

— THE — Challenger

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FIGHT OR DIE!

We shall not always appeal in vain to those who are at present suffering from defeatism or apathy, drifting into a state of so-called oriental fatalism. Almost every class of society in this country has a lower standard of life, and in the near future will be asked to make more sacrifices in the sacred name of "sound" finance.

Standing at street corners in bovine impassivity or talking in club or Chamber of Commerce of "returning confidence" will not hide the fact that the time is drawing near when all classes must unite against the sabotage of civilisation—we must fight or die.

Man has fought for his supremacy over the other inhabitants of this planet, and by defying the powers of nature has succeeded in becoming almost master of three elements, by speeding over the land, through the water, and in the air. He has encouraged the prolific food-producing plants to provide sufficient sustenance for everybody. These conquests and harnessing of nature are first determined on by a fanatical minority, by the most energetic minds of the race. This says little for the fitness of democracy. But it is not our business at present to discuss the respective merits

or demerits of democracy and aristocracy: our present aim is to point out that the masses in every civilised country must get ready immediately to back up a single-purposed minority that is aware of the necessity of fighting Usury.

Fight or die—these are the alternatives facing a civilisation that has reached the threshold of economic freedom for the individual. *The death of the best parts of our civilisation will not be a glorious euthanasia either, but will be a slow breaking up of spirit, mind and body due to the deprivation of the little things that make life worth living.*

The living death of poverty is taking its toll of human life in every town in this land, as we know. People are committing suicide rather than face the unaccustomed poverty that is ever waiting—like prosperity!—round the corner. Poor devils are staring with longing eyes into shop-windows, deprived of simple luxuries because they have no work and therefore no money. Prince and plebeian, politician and schoolmaster, captain of industry and casual labourer, have all been bitten by the money-bug.

Eminent public men, economists—such as Sir Josiah Stamp—are given full publicity in the Press and on the Wireless in order to discount the disruptive logic of Social Credit. The majority of readers and listeners think that, after all, the experts know best, and the present money-system works quite well.

But the experts can't fool the Green Shirts with that stuff. The Green Shirts know that, physically, Great Britain is richer than ever before. The Green Shirts and other Social Creditors refuse to acknowledge the sanctity of the Bankers' tape-measure. This is the arbiter which dictates how a people shall live. It results in small houses, not because there is not enough stone and brick but because of the lack of paper tokens or food tickets for the builders. Small houses lead to the manufacture of small furniture—half-size sideboards, toy washing-machines, tables that would groan under a good-sized sirloin. Private enterprise, so easily prostituted, has not been slow to produce semi-circular hearth-rugs which tend to make a cramped room look a little larger.

In response to the Bankers' tape-measure farmers are being forced to breed small cattle so that carcasses will cut into sizes more conformable to the housewife's shrinking purse.

All this will result in a smaller people, of smaller minds and spirits. Bankocracy has won the first few rounds. It is not impossible to visualize a new species of humans emerging from this mad power-lust of the Money Barons; such a species as H. G. Wells portrays in "The Time Machine," a race of machine-minding slaves, feeble-minded and repulsive, who dwell underground and who have no pleasure in life but working and eating.

We Green Shirts refuse to become Morlocks, as Wells called his sub-humans. We are implacable in our hatred of the financial slavery imposed on Parliament and People by the Old Witch of Threadneedle Street. We demand the Douglas Scheme, the whole Scheme, and nothing but the Scheme.

"Divide and Rule," is the Banksters' motto. Thus they support Communism in one country, Fascism in another, and any other "ism" that befogs the clear-cut issue of Planned Poverty or Plenty for All. While the workers are nursing their various revenge-complexes, the farmers tend to become mere kulaks, and farm-labourers are driven back to the serfdom of the fourteenth century, the Money Monopolists are working internationally to subdue all peoples by a regimentation which they say is imposed by "financial stringency." This is the orthodox term for "paper stinginess."

We have a suspicion that it is due to the financiers' influence that the English Judges are being continually flouted in an attempt to bring them under the heel of a power that seeks to place itself above the Law, and the poor ruddy proletariat, instead of joining the Green Shirts in their demand for a National Dividend, gets a gloomy satisfaction at the spectacle of a Judge's salary being cut!

With all the desperation associated with the fighting of a rearguard action the orthodox economists and experts are trying to keep Douglasism from spreading.

Economic progress, like mechanical progress, depends upon fortunate antecedents; and just as there could have been no aeroplane without the previous perfection of the motor-engine, *so there can be no solution to the modern problem of Poverty in Plenty without the Douglas Scheme.* That burnt-out rocket, the Welsh Wizard, better known as Lloyd George the Man Who Won the War, cannot evolve any scheme without assuming that men must be put back to work! In other words, before we can consume the huge glut of goods we must work harder and produce another glut. May we misquote Scripture and say that if the people will not fight for their inheritance, the meek will truly inherit the earth but they will be underneath it.

A.E.

SOCIAL CREDIT VERSUS SOCIALISM.

There are disciples of Social Credit who assert that Social Credit and Socialism are not contradictory principles. They say that if Social Credit is put into operation it will be easier to put Socialism into operation. They might as well say that if a city were besieged by a hostile army, the best way to keep the citizens under siege discipline would be to rout the hostile army. Obviously, if the siege were raised, there would be no further need for siege discipline. And that is the important difference between Social Credit and Socialism which must never be forgotten. Socialism is a system of rationing, and restriction of individual enterprise, such as befits a period of scarcity. The arrival of the legions of Social Credit (the National Dividend and the Just Price), under the generalship of the National Credit Office, will put an end to scarcity and the need for restrictions and rations.

Now, if it were true that the majority of Englishmen desired Socialism, or even the majority of working men desired Socialism, the foregoing observation would mean, at the very least, that the Social Credit ideal was undemocratic, that is, against the will of the majority. But the fact is that the Englishman likes the idea of Socialism, including the variety called Fascism, about as much as he likes castor oil. That is, as something to be taken only in an emergency, and then only in sparing quantities.

It is a curious fact, that modern Socialist reformers never try to find out what the average man really wants, but tell him what he ought to want, and then try to work up his enthusiasm for it. What he does want, at the bottom of his heart, is a home where he can do as he likes without having to face an inquisition of inspectors and well-meaning busy-bodies. Men who have protested violently against working more than eight hours a day in a factory, do go home at the end of those eight hours and work twice as hard for another three or four, at planting rose trees or making wireless sets. And they are

right. They are right because they are following the natural desire of man to create for the sake of creation and to beautify for the love of beauty.

We think that the desire of some, to reconcile Social Credit with Socialism, arises from the superficial resemblance between the two principles, which is not really a resemblance at all, but only an accident. The fact that both are put forward as a remedy for present evils, does not mean that both are efficient remedies. Indeed, when two ideas differing so widely are proposed as remedies for the same trouble, it is not really surprising to say that if one is right, the other one must be totally wrong. Broadly, the difference is this, that Socialism would alter everything but the thing that is wrong, namely the monetary system, whilst Social Credit would alter the monetary system, and allow everything else to re-adjust itself in its own way. There are many injustices in the world to-day, that would be no more if every man had a little more money in his pocket, was not in daily dread of losing his job.

(Continued on p. 7).

AIM OF THE MOVEMENT.

The Green Shirt Movement stands for Douglas Social Credit because this country is suffering from a glut of goods and at the same time poverty on the verge of starvation. Such a situation is a TRAGIC ABSURDITY which we will not tolerate.

We know that the only shortage is A SHORTAGE OF PURCHASING POWER, and we know that this shortage of purchasing power is due to the policy and methods of the Bank of England, controlled by the International Credit Monopoly.

WE DEMAND

1. That the power of credit issue and withdrawal be taken from the Bank of England and vested in THE NATIONAL CREDIT OFFICE.
2. That the NATIONAL DIVIDEND be distributed, over and above wages, to every citizen whether in employment or not.
3. That the SCIENTIFIC PRICE ADJUSTMENT be applied.

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THE EDITOR'S NOTE BOOK.

THE DEATH OF ORAGE.

The Movement has suffered an irreparable loss by the death on November 6th of A. R. Orage, founder and editor of "The New English Weekly."

Orage first came into contact with Douglas in 1917 and spent a whole year in examining his proposals. After that he published articles by Douglas in "The New Age," which he then edited, and from this has sprung the now powerful Social Credit Movement.

But for Orage, Social Credit might have been shelved for a generation instead of attaining to the popularity it enjoys to-day. For this every supporter of Douglas can best honour the memory of Orage by fighting more strenuously for the Cause which he served so courageously and so steadfastly.

THE GOVERNMENT MOVES.

During the last month or two the Government has been very busy, perhaps with an eye on the next General Election. It prepared the way for a Fascist Dictatorship by passing the Sedition Bill, in spite of opposition from all classes of the community.

It sent commissioners to report upon the "distressed areas" and make recommendations; the reports duly appeared and contained the usual nonsense. Later, two other commissions were appointed to administer schemes for providing work for some of the unemployed in the "distressed areas." It would have been far more

statesmanlike to take measures to feed, clothe and house the people of these areas in a more civilised way.

Lastly, the new proposals regarding higher unemployment pay are intended to mislead us into believing that the Age of Plenty has arrived. Though the new rates may be an improvement on the old ones, yet in comparison with what everyone ought to receive—and could receive—whether working or not, they are a miserable pittance contemptuously offered out of charity and hardly sufficient to maintain an animal's standard of living.

The new rates result from a desire to placate humanitarian critics of the Government and from a knowledge that prices are likely to rise when existing stocks of goods are consumed or destroyed.

JAPAN AND YORKSHIRE.

Not long ago we were told that Australia had recovered its prosperity because of increased sales of wool to Japan. Naturally, the banks had spread this tale, having profited by financing this trade.

In the first half of last year Japanese exports of woollen textiles increased by 100%. When Japan becomes really efficient, what is going to happen to the West Riding? Over twelve months ago we warned our readers of this danger to their livelihoods.

It is of no use complaining that it is impossible to compete against the low wages of Japanese workers. The even lower wages and much worse working conditions of the Bombay mill-workers do not enable the Indian cotton manufacturer to undersell the Japanese in India in spite of an enormously high tariff barrier.

The truth is that Japan has learnt a few things from Douglas. One is that the National Credit can be used to excuse producers from repaying bank loans. In Europe this would lead directly to an unbalanced budget and a "crisis." But the militarists rule in Japan and it would be unsafe for a financier or a politician to say that money should not be under the control of the State.

If we had Social Credit in England, all imports from Japan would be regarded as an increase of real wealth and the resultant unemployment as a welcome increase of leisure. The National Dividend for workers and unemployed would keep up the standard of living. When will the workers of the West Riding realise their danger and demand the National Dividend?

NOTES FROM ABROAD.

Everyone now realises the approach of war, but the majority seem to regard it as inevitable. Economic struggles between nations are going on all over the world, and it is no exaggeration to say that if they could be settled, the outlook would be considerably brighter. Yet economic warfare nowadays is so easy to abolish because it rises out of attempts to *give* goods away, not to take them away. Economic causes have brought the world to its present condition, for which war is no remedy, but it is one which will certainly be tried very soon *unless those causes can be remedied*.

On the whole, the world shows no improvement in material prosperity. In England, for example (the most prosperous country!), unemployment is supposed to be decreasing, yet in October there were 10% more people in receipt of poor relief than in October, 1933. ("The Times," 20/11/34).

In France, one politician replaces another as Prime Minister. The gold standard still prevails. Economic "reforms" continue while unemployment gets worse.

Mussolini very wisely decided to reduce hours of labour and then, very foolishly, decided to reduce wages proportionately, according to the dictates of sound finance.

Germany is suffering from a shortage of raw materials and food; therefore a dictator to fix prices and check profiteering has been appointed. Hitler's popularity appears to be undiminished.

Central Europe is moving ever nearer to the brink of war. This area and the Saar territory are the danger spots of Europe. The economic condi-

tion of Austria remains as terrible as ever. Yugo-Slavia and Hungary require only an excuse to go to war. Italy and Germany look on, prepared to intervene when the time comes. 1914 is here again.

The Soviet Government has made a military pact with France, the most capitalistic of countries. Because a friend of Stalin's was assassinated, a massacre followed. In what way does the Communist method of treating opponents differ from the Fascist method?

Roosevelt's New Deal follows the course laid down by the bankers and forecast by Social Credit writers. The big banks have *now* recovered, with State assistance, from the crash which they themselves engineered to crush smaller "unsound" banks, and they are now ready, along with Big Business, to co-operate with Roosevelt. At the same time the "problem" of unemployment has not been solved and the National Debt goes on growing.

DOUGLAS IN BRADFORD.

We should like to remind our readers who live in Bradford and District that Major Douglas will address a meeting at the Eastbrook Hall, Leeds Road, Bradford, on February 6th, at 7-30 p.m. (Admission 1/-).

THE PROPER OBJECTIVE OF FINANCE.

Now if there is any sanity left in the world at all, it should be obvious that the real demand is the proper objective of production, and that it must be met from the bottom upwards, that is to say, there must be first a production of necessaries sufficient to meet universal requirements; and, secondly, an economic system must be devised to ensure their practically automatic and universal distribution; this having been achieved it may be followed to whatever extent may prove desirable by the manufacture of articles having a more limited range of usefulness. All financial questions are quite beside the point; if finance cannot meet this simple proposition then finance fails,

and will be replaced. It has been estimated that two hours per week of the time of every fit adult between the ages of eighteen and forty-five would provide for a uniformly high standard of physical welfare under existing conditions, and without endorsing the exact figures it is perfectly certain that distribution and not manufacture is the real economic problem and is at present quite intolerably unsatisfactory.—C. H. Douglas in "Economic Democracy."

ELEMENTS OF SOCIAL CREDIT.

4. SOME RESULTS OF SOUND FINANCE.

Our last article showed that the nation's money-income will not buy all that is produced because prices of goods include costs which do not represent money distributed to individuals as incomes. Wages, salaries and dividends are a steadily decreasing fraction of the costs of production. Wages in the artificial silk industry are said to be only 1% of total costs. Dividends in all industries are tending to disappear completely. A census of production and of wages was taken in Ireland last year and it demonstrated that the money-value of total production was very much greater than the money-value of wages and other incomes. The shortage of money should be obvious to nine-tenths of the population.

DEMAND FALLS OFF.

This shortage of money, accentuated by the loss of wages due to unemployment and short time, means decreased demand for goods, which the bankers' hired economists take to reflect decreased need. When demand falls off, shopkeepers, distributors and producers, and the transport industry begin to find their incomes diminishing also. Their employees suffer wage-cuts, short time, unemployment. Bankruptcies increase. Industrial profits vanish; the average dividends for British industry as a whole amount to 2% per annum—less than 5d. in the £. Investments disappear; for example, in the proposed writing down of Dorman, Long's capital the investor with £100 in shares will have his holding

reduced to about £7—in other words, 93% of his savings will be wiped out.

INEFFICIENCY AND WASTE.

Not only are human beings thrown on the scrap-heap because their services are not required in industry, but machines too are allowed to stand idle, at a time when the goods which they could manufacture are desperately needed. Ships lie idle in port. Coal mines are abandoned. Machines are everywhere unemployed. The machinery which is in use could probably produce four times as much as at present. Inefficiency and waste prevail because the present financial system offers no incentive to overcome either.

TAXATION.

Since only bankers may manufacture money (apart from coin) Governments have to borrow money in order to carry on, and repay the loans out of taxation. Taxation merely takes out of circulation money which ought to have been spent on goods. As Governments are always in debt to the banks, all money Governments receive goes straight back to the banks and is cancelled—unless the banks decide to issue another loan to the same amount. Although it imposes the greatest possible burden of direct and indirect taxation the Government fails to provide all that is necessary for the people's welfare. The unemployed and destitute are treated worse than criminals. Public works of different kinds—roads, bridges to replace level-crossings reservoirs, housing schemes, power stations, etc., etc., are urgently needed but they would have to be financed by bank-loans, which simply mean more National Debt and higher taxes in the future.

SOCIAL CONSEQUENCES.

Suicides are becoming more frequent and the causes of most of them can be traced to insecurity and shortage of money. Insanity is spreading due to worrying incessantly over money matters. Malnutrition is rife in many parts of the country. Diseases of undernourishment are beginning to gain ground. The national physique and intelligence are deteriorating steadily. Ignore any attempts to show that very few people are really undernourished. The Committee against Malnutrition in its reports proves on

the contrary that malnutrition is becoming more widespread. One of the most serious social consequences of the shortage of money is the alarming growth of crime during the past few years; it is significant that judges and lawyers put it down to the increase of poverty.

Our next and final article will deal with the factors which have kept the present economic system from utter collapse and will outline the results of the establishment of Social Credit.

S.C.

(To be concluded).

A PRIVATE INCOME FOR LIFE.

Everyone must have read a certain advertisement in the newspapers which asks you if you would like a private income without working. No, it isn't Social Credit propaganda. On the contrary, the advertisement belongs to an important insurance company, one of the pillars of the financial system. Therefore, it cannot be immoral, as our opponents suggest, to offer "sum-mat for nowt." You read further into the advertisement and you gradually perceive that this generous insurance company which at first sight you thought was going to disgorge its ill-gotten gains, really expects you to pay something at least towards the income which you were led to believe was not dependent on work. Premiums must be paid, varying in value according to your age. In short, the scheme, on examination, turns out to be a matter of gambling on your expectation of life and has been drawn up to provide the company with cash which it will invest so as to secure control over industrial assets.

The National Dividend, also an income without working, is frowned on by highly moral persons who love to contemplate the beneficial effects of adversity on the formation of (other people's) character. You must work to live, they say, but they mean, you must live to work. They cannot, because they will not, understand the necessity for the National Dividend nor the source of it. Money for idleness! Horrible thought! But wait a moment. Just consider this fact; the

worker's standard of living after three generations of constant struggle for better conditions. Real wages now are about double the real wages of 120 years ago, but *output per man has increased fifty-fold*. No one could truthfully deny that for 120 years or more the working classes have been going short of their due; it was always possible to feed, clothe and house them more satisfactorily. And the fault is the bankers', who have wilfully persisted in maintaining a money system which has made it impossible for the workers to enjoy a higher standard of living.

So the workers are creditors of society to an enormous extent; arrears of income must amount to many thousands of millions of pounds. The only way to solve the problem of poverty in plenty is to pay out some of the arrears in the form of a dividend issued to *all*. Give the people the money to buy and they become masters of the industrial system and they get what goods they want. Industrialists are only too willing to produce if the money to pay them is forthcoming; should they decline to produce they would have to make way for those who were willing. Demand the National Dividend loud enough and you will get it. Don't be misled into wanting ownership of industry; it's *control* of industry you want, and the control lies in the hands of those who control the supply of money. The State must control money and you must have your Dividend. Back up the Green Shirts and beat the Bankers!

L.A.

SOCIAL CREDIT v. SOCIALISM.

(Continued from p. 3).

Obviously, then, Social Credit is right, because it will restore man to his position of authority. With the National Dividend he will build his home as he wishes, and not as his wage-ration allows. Social Credit is a new idea only in its practical methods. Its ideal is as old as mankind itself. When we say that it will bring about a Revolution, we have at heart the words of the philosopher, that, "in history there is no Revolution that is not a Restoration."

J. NUTTER.

REWARDS AND PUNISHMENTS.

When a man is convicted of a crime he may be sent to prison with hard labour. There he works eight hours a day under supervision. Hard labour and deprivation of liberty therefore used to be regarded as a punishment, but so confused are people's ideas now that, as Douglas foresaw, work is coming to be regarded as a reward! An unemployed man rescues someone from drowning and is rewarded with a job. He is recompensed with hard labour not sentenced to it.

But he has freedom, you may say. Yes, he is free to starve if he leaves his work, as the convict is free to think if he dislikes his tasks. While working he may be under supervision just like a convict. Forced work like this, whether paid or not, is imprisonment and slavery. The present Work State must be abolished. We must have voluntary not slave labour. But only the overthrow of the Bankers' Monopoly can make the money available to carry out this far-reaching reform.

L.A.

AN APPEAL.

In the war against poverty the Green Shirts are in the forefront of the battle. You cannot fight any war without money and the Green Shirt Movement has no private funds nor secret subsidies. Our only sources of income are the subscriptions of members and gifts from supporters.

Propaganda costs money although the Movement has no paid officials or speakers or organisers. When we win, you won't refuse the benefits you will then receive. Why not help us forward NOW? Send a contribution to the office of this paper or to the General Treasurer, The Green Shirt Movement, 44, Little Britain, London, E.C.1.

Buy "The Challenger" and "Attack!" and recommend them to your friends.

WHAT TO READ.

The following pamphlets explain Social Credit clearly and simply:—

Social Credit in Summary, A. Brenton, 1d.

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

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

The Douglas Theory, F. Tait, 3d.

Breakdown of the Employment System, C. H. Douglas, 1d.

A Social Credit Scheme for Scotland, prepared by Major Douglas, giving one method by which the Social Credit State can be established. 1d.

Of Douglas's books we recommend to our readers "Economic Democracy" 6/-, and "Social Credit," 3/6. See that they are in your Public Library, if you cannot afford them.

CORRESPONDENCE.

The Editor invites letters regarding the Green Shirt Movement. Letters, which should be brief, will be subject to the usual editorial supervision. Correspondents must give their names and addresses (not for publication, however, unless desired). Questions of Social Credit technique will be answered through the post, providing a stamped addressed envelope is enclosed.

READ "THE NEW AGE" every week, for an authoritative commentary on current events in the light of Social Credit.