unscientific money system, are seen to be the essence of folly in a money economy which is scientifically regulated.

I believe that, at present, the effective calorific value obtained from burning coal is about 10 per cent of the possible; the rest is dissipated in waste gases. Now if some genius could arise to show us how to obtain 90 per cent of these calorific values it would not be considered sensible to persist in out-of-date methods.

So also is it with the financial system. We are working on the 10 per cent efficiency basis and now, although newer and more scientific money methods are possible, the vested interests of the effete system continue to urge upon us the common-sense methods of that system which has led the world to the present impasse.

Your suggestions and illustrations are quite perfect—within their own frame but I am suggesting that another frame of reference is conceivable (is indeed known) within which rationalisation, restriction of output, and sabotage are seen to be merely the vicious necessities imposed upon us by our respect for the economic shibboleths of an age that is gone.

Suppose the outbreak of another world war. The compelling force of war will override every other consideration

and the National Credit will be used to finance every operation down to the last button on Tommy's coat. But it will come to the nation as another addition to national debt. War creates new frames of reference which upset every iota of the common-sense of rationalisation.

Or, again, suppose a properly designed system of the mechanism of distribution were allowed to function, and the real demand of the nation at peace was expressed in terms of financial demand, arising from our use of the National Credit. Here, also, you would have a new set of conditions which, equally with a war demand, puts the "common-sense" of rationalisation into its true perspective, and we see it as it really is, *viz.*, the necessity imposed on industry of squeezing down an over-efficient productive mechanism into the narrower compass of a thoroughly inefficient financial system. Granted the wider field of distributive operations made possible by the expansion of financial provision, why the need for the sabotage of goods, both capital and consumable? Our eyes, accustomed to the view of these things through the veil of finance, are apt to be temporarily blinded by the light when the veil is withdrawn.

And now, if I do not weary you, may I ask if you have ever considered the "Economics of the Split Atom"? Two or three years ago two young scientists engaged in research work succeeded in splitting the atom. The almost terrifying significance of this has not yet penetrated our minds. The fact itself was recorded by contemporary newspapers whose editors made excited comments for a period of about three days, and then the curtains of silence fell. Since then I have not noticed it mentioned anywhere. It is hinted here and there that such lines of research will not be pursued. The physical and economic potentialities are too vast to be let loose upon a world which has failed to adjust its distributive mechanism (money) to its existing powers of production and already resorts to sabotage as a way out. What could be done if atomic energy were to be harnessed to the use of man? There are many people who believe that this amazing discovery has joined that other vast body of inventions safely pigeonholed because the present financial system would completely and finally collapse if mankind were permitted to put them into use.

Consider what it means—or would mean. A noted scientist has given us a word-picture of the enormous energy of the atom. Within each atom there are two subdivisions: (a) the nucleus around which (b) the electrons whirl with almost incredible velocity and energy. This energy, the scientist states, is so vast that in any handful of common earth there is sufficient potential energy to raise the Great Pyramid to the peak of Mt. Everest.

Think of what it would mean to the world if this energy were to be harnessed to the service of man. All our previous standards would go by the board. Our theories of values, laws of rent, supply and demand and all our other tabulated alleged economic laws* set at nought by a new force which would make productive processes merely child's play.

*"Economic principles are not statements of things as they ought to be, or as they always must be. They are statements of tendencies which in fact exist."—Lord Stamp.

"The laws of economics are statements of tendencies expressed in the indicative mood, and not ethical precepts in the imperative." —Prof. Marshall.

Consider again what the world has to solve *today*. A world-problem of possible abundance in the face of which we sit enchanted. Nearly a century ago, Carlyle described it in these words: "A fiat as of enchantment has gone forth, saying 'touch it not ye workers, ye master-workers; ye idlers, ye master-idlers. This is enchanted fruit. None of ye shall be the richer, the wiser, the better for it.' "

We live in terror of the bounty of God in Nature, wrestling with the problem of how to dispose of superabundance of wheat, wool, coffee, fish, fruit, coal, copper, cotton, tin, and indeed almost all commodities. And into the midst of this problem of distribution we have thrust upon us the fear of the use of atomic energy. No doubt, we shall all be assured there is no need for alarm, that perhaps a century may pass before we will (dare to?) be able to use this power in production. But even that comforting thought does not tell us what we are to do with our present powers. Perhaps Sir John Boyd Orr could suggest some method of bringing together his 13 millions of the population who are trying hard to exist on six shillings or less a week per head, and the stuff we are now destroying. Atomic energy once harnessed to productive purposes will release men from toil, will introduce an age of leisure and plenty for all. But it will thrust these gifts, meantime, upon a people unprepared for them, uneducated to a proper use of them; and our last state will be worse than the present.

Now, don't you think, Sir A -----, the first and most pressing duty should be to leave off worrying about our productive system, against which the only fault is that it is too efficient, and to concentrate on distribution?

Your yards are being rationalised out of existence, not because ships are not needed, but only because the men who build them have not the money and leisure ever to use them. Give us purchasing power and we will give you orders

for more ships and better ships.

Yours very sincerely, P. McD.

Social Credit and National Solidarity

By HILDERIC COUSENS

GREAT BRITAIN is now under the pressure of forces which have been developing steadily for the past ten years and more. These forces are partly of positive origin, springing from the active policies of certain other States, and partly negative, due to the continued neglect of defects within its own borders. The many shortcomings which are now being advertised to exist in the British nation have been demonstrated, year in, year out, by advocates of Social Credit and by other realist critics. Of these shortcomings it is enough to mention the plight of agriculture, of the mercantile marine, of the physical health of many of the population, of the general depression of the unemployed, the half-employed, and the misemployed; the shortage of technical skill, inadequate roads, lack of embodied armament, too low a birth-rate, and the poor level of what may be called general social energy.

It has become all the more urgent to apply such a stimulus to the community that these shortcomings will be made up rapidly, and the position or, we might say, the Real Credit, of the country made equal or superior to that of Germany. Undoubtedly the methods applied with such striking effect in Germany are not particularly suitable here, for the simple reason that the general character of the British mind and tradition is very different. But it is also undoubtedly true that the methods of political management still being pursued in Great Britain are nothing like good enough. No matter how much energy is put into them, they will not do what is necessary within a satisfactorily short period.

Nearly four years ago (in the *New English Weekly*) I suggested a scheme which would have produced a National Register such as is now being proposed. But it would also have made the Register a far more powerful, and continuously powerful, agent for purposes both of war and peace, than the current proposal. The gist of the scheme was that to everybody who produced qualifications and maintained those qualifications, for competent activity of any kind which would be required in any sort of national emergency, a National Dividend should be paid, partly as a sign of recognition, partly as a spur to the enhancement of individual capacities, and partly as a source of developed national co-operation and solidarity. Later I also referred to practically all the major problems of national defence which are now being so agitatedly canvassed, and proposed measures which would tend to their rapid solution. What was and is the key to the whole complex of objectives to be reached? It is, of course, Finance.

Slowly an oppressive accumulation of unpleasant facts seems to be beginning to persuade our self-styled leaders in government and industry and trade that the old-style doctrines connected with money are sadly wanting. But the persuasion has hardly begun, and between being persuaded and taking action is in this land an uncommonly long period of time. Does it not appear that the War Office are now taking seriously the doctrines put forward about two hundred years ago by Marshal Saxe on the questions of infantry equipment? Anyhow we are still living under the superstition that loans from non-public sources and their repayment out of taxation on private incomes constitute the Old and New Testaments of the Bible of Money.

Social Crediters, other monetary reformers, and indeed everyone who takes the welfare of the community to be a matter for serious consideration, must insist ever more emphatically that the foundations of society are four, which are to be summarised or sloganised as Patriotism, Applied Intelligence, Physics, and Chemistry. And that the most far-reaching and efficient link between them is Money, a device which can be used in many models, of which the most suitable is the one to be chosen.

By Patriotism I mean the complex of sentiments which impel people to do their reasonable best for themselves, their families, their friends, their neighbours, their fellow-citizens, and it will obviously flourish most where people feel that any efforts they make in these directions are not spoilt and robbed of much of their effect by anything artificial and unwarranted in the institutions of society. How can it flourish in a society which has so many of the features of what Mussolini calls pluto-democracy? What is the main characteristic of pluto-democracy? It is the subordination of all considerations to the possession or control of mobile financial power. That this is true of this country is shown by such things as the increasing prominence paid in the newspapers to "City" news, the publicity given to the nationally unimportant variation of Stock Exchange quotations, the boosting of advertising, the

subsidising by taxation remission of insurance companies, and the general exaltation of selling over production, so that the labour and energy applied to commerce in all its branches, great and small, has been increasingly compared with that applied to growing and making, whether of pigs or pumps or pictures.

Applied Intelligence covers all the human skills and technical capacities, from a knowledge of foreign languages to printing a book, from forestry to pyrotechnics. It is notorious, and has been in informed quarters for some considerable time that this applied intelligence is far from being as extensive in this country as it should be. What with the deterioration of skill in the unemployed, the lack of incentive to so many young men to acquire either skilled trades (selling cigarettes being more profitable) or advanced technology (sticking on stamps in banks being more gentlemanly), technical training organised inadequately by continental standards, and a steady preference for the cheap and flashy, whether in everyday goods or any department of culture, there is a shortage of expert workmen and technologists in many trades now temporarily declared of prime importance. The frantic efforts made by Government and private firms to comb the land for such people is sufficient evidence of this. But what prospect is there, when this alleged emergency may be past, of many of those who may now take to these highly desirable callings, continuing to receive a satisfactory income from them? When or if re-armament is called off or damped down, are the engineers and experts in so many of its branches to be left to fend for themselves in the way their predecessors have had to do during periods of slump? Not that we have no unemployed even today!

By Physics I mean the universe of power—that is, the employment of coal and oil through heat engines and the machinery connected up with them; in other words, the standing industrial equipment of the country. In several departments this is notoriously and dangerously deficient. In textiles and shipping, for example, the activities of the re-organisers whose criterion has been the supposed earning capacity of the plant in the prevailing conditions of glutted markets have reduced the potential capacity of the industries by selling or dismantling supposedly superfluous equipment. In other spheres no effort has been made to keep the country supplied with tools and machines which, again in the depressed state of the market, seemed undesirable. The notion that reserves of equipment which are not in current use and, of course, need some maintenance, are a deplorable waste, is, of course, natural to the mind that refuses to consider anything as an asset which is not “liquid,” that is, immediately sellable to someone.

Men secure their earthly existence and whatever degree of comfort they arrive at enjoying by the continual transformation of minerals and atmospheric gases into other forms and other substances. The agencies employed, of course, are plants, animals, heat, chemical reactions, skill and technique, and equipment. This general process of chemistry seems very obvious; yet its logical consequences are all too frequently forgotten or ignored. It postulates, for example, that food should be of high quality and in adequate quantity. But our food laws are not what they ought to be, and many people, including children—in the long run the most important part of the population—suffer from too poor or too little food. It requires that we should maintain and develop the sources of replaceable materials, that is, those derived from plants and animals. Neither our agriculture nor our horticulture are flourishing, nor our forestry nor our fisheries. It demands, further, the conservation, the optimum exploitation, of our irreplaceable materials—metallic ores, building materials, coal. No proper survey of these has been made, nor policy determined. It suggests the minimisation of waste. We waste assets steadily, oblivious of the somewhat precarious position of this small island with its large population; indeed, much of our retail trade, and consequently of our manufacturing endeavour, now depends on conspicuous waste.

How, then, can money be brought to bear most fruitfully on these basic forces of our society?

First and foremost, by giving a “stake in the country” to all its adult citizens who are willing and prepared to enhance its prosperity and its security. For reasons too far-reaching to be canvassed here, these would rapidly include a large majority of those between eighteen and seventy years of age. Marvellous to relate, as things are, anyone who wishes to prepare himself even for tasks currently announced as most urgent, will often find it impossibly expensive to him! In other words there should be a Dividend, even if for a beginning it were only symbolic. To the usual question, How would it be financed? the short answer is that it would be the positive equivalent of what is now the negative, “overhead” element in the cost of living (prices plus taxation). This element is the amount still charged for all goods long since destroyed (*e.g.* ammunition), and those under-employed (*e.g.*, much capital equipment). Such a step as the institution of a Dividend would dissipate a large part of those forces which can be catalogued as anti-social, disruptive or subversive. Its action would not be all-sufficient, but might well be magical.

Its further effect would be to reduce the emphasis now put on what I would call the frivolous elements in social life. Not that sport, amusements and transient excitements are to be condemned, but only their excess, which arises from feeling that other things are not worthwhile. Whether we like it or not, we have to aim at some sort of ideal society; any effort to alter what are the obvious shortcomings in our present state must have an intention, albeit unexpressed

or unformulated, to substitute some better state. Social idealism of some sort and in some degree has been the driving force behind all movements which have influenced the world, even though they have not in fact achieved their ideals, and even though those ideals may be repellent to some of us; as, for example, Christianity, Communism, Fascism, Socialism, Utilitarianism. All too large a part of current social development in this country seems, to me at least, to be unduly depreciative of human dignity—repetitive manufacture, endless office work, film sentimentality, newspaper scandal-mongering, gambling of the most foolish kind. I would neither deny that the past has not shown equal defects—I have never been *laudator temporis acti*—nor assert that these things ought to be eliminated but only that they should be reduced. Which can be done, partly by a general lifting of the standard of comfort and partly by turning more social approval by the Dividend amongst other things, on such central features of life as skill, knowledge, culture, family life. One of the leading traditions in English education, at any rate in theory, is a stress on character. The tradition in society we should seek to establish is character-and-competence; a step towards which is the present endowment of competence.

For the present emergencies of our State a National Account and some sort of Price-Tax discount based on it are essential. A great deal of energy must, in the general estimation, be put immediately into all branches of armament, and they are many. We have the energy, human and non-human, in abundance. Its evocation and application require time—period to be as short as possible. To call in as many of the unemployed as may be, to transfer the mis-employed, to train newcomers, to maintain at optimum pressure those already engaged, demand very great financial operations by Government, because the paying of money is the prime method of securing material and of summoning up energy in required directions. Even the most totalitarian State has its budget, must buy food for its labour corps, must pay its troops.

The British Government is pumping money into the retail and wholesale markets by its payments for goods and for labour. This process, in so far as it deals with internal resources only, has properly only two limits. The one is the point where money secures no more goods, and that point is obviously very far from being reached except perhaps in some small departments where there is a temporary shortage due to previous failure to ensure either skill or equipment. The other is an oppressive rise in retail prices which would lead to discontent among the people who have to pay them. But, on the assumption that what is provided through this financing is an addition to the national assets, however rapid may be the obsolescence or waste or deterioration of the products, their cost represents an increase in the general wealth, and so becomes an element, until obsolescent, in the appreciation side of the appreciation/depreciation balance. Therefore, with the Social Credit Price Factor applied, the second limit imposed by a rise in prices markedly recedes. No excuse remains on that account for “economy.”

The comparative complexity of financing large increases in material imported from abroad lies beyond the scope of this present article. Once again, however, the clue to the problem lies in the use of a National Account and a realistic consideration of *What do prices mean?* For the essential of import is the provision of export; for export the essential is the employment of high productive and commercial skill coupled with a price policy; Germany and some other countries enjoy heterodox price policies with not inferior skill; and the chief means of equalling or surpassing, if need be, their progress, is the adoption of superior but similarly heterodox financial devices.

Motes and Beams

By G. W. L. DAY

A PROMINENT journalist said to me the other day, “We are growing so morally indignant over foreign affairs that even the Socialists want us to kick Hitler in the pants—after we’ve taken our boots off.”

The bootlessness, of course, refers to the Labour policy of disarmament, while the wish to kick dictators in the pants is the post-war spirit of militarism among people who, you would think, were the least likely to feel such an emotion; among the pacifists, in fact, who abhor violence in any form and who a few years ago would have sacrificed almost anything for the sake of peace. On the other hand, the cynics—those, for example, who believe in Sir Arthur Keith’s philosophy of war as a pruning hook—are in a comparatively pacific mood. So the microbes of war fever are breeding not in Jingo, but in pacifist blood!

To understand this paradox one must consider individual psychology. The cynical, hard-bitten, “practical” man is not very imaginative, nor does he live much in his emotions. The pacifist, on the other hand, is so imaginative and emotional that the very thought of war with all its horrors keeps him awake at night. At the same time he is keenly

alive to other people's sufferings which the other man is not—and is apt to be so carried away by his feelings that his powers of reasoning and analysis are eclipsed. It is he who ardently supported the League until the bitter end, he who tore up the Hoare-Laval Pact, he who burns with that peculiar moral indignation at the mis-deeds of foreigners which has always puzzled other races and won, us the reputation of hypocrites. Show him injustice or cruelty, especially in a dramatic light, and he will go off like a squib.

The world being what it is, there is always injustice and cruelty, and I feel certain that if our press, or even a section of it, concentrated on the iniquities committed in some other part of the world there is hardly a nation against which it could not arouse strong feelings of moral indignation. For example, suppose the press had spent six months in dramatising the deeds of Kemal Ataturk from a hostile point of view, could it not have worked up a feeling of hatred against Turkey? There is no doubt that it could. Even if the strict truth were told, there is hardly a country which is not open to criticism; but when the facts are presented with bias and the standards of judgment are arbitrary, disparaging a nation becomes as easy as convicting a witch in the Middle Ages.

So long, then, as the emotional type of Britisher exists—and there is no sign of his approaching disappearance—and so long as there remains a press which is ready to play on his feelings, it is obvious that (if I may coin a phrase) kinetic public opinion can be kindled and switched on to far horizons just as an astronomer in his observatory can direct a visitor's eye to various parts of the universe. The press, in fact, stands to the public in somewhat the same relation as a dramatist or a producer stands towards the theatregoer. It can choose arbitrarily from the available news, emphasise what it wishes to emphasise, suppress what it wishes to suppress, and finally present a special slant on it in conformance with its policy.

Now, as everyone knows, the press, or at all events an exceedingly active and vocal section of the press, has lately been directing our attention to the iniquities of Germany. It is not my purpose to discuss whether Germany is as black as she is painted. Perhaps she is, perhaps not. The important thing is the reason for this campaign of hatred and the effects it is having on public opinion at home. As examples of the effects, one gentleman wrote to a daily paper recently saying that it was time other nations realised that Great Britain was the only country in the world with a conscience and which acted from purely altruistic motives; while according to the *Hornsey Journal*, a public speaker, Mr. Grant-Ferris, said, "Next to Our Lord, I think Neville Chamberlain is the greatest man who has ever lived in the world."

These, of course, are extreme examples, but it is clear that large numbers of people are more than half-convinced we are living in the best of all possible countries in the worst of worlds and that any minor imperfections at home are due to our wicked neighbours. We ourselves, they think, are knights in shining armour—note how the emotional type will always welcome sacrifice in the cause of an ideal—and like the knights of old we must be prepared to suffer. They have been led to believe this because it has been easy to dramatise recent events on the Continent; and because of the special twist which has been given to these events a large part of the public is already "on the simmer."

The Fuehrer, in at least one of his annual Berlin speeches, suggested that we should remove the beam from our own eye before condemning the mote in Germany's, and when you have bowdlerised the highly emotional passages out of them, these speeches of his certainly do seem to contain some pungent common-sense. If I remember rightly, he recommended us to cast an eye on Palestine and our own Distressed Areas and ask ourselves whether we had the right to condemn another nation.

Our press, of course, has little to say about such matters, and for a good reason: the financial powers which stand behind it do not wish public attention to be focussed in this direction. Just as a man who is suffering from some grave physical malady can come to forget his illness under the stress of external events, so we as a nation can be made to forget our internal troubles in the excitement of happenings abroad.

We can be made to believe that Germany under the Third Reich is a hell upon earth, and that her rulers are murderous paranoids thirsting for blood, just as not so many years ago we were led to believe the same thing about Bolshevik Russia. In the heat of our moral indignation we forget that although we have no concentration camps, we have Distressed Areas where men and women lose their liberty, their health, and in fact everything which makes life pleasant to a human being; that we have tens of thousands of slum dwellings, whereas Germany has none; that millions of our people are undernourished and millions are condemned to enforced idleness and slow decay.

What right have we to point the finger of scorn at anyone while our own domestic affairs are in such a sorry plight? The fact that we do so is usually attributed to traditional British hypocrisy, but myself I think it is due to a naïve inability to realise what we have the right to expect. We expect conditions to be unpleasant at home because for

centuries they have been so, and because we have a Calvinistic streak in our nature which looks for trouble in this world as a necessary prelude to better times in the next. And secondly, we have what the psychologists call a superiority complex: a tendency to see ourselves as great gentlemen in a world of cads. Great gentlemen, of course, regulate their lives by stern codes of behaviour and are not much given to self-analysis.

So long as we are living in the grip of these illusions, there is not much hope of escaping from the tyranny of our financial rulers. Cool and reasoned thought is needed. At the moment, however, the prospects are an increase of blinding and artificially inspired emotion which is being kindled in us as a diversion, and perhaps in preparation for another Armageddon.

Money and Morals

By ARTHUR BRENTON

THE first article by Major Douglas that appeared in *The New Age* was entitled "A Mechanical View of Economics." It was published during the first few days of January 1919. It was the prelude to his analysis of the credit mechanism operated by the bankers. In that analysis he showed that this mechanism was wrongly designed, and, in operation, defeated the object for which the economic system was instituted. That object was (and still is) to quicken the rate of consumption relatively to the expenditure of human energy. And the credit mechanism was (and still is) supposed to facilitate that object.

Major Douglas's discovery was made known just before the community were going to receive the most dramatic reminder that the economic system was failing to fulfil expectations, and, indeed, reversing them in terms of results. Commonsense had justified the expectation that, upon the cessation of the world war in 1918, the economic system would fulfil its purpose more efficiently than ever before. Yet, to everybody's amazement, its efficiency declined with the cessation of destruction. It had provided "butter" as well as "guns" in adequate quantity during the war when millions of workers were out on military service ("on the dole" in the economic aspect), but as soon as the demand for guns ceased its provision of butter declined. To digress a moment, one may note the further anomaly disclosed in a recent debate in the House on old age pensions, namely the Government's plea that while we are accumulating guns we cannot consume more butter. Yet, on the experience of the last war, if we start to use, wear out, and replace these guns in multiplied quantities, turn millions of workers on the dole again, and resume destructive activities—then we can all get more butter!

The contradiction, however, becomes understandable if you adopt a theory somewhat as follows: That butter making is a technical by-product of gun-making; and that there is a fixed and unalterable ratio in which the energy at our disposal must be directed to the making of consumable and non-consumable products respectively. For, obviously, if nature forbids us to consume more than a given fraction of all that we produce, it could happen that we should have to produce on a war-scale in order to get square meals. Of course we might well ask how nature could prevent our producing on a war-scale without having a war. The only satisfactory answer would reside in some such theory as this: that without a war the non-consumable part of our production cannot be disposed of (whether by usage or destruction) and would so accumulate as to stop the machinery of production.

Now both these theories are ridiculous in the physical frame of reference. What natural law is there that commands us to make things that we cannot use in any way at all in order to make things that we need in some way or other? But substitute the financial frame of reference and these theories become plausible. They fit in with our experience of what happens. And because of this we get hold of the notion that it has got to happen. And indeed it has, provided we allow the claim that the present, orthodox, financial frame of reference represents and transmits what we may call the "standing orders of nature" limiting the scope of physical achievement.

The Social Credit analysis has disproved such a claim. It has shown that the limits of monetary cost, which are the basic characteristic of the present financial frame of reference, are an unnecessary and removable factor of interference with our ability to apply energy to any purpose that nature permits—i.e., to apportion it in any proportions we like as between different purposes.

These limits of cost arise from the mechanics of the financial system designed by the Money Monopolists. They then become the cause of all psychological frictions in the economic and social frames of reference. For this reason Major Douglas correctly declared that the inefficiency of the economic system does not arise from its administrative

plans and personnel. Even saints could not run the system efficiently while the error in the credit mechanism was left uncorrected. All psychological problems in the social plane are derivatives of problems in the economic plane; the latter problems are derivatives of problems in the industrial-financial plane, and these last problems are derivatives of a single master-problem in the plane of credit policy; and, in Major Douglas's words, "the core of the problem is Cost."

This fact places the advocate of Social Credit in a dilemma when he comes to the problem of enlisting public support for the basic change that has to be made. Few people can be persuaded to verify his indictment of the principles of costing which are the root of their troubles. The subject is not interesting, and is also too abstruse to appear important in a practical sense. But if the advocate goes to the outer edge of the series of concentric circles of derivative problems just mentioned, he finds that, instead of there being too few people interested, there are too many. He finds himself in a region where each problem is capable of being plausibly accounted for by reference to failings in human nature, and of being solved by the method of "finding the scapegoat." True, the scapegoat is frequently as difficult to find as the thimble. But that obstacle does not detract from the interest in the hunting. Further, this interest is sedulously fomented by divers pundits—doctors and saints—each with his own pet problem and pet culprit behind it.

Naturally the Money Monopolists will accredit all these localised researches into problems of human conduct. They will promote all sorts of inquiries into such phenomena as, let us say for example, bears dancing on hot bricks, provided that inquirers confine themselves to taking the temperatures of the bears!

These prophets and practitioners confuse the issue and obstruct the progress of Social Credit advocacy. The confusion arises from the fact that in their teaching they implicitly condemn the very purpose for which economic systems have been established. A characteristic of their general attitude is their zeal in deploring what they call "materialism," whereas the motive for which people engage in economic co-operation is wholly materialistic. The motive can be summarised in the phrase: We work in order to eat. By extension this means: We work to perfect the economic mechanism in order, subsequently, to eat more while working less. Here you have the elements of Greed and Laziness in the full regalia of their shameless nakedness. Together they stand for the ultimate demoralising ideal: Everything For Nothing.

Of course, our moralist mentors do not openly insist, as they ought logically to do, that our economic system should be scrapped for this reason; but their influence tends in that direction. For how can one reconcile their inculcation of our unselfish propensities in respect of a problem whose solution is entirely dependent on the gratification of our selfish propensities? If you picture the people standing in a queue outside the half-filled shops of the economic system, then the mission of the moralists amounts to an attempt to keep order in the queue. "Don't push." Excellent advice—in other frames of circumstance. But more patience in the queue does not put more stock in the shops.

Note this passage from a letter recently contributed to a journal from a person who holds himself out to be in sympathy with Social Credit:

..... one dreads to think what might happen to England and all her gentlemen if merely "plenty for all" depended on us. The vulgar rich in our midst should be sufficient warning for us. The character and skill, the breeding that is enshrined in their homes and surroundings, might easily be destroyed by mere prosperity.

So, what?

This sentiment is foreign to the spirit of the true Social Credit advocate.

The phrase "mere prosperity," links up with the phrase, "mere poverty." To disparage the importance of material affluence is also to disparage that of material privation. And to do this is to disparage the importance, and therefore to deny the urgency, of the problem of abolishing poverty. It is as much as to say that the Social Credit discovery of the solution of this problem has come too soon—that is, has come before the people can be trusted not to misuse their money or their leisure, or both. This outlook is also implicitly indicated by the use of the phrase, "the vulgar rich"—as if there were no such phenomena as "the vulgar poor"! Even granting it to be true that prosperity breeds vulgarity, this truth is wholly irrelevant to the main issue—unless those who proclaim it begin by moving a resolution that the primary purpose of an economic system is to promote good taste! This happens to be the Pecksniff doctrine in its immaculate form. That famous moralist, it will be remembered, observed to his daughters that misfortunes came into the world to stimulate the virtue of compassion among those who were fortunate. A comforting thought—were it not for the fact that poverty mothers a greater multitude of sins than are covered by charity.

The true advocate of Social Credit, though he can successfully combat the fears expressed by the moralists as to the reactions of society to an environment of material sufficiency, is nevertheless giving them hostages by the very act of arguing with them. For, thereby, he bestows on their outlook the cachet of relevance. It is his business to declare to all that the economic system can be made to distribute a sufficiency of goods and services, and to explain how to those who want to know. He starts from the postulate that this is what they want and why they co-operate in production. Social Credit, said Major Douglas on one occasion, is an instrument which enables a community to do what they wish to do. The present system of finance is a disabling instrument. As to what they will do, the spirit of the Social Credit Order is one of trust in the community, or, if preferred, willingness to take the risk of their misbehaviour. People who manifest the spirit of distrust in the community do not belong to this Order. They possess the mentality that would condemn the provision of soup as noisome just because some people consume it noisily. All of them wear “noble brows” no doubt; but they praise the basic error in the system by damning only its remote derivative errors.

“So what?” someone will say. The answer is: Let them hoist a flag of their own. Let this flag denote in what order of urgency they place problems belonging to the respective spheres of economics, politics, sociology, metaphysics and religion. Must we be purged of sin before we can be saved, or can we be saved while we are yet sinners? If they elect to answer “yes” to the first question they describe themselves as outside the Social Credit Order. Their orbit of outlook may overlap that of the Order, but it does not coincide with it.

Speaking of “purges” calls up the problem of the Jews. Quite recently it has been suggested that Jewish upholders of Social Credit would do well by promoting purely Jewish societies to further it. Whatever reasons exist that make this expedient can be adduced in support of the promotion of other societies in which people of like traditions or outlooks shall work in independent associations. As examples, there could be the Church of England, the Roman Catholic, the Protestant, the Rationalist—yes, and even the Anti-Semite—associations for furthering the Social Credit objective. These names would identify their centres of gravity and indicate the reservations with which they qualified their support of it. Once assigned their places in the firmament of activist policy, the more there were of them the better. For obviously the greater the number of bodies that are mutually antipathetic in basic outlook and yet formally acknowledge allegiance to the Social Credit Order as the steward of the means of economic salvation, the greater the prestige of the Order and its stewardship as the symbol and agent of universal reconciliation and the Brotherhood of Man.

The Money-Minded

WHEN I was faint for lack of food to eat,
They boasted they had halved the stock of wheat;
When I was clothed in rags and blue with cold,
They planned to scrap more spindles, I am told;
When I was homeless, wandering in the wet,
They wrote that the demand for homes was met;
When I and my beloved would be wed,
“Then she must lose her living, too,” they said.

Oh, who are these that take such care to feed
Always the Market’s, not the People’s need,
Who show concern for Industry and Trade,
And that an Export Surplus should be made,
And budgets duly balanced, at the price
Of customary human sacrifice?

They have no part with us; they do not think
With common men who want to eat and drink,
To clothe themselves and shelter from the weather,
To love, to mate, and to be warm together,
To bring their children forth with joy and pride,
And live contented by their own fireside.

They have no soul, no sense, no sanity,
They have forgotten their humanity.
Mindless machines they are, that never weary
Of echoing the perpetual parrot query:
Where’s the Money to come from?
Where’s the Money to come from?
Where’s the Money to come from?

GEOFFREY DOBBS

The Danger of Edward VIII

“The Windsor Tapestry.” By Compton Mackenzie (Rich and Cowan, 16s.).

THE abdication of Edward VIII is a confirmation of the thesis elaborated in the article by Miss D. E. Faulkner Jones in this issue; he was a danger to the group which rules in supremacy by the control of money, and had to be removed. The circumstances of his going are comprehensively reviewed by Mr. Compton Mackenzie in a book which, if the long and tiresome (except to the few specially interested in the history of royal divorce) middle part be skipped, is a brilliant and realistic history of our own times.

If ever there was a matter of policy on which a democratic people should have been specifically consulted without prejudice, it was the choice of their King. But so alarmed had the ruling group become at the risk of Edward's symbolising the sovereignty of his people, and fulfilling their subconscious will to put an end to poverty in the midst of plenty, that they exercised their supreme power while it was yet unchallenged. With the subtlety of which they are masters they staged a controversy about marriage proprieties, well calculated to divide the people while the immediate danger to their rule was swiftly removed.

Mr. Mackenzie deals faithfully with the leading public characters in the case; and his daylight analysis of the Archbishop of Canterbury and Lord Baldwin (whom Dickens anticipated in Mr. Pecksniff) is ruthless but serviceable. What is probably one of the most valuable achievements of “The Windsor Tapestry,” however, is its exposure of the continued conspiracy of silence or misrepresentation aimed at the total extinction of the light of Edward VIII.

W.A.W.

Wit for Hard Crusts

“Outrageous Rhapsodies.” By G. W. L. Day; illustrated by Vicky (Herbert Jenkins, 3s. 6d.).

MR. DAY has produced a volume of forty-four Outrageous, but very amusing, Rhapsodies; with clever illustrations by Vicky which balance the text. His subjects range from “The Pathetic Film Star,” through politicians, poets, economists, to “The Baffled Boxer,” a fairly comprehensive list of victims. These puppets dance to a variety of rhythm reminiscent of W. S. Gilbert, to whom, indeed, Mr. Day offers apologies—which are due only as from one artist to another—in “The Half-bake.”

It might be supposed that any work from Mr. Day would be permeated with Social Credit feeling, and Social Crediters will not be disappointed in this respect. So give your doubting friend a copy for Christmas; subtle wit and humour may get through the hard crust of orthodoxy where argument has failed.

A. WELFORD

Down the Ages

“The Master Problem.” By Desmond Allhusen (Peter Davies, 8s. 6d.).

MR. ALLHUSEN is not, thank Heaven, an economist. But he has studied the ways of that fraternity. He listened to them “arguing, not only about the cause of the breakdown, but about the way in which the machine was supposed to work,” and he was not impressed.

So he left them “struggling with the involved, complex and chaotic affairs of the present age” and turned his attention to the past. He approached the economic system from the rear. He decided “to go back to the beginning; to watch the economic system take shape, to watch it grow, stage by stage.”

The result is a historical survey from the stone ages (“archaeology was almost pure economic history”) up to the present day. Mr. Allhusen tells us that he found the story of the economic system “as stories go, by no means a dull one.” But, in his hands it is far more than that. It is a fascinating one; and there is withal a certain joyousness in his writing which flavours the pungency of the wit.

The first civilised community, trading with the use of money, which he selects for examination is the Lydian Empire—"the England of 3,000 years ago." Coinage started with them, but, though it was stamped metal, it was weighed—not counted. Money was intrinsically worth as much as the goods which it served to exchange. That was the secret of the Lydian economy and Lydian wealth—sound money.

Lydia was conquered by the Persians about 546 B.C., and the author sums up:

For up to the sixth century, B.C., economic history appears to present a perfectly straightforward picture in which periods of progress alternated with periods of destruction. As long as a country remained free from invasion or drought, it seems that there was invariably progress, and usually very remarkable progress; and as far as we can see it only stopped either when a conqueror stopped it by violence, or when nature intervened by cutting off the water. Countless cities were burnt, others were deserted and the sand drifted over them; but, search as we may, we find no signs of any decline in time of peace: no signs of that puzzling internal decay, that mysterious failure to make use of the available resources, which began to appear from time to time in the epoch which followed.

So we come to the Greek States, and find coins taken for granted. Weighing of coins ceases. And then certain of the Greek tyrants commence the practice of debasing the currency. Athens drew ahead when she stopped monkeying with money, and in time her currency came to be accepted everywhere.

But currency debasement had come to stay, and the author follows Roman history in the light of honest money, or the reverse. His conclusion is sufficiently striking;

So Rome's fortunes followed her money faithfully to the end. They followed it step by step, backwards and forwards, up and down, with the precision of a shadow. And finally they sank with it to zero and were finished.

Take the coin of a Roman Emperor, and test it. There will then be no need to refer to the historians to discover how Rome fared while that Emperor reigned. Neither will there be any need to wade through the strange collection of theories which they put forward to account for the decline of Rome. When the economic foundations went, the rest was certain to follow.

The dark ages do not detain us long. The author traces the rise of the Arabian civilisation, and thereafter transfers his attention chiefly to this country from the Middle Ages onwards. Through the period of the Tudors, the Stuarts and on to William of Orange, the economic fortunes of the country are followed and correlated with the soundness of its money. The story never fails to charm.

So we reach 1694—and the Bank of England, with its new money:

The year 1696 saw the end of the clippers; and at the time it must have looked as if Blondeau's mill had finally rid English money of its last parasite. But the melancholy truth is that at the very moment when preparations were being made to put the old silver money finally beyond the reach of fraud, a new kind of money, far more difficult to protect than silver, was being smuggled in to take its place. If the old money had lent itself to fraud, the new money positively clamoured for it.

There follows a survey of the rise of the banking system, with first its paper money, and then its cheque money. A section dealing with foreign trade and the rise of the merchant bankers brings us within sight of 1844, and the Bank Charter Act.

So by degrees the banking system assumed its present form. The Bank of England sat in the middle, keeping a little gold and issuing a lot of notes, while the other banks sat round and carried on the good work by keeping a few notes and issuing a lot of cheque money.

The seventy years from 1844 to the outbreak of the Great War, with their periodic financial crises, and periodic infusions of gold, bring us halfway through the volume, which thereafter ranges over the economic and financial aspects of post-war England, punctuated with appropriate excerpts from the Macmillan Report.

Later we are treated to a discussion of the economic policies of the present Government and of the Opposition. The agricultural policy of the former comes in for special treatment, and there is a section on tithe rent-charge which will bring joy to the heart of every son of the soil as surely as it will make every Ecclesiastical Commissioner foam at the mouth. And for the Opposition, the vagueness of its monetary policy comes in for well-merited castigation.

Disappointed with the politicians, Mr. Allhusen turns to the professional guides—the academic economists—and, of these, chiefly to Mr. J. M. Keynes.

Disappointed here, he turns to the amateurs, and deals briefly with Major Douglas and Professor Soddy. He joins with both in their mutual agreement that it is the monetary system that is at fault; but the Draft Scheme for Scotland frightens him and he favours the remedies proposed by the Professor. He himself has “nothing original to offer” in the shape of a scheme of monetary reform; but he sees quite clearly that, whether our money is in the form of coins or paper or figures in ledgers, “the control of our money, the power to issue it and withdraw it, the power to alter its value, must be taken out of the hands of the private interests who have been allowed to usurp it and vested once more in its rightful trustee, the State.”

In his view the issue and recall of our money should be in the hands of a small body of Commissioners appointed by the Crown. The supply of money should be co-ordinated with the supply of goods by maintaining a steady price level, and its issue for this purpose should be by payment for goods and services required by the State. He is thus in agreement with the Social Credit proposals in so far as there should be a National Credit Authority issuing debt-free money. But he would issue it conditionally and for the purpose of maintaining prices steady, whereas Major Douglas would issue much of it unconditionally and for the purpose of lowering prices.

Throughout this most interesting book the author has consistently kept his eye on the ball—the money system. His preoccupation with this has prevented him from seeing that there are in fact two balls to watch—and the second is the costing system. He has read Major Douglas without apparently realising, or at least without being impressed by, the fact that “the core of the problem is factory cost.”

One grateful reader at least will look forward to the day when Mr. Allhusen will deal as effectively with cost and the conventions which surround it as he has dealt with money and the conventions that bedevil that.

A. W. COLEMAN

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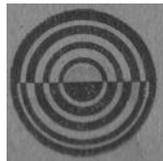
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