

MAJOR DOUGLAS ANALYZES 'SOCIAL CREDIT' IN ALBERTA

WHAT WENT WRONG?

Social Credit in Alberta (1948)

By C. H. DOUGLAS

The fourth consecutive victory of a Party bearing a completely novel political label at the time it was first elected in 1935, that of Social Credit, is in itself a notable event. While its significance is considerable, and should not be underrated, it is quite easy to misunderstand its nature and in so doing, to minimise its usefulness.

The first point on which to be quite clear is that the Social Credit Government, now headed by Mr. E. C. Manning, is where it is because some of the most powerful Forces in the world have failed in previous attempts to put it out. In other words, the Social Credit *idea* can not only win elections, but it can go on winning elections against tremendous opposition, *so long as it is clear to the electorate that the opposition is being fought*. That is to say, there is definitely a Social Credit electorate in Alberta..

And it may be remarked that there is a growing Social Credit electorate over the whole of Canada, practically unsupported by financial resources, and led by inexperienced but brilliantly zealous pioneers. Quebec may quite easily prove more impressive, because of its special characteristics and greater homogeneity, than was Alberta in 1935.

Now it is quite clear that the opposition met by the first three Social Credit administrations, both during their elections and their term of office, was quite different in character to that now existing. And it is also clear that the change results from a recognition of the fact that the Alberta electorate is Social Credit, but the Administration is not. Anyone who has followed with reasonable attention the strategy which unites such apparently divergent interests as Zionism, Communism, Socialism, and International Cartelism, will have no difficulty in recognising that these labels, taken in reverse order, represent the military theory of the Limited Objective, and the major *tactic* for their attainment is infiltration. Nothing could be more puerile than to suppose that every believer in Big Business, Socialism, Communism, and the Chosen Race is a rogue, or even a fool. Each and every one of these matters is subtle and complex; and all of them are the subject of subtle propaganda. Consider the Canadian Russian Spy Report.

The Manning Administration is no more a Social Credit Administration than the British Government is Labour.

It is fairly obvious that the Opposition to Social Credit which comprises all of these interests, does not care much what the Alberta Electorate thinks; it is what the Alberta Legislature *does* which interests them.

While it is a wise child who knows its own father, it is generally conceded that a father prefers his own son, as well as being likely to suspect the paternity of an imposter. Since the pedigree of a policy is derived from a philosophy, it may be helpful to recall two propositions which, if not comprehensive, are essential to any Social Credit philosophy:-

The first is that it is essential that the group shall have no conscriptive power over the individual; *i.e.*, the individual must have the power to contract-out of any group.

The second is that maximum decentralisation of initiative is in the interests of human welfare.

It is grimly amusing that the Leader of the Socialist C.C.F. Party of two in the Alberta Legislature has, rather shrilly, accused Mr. Manning of appropriating C.C.F. measures and calling them Social Credit. I am a little doubtful whether he would appreciate my support, but, unsolicited, he has it, if only on this occasion. Much of the Legislation of the Third Social Credit Administration, and the programme for the new legislature, the Fourth, to an examination of which we shall come almost at once, is State Socialism and Collectivism and contravenes every principle, and particularly the two just stated, of Social Credit. That may not be important; but its consequences are very important.

There is much in Mr. Manning's general attitude to recall Lewis Carrol's well-known contribution to the Shakespeare-Bacon controversy; that in his opinion *Hamlet* was not written by Shakespeare, but by another man of the same name. Whilst it would involve a slight *non sequitur*, Mr. Manning, so thinking, may feel that it does not matter very much if the libretto is written by the London School of Economics. And it is clear that the title may be retained, and a good time be had by all--for a time.

(II)

The following statement appeared in the *Edmonton* (Alta.) *Bulletin*, of July 17, 1948:-

"An undertaking to implement the "Judge Commission report as far as provincial revenue make possible" is given among the more important planks in the 10 point platform of the Social Credit government released this morning.

"The sections of the Judge report specifically dealt with in the government's announced program include:

- "1. Increased educational grants
- "2. Road grants to municipalities based on motor, vehicle and fuel oil tax revenue of the province and construction and maintenance of provincial highways through towns and villages.
- "3. The province to assume 80 *per cent.* of the cost of indigent relief, mothers' allowance and child welfare.
- "4. All costs of Old Age Pensions and blind pensions to be assumed by the government.
- "5. Repeal of the wild lands tax act and abolition of the business tax on fur farms .
- "6. Payments of grants in lieu of taxes on government buildings used for commercial enterprises.

"TWO MONTHS

"The Judge report was compiled during a two-month series of meetings held by J. W. Judge, sitting as a one-man commission during the summer of 1947.

"The report was tabled at the last session of the legislature, but the government announced at that time implementation of the report would have to await further study.

"At that time the government undertook to prepare a legislative program for submission to the next sitting of the assembly.

"The ten planks of the government platform are:

"1. Greatly expanded program for development of natural resources with the crown retaining ownership of natural resources, except for land and further development of a lease-hold basis.

"2. Constant attention to the needs of agriculture with a greatly-expanded program of service to the farmers.

"3. Development of power resources and encouragement of rural electrification in accordance with the needs of the people.

"WELFARE

"4. Further expansion of the government's program of public health and welfare, which already includes such features as free maternity hospitalization.

"5. Implementation of the Judge report.

"6. Further improvement in educational system of the province, with costs reduced to land-owners by implementation of the Judge report.

"7. More and better roads promised. Already the province has a total of more than 80,000 miles of roads without incurring one cent of public debt.

"8. A vigorous program, already commenced, of encouragement to industry and immigrants to settle in the province.

"9. Full government co-operation with both industry and labor to make secure the just rights of both parties and uninterrupted production.

"10. A continuation of the government's fight for social justice, economic security and freedom. Allegiance to the principles of Social Credit is again expressed."

Except by implication, Mr. Manning's Manifesto is a Works Programme—not a political declaration--a programme not differing in type from the kind of thing with which Russia has made us familiar in its Five Year Plans.

The Alberta Electorate has about as much say as have the Russians. Mr. Manning is saying, "This is what is going to be done, and *we* are going to do it. By that we mean that *you* will do the work to *our* instructions. *You* will be paid with what *we* have told *you* is *your* money, and you will discover that it *was your* money when we have taken it off you in open or concealed taxes to--pay *you* with your own *money* for doing *your* own work. Where *we* come in is that we are handsomely paid for assuming the power to choose the direction in which you will expand your energies and your resources. *You give us a block vote to spend your money* instead of choosing, *i.e.* voting, at each purchase, '*what you want, how much of it you want, what you think*

it is *worth* and whether you want it before or after something else. And when you have paid in work or taxes to obtain the benefits I promise you, you won't own them, because 'public ownership' is just a trick to catch simpletons. *We* shall control (and *control* is the important feature of ownership). What *you* will get out of them depends on what we think is good for you and will consolidate our power." It is not *what* is going to be done, it is *how* and *why* which are significant.

There are, evidently, other ways of describing the situation.

It is a long step towards the Managerial State and is what is desired by the International Powers. That it is being put forward by something which calls itself Social Credit, but is in fact the exact opposite, Centralised Credit, instead of by the C.C.F., which stands for Centralised Credit, is doubtless a source of combined amusement and satisfaction to those who have arranged it. I shall be prepared to believe that Mr. Manning has little or no understanding of the implications of "his" policy, although he evidently feels that the first duty of a politician is to stay in Office. He would probably claim, and I certainly should not contest that "his" programme could be used to describe a good programme, in fact, it could be used to describe almost anything. He probably would not understand what I am trying to indicate, that the very achievement of that programme, by the methods he is committed to employ, however successful, and perhaps in proportion to its success, to its success, will rivet the chains of State slavery, which the electors supposed he wished to attack.

The most casual perusal of the Alberta Press is sufficient to make it evident that it was solidly behind Mr. Manning and entirely assured that he and his Cabinet are indifferent to any of the ideas which brought Mr. Aberhart to power. The Dark Forces, quite rightly" have taken Alberta seriously. They know far better than Mr. Manning that Power centralised in an Administration is power taken from the individual, and that far more effective pressure can be exercised, under present arrangements, by them than by the Alberta Electorate. When, in the course of time--not too much time--the electorate becomes dissatisfied, it will be a matter of the smallest consequence. It will merely be "Social Credit which failed in Alberta" and a fresh company of Office seekers will not be difficult to find.

The line which is taken by the Press is interesting and informative. Social Credit as a theory is dead, but Mr. Manning's Government has given Alberta good Government, and ought to be *exclusively* supported," *i.e.*, there should be as nearly as possible a dictatorship. Thus everyone agrees that Alberta's Social Credit Government is not a verdict for Social Credit--except the electorate.

There are various opinions in regard to the *personnel* of Mr. Manning's Cabinet, and I do not wish to contribute to them, because I do not know that personnel at first hand. But I did know the U.F.A. Cabinet under Mr. Reid which preceded Mr. Aberhart's victory, and with one or two possible exceptions, I should regard them as well above the type from which, in the main, Mr. Aberhart's Cabinet was drawn. They were tired men; they knew with what they had to contend far more fully than did Mr. Aberhart; yet they gave great assistance to the original, and sound, Social Credit propaganda which was carried on by such people as Mr. C. Spencer, M.P., and others. I have always regarded as a calamity, the failure of the U.F.A. to push the matter further. They put their hands to the plough, and then turned back; and they suffered total extinction. So far as I am aware, they gave, in the ordinary sense of the words, good Government to Alberta--certainly quite as good Government as any other Province enjoyed.

But neither Mr. Aberhart nor his successor was elected to give Alberta the kind of good Government which would receive the unanimous approval of the Alberta Press. They were elected on a political, not a managerial, issue. Towards the end of his life, it is fairly certain that Mr. Aberhart not merely recognised this, which I think had always been the case. He also became a dangerous pro-protagonist of his vocation. He died.

Whether Mr. Manning is merely exercising reasonable discretion is not an issue on which I should care to give an opinion. 0 But he has proclaimed, in unmistakable terms, that he has no intention of trying to change the rules of the game, and has no objection to assisting the Powers which opposed Mr. Aberhart.

(III)

"Under the two-party system, if one major party turns Socialist.... then political contests tend to become a race between the two parties in the direction of State dictatorship."

"Yet the system of providing welfare through Government aid to certain classes is not a success; it is a total failure. It has been tried in many places, and it has always lowered the well-being of the nation which tried it... this system would substitute the Continental form of 'democracy' in which embattled classes struggle to the death for control of an all-powered government." --Edna Lonigan, *Human Events*, August 4, 1948.

In a remarkable book first published in 1896, *The Law of Civilisation and Decay*, by Brooks Adams, which is not so well known as it ought to be--the antiquity and the invariable result of political centralisation are demonstrated in a manner which must convince any reasonable reader as to the facts. The thesis is presented in rather a mechanistic dressing, quite possibly because of the intellectual atmosphere prevailing at the time of its publication. We are not so hypnotised by mechanistic conceptions of the Universe as were the Victorians, and we can perceive that mechanisms are merely extensions of purpose, human, divine, or diabolical and that by themselves, they explain nothing.

It is not sensible to say that it was "mechanistic" that Sir Ernest Cassel left half-a-million pounds sterling to assist the London School of Economics "to train the bureaucracy of the future Socialist State." It is not sensible to say that it was "mechanistic" that the C.C.F. (Socialist) Government of Saskatchewan should have been unopposed by the Federal Canadian "Liberal" Government in any of its Provincial legislation, while every significant Bill enacted by the Alberta Legislature up to the so-called Bill of Rights has been disallowed by Ottawa. It is not "mechanistic" that the Saskatchewan Government only narrowly escaped defeat at its' first general election after having been in Office, and that only by the aid of the Communists; while the Social Credit Government in Alberta, next door, has won four general elections through the agency of an electorate inspired by a vision.

To say that the issue of battle in Alberta can be narrowed down to one factor in it would be to risk the kind of misrepresentation typified by the funny-money-which-failed-in-Alberta stories. Nevertheless, there is a major issue; it is sovereignty.

This is not the occasion to attempt a comprehensive treatment of a subject on which the whole future of the world may depend. Perhaps it may be permitted to say that a human collectivity, still less an electoral majority is not a proper focus of unitary sovereignty. That is not

simply a statement of opinion; it is a statement of the same nature as to say that a cricket bat doesn't make a good agricultural machine--it does not produce the results which are expected of an agricultural machine.

In case anyone should be under a misapprehension in the matter (if it is a matter of any interest), I may perhaps say that, if anything, I am more convinced than ever I was that every benefit, and more, of those promised by Mr. Aberhart in 1935 could have been realised. But not by a political machine organised as Alberta is organised. *The very fact that Social Credit proposals were opposed at all, as well as the fact that they were successfully opposed against a Social Credit majority in the legislature which was returned again and again* ought to be sufficient evidence that almost the first objective should have been to demarcate the opposition, to give it a chance to contract out, and at the same time to contest its right to interfere *when* it had been given the opportunity to contract out

To the extent that "Social Credit has failed in Alberta," *i.e.* has not been tried, the root cause has always been evident--a persistent determination not to recognise that when Mr. Aberhart won his first electoral victory, all he did was to recruit an army for a war. That war has not been fought; and Mr. Manning declares in the plainest terms that he will not lead that army into a fight. Perhaps reasonably, he prefers to ride at its head in ceremonial parades.

The Social Crediter
August 28, 1948
September 4, 1948
September 11, 1948

AN ACT FOR THE BETTER MANAGEMENT OF THE CREDIT OF ALBERTA

By C. H. DOUGLAS

Apologia.

It is perhaps not necessary, but it may be desirable, to state at once that the title of this little essay carries no official authority whatever. It is dedicated without permission but with every respect to the people of that Western Canadian Province which acted while others talked, and so earned the title, of which nothing can deprive it, of the first Social Credit Administration.

It will be recalled that Social Credit is that funny-money scheme which was tried and failed in Alberta. This failure had curious results. Not only was the Social Credit Administration returned again, and again, but the virus spread to a Province three thousand miles away, speaking a different language, and in transplantation gained, if possible, even greater vigour. Failure as an explanation clearly required emendation.

The latest and perhaps most polished version has appeared in a newspaper whose city of origin is, after all, an excuse rather than a misdemeanour.

After remarking that on the election of the Provincial Government "dedicated to the Major Douglas version of Social Credit", it states quite simply "Premier William Aberhart did not live to see the introduction of Social Credit measures into his Province." The main value of the article in question to readers of this journal is that it administers the *coup de grace* to the funny-money which failed in Alberta story and substitutes a discussion of the Bill of Rights. To quote its own words "the latest measure was, like all its predecessors, ruled invalid". That is to say what the Province of Alberta wanted to do did not fail, because it was I not allowed to be tried.

In parenthesis, it may be said that, in spite of every obstacle, many minor policies inspired by Social Credit principles have been instituted with such success that Alberta is admittedly the best administered Province in Canada. But the fact remains--whether legally or by bluff, or simply by *force majeure*, the Ottawa Government showed that Alberta had not the sanctions. The issue raised by that is the constitutional issue which is rising everywhere, but at the moment we are not dealing with that.

In a certain sense, the aphorism that politics is the art of the possible does not admit of dispute. Nevertheless, it is fatally easy to quote it as an excuse for an easy life, ("after all, we're aiming at the same thing, aren't we?") and it has severe limitations in regard to high policy. So far as Alberta is concerned, after the initial direction had, perhaps unavoidably, been set in 1935, it is my opinion that, to the present time, the situation has been well handled. And the chief success, when the period of Mr. Aberhart's premiership is seen in proper perspective will be recognised in his growing understanding of his enemies' essential weakness. Every Bill disallowed by Ottawa demonstrated, as nothing else would have demonstrated, that it was not the failure of Social Credit of which Mr. Mackenzie King and his shadowy sponsors were afraid: it was its certainty of success.

It is in the light of this situation that the Bill of Rights ought to be considered. It might be said that if its object was to be thrown out, the art of the possible did not matter very much. However that may be, it received certain able criticism, not even remotely inspired by me, and it was, in addition, declared invalid

It would appear that an irresponsible individual such as myself can render some small service at this juncture by clarifying the distinction between the ultimate aim, and the cautious approach to it. As things are, I don't think the quarry will run away; but it would be a pity to lose sight of him.

The *pro forma* Act which follows is purposely submitted in the rough. Its details do not matter vitally; but I think its principles are sound. Perhaps we might regard it as a buoy marking an elbow in a tortuous channel:

Text

Whereas it is expedient that certain changes in the disposition of the credit of the Province of Alberta shall be made and whereas it is commonly agreed that Bank Deposits and Bank Loans are mainly or wholly derived from the monetisation of the credit of the population which the base of the credit of the Province and whereas by Section 92 of the British North

America Act it is laid down that in each province the Legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated, that is to say, the borrowing of money on the sole credit of the Province. Be it therefore enacted that from the passing of this Act no bank of any description, including the Bank of Canada and all banks chartered under the Dominion Bank Act, shall operate in the Province of Alberta except under the direction of a local Directorate. Such Directorate shall consist of three Members appointed by the Social Credit Board set up under Act 90, and two Members appointed by the Head Office of the bank concerned. The Chairman of such Board of Directors shall be elected by the Board and for this purpose no meeting of the Board which is not attended by all the Directors shall constitute a quorum.

All employees of banks situated in Alberta shall individually apply for a licence to carry on the business of banking, and such licences shall be granted by the Social Credit Board on a recommendation of the local Board of Directors of the bank. The amount of such licence and the conditions of issue and withdrawal shall be laid down by the Social Credit Board. Any salaried employee of a bank within the meaning of this Act or any employee dealing with loan or deposit business, whether salaried or otherwise, shall be guilty of a misdemeanour unless in possession of such licence and shall be subject to such penalties as the Board may lay down.

The Capital Account of the Province of Alberta shall consist of the following items:-

1. Land values (a) undeveloped at valuation (b) developed, at last sale price or valuation if no figure available.
2. Public works at cost, less twenty times annual maintenance cost.
3. Private property at values taken for taxation in 1939.
4. The capitalised value of the population based upon a figure obtained by multiplying half the average expectation of life in the Province by the total production per annum for the year under account, at prices ruling in 1939, including capital development for the same year and subtracting from this all amounts allowed by the taxation authorities for depreciation in the same year.
5. Net credit balances on Trading Account between the Province of Alberta and elsewhere.

On the basis of the capital value so obtained by the addition of items (1), (2), (3), (4), and (5), citizens' debentures to be issued only to residents in the Province of Alberta who have been registered as such either at birth or after a period of seven years of residence, may be created. The total capital value of Debentures issued against the Assets of the Province shall not exceed 80 *per cent.* of the Balance Sheet value. To all such registered residents a debenture representing one-seventh of the discounted capitalised value of

$$\text{yearly cost of living} \times \frac{\text{average life}}{\text{expectation of life}}$$

to be given at date of registration, and a further debenture, again representing one-seventh of the original fraction, to be given to such registered residents on the completion of each seventh year subsequently during the life time of the resident, up to a maximum of seven debentures, these debentures to be inalienable, non-transferable, and not good security for loans, and to be known as Class A Debentures. The dividend on each of these debentures will be a first charge on the potential productivity of the capital assets, but will not exceed one-seventh of the average cost of living, such cost of living being defined as twice the maximum relief per head allowed in the

Province of Alberta in cases of destitution in 1939. Such dividend shall not in the aggregate exceed 50 *per cent.* of the capital increment for the year in which the dividend is paid.

Productive property which is scheduled as approved to be valued on a basis of total capacity output per annum, minus cost of maintenance, owner to be issued with a debenture known as Class B. Debenture, which will pass with the property and vary in value with the rating as above defined. The schedule of productive property shall be annually revised. The dividend on these debentures will be at the rate of five *per cent.* upon the value of debentures as above defined at the end of each financial year, and the rating shall be written down by the amount of such dividend, and written up by the amount of approved expenditure on the property during the year. No registered holder of Class B Debentures shall maintain a bank balance exceeding twice the daily outgoings multiplied by the length of the turnover period in days of the property of which he is the owner, all excess of bank balance above this period to be converted into Class D Debentures, and no shares or other investments shall be bought or held by industrial corporations or other associations. *Class C Debentures* will be issued in respect of approved amenity property actually occupied and maintained by the owner, to an extent based upon the capitalised value of the rating for taxation in 1939, such rating to be revised each twelve months having regard to the improvement or deterioration of the property. These debentures will carry a dividend based upon the cost of maximum maintenance of the property, such that half of the cost of maintenance will be met by the dividend upon the debentures. *Class D Debentures* will be issued in return for all personal bank balances exceeding 125 *per cent.* of the immediate last year's personal expenditure and will bear interest at 2 ½ *per cent.* One-twelfth of the personal total holding of Class D Debentures will be convertible into cash upon demand and each further twelfth on giving a number of months' notice equivalent to the number of twelfths it is required to convert. No such reconversion into cash shall increase the personal bank balance of the owner beyond the limits laid down in this section and such reconversion shall only be for the purpose of acquiring property against which Class B or Class C Debentures will be issued.

Price Regulation..

The accounts of all retail merchants dealing direct with individual consumers shall be audited annually in accordance with the provisions of the Dominion Companies Act, Section III *et seq.* as amended 24, 25 George V, Chapter 55, modified as may be desirable to meet Provincial conditions. The stock in trade at the date of audit, taken at cost price, shall be divided into 90 *per cent.* of the annual turnover for the purpose of ascertaining the average rate of turnover. A credit equal to five *per cent.* of the value of the stock shown in the account multiplied by a figure equal to half the number of times in which the stock is turned over *per annum* shall be entered in favour of such trader in the form of Class B Debentures, in every case in which the net profit upon the annual turnover available to the trader, or the shareholders in the case of a limited company, including the interest on the Class B Debentures held, shall not exceed ten *per cent.*, providing that such profit is distributed in full. The capital value of such Debentures and the terms of their transfer shall be similar to those of other Class B Debentures, the business to which they refer being regarded as a property.

The total value of all Debentures issued under these regulations shall not exceed 80 *per cent.* of the valuation placed upon all the assets of Alberta and such ratio shall be maintained if necessary by suspending the issue of any class of Debenture other than those in Class A for any period shown to be requisite.

At the discretion of the Social Credit Board any of the undeveloped resources of the Province may be leased to suitable undertakers, the capital value of such assets being charged with Class B Debentures the interest on which shall be credited to a Fund out of which the salaries and expenses of the Government shall be met together with other public costs.

Where the assets of Alberta have already been leased or allotted a *5 per cent.* tax shall be paid on the proportion of the capital value of such assets as is equal to the proportion of shares or other securities owned outside the Province.

The Social Crediter
February 8, 1947

"Rumblings in Alberta"

THE FOLLOWING EDITORIAL FROM *The Western Producer* OF MARCH 4, 1948 IN CONJUNCTION WITH ITS PUBLICATION IN THAT NEWSPAPER, IS INFORMATIVE CONCERNING MATTERS OF WIDER IMPORTANCE THAN THE FACTS, SIGNIFICANT AS THEY ARE, WHICH IT INTRODUCES. BEARING UPON RECENT, EVENTS IN ALBERTA:--

Rumours of dissension within the ranks of the Social Credit party in Alberta have been circulating for some time. Matters were brought to a head by the forced resignations of Hon. R. E. Ansley, minister of education, and the able and hard-working deputy minister of economic affairs, L. D. Byrne. Opponents of the Government are perhaps being a bit sensational in, calling this a "purge," but it is of sufficient importance to be deserving of examination.

It is in the interest of all concerned that there should be the fullest and frankest discussion of a matter of this nature. This, not for political party reasons in which, as such, we are not interested, but rather on account of the significance of financial reform at this time. Despite the disposition of newspapers and politicians to sneer at it and despite the somewhat unfortunate manner in which its case has occasionally been presented Social Credit has always been important. But it is even more so now when by the inexorable pressure of events at home and abroad a large and rapidly increasing body of opinion has reached the conviction that no enduring solution to present difficulties can be reached without a fundamental revolutionary change in the money system. That is why the affairs of the present Alberta administration which owes its existence mainly to its advocacy of monetary reform have a deep interest for students of public affairs of all political shades far beyond the confines of that Province.

When Mr. Aberhart was elected some eleven years ago the issue on at least one important point was quite clear. The U.F.A. Government, which he defeated, were not by any means hostile to Social Credit. Indeed, on two occasions the U.F.A. had brought the founder of the movement, Major C. H. Douglas, to the Dominion and had a good deal of responsibility for popularizing the ideas associated with his name. No. A main difference--there were others--was Mr. Aberhart's insistence that a provincial government had sufficient power to introduce Social Credit policies and the equally insistent claim of the U.F.A. that a province could do nothing because finance and banking were federal matters.

The Manning Government held firmly to the same position until comparatively recently. The first hint that the official attitude was changing came at the 1945 convention in Calgary. But

popular opinion in the ranks was adamant against change. This is clearly borne out by the following excerpt from the report which appeared in our issue of December 13, 1945:-

Delegates attending the 11th annual meeting of the Alberta Social Credit League in Calgary last week rose to their feet in the convention hall to give unanimous endorsement to a resolution authorizing the Alberta Government to renew its battle against finance, even to the extent of defying 'law and the constitution.'

The action came after Premier Ernest Manning made it clear that he personally was in favour of maintaining respect for all laws, even those which were not good, and after Attorney-General Lucien Maynard warned the delegates to be quite sure of what they were voting for and whether they meant what they said. "We've had disallowances and *ultra vires*," he reminded them. "We had war on our hands before this war. If you pass this resolution, it means another declaration of war on those who oppose the will of the people."

"Do you want to go beyond the law and the constitution?" he asked, and was greeted with applause and a shout from a delegate: "The sky's the limit."

"Two of our boys went to jail," Maynard reminded the convention. "Are you prepared to take the same consequences?"

A roar of applause followed. Then the delegates rose, passed the resolution, gave three cheers and broke into "Onward Christian Soldiers."

Between that time and the 1947 convention last fall a change took place. That change may have come about from a normal shift in public opinion, the result of altered circumstances. Or it may have been engineered by smart staff work on the part of the leaders. We don't know. But there was nothing that happened in the intervening period which would seem to justify it. Be that as it may, the cry of the 1947 convention was "On to Ottawa." In future all efforts to make progress in the provincial field were to cease. Most peculiarly the people who still held the views so vociferously endorsed in 1945 were now called "Douglasites"--apparently a term of opprobrium in the opinion of some of the leaders.

In his announcement in the Alberta Legislature on Mr. Ansley's retirement, Premier Manning had this to say:

I want to make it very clear that the matter in which Mr. Ansley finds himself at variance with the Government does not arise from any change in the Government's position with respect to its allegiance to Social Credit principles and its determination to establish a true Social Credit economy in this country. It is in the matter of the proper and necessary procedure to attain this goal of a true Social Credit economy that Mr. Ansley has felt unable to dissociate himself from viewpoints and actions at distinct variance with those of the Government and the Social Credit movement in Alberta.

The word "Country" instead of "province" may be significant.

What seems to emerge pretty clearly from all this is that it is the Government position and not that of Messrs. Byrne and Ansley that has veered. They seem to have embraced the former U.F.A. and present C.C.F. position--namely that in matters of monetary policy the

provincial government is helpless, it can do nothing.

From this certain interesting conclusions may be drawn. First, it was a waste of time electing the Social Credit party in the first place. True, they have given Alberta "good government." But as we have said on another occasion, good government is not enough. If it were there would have been no object in defeating the U.F.A. administration which was every bit as "good" as the one that succeeded it.

There may have been some justification--outside of maintaining a number of nice people in nice jobs--for continuing the Manning regime in office. But surely if a provincial government is powerless in matters financial it is a palpable waste of time and money for Social Crediters as such to waste their energies in trying, for instance, to elect a provincial administration in Saskatchewan. If the battle cry is, "On to Ottawa," then on to Ottawa let it be.

A minor point which might be explained is how it comes that the term "Douglasite" is flung by professing Social Crediters at other Social Crediters as a term of reproach. After all, Douglas is the discoverer and founder of Social Credit. With the greatest of deference one may ask: Is it then necessary to deny Christ before one can claim to be a good Christian?

The goal now is Ottawa. In that case a key province is Quebec. No political party lacking strong French-Canadian backing has governed Canada. As it happens, though this does not seem to be well known, there is today in Quebec the strongest. Social Credit movement that exists anywhere in Canada with the possible exception of Alberta. They preach the straight S.C. doctrine and are not ashamed of its origin. They have one member in the House of Commons and have scored good votes in elections and by-elections. If the goal is now Ottawa, Alberta. should cultivate Quebec. In the past they have met on friendly terms and the brilliant Professor J. Ernest Grégoire has been vice-president of the National Social Credit Organization. But he no longer holds that office. He resigned as of January 30, last, on account, as he alleges, of the intransigence of the English speaking majority on the executive. The first step in the march to Ottawa is thus marked by a quarrel with the powerful Quebec organization. That is not a happy augury. We do not apportion the blame, but certain it is that this breach will have to be healed before there can be any real advance on a national scale.

For all that has happened in Alberta there may be quite acceptable explanations. The enemies of Social Credit and of the Manning regime argue that they have grown fat in office, have, lost their crusading fire and are now lazy and complacent. Being enemies of neither Social Credit or Manning or of any other political party we are loath to believe this charge. But we do believe that a full and candid statement should be forthcoming. The supporters of the Government should be fully informed about exactly what has happened and why. In line with the professions of the Manning Government they should be given ample opportunity to discuss it and express their views. Elected Social Credit representatives never tire of insisting that they are merely the instruments for carrying out the wishes of the people. This is a time when that policy should be put into practice. The whole case should be laid before the public and a free expression of opinion sought. Then if it should really be disclosed that the electors do want to quit the provincial field, the wise course would seem to be that work there, outside of Alberta at any rate, should cease and the time and limited funds available should be expended in the Federal arena.

The Social Crediter
March 27, 1948

The Social Crediter is the journal of the **Social Credit Secretariat**, which was founded in 1933 by Major Clifford Hugh Douglas as an agency to ensure the accurate transmission of Social Credit policy. The Social Credit Secretariat is a non-party, non-class organization neither connected with nor supporting any political party, Social Credit or otherwise.

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SOCIAL CREDIT LITERATURE

By Major Clifford Hugh Douglas:

- Economic Democracy***
- The Monopoly of Credit***
- The Policy of a Philosophy***
- Security, Institutional and Personal***
- Social Credit***

By Dr. Bryan W. Monahan:

- An Introduction to Social Credit***

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