

SOCIAL CREDIT

A JOURNAL OF ECONOMIC DEMOCRACY

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NATIONAL DIVIDENDS ARE NECESSARY

Says The Very Rev. Dr. Hewlett Johnson, Dean of Canterbury

THE call for the National Dividend grows. Reason and justice demand it. Physically it is obviously possible. Indeed there is no alternative to the mass destruction and restriction which disgrace our civilisation to-day.

Restriction is less dramatic but more dangerous. To burn 6,000,000 dairy cattle and 2,000,000 pigs; to fling 30,000,000 lb. of coffee into the sea and 40,000,000 gallons of milk down the drains scandalises all readers, and for that very reason is less dangerous than insidious restriction which accustoms us to artificial shortage as if it were real shortage.

When we read of restriction of 122,000,000 lb. weight of tea we calculate that a 15 lb. tea packet might have been added to every larder in the land. But next year we forget what once was possible and begin to believe that artificial shortage, engineered in the interests of money shortage, reflects essential shortage.

Restriction induces the scarcity complex.

In face of all this destruction and restriction a National Dividend is obviously as possible as desirable. Simple facts and simple arithmetic prove it.

Four thousand men, equipped with modern machinery, can produce the wheat that America eats. Five hundred men, with an ultra-modern boot plant, can provide England's footwear. English soil has been made capable of producing twice as much as it did ten years ago. And 2,000,000 men are idle.

Set those millions working with modern equipment and an immediate dividend, accompanied by a great reduction in price and taxation, is possible.

Financial facts can be made to reflect physical facts. Money reformers understand the technique, and every man can grasp the principles on which it rests and demand its obvious results.

In essence, the thing is simplicity itself.

First, we procure an estimate of the nation's real wealth.

Secondly, we keep track of that wealth and see, year by year, how we stand. We add so much: we consume so much. The difference between consumption and production is the increase in our real riches.

That increase must be provided with an exact equivalent of money tickets; precisely as you add more tickets to a theatre if you add more seats.

The money must, of course, be made by the country; costless money, created to implement production.

As the money is spent, goods to that value pass out into consumption and the tickets are automatically cancelled on return; all danger of inflation is avoided.

The goods are there. The money to claim them can be there. How shall we put that money in consumers' pockets. Partly as a Discount on goods sold, issuing in a fall of prices.

Partly, also, as National Dividend, because machines displace human labour, and a discount on goods avails nothing to men without wages.

The Dividend is just, as well as reasonable, and possible.

For weal or woe we have submitted to the principle of association in production. None of us is independent. We work as members of a team. And the fruit of that association is gigantic.

To whom does it belong?

If ten men working together produce more than ten men working individually, whose is the increase? Suppose for instance, that the ten produce so much that only two of the ten are needed to operate the machines and direct the flow of goods. To whom will the goods belong? To the two who came at the end of the process, being lucky to be the last displaced?

Surely not. It will belong to the whole community which gave it being.

And it is out of that increment of association, that social heritage, that flow of goods due to "the progress of the industrial arts," that we create the fund from which National Discounts and National Dividends are derived.

And what hinders us from immediate access to the Dividend and Discount which reason and justice demand, and association and machinery make possible?

Only the undefined and unexpressed will of the electorate.

If we demand the Dividend we shall get it.

Poverty, with its slums, sickness, misery, degradation and grinding toil are wholly unnecessary to-day. Machines remove the necessity. The machine can set us free if we will.

And our will can be made immediately effectual through Parliament. For Parliament can demand of its financial experts that they shall make financially possible what is patently physically possible. The thing can be done. And the experts can do it. If not, they must stand aside for those who can. Our Social Credit technicians are available.

**A NATIONAL
DIVIDEND IS
MONEY TO BUY
THINGS WE
NOW DESTROY
AND
PRODUCTION
WE RESTRICT**

The Social Credit Movement

A Brief Summary of What It Means and What It Will Accomplish

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

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

The adoption of this scheme would result in an unprecedented improvement in the standard of living of the population by the absorption at home of the present unsaleable output, and would, therefore, eliminate the dangerous struggle for foreign markets. Unlike other suggested remedies, these proposals do not call for financial sacrifice on the part of any section of the community, while, on the other hand, they widen the scope for individual enterprise.

THE foregoing statement distinguishes the Social Credit Movement from all other movements for social or monetary reform. No other school of reform makes the assertion set out in the first sentence, yet the evidence presented by perpetual poverty (*i.e.*, lack of purchasing power, or money to spend), side by side with more goods and services (*i.e.*, the product of industry) than can be sold, points to the truth of the assertion, which holds good during both booms and slumps.

To say that the statement is untrue in wartime is, first, to admit its truth in peace time, and, secondly, to imply that poverty cannot be abolished without international strife—which is absurd.

Only Banks Create Money

The second sentence above gives the key to the explanation of chronically insufficient buying power, by pointing out that, under the present system, money is *created** by the banks, who *lend* it (although it has cost nothing to create) to industrialists on condition that it is repaid to them.

Money is worthless in itself (it is neither food, clothing nor shelter), and its use is similar to that of a ticket, except that the purpose of tickets is generally to entitle the holders to acquire specific things, whereas money entitles its possessors to any kind of goods and service.

In form, money can be anything convenient, from figures on cheques to specially printed pieces of paper or metal. The particular form which money takes has no relation to its worth, and that its creators, the banks, should treat it as repayable to them does not imply that they sacrificed anything when they lent it, for *it did not exist before*, and was created by the stroke of a pen.

When individuals or industries lend money, they are justified in demanding its repayment unconditionally, because, not having created it, they would have to make a sacrifice if they were to part with it permanently. Now, in order that industrialists who obtain money from the banks can eventually repay it, they have to collect it from the purchasers of the goods they sell, for, since *only banks* can create money, that is their only source of income. When the money is repaid to the banks it is automatically cancelled out of existence. Yet, in the course of its circulation through industry, this created money has built up costs which, even after the cancella-

tion of the money, remain attached to the things the money has made it practicable to produce.

The Social Credit case, therefore, points out that, since the banks create money on the basis of (1) a functioning industry, (2) a consuming public, and (3) stable government, which together may be defined as the "Social Credit" of the community, repayment of bank loans is impossible, unless the community is credited with the monetary value of the created resources.

Even partial repayment under present accountancy methods must result in a surplus of goods which are unconsumable, not because they are not wanted, but because purchasing power is insufficient to buy them.

This defective system of bank-loan accountancy has reduced all industrial communities to a condition of perpetual scarcity, despite the potential abundance made possible by modern science. It has further involved them in a load of fictitious debt to the banks which can never be paid off.

The cause of the present distress having been analysed, the obvious remedy is pointed out in the second paragraph of the Social Credit case. This is, to place in the hands of the members of the community enough purchasing power to enable them to buy everything they are able and willing to produce.

The Remedy for Poverty and Insecurity

The method of doing this is fully described in the writings of Major C. H. Douglas, who first analysed the root cause of the trouble. Essentially, it will be by means of National Dividends, which means an income for every member of the community, in addition to any money brought in by work or savings, so that the things now destroyed and the production restricted can be bought.

The necessary money will be created, and will not be raised by borrowing or taxation. Where there is real wealth, there is credit; where there is credit, money can be issued upon it. Inflationary results will be obviated by a retail-price subsidy regulated to enable the home market to absorb what it wants of the home production.

It is not necessary for people to understand the technical method by which they can obtain money to assure them a comfortable life and the abolition of poverty. But it is necessary for them to realise that these things are possible. They have then only to instruct their elected representatives in Parliament to demand that the government shall do what they want.

The Social Credit Movement is now organising a National Electoral Campaign to urge the people to express their will to abolish poverty, and secure a National Dividend, by means of their Parliamentary votes. All who will give their support are asked to communicate with the Social Credit Secretariat, 8-9, Essex Street, London, W.C.2.

* "Banks lend by creating credit: they create the means of payment out of nothing."—*Encyclopædia Britannica*.

"I am afraid that the ordinary citizen will not like to be told that the banks can and do, create and destroy money. The amount of money in existence varies only with the action of the banks in increasing or decreasing deposits . . . they who control the credit of the nation, direct the policy of governments, and hold in the hollow of their hands the destiny of the people."—*The Rt. Hon. Reginald McKenna, Chairman of the Midland Bank and former Chancellor of the Exchequer.*

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Special Norway Number *

IT was the visit of the late and deeply lamented Eimar O'Duffy to Norway in 1933 which gave a personal introduction to Social Credit in Scandinavia, and it was the advertising men in Norway who first read his books on the subject and invited him over.

During a short stay of several days in Norway, Mr. O'Duffy gave an excellent address on Social Credit to the Advertising Association. It was well attended and there were many questions afterwards, which Mr. O'Duffy is said to have answered very capably and clearly. The meeting was so successful that he was invited by a Labour organisation to give another lecture, but owing to the shortness of his stay he was unable to do this.

Interest in Social Credit was kept alive in Norway by a visit from the Earl of Tankerville, and later by Major Douglas and the Dean of Canterbury last February. Major Douglas then broadcast and gave an address to H.M. The King and several of his Ministers at Oslo. This address, since published as a pamphlet* entitled "Money and the Price System," has created immense interest all over the world.

It is said that King Haakon has read books on Social Credit and is keenly interested. This may or may not be true, but in any case there are many progressively-minded men in Norway who are taking the subject up, and making it a live issue.

From these quarters we were approached to publish an issue of SOCIAL CREDIT which should be designed to appeal specially to Norwegians who are to be found far beyond the confines of their own country scattered in many parts of the world. It is with very great pleasure, therefore, that we present the present issue which we hope fulfils this purpose.

* See "What to Read," on page 230.

The World in the Wilderness

The world is in the wilderness, and whichever way we look we find a Moses or a Joshua trying to lead the people to some Promised Land. Roosevelt, Hitler, Mussolini, Stalin and many others are all trying to play the part of prophets and leaders. At first sight it seems as if each is leading in a different direction, but if you consider it carefully you will find that the Promised Lands are all very much the same; it is only the routes which vary.

"I will give you collective liberty, not personal liberty," said the Duce.

The Bolshevik leaders promised land to everybody, but when it came to the point, their followers found they meant collective ownership.

And what is Roosevelt's New Deal, with all its compulsive legislation, but a big step towards Collectivism?

The old economic world is in ruins; an earthquake has shaken it to its foundations. But instead of rebuilding it on new lines to meet the completely altered conditions, these dictators, with high finance urging them on from behind, are desperately running about shoving up the crumbling walls and cementing the cracks. They are quite unable to plan anew, and can only develop the plans of the original architects, which culminate in work states.

Both Roosevelt and Stalin aim at providing work for the sake of work and distributing purchasing power only through the medium of employment. While this remains the chief object, Stalin can quite rightly claim superior success because Russia is still only partially developed and the process of industrialising herself is bound to require a large amount of human labour. As regards organisation, there is not very much to choose between Russia and America. Both have centralised governments, with highly organised central control, and although in Russia the Monetary System is under the government, its system is exactly the same as in other countries. Put an American banker in charge of it and there is no difference at all.

Power of Credit-Manipulators

No dictator is leading in the direction of liberty for the whole nation. The most that any of them can do is to substitute the dictatorship of one class for the dictatorship of another, so that the total amount of oppression in each country is never reduced on balance. On the contrary, the sum total is increased, for the real source of oppression grows stronger every day.

At one time a source of oppression was the owner of capital, but now it is the manipulator of credit. A water-mill owner, provided his stream is his own, may be able to oppress his employees, but the man who controls the stream can oppress both mill-owner and mill-hands. So the real issue now is between capitalists and workers in the one camp, and financiers in the other. Private property—like the water-mill, is comparatively unimportant while credit—the water which works the mill—is in the hands of Money Monopolists.

Karl Marx ignored the Money Monopoly and never even understood it. He assumed that as industry developed, power would fall into the hands of the industrial workers. He forgot the Machine. Every year machine labour is becoming more important and human labour less so. This means that the power of the working class is continually dwindling, along with that of the owners of property. Both owner and employee are a diminishing force, while the power of Finance is throttling the whole world in a grip of iron.

Too Poor to be Safe

Sir Charles Bressey, who was appointed five months ago to produce a highway development plan for Greater London, has been examining the recommendations of a Royal Commission on London Traffic, published as long ago as 1905

These recommendations remind us of the days of "Edwardian plenty," or, in other words, the days when sordid, cheeseparing parsimony had not become one of the Seven Deadly Virtues. With remarkable foresight into the difficulties we are actually experiencing now, the Commission proposed, among other things, driving two avenues 140 feet wide and four or five miles long through Central London from north to south and from east to west; constructing underground railways on the New York subway principle, with separate lines for express and slow trains; a comprehensive plan for improving and constructing main roads leading out of London; and building giant subways under the most congested thoroughfares in Central London to relieve traffic on the ground level.

At the time the Commission estimated the cost of the avenues alone at £30,000,000. On this score we may be quite certain that no such proposals will be thought possible.

The Toll of the Roads

Meanwhile the difficulties of London traffic are becoming fantastic and the casualties on the roads of Great Britain still remain enormously high. Every week over 100 persons are killed—one week it was as many as 187—and round about 4,000 are injured. About one-quarter of these deaths and injuries are in the London Metropolitan area. That is to say, every year somewhere about 1,300 people are killed and 50,000 injured in London from street accidents.

Now if all these people were knocked out, not by vehicles but by enemy bombs, just imagine what a public outcry there would be to safeguard the population! Perhaps a military commission might report that London's citizens could be safeguarded to a large extent by certain defensive measures, but that the cost would be, say, £30,000,000. If this happened, do you suppose we should listen to the financiers and economists if they told us we could not afford it? No, we should protect ourselves at all costs. During the war far more money than this was forthcoming when it was a question of life and death, and nobody said we were too poor to afford it.

But whereas, during the war, our millions were spent to a great extent in shells and bombs which quickly disappeared, new avenues and subways for London would be things of much more permanent value. They would, in fact, be national assets; and their value would be far greater than that of life-preservers, for they would ease our difficulties in many directions and greatly improve transport efficiency.

Money Mysteries

The *Daily Express* wonders where Hitler is getting his money from and surmises that "German industrialists are living by taking in each other's washing." Where else, asks the *Daily Express*, can he have got some £160,000,000 odd which has been spent on re-arming? "No details of the increased armaments expenditure have been included in any Budget yet published, and on paper Germany has a large army and one of the strongest air forces in the world, without one penny of extra cost."

Can Hitler have discovered that money is really nothing but a sort of lubricant to make the wheels go round, and that like another well-advertised brand of oil, every state could be sure of it if it took the necessary steps? In fact, nobody need go to the trouble of sinking wells for it, for money is just materialised faith; and Hitler is surely in a commanding position (if he can get the better of Dr. Schacht) to do the materialising.

Meanwhile, *The Times* talks about "Road Fund 'Raid,'" which sounds as miraculous as stealing gold out of the reflection of a safe in a glass. The Fund is only composed of faith "materialised" at a banker's séance; it is not even composed of good sound British ectoplasm, but only bankers' bluff. In fact, if it were not backed by the Real Credit of the nation it would not materialise at all.

The American Scene

The Times Washington and New York correspondents have both been lending an ear to the undertones of the New Deal, and their impressions appeared on April 10 and 11 respectively. From Washington the message is a little querulous with its references to "intimidation" and "threatening" on the part of the worms who are beginning to turn; and a shriller note intrudes on the final paragraph:

When Father Coughlin says, as he said in Cleveland last night, that his "Union for Social Justice" will become stronger than any President, he may be and probably is grossly exaggerating, but he is illustrating one aspect of the confused American scene. Two years ago the American people turned, as they always do in an emergency, to the personal power of their Chief Executive; to-day they are being told by eloquent and self-seeking men that he has failed and—like the Athenians on a certain memorable occasion—that it would be monstrous if they were prevented from doing anything they chose. (Our italics.)

The New York correspondent has more understanding of the forces at work for he soon points out that:

"Now, after two years of disappointingly slow progress towards economic recovery under the New Deal, the people are once again beginning to turn a receptive ear to the purveyors of more drastic remedies."

He goes on to devote considerable space to the rival proposals and obvious popularity of Townsend and Huey Long, in a manner which these two gentlemen must find rather patronising.

Coughlin Knows his Stuff

The New York correspondent has his facts almost right about Father Coughlin, apart from knowing about the 146 clerks who handle his enormous mail; and the following passage should be compared with the article on conditions in the U.S.A. (page 227):—

Unlike Huey Long, Father Coughlin has no cut-and-dried proposals for achieving the millennium . . . When, however, a specific measure is before Congress he does not hesitate to demand its passage or rejection. Indeed, he has organised his Union of Social Justice for the avowed purpose of exerting a steady pressure upon Congress in favour of his radical ideas. Though it was only founded last November, the Union already possesses close on 3,000,000 members, and each of these is registered by Father Coughlin under the name of his or her congressional district. In this way Coughlin has built up a national political machine possessing positively startling potentialities. Its power has already been demonstrated on more than one occasion during the life of the present Congress, the rejection of the World Court by the Senate being one of them. That is good reporting and it is a pity that the passage was marred by the inclusion, where we have broken it, of this sort of thing:

For the most part he is content to fulminate against the wickedness of private finance and the evils of the profit system, or to advocate such vague conceptions as a living wage for all . . . The sneer makes us wonder which is considered the graver offence, to have cut-and-dried proposals or to have none.

The Causes of War

Is Our Money System to Blame?

By Major C. H. Douglas



MAJOR DOUGLAS

The following is the text of Major Douglas's broadcast address of November 30, 1934, which formed the basis of his lecture at a public meeting at Oslo on February 15, 1935, under the auspices of the Norwegian Advertising Association. The meeting was attended by members of the Nobel Peace Committee.

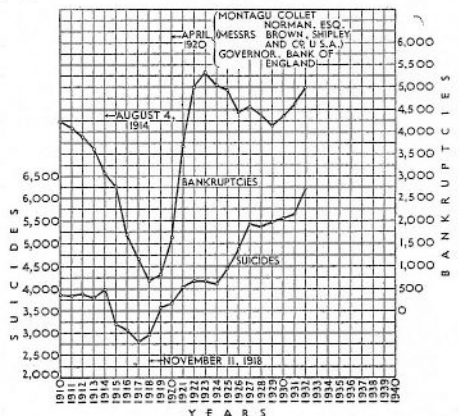
PERHAPS the first necessity, if we wish to arrive at the truth of this matter, is to be clear on what we mean by "war." The technical definition of war is "any action taken to impose your will upon an enemy, or to prevent him from imposing his will upon you." You will, I think, recognise at once that this definition of war makes the motive rather than the method the important matter to consider. I am much afraid that more energy is devoted at the present time to the endeavour to modify the *methods* of war than to removing the *motive* for war. If we recognise this, we shall be in a better position to realise that we are never at peace—that only the form of war changes.

Military wars are waged by nations, a statement which is the basis for the somewhat naïve and, I think, certainly erroneous idea that you would abolish war if you abolished nations. This is much like saying that you would abolish rate-paying if you abolished Urban District Councils. You do not dispose of a problem by enlarging its boundaries, and, if I am not mistaken, the seeds of war are in every village. I think we can get a glimpse of the main causes of war if we consider the problems of statesmen, who are expected to guide the destinies of nations. I suppose most statesmen at the present time would agree that their primary problem is to increase employment, and to induce trade prosperity for their own nationals, and there are few of them who would not add that the shortest way to achieve this would be to capture foreign markets. Once this, the common theory of international trade, is assumed, we have, I believe, set our feet upon a road whose only end is war. The use of the word "capture" indicates the desire to take away from some other country something with which they—being unable, also, to be prosperous without general employment—do not desire to part. That is endeavouring to impose your will upon an adversary, and is economic war, which has always ultimately resulted in military war, and probably

always will. The so-called psychological causes of war are, I feel confident, the response of human nature to irritations or fears which can be traced to this cause, either directly or indirectly. To say that all men will fight if sufficiently irritated seems to me to be an argument against irritating them rather than against human nature. It is not the irritation which causes the economic war, it is the economic war which causes the irritation. Military war is an intensification of economic war, and differs only in method and not in principle. The armaments industry, for instance, provides employment and high wages to at least the same extent that it provides profits to employers, and I cannot see any difference between the culpability of the employee and that of the employer. I have no interest, direct or indirect, in the armaments industry, but I am fairly familiar with Big Business, and I do not believe that the bribery and corruption, of which we have heard so much in connection with armaments, are any worse in that trade than in many others.

So long as we are prepared to agree, firstly, that the removal of industrial unemployment is the primary object of statesmanship, and, secondly, that the capture of foreign markets is the shortest path to the attainment of this objective, we have the primary economic irritant to military war always with us, and, moreover, we have it in an accelerating rate of growth, because production is expanding through the use of power machinery, and undeveloped markets into which surplus can be poured, are contracting. Any village which has two grocers' shops, each competing for an insufficient, and decreasing, amount of business, while continually enlarging its premises, is a working demonstration of the economic causes of war—is, in fact, itself at war by economic methods.

I do not believe that it is sensible to lecture the publics of any or all of the nations on either the wickedness or the horrors of war, or to ask for goodwill to abolish military war or the trade in armaments, so long as it remains true that, if one of the village grocers captures the whole of the other grocer's business, the second grocer and his employees will suffer: or if it remains true that if one nation captures the whole of another nation's trade, the population of the second nation will be unemployed, and, being unemployed, they will suffer also. It is poverty and economic insecurity which submits human nature to the greatest strain, a statement which is easily provable by comparing suicide statistics with bankruptcy statistics and business depression.



Bankruptcies and Suicides in Great Britain since 1910

Suicides are less in number during wars, but because there is more money about. Suicides are also less in number during trade booms, for the same reason. To know, therefore, whether war is inevitable, we have to know whether, firstly, there is enough real wealth available to keep the whole population in comfort *without* the whole of the

population being employed, and, secondly, if this is so, what it is that prevents this wealth from being distributed. In regard to the first question, I believe there can be no doubt as to the answer. We are all beginning to be familiar with the phrase "poverty amidst plenty," and it is generally admitted that the crisis of the past four or five years has been a crisis of glut and not a crisis of scarcity. Yet during that crisis poverty has been widely extended, because unemployment has been widely extended. So that we have experimental evidence that full employment is not necessary to produce the wealth that we require: it is only necessary to the end that we may be able to distribute wages—quite a different matter. In regard to the second question, therefore, we know it is lack of money in the hands of individuals to enable them to buy the wealth which is available, and not the lack of available goods, which makes men poor. As our arrangements are at the present time, money is primarily distributed in respect of employment, which, as the glut has shown, is in many cases not necessary, or even desirable. So that it is not too much to say that the causes of war and the causes of poverty amidst plenty are the same, and they may be found in the monetary and wage system, and that, broadly speaking, the cure for poverty and the beginnings of the cure for war can be found in a simple rectification of the money system.

National Dividend the Remedy

This rectification must, I think, take the form of a National Dividend, either in a simple or more complex form, so that while there is real wealth to be distributed, nobody shall lack for want of money with which to buy. Perhaps I need hardly tell you that money is actually made by the banking system, and not by agriculture or industry. The *Encyclopædia Britannica* states the matter clearly in its article on banking, in the words: "Banks lend money by creating the means of payment out of nothing."

It seems difficult to make it clear that the proposal for a national dividend, which would enable the products of our industrial system to be bought by our own population, has nothing to do with socialism, as that is commonly understood. The main idea of socialism appears to be the nationalisation of productive undertakings and their administration by Government Departments. Whatever merits such a proposal may have, or may not have, it does not touch the difficulty we have been considering. The provision of a National Dividend is merely to place in the hands of each one of the population, in the form of dividend-paying shares, a share of what is now known as the National Debt, without, however, confiscating that which is already in private hands, since the national credit is, in fact, immensely greater than that portion of the National Debt which now provides incomes to individuals.

The practical effect of a national dividend would be, firstly, to provide a secure source of income to indi-

viduals which, though it might be desirable to augment it by work, when obtainable, would, nevertheless, provide all the necessary purchasing power to maintain self-respect and health. By providing a steady demand upon our producing system, it would go a long way towards stabilising business conditions, and would assure producers of a constant home market for their goods. We already have the beginnings of such a system in our various pension schemes and unemployment insurance, but the defect, for the moment, of these is that they are put forward in conjunction with schemes of taxation which go a long way towards neutralising their beneficial effect. While this is inevitable under our present monetary system, it is far from being inevitable when the essentially public nature of the monetary system receives the recognition which is its due, but is not yet granted to it by our bankers.

A Contented and Prosperous Britain

But you may ask, with reason, why the provision of a National Dividend, even if effective in removing the prime motive for aggressive war on the part of Great Britain, would so affect the motives of other nations as to prevent them from making war upon us. I think the answer to this is twofold. In the first place, I believe it to be, while the present financial system persists, merely sentimental to suppose that a weak nation, particularly if it be also a rich nation, is a factor making for peace. Quite the contrary. It is as sensible to say that a bank would never be robbed if it had paper walls. International bankers are, almost to a man, strong advocates of national disarmament, but their bank clerks, alone amongst civilian employees in this country, are armed with revolvers, and the strength of bank premises compares with that of modern fortresses. Strength unaccompanied by a motive for aggression is a factor making for peace. A radical modification of the existing financial system will make it possible to build up a strong and united nation free from economic dissension, which would, by its strength, offer a powerful deterrent to aggressive war. And, secondly, the spectacle of a contented and prosperous Britain, willing to trade but not forced by unemployment to *fight* for trade, would provide an irresistible object-lesson in genuine progress and would be imitated everywhere.

Finally, you may ask why these modifications should not be made. For that, I am afraid, I must refer you to the Bank of England, which is all-powerful in these matters. Mr. Montagu Norman, the Governor of the Bank of England, which is a private company, described the relations of the Bank of England and the Treasury as those of Tweedledum and Tweedledee. I should not like you to suppose that I am accusing bankers of a wish to precipitate war. Far from it. I am confident that bankers dislike war only less than they dislike any change in a financial system with which, almost alone amongst other sections of the community, they appear to be completely satisfied.

A Norwegian Pioneer

FROM the clear atmosphere of the north comes this contribution* to the literature expressing the growing public interest in what can no longer be called the "dismal science," but a matter of vital moment to every individual.

The book opens with a picture of the actual and potential productive power of the world to-day and of the existing paradox of "poverty in the midst of plenty." This is followed by a short historical survey, and afterwards are set down with admirable lucidity and without technicalities the main principles of the so-called economic "heresies"—Free-economy, Technocracy, and Soddy's, Douglas's, Eisler's and various Norwegian schemes. The proposals are finally compared and a conclusion is drawn.

There is no direct attempt at propaganda for any of the plans expounded, and the reader is left either to

decide the true path for himself, or is stimulated to further study. A strong sympathy for Major Douglas's proposals is noticeable, however, with a due appreciation of its philosophic and moral premises. In "Comparisons," Gaitskell receives a deserved thrashing for his "Four Monetary Heretics" in Cole's "What Everybody Wants to Know About Money."

The chapter on "Free-economy," the experiment with Silvio Gesell's plan of a depreciating currency, we read with great interest. The unorthodox use of Wäras at Schwanenkirchen seems to have been as successful as the better known attempt at Wörgl, but as the author writes, ". . . it is dangerous to make unreserved comparisons between an experiment on a small scale and one on a large scale." And even though it may have met with success in two villages in Bavaria and Austria, to one reader at least depreciated currency appears to be no satisfactory solution to our problem, since it is based upon the idea that individuals must be stimulated

* *Æter-Ois Kommer Overfloden* ("After Us, the Glut"), by Brynjolf Bjorset. Oslo: H. Aschehoug & Co.

to part with their money for the purchase of consumable goods, and be penalised if they fail to buy, whether they want the goods or not. (Nevertheless as revelations of the absurdity and artificiality of "orthodox" finance these two brave experiments are admirable.)

Another interesting chapter is the "Historical Survey." One conclusion at least can be drawn from the study of economic history—that the present period must be the maddest of all time, for as the author writes, "If we consider earlier times, as, for instance, this epoch of 1150-1400, we find a standard of living which would make even the more prosperous among labourers and artisans to-day green with envy—a period, be it noted, when productive power per individual was a fraction of what it now is." During this period in Central Europe a skilled workman could earn up to the equivalent of £15 a week in an average working week of four days. This golden age came to an end during the 15th century.

"Whence came this reaction which lead to a cleavage of the Church, the Thirty Years War, the French Revolution, the World War and Jazz?" asks a German writer, quoted by Mr. Bjorset. He finds the answer in the introduction of the kind of money which could be accumulated and not used merely as a medium of exchange, in other words the revival of the Greco-Roman means of accumulation as opposed to the Gothic currency acting as a pure means of exchange. It is interesting to compare this historical interpretation with Douglas's analysis of the present system, in which the definition of money as a means of exchange is challenged in favour as its definition as a system of accounting for production and for facilitating distribu-

tion, and in which the crucial challenge is to the assumption of the ownership of credit by those who have the power to create it.

The treatment of Technocracy is straightforward, and gives an account of its development and its subsequent division into two groups, the one merely continuing with the statistical survey, and the other offering as well constructive proposals for a new economic system based on "energy-certificates"; the plan as here described does not appear to be very thoroughly worked out, but the fault we believe does not lie with Mr. Bjorset. More of the colourful and arresting statistics available might have been included here as in other chapters.

"Some Norwegian Proposals" is disappointing. Space precluded any but a very broad treatment, and the impression left is one of vagueness if not of fantasy in most of the schemes.

We should like to have heard Mr. Bjorset's personal deductions from the wide study this book evinces, and also his attitude to the present political situation. Nowhere did we notice the faintest allusion to that stranglehold exerted by centralised international finance, and its expression in Fascism, the negation of that liberty which is life itself. Nor do we feel that he has sufficiently stressed the urgency of reform, and the inevitability of war and chaos if the present system is continued.

The book in revised form is now in course of translation into English, and we sincerely hope it will meet with the success in this country which it has received in Scandinavia.

ERIC S. DE MARE.

When the Time Comes

THE Social Credit Movement in Norway is a sturdy offshoot and has grown quickly in a short time. As yet it is still in that stage described by Major Douglas as persuasive and educative, but the time is rapidly approaching when Norwegians will have to give attention to the mechanism whereby their sowing may be well and truly reaped.

The Electoral Campaign now being undertaken in Britain may not in form be the method most suitable; indeed it has been suggested that "Freedom from Debt" would be a closer approximation to the desire of most Norwegians than "The Abolition of Poverty." What is certain, however, is that to give effect to a policy which traverses that of centralised finance, nothing less than the united pressure of the Norwegian people can be successful.

No amount of talk, persuasion, abuse, or argument will move the financial hierarchy by a hair's breadth from the course they have set themselves. They have the monopoly of credit creation, and it suits them; it gives them power to shape the destiny of nations; it gives them an unlimited *droit de seigneur* in every sphere of human activity. They have so entrenched themselves in every country that no revolt seems possible against their tyranny. One of the supreme difficulties of the Social Credit Movement for many years has been the knowledge that, to overcome this tyranny by direct armed force would involve building up a stronger force, which would result in a new and greater tyranny.

The mind which penetrated to the heart of this seemingly impregnable system has, by identical processes of reasoning, discovered the technique for harnessing constitutional forces more powerful than any financial monopoly.

It is essentially simple and is based on undeniable premises in regard to the behaviour of crowds. It involves a recognition, and a strict separation, of the functions of experts, and of the people whom they serve.

The voice of the people in demanding the results they want—in dictating policy—can and must be supreme. The people as a whole should not be expected to have expert knowledge of, nor should they attempt to interfere in the methods by which they can be given their desire.

The expert, who is the servant of the public, should have no voice in policy—none whatever. If he disagrees with policy it does not matter: he must either carry it out or resign from his office. But so long as he is in

office he is responsible for producing results, and interference with his methods is unwarrantable.

A clear understanding of this vital distinction should enable the Social Credit Movement in Norway to shape, in due course, a programme of action based upon the unquestionable fact that the united will of the people is, as an argument, final and irresistible.

To obtain unity it is necessary to formulate a policy which will command the assent of the vast majority, to prune the assertion of it of all suggestion of method, and so to qualify the statement of policy that no half measures or trickery can cheat the people of their will.

The Electors' Demand and Undertaking in use in Britain has been so formulated. It demands what nine people out of ten want: the abolition of poverty when abundance is to hand. It demands, concretely, the payment of National Dividends. And so that plenty shall be delivered, and not withheld by some mere reshuffling, it demands that the dividends shall not increase taxes or prices.

1. I know that there are goods in plenty and therefore that poverty is quite unnecessary.
2. It is my will, therefore, that poverty shall be abolished.
3. I know that more goods would be made if they could be sold, but at present their production is restricted because people lack the money to buy them.
4. Therefore I want a National Dividend paid to me, and to every Briton, so that all goods desired that can be made will be made.
5. This Dividend must not increase taxes, or prices, nor deprive owners of their property nor decrease its relative value.
6. As a democrat I say that Parliament exists to "make my will prevail"—not to force on me what it thinks is good for me.
7. So I pledge myself to vote for any candidate who will undertake that this my declared policy shall be carried out before any other legislation.
8. If the present M.P. here won't undertake this I will vote for some other party, and keep on changing until my policy has been achieved.

Nothing, we believe, but Social Credit can bring that demand about; but if there is any other method which will deliver plenty in the circumstances demanded, we should be churlish to complain.

Visitors to Norway

Will any Social Crediters who are intending to visit Norway (for however short a period) and who are willing to do a little light and pleasant holiday propaganda there please write to the Director of Overseas Relations, Social Credit Secretariat, 8-g Essex Street, London, W.C.2, as long before their visit as possible?

Norway's Welcome

To Major Douglas and the Dean of Canterbury

FOR a considerable part of the notes which follow on the visits of Major Douglas and the Dean of Canterbury to Oslo we are indebted to Mr. Robert Millar of that city, who was responsible for the organisation of the visits and much of the publicity. Together with Mr. Tollefsen, the Editor of *Propaganda*, he was the nucleus from which has sprung the present widespread interest in Social Credit in Norway.

A series of articles by Mr. Millar appeared in *Propaganda* at the beginning of 1933, and in February of that year Eimar O'Duffy lectured in Oslo as the guest of the Advertising Association. In 1934 Dr. Murstad and Mr. Millar published "Okonomisk Frigjorelse (Douglas-planen)," and later appeared Mr. Bjorset's book "Efter oss Kommer Overfloden" ("After us the Flood of Plenty"). Both these books were extensively reviewed, a propaganda group was started, and at the end of 1934 the influential Oslo Handelsstands forening (Oslo Association of Merchants and Business Men) sent an invitation to Major Douglas to come and speak in Norway.

It was further arranged that Dr. Hewlett Johnson, the Dean of Canterbury, should arrive before Major Douglas and give introductory addresses. As the time for their visits approached there was much publicity for Social Credit in the Norwegian Press, and the leading bookseller of Oslo devoted a window display to photographs of the visitors and to copies of their books.

The Dean of Canterbury arrived in Oslo on February 7, surrounded by journalists and photographers, and finally reached the British Legation where he stayed during his visit. Next day he was received in audience by King Haakon. On the Sunday he preached in the English Church in Oslo a "most delightful sermon" which is reported as beginning with the text, "Seeing we are compassed about with so great a cloud of witnesses," and proceeding to show the Christian obligation to face the problem of poverty in the midst of plenty.

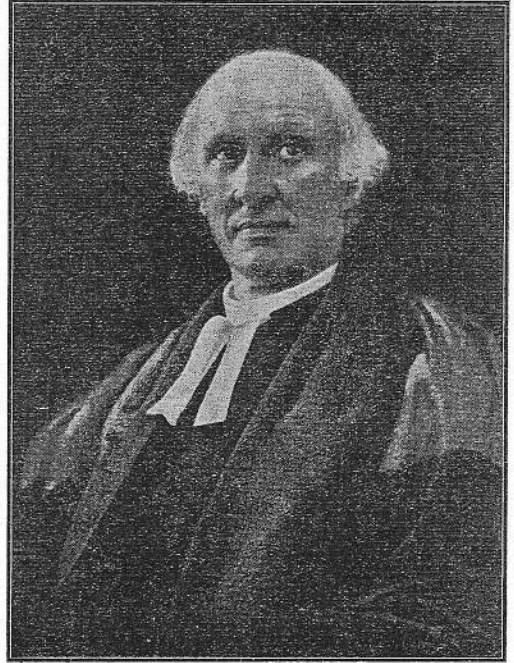
On the Tuesday he spoke at the Norse-British Association's meeting in the University Hall, where he was introduced by Professor Lyder Brun. Among those in the audience were Major and Mrs. Douglas, the British Minister and leading shipowners and businessmen of Oslo. On his return to England he spoke of how greatly he had been impressed by the ability of the audience to follow a difficult argument in a foreign tongue for over an hour.

Next day he attended a complimentary lunch given by the Lutheran clergy, in the mountain restaurant which dominates the town, and later left by the night train en route for Harwich.

Major Douglas, who arrived with Mrs. Douglas from Bergen two days before the Dean of Canterbury left Oslo, was interviewed by the Press on his arrival, and in the case of more than one paper an interview and photograph featured prominently on the front page. On the Wednesday Major and Mrs. Douglas were the guests of the Handelsstands forening for lunch at the Mountain Restaurant. The next evening Major Douglas spoke before the Association, consisting of the leading businessmen of Oslo, when the audience included the King and many other distinguished visitors. Later Major Douglas had supper with the King and Mr. Henriksen, a prominent shipowner, the conversation afterwards lasting for two hours.

On the Friday when Major Douglas was entertained at lunch by the "Political Tinkers" he was made an Honorary Member of the organisation and his name engraved on the Pewter Pot which is the symbol of the Oslo Tinkers. The same evening he spoke on "The Causes of War" to the Advertising Association and an audience which included the Minister of Defence.

On Saturday Major Douglas was to have spoken at the Students' Union, but his voice had given out and his place was taken by Mr. Bjorset who translated the speech into Norwegian as he went along. He left the next day after a visit which had involved, in addition



THE DEAN OF CANTERBURY

to his addresses, receiving a constant stream of callers at the Grand Hotel throughout his stay, many anxious to learn details of his proposals.

Both Major Douglas and the Dean of Canterbury speak in the warmest possible terms of the hospitality and kindness with which they were received on all hands, and they appear to have been no less impressed with the remarkable but evident ability of their audiences to grasp the essentials of what must have been for many of them a novel set of ideas, and this, too, in a foreign language and in the course of a single address. There seems to be little doubt that Norwegians are ripe for Social Credit, and, indeed, with their present dependence on shipping and foreign trade they are bound to find themselves in growing economic difficulties unless they recognise the only way out to increased prosperity as a nation, and act in time. No one can deny that they have made a fine start, and that they are not the people to let the grass grow under their feet.

Jubilee Note

It is reported that had they visited one of the mean streets in the East End their Majesties would have been met by a banner bearing the device "Lousy but Loyal." This has the authentic irrepressible ring, and it is more than high finance could say.

Overseas News

The Secretariat is already acting as the centre and "switchboard" of the world-wide Social Credit movement, but, in order that its efficiency in this most important department of its activities may be continually increased, the Director of Overseas Relations asks all Social Creditors, either in Great Britain or elsewhere, to let him have any overseas information of general interest for publication in SOCIAL CREDIT, or for the confidential information of the Secretariat. Letters from friends overseas, visitors to Great Britain, cuttings from Dominion and Colonial papers—all such sources are of potential value to us and the movement. Never mind if news items are duplicated; no one suffers except the Secretariat.

J. D. BENNETT,
Director of Overseas Relations.

Sverige du Gamla, du Fria

By the Right Hon. the Earl of Tankerville

ARISING out of a conversation with the Honorary Secretary of the (Stockholm) Ladies' Lyceum Club, I received an invitation to address a meeting in Stockholm, which was subsequently held in the Grand Hotel on May 8, 1934, under the combined auspices of this club and of the "All People's Association."

Soon after arriving in this most beautiful city I had the pleasure of being introduced, amongst others, to Professor Gustav Cassel and to another leading, though less internationally-famous, economist, both of whom were equally charming and, although holding conflicting points of view, seemed equally to base their remedies for the present economic depression upon the assumption of scarcity.

I was also introduced to Baron Stjernstedt, the Head of the Swedish Chambers of Commerce. He told me that, although on a few occasions the subject of financial policy had been brought up, it had always been dropped through lack of interest—especially since Swedish trade had started to improve. I can well believe this, since, so far as I have seen, poverty, even as we know it in England, is practically non-existent. There are no slums in Sweden, and the poor, the sick, and the aged are all well cared for, in cleanliness and comfort, by the State; and in spite of her truly marvellous social services, Sweden, as yet, is weighed down neither by our British weight of taxation nor by our tremendous burden of indebtedness. Consequently, the results of "sound finance" have not yet become sufficiently obvious to awaken any very noticeable resentment.

My audience of several hundred well-educated people, therefore, listened to my attempt to give in simple form

the Social Credit analysis of "Poverty amidst Plenty" more from an interested intellectual standpoint than from that of a fundamental and immediate personal problem urging them to any form of action in the present.

The Stockholm newspapers, who were very polite and kindly, gave considerable space to the subject of the lecture; but, from the point of view of Social Credit propaganda, I think that possibly the most useful result of all came from a telephone conversation with Reuter's agent, who seemed very sympathetic to the ideas in question. He allowed me to dictate to him a short paragraph, and this he sent out word for word apparently to the foreign Press in general, for I subsequently received cuttings, from English, American and Continental newspapers, of precisely what I had given him.

I hope, however, that the little lecture which my Swedish friends arranged for me, and which I felt it a great privilege and happiness to give, may yet prove to have been one of the "shadows" which coming events are said to "cast before." For although, as I have said, the stranglehold of "sound" finance has not yet shown itself in Sweden in ways so positive and glaring as here in Britain, nevertheless, one can see how a shortage only of money has acted in a negative way to hinder and prevent the many schemes which Swedes would like to carry out in further development of the amenities of their lovely land, and for the economic emancipation of all who live beneath the blue and golden banner of "Sverige du gamla, du fria" (Sweden the old land, the free land).

Notes on My Journey to Denmark

By the Dean of Canterbury

THE Danes whom I met on returning from Norway came out to have lunch with me on the following Sunday at Canterbury. They helped to pave the way for very successful meetings in Copenhagen in February.

The two long journeys across the North Sea to Norway and back left me small appetite to repeat the experience; I went to Denmark by a quicker, cheaper and happier route, through Harwich, Flushing, Holland and Germany. Extraordinarily few people travel at this period of the year, and those who found themselves on the steamer obviously wished themselves off it. Germany looks a sad land, and there were many signs of economy in the large refreshment room at Hamburg station, where, for two or three hours, I waited for my next train. From Germany one passes over sea to Denmark, the train carried bodily upon the steamer. The same process is repeated across another stretch of water separating one part of Denmark from the other. Here a huge bridge is under construction by Messrs. Dorman, Long and Co. Ltd., and a tremendous embankment approaches it. Its cost must run into millions of pounds.

Copenhagen is a vigorous, prosperous looking town, but not without its serious problems of unemployment; and its business people are much concerned, as we are, about trade and restrictions. They complained to me bitterly of the cartel system, killing as it does all enterprise and ruining initiative. They deplored it as a planned poverty. I found the leading businessmen exceedingly sore because though Denmark had heeded the advice of England some years ago, that more trade should take place between the two countries England had failed to do her share. Denmark had increased her trade with us by some thirty per cent.—I was shown the graph which was to be presented to the British Government—whilst we had actually *decreased* our trade with them. Shippers, industrialists and merchants alike, are feeling difficulties.

I was met at my hotel by the usual reporters. A

highly intelligent young man, who spoke English beautifully — indeed he was trained at an English public school—gave a careful résumé of Social Credit in the chief Danish paper as the result of the interview. He listened resolutely for an hour and grasped the points with unusual adroitness.

The sermon in the English Church on the Sunday morning was attended largely by Danes. It obviously aroused interest, and led to a very crowded meeting on the Monday night. People were eager to talk. On the Monday the British Minister kindly invited me to lunch and took me for a drive to see the architectural features of Copenhagen, and the development in workmen's dwellings and churches and other such buildings on the outskirts of the town. At luncheon I met the interesting lady Minister of the American Government, a personal friend of President Roosevelt, and a daughter of the silver-tongued Mr. Bryan. We had long discussions concerning Social Credit, and should have concluded them more satisfactorily had it not been for the fact that she hoped to come to the meeting at night but was at the last moment prevented.

One of the guests at the luncheon was a doctor. At breakfast he had informed his wife that he was to lunch with the Minister to meet the Dean of Canterbury. As he left the house his small son said, "Daddy, where are you going to lunch to meet the Demon of Canterbury?" Out of the mouths of babes . . .

The meeting on Monday was well organised and well attended, though it disconcerts one to have a photographer dodging immediately before one with flashlights, waiting the opportune moment for the shot whilst a caricaturist sketches one from the other side, both in full view of the audience. But it was a homely audience and quick to see the humour of the thing, and cheered when the photographer was challenged to state exactly what he wanted, whether a smile, a frown, or a dramatic gesture.

The British Minister, kind enough to attend the lec-

ture himself, said that the Danish audience followed the precise meaning very closely; they laughed in exactly the right places, and some of the jokes were subtle enough to demand the closest attention and an intimate knowledge of our idiom.

There was eager talk afterwards and men came to me to tell me of various schemes of a parallel nature which are already operating in Denmark even in face of tremendous opposition. Some of these were obviously schemes of barter. One, which had 150,000 members, was making progress in spite of every obstruction. One man gave me a book which dealt with this movement. It was bound in a popular modern cover and looked extremely interesting, but my infinitesimal knowledge of Danish keeps it a closed book to me as yet.

Newspaper accounts of the meeting were ample. Some of them, I hope, more faithful to my matter than caricaturists to my person. Perhaps, through the papers, the knowledge of Social Credit may spread across the wider oceans: Scandinavian papers reach the United States and our Colonies in large numbers. Indeed, it

was the knowledge of that fact amongst others that had encouraged me to cross the sea four times in the winter, at much expense of time and money.

Not the least valuable fruit of these excursions are the contacts one forms on the journey, and coming home I had the good fortune to travel with one whose business it was to investigate in Japan and throughout the rest of the civilised world on behalf of one of the largest engineering firms in England. Especially interesting was what he told me about Japan, which he had studied at first-hand for several years now and whence he was just returning. Owing to the immense activities of his firm, he was given facilities denied to other Englishmen. He showed me many of his documents and figures, and said quite definitely that the labour conditions in the industry of Japan were perhaps better than those in any other country at the present time. He takes into account, of course, indirect as well as direct payments.

Following my tour in Holland in the autumn, a Social Credit paper has sprung into being. I have hopes that the movement will grow as effectually in Scandinavia.

A Norway Broadcast

By Robert Millar, Oslo

THIS special Norway number of SOCIAL CREDIT gives us a very special opportunity of broadcasting a series of messages to old friends, new friends and future friends in our own far-flung country and in foreign countries.

Major Douglas

To Major and Mrs. Douglas in Alberta we send hearty greetings and wish them every success. We have their recent visit to Norway in grateful remembrance.

The Burden and Heat of the Day

To the members of the Secretariat, and to the editors of, and contributors to, the various Social Credit journals that bring us weekly or monthly impulse and enlightenment we send our hearty thanks.

Sweden, Denmark, Finland, Iceland

Copies of this Norway number will be distributed in the other Scandinavian countries. We ask you to join us in spreading the good news of the Douglas discoveries and the Douglas proposals. It can be of any assistance to you in this great work do not hesitate to call on us.

The Land of the Midnight Sun

Norway is the holiday-land of Europe. Tens of thousands of holiday-makers visit our fjords and mountains and towns every summer. Among these thousands there must be hundreds of Social Crediters. Send us your name and a copy of your itinerary and we will try to put you into touch with enquirers all along your route.

Norway Beyond the Seas

We make the same appeal to Social Crediters of Norwegian birth in the other provinces of Canada, in the United States, South Africa, Australia, New Zealand and throughout the world. Keep our home papers informed of your Social Credit activities. Every letter is a seed that may fall on good ground and bring forth fruit—a hundredfold, a thousandfold.

Norsemen in Alberta

To the thousands of Norwegians in Alberta we tender our congratulations. Alberta has written its name large on the Social Credit Roll of Honour. We expect great results from Major Douglas's visit. We beg every Norwegian in the Province to aid him in every way. And we urge you to write home to us and to the Norwegian newspapers giving the fullest possible accounts of the progress Social Credit is making in your wonderful country.

The Norwegian Press

We ask the assistance of the daily papers in our work of popularising Social Credit. Do your readers and us a service by mentioning this special Norway number and quoting some of its articles

Douglas-Gruppen i Oslo

The address of the Douglas group in Oslo is 7, Rosenkrantz Gate. If you need our help do not fail to let us know.

A Douglas Library

It should be the aim of every group to have a small Social Credit library. Ask your bookseller to lay in a small stock and tell your friends about it.

"Social Credit"

Send Kr.2.50 to Narvesens Kiosk Kompagni, Oslo, and you will get SOCIAL CREDIT weekly for thirteen weeks. Kr.5" makes you a subscriber for half a year, and Kr.10" for a whole year.

Party Politics

Social Crediters have no great interest in party uniforms—as at present worn. Consumer credit, the National Dividend, Douglas democracy are not issues before the Norwegian electorate at the moment. But I would like to point out to the leaders of the various Norwegian parties—Conservative, Liberal, Farmers and Labour—that there is more in Social Credit than one would imagine to judge from the amount of space given it by the newspapers, that it is a mighty movement which is winning adherents all over the world, and that the day is not far distant when we will be knocking at the doors of the political parties in Norway, and demanding to know whether they are for us or against us.

Douglas Groups in Norway

During his recent visit to Norway Major Douglas gave us our programme of work for the coming twelve months: *Study!*

Norway is gradually becoming "Douglas-Conscious," but it will be many months before the ground is sufficiently prepared to permit of political or other action. In the meantime our aim must be to induce as many as possible to study the Douglas literature — books, weeklies, monthlies and pamphlets.

Therefore, gentle reader, wherever you are in Norway, if you yourself are interested in these matters call up two of your friends, invite them to coffee and "smørbrød," form a Douglas group, and begin the study of some of the literature you will find mentioned elsewhere in this number. And please do not fail to keep us in Oslo informed of whatever progress you are making.

When Major Douglas comes back to Norway in 1936, let him find at least one Douglas group in every town and hamlet in Norway.

Demanding Results!

The United States and Control of Monetary Policy

THIS paper cannot normally spare the space for discussion of overseas topics which are not directly related to Social Credit; it exists for a definite purpose and cannot afford (literally) to be discursive. The situation which has developed in the United States, however, offers such immense possibilities from the Social Credit point of view that some reference must be made to it.

The Party System Killed by Debt

There are two principal and traditional parties in the United States, Republicans and Democrats, but although it may have been possible at one time to draw a valid distinction between them along the lines of their attitude towards centralised or decentralised government control, that distinction has largely disappeared beneath the over-riding influence of the power age and its accompanying burden of debt which obliterates all landmarks.

The Progressives, the Socialists, and the Communists have at different times lately attempted to infuse some reality into the moribund party system, but have all failed to win any widespread support for the basic reason that they thought in terms of an age of scarcity and consequently had little to offer but one unnecessary form of discomfort instead of another. Whether party politics will ever recover reality in America it is impossible to foresee; what is certain is that as the result of two years "New Deal" with the same financial pack the people of the United States are turning to various schemes which agree only in the single particular of putting the reform of monetary policy in the centre of the political stage.

The common goal which one may perhaps fairly attribute to such different men as Father Coughlin, Dr. Townsend, and Senator Huey Long, can be expressed in a picturesque phrase of the last-named: "Every man a king," or more prosaically as "The dictatorship of the consumer."

Huey Long's Share-the-Wealth Programme

How fast and by what different routes they are going is another matter. Even Roosevelt, as some people still remember, started out two long years ago with the same general objective, before he and his corps of second-rate experts lost themselves in the morass of trying to teach first-rate experts how to do their jobs. Huey Long was until lately Governor of Louisiana, and his influence, like that of the President, depends largely on the possession of a dynamic personality, although the almost religious fervour with which many millions of bewildered Americans are rushing to join his "Share-Our-Wealth" societies is equally a tribute to the efficiency of the financiers' age-of-scarcity propaganda, which can still make it seem inevitable to the farmer that the way to benefit the poor should be to tax the rich.

Huey Long's schemes are denounced by some people as socialistic because they involve the levelling of incomes, by others as fascist because they foresee in them the germs of an open dictatorship. That they are based on the idea of a Capital Levy and are crude and unworkable there can be little doubt. From the Social Credit point of view his importance lies in his insistence on the claims of human beings as compared with systems of finance, in his determination to get something done, and above all in the unlimited field for intelligent propaganda opened up among those whom he has shaken out of their economic rut, and who can be shown that the actual proposals they have been led to support are like the crew of a Mississippi steamboat fighting over what they are convinced is the only available bucket of drinking water.

The Townsend Plan

Dr. Townsend is a retired physician who claims to have thirty million signatures in support of his plan for giving old-age pensions of £40 a month to all American citizens over the age of 60 who are not doing paid work and are not habitual criminals. The money is to be raised by a tax on business transactions and

spent within a limited period. His O.A.R.P. (Old Age Revolving Pension) proposals have some support in Congress and far more in the country at large, and are based at least on recognition of the fact that the United States has enough real wealth to make the suggested payment a reasonable one. How reasonable indeed is made clear by a writer in *Controversy* (San Francisco: Social Credit) who points out that according to the Government's own statistics supplied by the National Survey of Product Capacity the average income of an American family at 1926 prices might immediately be between £800 and £900 (it actually is about £200).

The fact that the Townsend monetary technique is ineffective for implementing his policy, and that this policy varies in very many respects from Social Credit should not obscure the fact that it errs principally on the side of caution, and in failing to recognise the equally valid claims of all citizens, irrespective of age or character, to a share in the national dividend which is the measure of their cultural inheritance. "Social Credit is the method," concludes *Controversy*, "by which the Townsend demands can be met," and latest reports from California in particular give good grounds for hoping that the Townsend supporters are at length turning to the Social Credit technique as the only workable method of implementing their incomplete yet highly significant proposals.

Father Coughlin

I shall say little here of Father Coughlin, the foundation of whose National Union for Social Justice was noted at some length in *SOCIAL CREDIT* of April 5.* His method of putting pressure on Congress appears to be fundamentally similar to that of the Electoral Campaign in Great Britain, and his support for Social Credit is much more genuine and explicit than that of the other American monetary reformers. He claims eight million followers, and was reported recently in *The Times* as having launched a political organisation for carrying out his ideas, though this probably refers to the selection of "lobbyists" for Washington who are prepared to support his sixteen-point programme in its entirety. The *Redbook Magazine* ends an article entitled "When Father Coughlin Comes to Washington" with these words: "This will be pressure politics—lobbying by weight of numbers. . . . Father Coughlin ought to be able to hit the Congress with the biggest propagandist blows in our whole national history."

President Roosevelt is said to have reminded an impatient monetary reformer on one occasion that it was the business of a Government to "yield to pressure." It looks as he may soon have some yielding to do.

Social Credit Activities in U.S.A.

Specific Social Credit activities in the United States are now so numerous and widespread that only the more striking features can possibly be recorded here.

In the first place the National Social Credit Association, which was formed late in 1934, has acquired permanent offices at 103 Park Avenue, New York (Secretary, W. A. Nyland), and seems likely in course of time to receive affiliations of New Economic Groups throughout the United States and act in many respects as a national secretariat.

The two chief items of Social Credit press news round New York are the report that the *Peekskill Daily Union* has joined the small but distinguished list of daily papers with a Social Credit editorial policy, and that *Esquire*, a New York weekly with upwards of a quarter of a million circulation, ran a Social Credit article in its March number called "Money for Everybody," which the Editor later described as one of the most provocative things he had ever published. The *Christian Science Monitor* for April 3 contained an article by Major Douglas called "Why Social Credit?"

At the other side of the continent, Manchester Boddy continues to spread Social Credit in California through his own papers, particularly the *Illustrated Daily News* of Los Angeles, and is shortly to start a feature called

* "Social Credit in the Middle West."

"Social Credit Illustrated" (at present we can use our imaginations on that!) This paper now has a special Social Credit Editor, whose mail is greater than that of all the other feature writers combined.

From Los Angeles radio stations alone there are two or three broadcasts a week on Social Credit, Boddy being "on the air" each Thursday (Station KFI). On March 7, 2,800 people listened to a debate between John Strachey, the English Communist and author of *The Nature of Capitalist Crisis*, and Manchester Boddy, on the subject "Is Social Credit the American Solution?"

A whole host of other papers, groups, and individuals deserve far more than this "blanket" mention of their activities, which from Atlantic to Pacific are bringing

the United States, a late starter, up fast in the race of five countries for economic salvation. Last, but very far from least, *The Rotarian* (organ of Rotary International) printed in its April issue a symposium on the future of the Gold Standard by Major Douglas, Dr. Fentener Van Vlissingen, President of the International Chamber of Commerce, and E. W. Kemmerer, Professor of International Finance at Princeton University, U.S.A. Major Douglas's contribution took the view that the Gold Standard had no future, being based on "a complete misapprehension of the nature of the modern production system," and he proceeded to show that the problem of a satisfactory economic society is a dividend rather than a wage problem. J.D.B.

Social Crediters . . . Willy-Nilly

Voluntary and Involuntary Propaganda in Norway

SOCIAL CREDIT is known and manifest in Norway in two different forms: directly under the name of "Social Credit," and indirectly, disguised under other names or no names. Under its proper name, the ideas have been made known practically to all thinking people during the last years, thanks to Mr. Dagfinn Tollefsen, Mr. Robert Millar, Mr. Hjalmar Murstad, Mr. Arthur Simonsen, Mr. A. Nyboe, Mr. Anders Stovne from Alberta, named in the order in which they became interested in Social Credit, and many more enthusiasts. The visit of the late Mr. Eimar O'Duffy in 1932 gave rise to the interest in the case, among the general public.

At the end of 1934 these points of view had obtained such an importance that the "Oslo Handelsstands Forening" invited Major Douglas to Oslo, where he spoke before H.M. the King and this distinguished assembly on February 14, 1935. He was received by Oslo papers with front-page interviews, or furious criticism, or mild contempt, as the case might be.

Now, the development of the Social Credit Movement in Norway, which has been lightly touched above, will be dealt with in another article. My job is to say something about the criticism Major Douglas met with in Norway—and then to report on the "indirect" spreading of Social Credit principles.

The Usual Criticism

The only criticism worth mentioning was an article by our Professor of Economics, Mr. Ragnar Frisch, in *Aftenposten*, the morning before Major Douglas gave his speech in the "Handelsstanden." *Aftenposten*—our greatest daily—had had a very correct, good and informative article on the subject on the "Banking and Business" page the day before Major Douglas's arrival. It was written by the London Correspondent of the paper, Mr. H. K. Lehmkühl.

After having credited Major Douglas for his general outlook on "poverty amidst plenty" Mr. Frisch criticises his "A+B" theorem in the ordinary way, of no special interest to Social Crediters who know this problem thoroughly. But more interesting is his conclusion: that purchasing power *should* be given to the consumer nevertheless, for instance, 250 million Kroner, but not so much as 500 millions, which Douglas would give! (Of course, Major Douglas never mentioned any sum for Norway. The Professor has taken over his sum from the Scotland plan, just accommodated to the number of inhabitants, and not taking into account the special conditions of Scotland as to production, accumulated wealth, etc.) Thus we see: the Professor is really an advocate of a rather radical application of Social Credit, though he disrecommends greatly this *name*.

There is also another difference; He will only "inject purchasing power" in "depression periods." He seems somewhat unacquainted with the facts of *productive capacity* at this epoch—as compared with actual production. Viewed from this point of view we have of course had a "depression period" for the last 100 years at least. And the Social Credit scheme is intended to overcome that "depression period." Afterwards it might very well be discussed whether the "process might be reversed"—which the Professor is so anxious to point out even now.

These two points: The enormous power of production (an industrialist in Oslo has estimated it at least at

100 per cent. more than actual production), and the Professor's misapprehension as to Major Douglas's actual proposals, were shortly elaborated in an answer to Professor Frisch in the same paper. Curiously enough, other writers on the same subject also pointed out that "Professor Frisch and Major Douglas obviously mean the same thing!" Professor Frisch also maintains that he had *not* meant to "water down" the Social Credit proposals, though many readers have understood him that way.

The Professor makes a point of the book-keeping question. He maintains that "The National Dividend and the Consumer-Fraction of the price-factor" will only "appear on one side in the ledgers." It is very strange that this professor, so interested in a more adequate national accountancy, has not yet grasped the idea of the "National credit conto" made up on just the same principles as that of bankers forwarding loans on securities, the security being here the capital account of the country. He neither seems to understand how the conti of national dividends and price discount are being cancelled, by payments, by debt liquidation, etc. And if the conti be not cancelled at the estimated rate, of course this has its ordinary effects on the distribution of the dividends, etc., just as with the case in a limited company of to-day. But here we touch one of the central points: very few, even after Major Douglas's visit, seem to have grasped the scope and consequences of that formula: "Norway Limited," "Great Britain Limited." If they think out this idea, they will certainly have the answers to their questions.

As Mr. Frisch's understanding of the A+B theory was so imperfect, Major Douglas sent him the mathematical elaboration by Mr. A. W. Joseph in *The New Age*, Nov. 8, 1934. For those who have this article in mind, the Professor's remark will be very interesting. He says: "Mr. Joseph does not prove that a deficit exists. On the contrary, his deductions from the formula he develops only describes what would happen if this deficit in consumer purchasing power does not exist (i.e., if $A_2 = B_1$). (So far the Professor is quite right. Then he continues): and if under such a condition the machines take over a steadily increasing part of the total work necessary in production. He furnishes in other words the proof that a continual mechanisation of production may very well take place while no deficit in consumer purchasing power exists."

Major Douglas answered: " A_2 is by definition less than B_1 , since B_1 contains all capital charges, and A_2 is only part of such charges: A_2 less than B_1 , and there is a lack of consumer purchasing power. If B_1 does not contain all capital charges, then there is, of course, an unliquidated debt."

The point will be clear to anyone: What Mr. Joseph has proven is not as the Professor maintains, that "a continual mechanisation may take place"—but that a continual production of *capital goods* must take place, in disproportion to the production of consumable goods—in order to "keep it going." We have the same fact reflected in the well-known "law" of the economists: That the boom always starts with increased production of *capital goods*. The Professor never again answered, neither in the paper, nor privately.

Other indirect Social Crediters are the former Managing Director of the Farmers' Bank, Mr. Medboe, who

will issue money and credit correspondingly to production, and half of that amount extra — "For cultural purposes"; the lawyer and economist, Mr. Utne (who introduced Major Douglas when broadcasting in Bergen) will secure Social Credit through central credit institute and insurance. The economists Wirelu-Hjehu and Gunnnes are nearly "free economists." The writer, Mr. Ansteinson, will "throw money notes on the market!" (He seems a little bit too optimistic.) The writer, Mr. B. Dybwad Brochmann maintains that the only way is to let prices drop just unto zero!

And coming to practical politics of the moment: The important Farmers' party has proposed to throw in 150 millions of new notes, bringing them in circulation by giving them out for cultural work. It might be a beginning, if it is prudently done. The farmers' party is fully acquainted with Social Credit. One of its leading financial experts, Mr. Sundbye, has proposed non-interest-bearing obligations, issued by the community. If these are being given as purchasing power, eventually for cultural work, it might be a fair beginning. Mr. A. Nyboe, dairman, of the organisation "Farmers' Help" — is a pronounced Social Crediter.

Important circles within the Liberal Party, Conservative Party, Labour Party and "Samfunds-partiet" also support Social Credit principles.

I will end this article by quoting one of the finest "indirect advocates" of the broad Social Credit principles,

Mr. Sigurd Kloumann, a great Norwegian industrialist, at present General Director of the Nordisk Aluminium Company. In a lecture in January, 1935, he said:

"With a right distribution of goods, we would have enough, and abundance altogether. All needs could be met. We have brought it so far that the world has, almost in every branch, many times as great productive capacity—or, don't let me exaggerate—certainly up to 100 per cent. greater productive capacity than it consumes under present social conditions. Let me explain this point a little further; the world has a productive capacity which by far surpasses the capacity our distributing machine has, hampered as we are by old points of view, inherited from that time when the world had not the power to produce all it needed.

"Many will not see it, and not every one is able to see it. The evolution has been so rapid that few have been able to keep pace, intellectually and socially. Few have been able to see that the world passed its "saturation point," and that the mentality had to be changed. Some few, and even some of the most advanced people in the world do see it, and I hope we are on the road to a more comprehensive attitude. But it is a long way. . .

"The problem of the day, the great world problem is this: How can we in a practical way, giving scope to personal initiative, manage to distribute our enormous riches . . . ?"

BRYNJOLF BJORSET.

CORRESPONDENCE

Greetings

The good news of Social Credit is spreading all over the world. Your decision to publish a special Norway number of the Official Organ of the Social Credit Secretariat is a symptom of the world-wide importance, of the subject, which is raising hope everywhere. There are more Norwegians than those in Norway, whose chief industry is shipping, and wherever they are to be found your special number will be welcomed and your influence extended. May it spread everywhere till the goal is reached.

Oslo.

DAGFIN TOLLEFSEN,
Editor, *Propaganda*.

Home, Sweet Home

Good old Ballymena. Glad to see from the S.C. Press that you are still in the van of progress. Just as when I left you over thirty years ago. Godspeed.

Oslo.

ROBERT MILLAR.

[There is a very active Douglas Social Credit Group in Ballymena, Northern Ireland.—Ed.]

An Oxford Group?

May I draw the attention of any of your readers who live in or near Oxford to the fact that an attempt is being made to form in Oxford town a Social Credit Group, and that anyone interested should communicate with myself at Oriol College, Oxford.

Oxford.

DENIS O'CALLAGHAN
(President, Oxford University
New Era Club).

The Funds

In response to your appeal for funds, I enclose a cheque* for the minimum subscription suggested for a year (to date from January, 1935). I am enabled to do this by unexpected help from the Income Tax authorities who have rectified a mistake made last year.

I suggest that those Social Crediters who benefit under the new Budget should use some of their gains by increasing their subscriptions to Social Credit funds, and thus help in time to do away with the necessity for Income Tax at all!

Helions Bumpstead.

(Mrs.) J. M. CATTLEY.

*[This refers to the Dean of Canterbury's appeal to Social Crediters for 3s. 4d. a month each for the Secretariat.—Ed.]

The Real Enemy

It was with surprise that I learned about three weeks ago of the publication of your weekly paper, my knowledge of Social Credit, prior to this, being gleaned from a chance acquaintance with one or two books on the subject. Your last two publications have given me considerable food for thought.

Your correspondent, "One-of-a-Number," whose letter you published in your issue of April 26 last, appears to be rather confused or else has been misinformed when he says: ". . . the laws of England regard the truth of such a matter as a libel, and the truer it is the worse libel it is." Perhaps I have mistaken his meaning, but for his information I would say that libel consists in the publication in some permanent form of defamatory matter of or concerning some person. That the matter published is the truth is usually justification for such publication and constitutes a good defence to any action taken in respect of it.

Manchester.

G. EDWARD PAYNE.

The revolutionising economic ideas of Major Douglas were presented to the Norwegian public some years ago through our organ "Propaganda" and I believe that this was the beginning of the Social Credit movement in this country.

The visit of Major Douglas, therefore, was an event to which we had looked forward with great expectations, and we appreciated very much having him as our guest for an evening and hearing his splendid lecture on "The Causes of War."

You will easily understand that we are following the further activities of Major Douglas and his associates with great interest and sympathy.

Oslo.

O. T. DALSEG,
President, The Advertising Association of Oslo.

The visit of Major and Mrs. Douglas and the Dean of Canterbury, Dr. Hewlett Johnson, was a great experience to us who have studied Social Credit principles for some time, and now had our first opportunity to meet the father of these points of view, and some of his nearest collaborators. To me the masterly lectures of Major Douglas and the Dean of Canterbury confirmed the impression that Social Credit is not some new and queer "system," but simply a comprehensive outlook on the facts already manifest in modern economic society, and proposals for a more adequate reflection of those facts in social institutions and policy. The harmonious behaviour and co-operation between these three personalities gave a picture of that future we may expect when a more sound financial policy have made possible a more complete utilisation of our productive capacity.

Oslo. BRYNJOLF BJORSET.

What to Read

Special Electoral Campaign Number of "Social Credit" (Postage 1d.) 2d.

Books by Major C. H. Douglas:—

Economic Democracy 4th Edition, 1934. 3s. 6d.
The original statement of the philosophy and proposals of Major Douglas.

Social Credit, temporarily out of print ... 3s. 6d.
Contains the philosophical background and includes the Draft Scheme for Scotland.

The Control and Distribution of Production. 2nd Edition, 1934 ... 3s. 6d.

Credit Power and Democracy. 4th Edition, 1934 ... 3s. 6d.

Warning Democracy. 2nd Edition, 1934 ... 3s. 6d.

The Monopoly of Credit ... 3s. 6d.

The Douglas Manual, by Philip Mairet ... 5s. od.
A Douglas concordance and a valuable reference book.

Economic Nationalism, by Maurice Colbourne. 3rd Edition, 1935 ... 3s. 6d.

For readers with no previous knowledge of the subject.

The A.B.C. of Social Credit, by E. Sage Holter... 2s. 6d.

Ordeal by Banking, by W. Allen Young ... 2s. od.

Books bearing on the subject, but not solely devoted to Social Credit:—

This Age of Plenty, by C. Marshall Hattersley. 3s. 6d. and 6s. od.

A very popular exposition of the paradox of Poverty and Plenty.

The Coming of Community, by W. T. Symons ... 7s. 6d.

Life and Money, by Eimar O'Duffy ... 2s. 6d.

The Community's Credit, by C. Marshall Hattersley ... 1s. od.

Pamphlets by Major C. H. Douglas:—

These Present Discontents: The Labour Party and Social Credit ... 1s. od.

The Use of Money ... 6d.

The Nature of Democracy ... 6d.

Money and the Price System (Speech before the King of Norway at Oslo) ... 3d.

Social Credit Principles ... 1d.

Pamphlets by other writers:—

Introduction to Social Credit, by M. Gordon Cumming ... 6d.

Poverty Amidst Plenty, by C. F. J. Galloway ... 6d.

An Outline of Social Credit, by H. M. M. ... 6d.

Poverty Amidst Plenty, by the Earl of Tankerville ... 6d.

Short Papers on Money, by the Marquis of Tavistock ... 6d.

The Nation's Credit, by C. G. M. ... 4d.

The Abolition of Poverty: A Brief Explanation of the Proposals of Major C. H. Douglas, by R. S. J. Rands ... 4d.

Why Poverty in the Midst of Plenty? by the Dean of Canterbury ... 4d.

Men, Money and Machines, by C. Marshall Hattersley ... 3d.

The Douglas Theory and its Communal Implications, by Fred Tait (revised edition) ... 3d.

Outside Eldorado, by J. E. Tuke ... 3d.

False Prophets and False Profits, by Capt. W. Adams ("Daran") ... 1d.

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ANNOUNCEMENTS AND MEETINGS

Notices will be accepted for this column at 6d. a line, minimum three lines.

We suggest more extensive use of this column by affiliated groups for making their announcements. At present many groups notify their members by post, which costs both labour and expense that might be greatly reduced by a notice in this column. It would then only be necessary to draw the attention of the members to the fact that they would in future find all announcements concerning them in SOCIAL CREDIT. Notices must reach the publishing office by the Monday morning before the date of issue.

To Let Furnished

Cottage with lounge hall, living room, kitchenette, two bedrooms (5 beds); Bournemouth 20 minutes by bus; close to golf links. Woodland and moorland walks nearby. Full particulars and photo on receipt of stamped addressed envelope, to The Cottage, West Parley, Wimborne. Terms: Easter to end of June, 30s. weekly; July to September, two guineas weekly, payable to the Secretariat, less 15 per cent., as a contribution to the funds from the owner. Vacant dates: May to June 18, July 13 to 20, August 3 to 31, September 14 onwards. The response to this advertisement has already secured over £15 for the funds.

Belfast Douglas Social Credit Group

Public Meetings. — A meeting will be held at Headquarters, 72, Ann Street, on each Thursday, until further notice, at 7.45 p.m. prompt. Admission free.

South Croydon Social Credit Group

Public meeting on Tuesday, May 21, at 8 p.m., at St. Andrew's Hall, Pump Pail, near St. Andrew's Church. Speakers: Rev. V. A. Demant and Dr. J. C. B. Mitchell.

Situations Wanted

Man, ex-public school and Colonial Police, age 26, with experience as cashier, salesman and farming at home and in Africa, seeks position. Will do anything but canvassing as a living, although willing to do voluntary canvassing for four or five hours a week. Axed from previous post and used to earning £6 per week, but will take £2 10s. If position offered advertiser with salary over £4 p.w., ten per cent. will be paid to the Secretariat.—Write: J.M., The Club House, Overseas League, London, S.W.1.

Translators Wanted

We shall be grateful if readers who are fluent in Norwegian, Dutch, German and Italian, will indicate their willingness occasionally to do translations or précis from and less often into these tongues. Please inform the Director of Overseas Relations, Social Credit Secretariat, 8-9, Essex Street, London, W.C.2.

Reginald Kenney

Reginald Kenney. Will Secretaries of Groups and friends please send all letters until further notice to:—15 Mordaunt House, Larkhall, S.W.8. Tel. Macaulay 3959.

Bound Volumes of "Social Credit"

A limited number of bound volumes of SOCIAL CREDIT, Vol. I., are available at 10s. 6d. each, and binding cases at 3s. 6d. each, carriage extra, from SOCIAL CREDIT, 9, Regent Square, W.C.1.

Open-Air Speakers Wanted

Requests have been received for the names of speakers at open-air meetings. Will such readers who are able and willing to speak at such meetings be kind enough to send their names to the Secretary, the Social Credit Secretariat, 8/9, Essex Street, W.C.2, on a postcard marked "open-air," stating their address and the area within which their services would be available.

TORBEN LAUB,
 Director of Propaganda.

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Social Credit Journals Overseas

The New Economics. Melbourne, Australia. Fort-
nightly, 3d.

The New Era. Sydney, Australia. Weekly, 2d.

Why? Auckland, New Zealand. Twice a month, 3d.

The Douglas Review. Toronto, Canada. Monthly.

The Douglas Social Credit Advocate. Calgary,
Canada. Weekly, 5 cents.

The Social Credit Bulletin. Johannesburg, South
Africa. About once a month.

New Democracy. New York, U.S.A. Fortnightly, 15
cents.

Controversy. San Francisco, U.S.A. Fortnightly, 10
cents.

De Sleutel Tot Welvaart. Apeldoorn, Holland.
Monthly, 10 cents.

The above journals exist primarily for the propaga-
tion of Social Credit. In addition there are many daily,
weekly and monthly papers which, while not devoted
primarily to the cause of Social Credit, give it much
publicity and support it editorially in varying degrees.
Prominent among these are the following:—

The Tribune. Melbourne, Australia. Weekly.

Farming First. Auckland, New Zealand. Monthly.

The Citizen. Ottawa, Canada. Daily.

The Western Producer. Saskatoon, Canada. Weekly.

The Daily News. Los Angeles, U.S.A. Daily.

Further information about subscriptions, addresses,
etc., will be gladly supplied by the Director of Overseas
Relations, c/o the Social Credit Secretariat, who will also
be grateful for news of any journal which may in future
take up the cause of Social Credit.

What Is This Social Credit?

Mr. A. L. Gibson's speech on March 21 last at the
Central Hall, Westminster, is shortly to be published by
Stanley Nott, Limited, in the 6d. series with the above
title. Extracts from the speech have recently appeared
in *The Lecture Recorder*.

ELECTORS— DEMAND NATIONAL DIVIDENDS

Leaflet No. 4

For Recruiting.—The leaflet is designed as
an aid to recruiting and contains a space in which
the address of the local group or District
Supervisor can be inserted with a rubber stamp.

It can be used for distribution at meetings, or
for delivery by post or from door to door, and
is admirably suited to be left behind after
collecting signed demand forms.

Leaflet No. 5

Elector's Demand and Undertaking.—This
is the instrument of the Electoral Campaign, fully
described in our Special Electoral Campaign
Number, April 19, 1935, and can be obtained
either in purple on orange or purple on white.

Leaflet No. 6

For Personal and Business Friends.—Not
suitable for the house-to-house canvass, but for
use in offices, factories, or by travellers, or at
parties. Contains space for twenty-four signatures.
Also described in our Special Electoral Campaign
Number, April 19, 1935.

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Leaflet No. 4: 6s. for 1,000 (postage 9d.); 3s. for 500
(postage 9d.); 1s. 6d. for 250 (postage 4d.); 7d. for
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500; 3s. 2d. for 250; 1s. 7d. for 125; 10d. for 60.
Leaflet No. 6: (carriage extra) 27s. 6d. for 1,000; 3s. for
100; 1s. 6d. for 50; 9d. for 25.

Obtainable from the offices of SOCIAL CREDIT, 9 Regent
Square, King's Cross, London, W.C.1.

Kings and Kingship

By Maurice Colbourne

(Author of "Economic Nationalism.")

I AM happy to have been able to claim the friendship of Norwegians ever since 1922, when the Shakespeare Festival Company from Stratford-upon-Avon paid a visit, memorable at least for the visitors, to the National Theatre in Oslo.

The blood which unites the Royal Houses of Norway and Britain is more than a matter of family sentiment, since kings, especially when so few are left, remain potential bulwarks and champions against modern tyrannies which are not less tyrannical for being silent, and of which the financial tyranny is the greatest. The money monopoly is not just something on paper: it is in our lives, and its presence, its power, and its danger are testified to by men of such divergent creeds and climes as His Holiness the Pope, the Lord Chief Justice of England, and the late President Woodrow Wilson. Thus Major Douglas is not only not alone; he never has been alone.

Our Norwegian friends will forgive Englishmen for having their minds filled in the month of May, 1935, with thoughts of kings and kingship. Indeed, they will, I know, in a measure share these thoughts. Other times, other topics; and in any other month but this, one would have liked to ask, for instance, whether the great tree of Social Credit could possibly find more congenial soil to grow in than that of a country which can produce a book, "The Growth of the Soil," which, in the opinion of some, depicts with a greater and more epic grandeur than any other, the steady creation of what Social Credit calls real wealth. One would have liked, too, to discuss Mr. Johann Bojer's great book, "The Power of a Lie," and to suggest that a country which has read that, and seen how a lie can spread and spread and spread until it comes, through sheer force of habit and propaganda, to be regarded as true, should have small difficulty in probing the great money lie of to-day and appreciating the power even of its falseness. And one would have liked to pay tribute to Norway's great sculptor, for in a single conception of his genius—I am thinking of the one for his monumental fountain surrounded by the bronze forest in which there nests the history of human progress—he has epitomised the tale of what Social Credit nobly calls the Cultural Inheritance of Man. But this time we must be content with kings!

Norway and Britain, then, possess a bond in common in that both are still linked to a system which, God be praised, derives from God and not from the Golden Calf. The King-system is rooted in God, and depends for its expression upon such conceptions as Duty and Service and Personal Responsibility, rather than upon those of Rights and Liberty and Personal Power. Unless some impartial bulwark stands between the powerful and the oppressible, the peoples may cry, Liberty! Liberty! and may even think they are about to grasp it, but they will be fobbed off, and, as to-day, their faces ground harder than before. And a king is the only potential bulwark with the necessary power, popularity and impartiality to stand upright, uncorrupted, unmoved.

Mammon and Mammon

Under the King-system the conception of even property itself is not that of something to be owned outright, but rather that of something to be tenanted for life: not the possession of any man, not even of the king himself, but rather a trust from God, to be delegated through successive strata of human society, beginning with the king and reaching to the humblest in the land. Nothing in this view of property is at loggerheads with Social Credit's view. On the contrary, under Social Credit Norwegians and Britons would still "own" property, just as we do now and just as men did when kings were kings, but in addition to and alongside the sense of private ownership there would run a sense of public responsibility, the sense that all property, like all life, is held, penultimately, in fief to the community, and, ultimately, in fief to God. There would be a communal aspect as well as a personal aspect; and the

communal aspect, far from disapproving of or obliterating the personal aspect of private ownership, would enhance and supplement it. For what is Social Credit but the true assessment, the accurate accounting, the mathematical monetisation, and the just distribution of the fruits of property regarded communally, no matter whether the property itself be "owned" privately or publicly, or be physical or spiritual, tangible or intangible?

Alas! For some three hundred years the world has been disrupting the King-thought and overlaying the God-system of monarchy with grossness and ideas of greed and power, the process starting in 1649 when an English military oligarchy, backed by the financial power of Lombard Street, beheaded England's King. It is a profoundly significant fact, and no mere coincidence, that it was around that date that goldsmiths began to be called bankers. The Terror was christened. Nor was it by chance that one of the first major practices of the newly-christened was definitely unpatriotic and illegal: namely, at a time when the export of gold was expressly forbidden by the Government, their clipping of the country's money, melting the clippings into gold bars and exporting and selling these at clear profit to the Continental Mints. The monarchical maxim, *Noblesse oblige*, was fast giving way to the financial maxim, *Business oblige*.

A Diet of Debt

Modern historians are performing the invaluable work of dissipating the miasma with which the Whig historians of the last hundred years enshrouded history; and one of the chief sights revealed is the power over kings, governments and people alike, exercised by the force now known to the world, and half-unmasked, as International Finance. Let us read with open eyes the new histories of the beheaded King's son, Charles the Second, before we say that kings should be abolished as being either worthless or out of date. And in these days when we are being assured, with every wile of every instrument of public propaganda that this octopus presses into its service, that banks are nothing but obliging parlours built expressly to look after our savings, and that they would not dream of lending any money except that given into their keeping, at these times, I say, let us look at history. Then we shall be able to perceive at least how some of these things began. They do not change their spots. And we shall perceive at any rate that the Bank of England came into existence, not because King William or his Government or his people wished to *deposit* money, but because they needed to *borrow* it. Then, as now, the banking system lived, moved, had its being, and found its power in one thing only—Debt. Its diet was Debt, and it thrived upon it, until to-day the measure of the world's helplessness before the Monopoly is the measure of the world's debt to it.

Napoleon understood these things. Indeed, with Necker under his nose he would have been blind and mentally deficient not to have seen them: and with him to see was to understand. Napoleon fought not so much against the nations as for them, in that he was fighting the tyranny that enmeshed them all. His conclusion was that the world would find no remedy against the usurer except a king. But he spoke, and lived, and fought, two hundred years too late. For all the kings whom he tried to save were already hostages to Debt.

It is Jubilee time. And though the British monarchy has its mouth stopped and its hands tied, so that it is next to impossible for King George to be "a nursing father to his people," yet we can and do celebrate, not only the twenty-five years' reign of a beloved sovereign, but also the King-thought and the God-system. For these live, and one day, clothed anew, they will rise and smash the tyranny of Debt. It would be impertinent to doubt on which side monarchical Norway will be when that day comes. It may come sooner than we think.