

## TECHNOCRACY AND POVERTY

THE word is dead, but the thing is alive and growing. According to an American observer, Technocracy has made an impression; it went straight down through the layers of society to the very bottom. It may be dead at the top, but at the bottom it will live on. The organisation named Technocracy has been discredited, almost entirely on a question of personalities and errors in incidental statistics.<sup>1</sup> The popular press has turned to other stunts. Nevertheless there is a growing tendency among intelligent people to enquire if the consequence of plenty is really starvation, to what extent the present 'economic crisis' is natural and how much of it arises from stupidity. As the rising tide of bankruptcies reaches the professional classes, so an increased interest in economics is aroused in a section of society which has long been remarkable in England for 'this gift of moving in a region other than that of logic.' The broadcast emotion of a Prime Minister specially elected to put things right, is ceasing to reassure or even to interest a nation, which for a year and a half was instructed to save what it had not got and is now being urged to spend the proceeds of this thrift. In sheer desperation the nation is beginning to think for perhaps the first time since the Reform Bill.

Man with his tool the machine, the product of his mind, has finally triumphed over the limitations imposed upon him—considered as a tenth horse-power machine. As inventor, manipulator and director, he remains. The seven league boots and the hundred arms are now his, but he has to decide whether to use them for his welfare or for his economic suicide. At present the people who direct civilisation appear to insist on suicide. Man with his machine can produce wealth for everybody and if an age of comparative leisure is not being enjoyed by everyone, it is only

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<sup>1</sup> The able exposition of the findings of the Technocrats, *The ABC of Technocracy*, by Frank Arkwright (Hamish Hamilton; 1/6) will tell the ordinary man all he needs to know about the results of the researches of the American experts. It has no bewildering technical terms yet, if its form is simple, the nature of the conclusions drawn from it is stupendous.

because the machine produces goods and not money, money being the only commodity which is in short supply. Once let the flow of money be measured by the flow of goods and a certain price fixed for commodities—a price dependent not on any rare and precious metal but on the community's power to produce as compared with the community's wish to consume, then it will be possible for man's anxiety for the satisfaction of the material side of his nature to be at an end.

Technocracy has proved that there is no doubt about the potential power to produce real wealth in the form of goods and confirms in a striking fashion the contentions of such economic thinkers as Major Douglas and the group of writers and economists with whom readers of the *New Age* and the *New English Weekly* are familiar. As long ago as 1919 Major Douglas stated plainly this same thesis which to-day, when the Technocrats have published the results of years of investigation, has startled the United States with the news of the potential power of that country to produce an assured income to each family of £2,000 a year. The sudden and amusing silence of the cheap Press, after its first hurried burst of fevered inaccuracy, will scarcely prevent an England which is steadily approaching economic and social collapse from asking questions and even from drawing conclusions. The gullibility of Englishmen by their rulers has long furnished the main charm in the study of English History, but the Middle Class, the most influential and yet the most unpolitical section of the nation, has never until now had to face the possibility of wholesale bankruptcy and ruin. The coming decade in England, if scarcely entertaining, will certainly be interesting.

The situation with which England, in common with Western civilisation as a whole, is faced is, according to the Social Credit analysis, as follows. The stream of the production of real wealth in the form of goods flows quicker and wider than ever before and side by side with this continually widening stream there flows, blocked by artificial dams and between narrowing banks, another stream, the stream of purchasing power with which to buy the product. Means of production have improved, but an antiquated system of finance still distributes a mere dole

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of purchasing power in the form of wages, salaries and dividends. As a result, a large and increasing part of the product can only be bought by an increasing lien on purchasing power distributed in respect of future production. As a consequence a glut of goods in every trade has been the result, with the further consequence of unemployment. The problem with which every industrialised nation (with the exception of Russia, which is still in her economic childhood) is faced is not one of shortage but of a glut; and countries are prepared to go to war with one another for the sake of forcing what is, in practice, a present of the unconsumed plenty, each on its neighbour. This is known as a favourable balance of trade. The glut must be got rid of, for the glut means unemployment and unemployment means, sooner or later, revolution.

The true end of production is consumption, and, it is urged, some other means must be found of distributing purchasing power in order that this end may be attained. There is no necessity to abandon the principle of private property or of production for profit. The only thing necessary is to issue a national dividend to everybody. The issue of credit for consumption to provide that purchasing power which is the only thing lacking, will ensure that production will be justified by its true end, consumption. The fact that economic and therefore political power is to-day concentrated in the hands of the money monopolists, alone prevents men from enjoying the wealth which they have produced.

The scathing denunciation—not one of the daily papers in their summaries of the encyclical dared to print it—which the present Pope launched at the monopolists of credit, should be familiar to all Catholics:

‘ In the first place, then, it is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few, and that those few are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasure. This power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying, so to speak, the life blood to the entire economic body, and grasping, as it were, in their

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hands the very soul of production, so that no one dare breathe against their will.'<sup>2</sup>

For Catholics to believe in the universal benevolence of Finance-Capitalism after the Encyclical of 1931 would appear to be difficult.

The case for Social Credit has been ably presented in England during the last year or so by several Catholic writers. The most notable, perhaps, was the article by Mgr. Coffey in the third number of the *Clergy Review* (March, 1931). The *Irish Catholic Bulletin* dealt last year with the subject in a serial article covering three issues (July, August and September). This article was subsequently reprinted in the *New English Weekly*. The *Catholic Gazette* in the January and February issues of this year has the core of the matter. Mr. P. C. Loftus, in his book *A Main Cause of Unemployment* and in articles in the *Saturday Review* and the *New English Weekly* has analysed, on Social Credit lines, the futility of our present system of export trade.

It is sometimes urged by critics that if men were allowed to enjoy the age of plenty and leisure which they have constructed but do not yet enjoy, the human race would collapse into idleness. This, however, is precisely the result of the present system. 'Man is born to labour as the bird to fly,' yet the present economic system forbids the increasing multitudes, whom labour saving machinery has displaced, from doing anything but starve on the dole in the unemployment queues. It is even prepared to bludgeon them with the batons of a militarised police force into acquiescence. By a perfectly logical extension of this iniquity, having taken from the unemployed masses both property and work, it is now proposed to deny them the rights of marriage and a family. In Germany, apparently, they are now to be concentrated in huge prison camps, under the pretext of military training.

In reality, man is an operative animal, and does not require to be driven to work by the threat of starvation. The activities of the leisured classes, whether for good or ill, are a sufficient proof of that fact. Little but the 'ser-

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<sup>2</sup> Encyclical, *Quadragesimo Anno*, pp. 46 and 47. (C.T.S.)

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vile' work of the world—so to speak—can be done by machinery, and it is difficult to suppose that the demand for creative work in a world of plenty would be circumscribed and choked as it is to-day. To suppose that men can be ruled by machines is a fallacy scarcely worth confutation. Mind can only be ruled by mind. Nor is the contention that we should become a nation of profiteers any more intelligent. The objection to the profiteer is not his wealth, but the means by which he acquired it and the fact that he is thereby enabled to patronise and control other men. A national dividend would be in no sense a dole, but rather property, in precisely the same way as dividends are now the property of their owners. The present crisis, it must be repeated, is not one of unemployment. It is based on lack of property, resulting in and aggravated by enforced idleness and semi-starvation. It can be cured, not by 'providing work for the unemployed' but by providing property.

If the nation decides to continue the present system in which 'the earthly goods so abundantly produced in this age of industrialism are far from rightly distributed and equitably shared among the various classes of men,'<sup>3</sup> it must be prepared to pay the price for so doing. It must be prepared for a world perpetually devastated by wars for foreign markets on which the surplus product—which the producing nation is too poor to buy—may be dumped, accompanied by all the stench of economic imperialism, militarism and patriotic ballyhoo. It must endure the tedium of listening both to Socialists explaining how the confiscation and redistribution of an already inadequate purchasing power will save the situation and to Neo-Malthusians arguing in a world of plenty that the human race is in danger of starvation. It must wath the latter organising subscription dances at Dorchester House in order to raise funds to finance the advertisement out of their idiocy and its imposition on the 'less desirable classes.' It must be content to watch Finance adopt the policy of Ned Ludd and sabotage ship-yards which have never built a ship and burn foodstuffs which a nation is too poor to buy.

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<sup>3</sup> Encyclical, *Quadragesimo Anno*, p. 29 (C.T.S.)

## TWO WHO ARE DEAD

The alternative is to recognise that a glut cannot be cured by economy and that in an age of plenty—whatever monetary system we may decide to adopt or adapt—‘society must,’ as Mr. Tawney has put it, ‘so organise its industry that the instrumental character of economic activity is emphasised by its subordination to the social purpose for which it is carried on.’

T. CHARLES-EDWARDS.

## TWO WHO ARE DEAD

ON March 2nd Francesco Luigi Ferrari, editor of the international review, *Res Publica*, official leader of the Popular Party abroad and its representative at all the international gatherings of Christian Democratic parties, died in exile in Paris at the age of 42. He had been badly gassed in the war; in 1920 he had received internal injuries from a Communist attack—remote causes, as far as it appears, of the abscess on the lungs that, an aftermath of neglected influenza, ended a life of useful achievement and still greater promise. Eighteen months earlier he had followed the funeral of Giuseppe Donati, his friend and colleague, the brilliant ex-editor of the militant *Popolo* of Rome, and who died of consumption accelerated by the privations of exile.

The deaths of both, in Catholic serenity and exaltation, were in harmony with their lives. They had spent themselves in the Catholic Social cause, in defence of the principles of *Rerum Novarum* in the political and economic field, and therefore it is well that they should be remembered.

It is doubly well because the vanquished are too soon forgotten. To-day at ten years' distance few recognise with what precision Germany is treading in the footsteps of the Italy of 1922, or remember that the Popular Party fought and lost the same battle the Centre has fought and lost to-day. *Vae victis!* While in Italy itself there is deliberate intent that the tides of oblivion should sweep over the exiles and all