The Social Credit Challenge
For Political and Economic Realism

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Alberta League Convention Repudiates Douglas
Bars Proven Social Crediters From Attendance

FUNDAMENTALS

There is a certain body of opinion which is under the impression that we have abandoned the financial aspect of Social Credit. In this connection, we are reminded of a pungent criticism made some years ago, that the great disadvantage under which the Social Credit movement then labored, was that it was a movement composed of Socialists who wanted nationalization of banking.

People who hold this type of opinion have not taken the trouble to grasp the fundamental subject matter with which we have always been concerned, which is the relationship of the individual to the group. Thirty years ago, that relationship was predominantly a financial relationship. Quite largely through the exertions of Socialists, strongly assisted by the highest powers of International Finance, the Central Banks have become practically impregnable, and the sanctions which they exert have shifted from the bank balance to the Order-in-Council.

It ought to be, but unfortunately it is not, apparent to everyone who takes an intelligent interest in these matters, that the fundamental problem has been greatly complicated by the developments of the past twenty years; and that the immediate issue is in the realm of Law and military power, not of bookkeeping. That does not mean in the least that bookkeeping is one penny the less important than it was when we directed attention to it; but it does mean that it is the second trench to be taken, not the first. For that, we have to thank in great part, the obsession with "nationalized" banking.

The problem presented by the centralized ("majority") political vote is the same in its fundamentals as that of which it is only another manifestation—the monopoly of credit.

The Social Crediter (Eng.) Oct. 16, 48

Irgunist Leader Leaves For United States

HAIIFA, Israel, Nov. 20 (AP)—Menachem Begin, leader of Irgun Zvi Leumi during its years of underground fighting against Britain, left Israel yesterday for the United States. Members of his organization, now a legal political party, said his main purpose was to raise funds for the party for elections scheduled in Israel next year.


EDMONTON.—The 14th annual convention of the Alberta Social Credit League is over; and resolutions calling for a 100% increase in the pay of M.L.A.'s, price control, higher old age pensions and the like were lost in the furor of publicity resulting from the actions of the League executive in barring Social Crediters ("Douglastes") from the convention and facing strong criticism from fair-minded delegates there. A strong public reaction to the affair has begun to set in.

For the benefit of our readers, who may not have an opportunity to get the true picture of the convention, we are condensing it here, as gleaned largely from the columns of the daily newspaper reports.

DICTATORSHIP CHARGED

First morning of the convention was devoted largely to discussion arising from the report of the League president, R. D. Jorgenson.

In his opening remarks, Mr. Jorgenson stated that league membership had grown from 1,900 to 9,000 in 12 mos. No one challenged his statement, but at the Calgary convention a year ago, League officials told delegates that membership was "between three and four thousand."

From the start, the convention was "closed" to members of the Douglas Council and those thought to be members. Among the latter was J. P. Gillese, former editor of the Canadian Social Crediter and president of the Lac Ste. Anne Constituency Association (who holds no office on the Council), Mr. A. V. Bourcier, MLA for Lac Ste. Anne, and a Social Crediter executive's motion, and a good number abstained from voting. Among those who did vote, as the letter pointed out, were delegates who refused membership in the League.

Delegates presented the barring of these social crediters without at least giving them a chance to speak for themselves. Mr. Jorgenson was charged with being a dictator. "What authority has the executive of the league to condone these men fighting socialism and communism?" asked Mr. C. H. Ohrn, president of the Lac Ste. Anne Constituency Association. He asked, amid applause, that the men concerned be brought before the convention to defend themselves. Mr. E. Geehan, a Calgary delegate, pointed out that the Alberta movement "is only a political beach-head" and must regain the sympathy of the rest of the Social Credit world "if we are to succeed in bettering world conditions."

Among those who blasted viciously at the absent Social Crediters was Gordon Taylor—(who lasted some six or eight months as editor of the Canadian Social Crediter, in which capacity he banned the writings of Norman Jaques and others)—who charged the Douglasites with being "fifth-columnists."

ISSUE BECOMES PERSONAL

The debate waxed violently until the noon adjournment. After lunch, it was taken up again by Premier Manning who dropped the basic issues involved and told the convention to choose between himself and the accused Social Crediters: "If you want these people in the movement, you don't want me; and if you want me, you don't want them."

He was (naturally) supported on the vote, though, as was pointed out in a letter of correction to the press, not by the overwhelming majority indicated.

There were some 300 people at the convention, 150 voting delegates. About 21 voted against the Executive's motion, and a good number abstained from voting. Among those who did vote, as the letter pointed out, were delegates who refused membership in the League.

(Please turn to page 3)

Better Part of Valour?

The local press last week reported R. B. Jorgensen to be fighting mad and calling on the "Douglastes" to come out in the open and fight at the annual convention. Having effectively silenced A. V. Bourcier and R. Burton by refusing them membership to the Social Credit League, Mr. Jorgenson reminds us of the very brave man renowned for fighting duels with balloons on sticks at five hundred paces!

There's A Difference

There is a story making the rounds that seems to cover the situation thoroughly. It goes as follows:

The United States has had three outstanding Presidents: (1) George Washington, who never told a lie; (2) Franklin Roosevelt, who never told the truth; and (3) Harry Truman, who doesn't know the difference."—Ohio Pioneer, October 1948.
The Social Credit Challenge

The Plot Thickens

A report which appeared in the Edmonton Bulletin of November 16 carried a four column caption: "Fireworks Are Anticipated At Social Credit Conventions Next Week." This was followed by the subheading "Douglas and Manning Factions Will Clash." The rift between "Douglasites" and "Manningites" may be measured during the opening hours of the Alberta Social Credit League convention commencing on Wednesday, Nov. 24 in the Masonic Temple according to league officials here . . . "It was predicted today that Mr. Jorgensen's report would challenge the 'Douglas Social Credit Council' faction within the party ranks to come out into the open . . . . (Our Emphasis.)

Evidently the Bulletin report was based on information supplied by "officials" of the Alberta Social Credit League. And because of this it has implications of authority of "official,"

social credit because they are implacably opposed to the philosophy, the principles and the policy enunciated by Major C. H. Douglas, and all those adhering to these tenents. These "officials" claim that this will be the issue at the forthcoming Alberta Social Credit League Convention. And they should know!

In order to clarify matters it might be well to consider some of the highlights of the Social Credit movement in Alberta under the leadership of the late William Aberhart.

After his initial differences with Major Douglas and the so-called "Douglasites" within the Alberta Movement, Mr. Aberhart himself became identified with Douglas and the world wide Social Credit Movement. From 1937 until his untimely death in 1943 he consistently followed a policy which was a genuine Social Credit—policy and strategy. He worked in close and constant consultation with the Social Credit Board and the advisors of his own philosophy.

THE SOCIAL CREDIT RECORD UNDER ABERHART

The basic Social Credit under Aberhart is a matter of record. The defeat of the Loan Council Scheme. The Credit Regulation Act. The exposure of the power of the financial institutions. The defeat of the Central Mortgage Bank Scheme. The showdown on the debt situation. The exposure of "big business" and "big finance" on every occasion, week in and week out, month by month William Aberhart opposed, exposed and fought the policy of monopoly and centralization. Year after year he approved the progressive exposure of the nefarious conspiracy of the Financial-Zionist-Communist-Socialist combine. Fearlessly he denounced the enemies of Social Credit and advanced the Social Credit alternative.

THE SOCIAL CREDIT RECORD UNDER MANNING

Since William Aberhart's death, what is the record?

In 1944 Premier Manning sought and obtained a mandate to carry on the fight for Social Credit under Douglas's leadership by William Aberhart. Nothing happened until the first post war convention in Calgary in 1946, at which the delegation, amidst cheers, were promised action.

At the 1946 session of the Legislature, the so-called "Alberta Bill of Rights" was introduced for submission to the courts. This was done against the advice of the Social Credit Board and L. D. Byrne. It was not a Bill of Rights; it was strongly Socialist in important respects; it was an administrative monstrosity which has been carried out; and it was a foregone conclusion that it would be thrown out by the courts.

Two years were wasted on taking this measure through the courts. When the inevitable adverse verdict was given by the Provincial Court, the government announced that it proposed to abandon the fight for Social Credit in Alberta in favour of federal party political action. But nothing of consequence has been done so far.

THE FINAL BETRAYAL

Progressively the Social Credit Board was replaced by more moderate and finally discarded at the last session.

One by one the leading Social Crediters and Social Credit Organizations in Alberta that were advocating the Social Credit as enunciated by Douglas were repudiated and smeared. The Union of Electors in Alberta—the most powerful Social Credit organization in Canada; the Union of Electors in Ont.; Province Ernest Gruen. The executive of the National Organization; Louis Ewev; Norman Jacques M.P., Ros Gostick; Van MacDonald; N. B. James; L. D. Byrne; A. V. Bourcier; J. P. Gilles; K. Burton and so on.

R. E. Ansley was summarily dismissed from the Alberta Cabinet; L. D. Byrne was dismissed from his post of Deputy Minister—both in connection with a report made by the latter to the Social Credit Board.

MUZZLING ALL OPPOSITION

The Canadian Social Crediter, supposedly the national organ of the Movement, was suspended under the editorship of an Alberta MLA for the sole purpose of changing its policy. Articles by C.H. Douglas and Norquay were deleted from its pages. Effective attacks on Communism were squelched. All mention of Political Zionism was excluded.

The editor and his assistant were forced to resign.

The Zionists claim this was done at their instigation. Be that as it may, the Manning administration has won their enthusiastic support, the warm approval of "big business" and "big finance" on this continent and the almost servile support of the press which singled out Aberhart for such violent and vicious attack.

And now to round off the consistent persecution of Social Crediters the President of the Alberta Social Credit League, himself recently elected as a Social Credit MLA, has refused League membership to A. V. Bourcier MLA, and Mr. Bourcier has been excluded from the Government Caucus.

"It was predicted today," says the Edmonton Bulletin's report concerning the Alberta Social Credit League Convention, "that Mr. Jorgensen's report would challenge the 'Douglas Social Credit Council' faction within the party ranks to come out into the open." Ye Gods!!

(Please turn to page 3)
several not wearing voters' badges.

R. E. Ansley, MLA for Leduc, criticized the action taken by the executive.

He told the convention that, during his election campaign, he had not won the confidence of his electors by saying he was a "yes-man" to the government.

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Mr. Frank Gosick, opening the debate in the afternoon sessions, called for members to exercise British fair play.

He recalled the history of the SC movement and said that since its inception financial interests had tried to drive a wedge between Major Douglas and the Alberta movement.

"Sit down," some one barked. Though the delegate physically at an outstand flared throughout the whole convention.

When the resolution urging the government to carry through the fight for Social Credit was being debated, a
delegate said she favored carrying the fight" the Douglas way," rather than the "Government way."

Government delegates booed her and told her to sit down.

Mr. Low, a supporter at the convention engaged in heckling, booting, cat-calling or rudeness.

SOLON LOW'S WARNING

Highlight of the convention was the speech of Solon E. Low, which was completely blacked out in the daily press.

Mr. Low told delegates he had recently visited Major C. H. Douglas, while attending foreign conferences in Europe. (Mr. Low is a member of the Social Credit League.)

He pointed out to delegates that on every occasion when Major Douglas had warned of the world in general, the situation, his warnings had been justified. Now, said Mr. Low, he had seen at first hand how the "plotters" were engineering the third world war. Said he:

"Disannying of the gigantic Krupp munition works has been delayed, and the Communists were obviously intending to use these works in their war against the western world.

Germany's largest short-wave radio station was left unmolested during the "saturation bombing" of Berlin. Every-thing around it was a heap of rubble and ruins, but this target had been deliberately left for future use. Though partly in the British zone, Russian troops surrounded it day and night with loaded guns.

These were only two of the illustrations used by Mr. Low to bring home to delegates the imminent danger of world war. He concluded by issuing all Social Crediters to bring their viewpoint before the next national conven- tion, so that a declaration of principle would be drawn up that would meet the critical needs of Canadians now.

Mr. Low said delegates were enthusiastic over his message; and it was significant that it was completely omitted from the daily press.

PRESIDENT ISSUES STATEMENT

After being refused admittance to the convention as a constituency delegate, Mr. J. P. Gillies felt that on behalf of the constituency, he had no other re-course than to ask the public press to carry a nine-point criticism of the ac-tions of the League executive. Said Mr. Gillies in his preamble: "If the Social Credit League chooses to call this an "attack," and I am glad they should say it, they are to blame, not I, who started the brawl." Though the Edmonton Bulletin of November 25th carried the statement in a comprehensive manner, there was an editorial error, in that Mr. Gillese credited by Major Douglas, the only Social Credit League chooses to call this an "attack," and I am glad they should say it, they are to blame, not I, who started the brawl." Though the Edmonton Bulletin of November 25th carried the statement in a comprehensive manner, there was an editorial error, in that Mr. Gillese was described as "president of the Social Credit League," whereas he signed the statement as president of the Lac Ste. Ann S.C. Constituency Association.

In his statement, Mr. Gillies asked the following questions:

(1) How can Mr. N. B. James, the Alberta League lay claim to the title "Social Credit" when it has been dis-credited? Do they have the only authority on Social Credit? And when the League and its leaders refuse to re-cognize Douglas?

(2) Since Mr. Gordon Taylor, MLA, called true Social Crediters traitors and asked them to get out of the movement, why doesn't he get out on his own advice?

(3) Why shouldn't credit women endorse a socialistic resolution asking for "price controls?"

(4) Why do Social Crediters may not be- long to a Council of their own making (which has no open membership and therefore cannot be said to rival the League) when they are banned from joining "the Knights of Columbus, the Ladies Aid, the Masons or the Bowling League?"

(5) Why is Mr. Bourcier so ready to fire and purge everyone—cabinet ministers, deputy ministers, MLA's, etc.—whose beliefs occasionally differ from his own, when he makes such fervent declarations of his party's belief in the sacredness of the individual?

Space prohibits us from running the statement in full, but the Lac Ste. Anne constituency president also asked the League to justify its expulsion of "Douglasites" when the men were first condemned by the League without a hearing and without condemned by a convention brushed into accepting the resignation of the Social Credit members, he asked, be of good conscience when they declare their intention of acting in the world being that, sacred," he concluded, "not of any government being so foolish as its people's desire for improvement of change."

At time of going to press, no answer had been given to the petition.

PUBLIC REACTION

Public reaction following the convention was heightened by the announce-ment that Mr. Bourcier had been expelled from government caucus, though, said the speaker, the this would mean that Mr. Bourcier would be forced across the floor of the house. Several mem-bers protected this action, and after the caucus recessed, Mr. Ansley issued a state-ment in which he declared the action of the caucus and denied that Mr. Bourcier had made any opposition to Social Credit. His state-ment follows:

"It is my sincere belief that A. V. Bourcier, MLA for Lac Ste. Anne is a most conscientious Social Crediter. I am not aware of any statements he has made or endorsed being in any way contrary to the principles and philosophy of genuine Social Credit, I, for one, am opposed to Mr. Bourcier's exclusion or expulsion from any Social Credit ranks."

On November 25th, Mr. N. B. James, whose column "Main Street" had won editorial praise throughout Canada, and whose brilliant book, "The Autobiogra-phy of A Nobody" was chosen by The National Book Guild as its choice of the month, issued a public statement, as follows:

"As a Social Crediter of about 16 years standing, and as a Social Credit member of the Alberta Legislature (now ex) of 13 years standing, I have de-cided to stay away from the mud-slinging campaign staged by the Alberta so-called Social Credit League."

"But since the Sovietization of this League has come out into the open and the convention has been organized by acquiescence, I feel there is no course open to me but that of dissociating my-self from the said League."

"Having read and re-read Mr. L. D. Byrne's Report to the Social Credit Board—the report that was the excuse for Mr. Byrne's dismissal and the forced resignation of Hon. R. E. Ansley, and having agreed with the Report in toto, I am compelled to publicly associ-ate myself definitely and whole-heartedly with the Douglas Social Credit Asso-ciation. "(Signed) N. B. James."

Pressure of space prevents the "Challenge" from listing other highlights from, and reactions to, the convention at this time.

SOCIALISM IN ACTION

"Eleven persons drove up to my farm the other day to tell me how to run it. For a while I considered participating which, I thought, was doing something in response to the demands of the farmers. Then I went to the cowhouse, another looked at the dairy, another at the tractor, and so on. All of them were in the employ of my Ministry at that time: Hon. Mr. B. White. in The Farmer and Stock-bredreer, England.

S.C. CHALLENGE — 3 — DECEMBER 16th, 1948
Seeming that confusion is becoming worse confounded ever in Europe and Palestine and that the "Talks" are becoming more and more prolific and more and more futile, I am going to try to be sensible and in a lady-like manner, a remedy that might solve all the problems and be a foundation for peace and prosperity in those unhappy countries.

The remedy is this: That all the Stalinites, Un-unites, Big Four-ites and all the other "ites" (including terminology) should pack their bags, go home—and SHUT UP.

There is a rumour—possibly ill-founded—that there is a friction between the Liberal Government at Ottawa and the UN at Lake Success. It appears, according to the rumour, that the UN wants to adopt the title of "Operation Futility" and the Liberal Government at Ottawa is objecting.

They claim that they have a prior right to the title of many years standing, and they resent this upstart organization trying to usurp something that they have cherished so lovingly for decades!

However, I understand that a Royal Commission is to be formed to decide the matter.

It may end up by all three—the UN, the Liberal Government at Ottawa, and the Royal Commission being amalgamated—or the UN, the Liberal Government at Ottawa, and the Royal Commission being dissolved, and then they could use the title. They could possibly lengthen the title a little and call themselves "Operation Futility Incorporated and Unlimited."

So you think I can't be serious? May be you're right in the main. It's pretty hard to take things seriously in a mad world, where an even the most solemn things are all a farce. But just for once I'm going to fool you. I promise you it will not occur again—at least not often.

I have just been re-reading Mr. L. D. Byrne's final report to the Social Credit Board, the Board from which the Alberta Government has now dissociated itself.

I of course read and heard with this report and I read it, I find myself, in view of recent events, more in agreement than ever.

It is a sane and factual document that not only gives an insight into the nature of Social Credit principles and what all true Social Crediters stand for, but points out the dangers and pitfalls ahead and exposes the enemy in moderate but uncompromising language.

This is the document that was the cause—or excuse—for the dismissal of Mr. L. D. Byrne by the Alberta Government and the immediate resignation of the Minister of Education.

A good deal of confusion has been caused in the minds of many people in Alberta and elsewhere in regard to the so-called "split" in the ranks of Social Crediters.

There really is no "split" of course. If you are a Social Crediter—that is, a believer in and upholder of the principles of Social Credit—that does not necessarily include members of the "Social Credit Party". There can be no split. Either you are a Social Crediter or you are not, and that's that.

I have been repeatedly asked lately what all the fuss is about. Frankly I don't know. If there is any "fuss" it is in Major C. H. Douglas's "Operation Futility." He is just attending to our knitting—which is Social Credit.

There has been a lamentable amount of false propaganda, misrepresentation and name-calling going on by radio and word of mouth, but all this has come from those who are completely outside Social Credit ranks. And it is a sad comment that Social Credit is mean Social Credit.

Within the Movement there positively is no "split" and no "crazed." We have been called "Insurgents," "Douglasites" and a lot of far more unassuming names by those who wish to discredit or forget Social Credit but are—or should be—quite used to that kind of thing. We've had it in large gobs ever since before 1935. Actually there is no such animal as a "Douglasite". Major C. H. Douglas has been the great and original expounder of the principles of Social Credit. We believe in Social Credit and we believe in Major C. H. Douglas. We have brought these principles to us, but we are not the "follow-the-leader" type. We leave that to the politicians.

As for being "insurgents"—what in the name of common-sense are we supposed to do? The Government? Hardly. We have consistently supported the government in all good progressive work. In fact, all legislation that is not socialistic, communist or anti-Social Credit.

We ARE insurgent against so-called Social Credit organizations that are merely political party stooges and don't even know the fundamentals of Social Credit—much less act on them.

Believing in Social Credit—we can do no less.

No, we are not "Douglasites." We are not "Insurgents." We are just Social Crediters.

But all this propaganda and misrepresentation was brought to a head by the document I mentioned in the early part of this article, and for that reason I wish every intelligent citizen—and their name is legion—could have the opportunity to read the report. This can only be accomplished by a plentiful distribution of this "Report," and I'm going to try to make a suggestion right here. If those interested—

But first of all I want to emphasize that this suggestion is entirely "on my own." It is not inspired, or even approved by the editorial staff of this paper by the Douglas Social Credit Council. I am doing it all by my little self.

The suggestion is this: That all those interested in clearing up this confusion immediately send in a donation of 10c up according to you. zeal and financial ability to the editor of this paper (address, top left hand corner of page 2) labeled for distribution of Byrne Report to Social Credit Board.

The reading of this report will give people the lady-light to see and will clear the atmosphere as to the aims and objectives of the mis-called "Insurgents."

Remember—This was the document that caused the dismissal of Mr. Byrne, the forced resignation of the Hon. R. E. Asley and the upsetting of the political apple-cart as far as Social Credit is concerned. Remembering this, YOU can be the judge.

The following is an excerpt from G. K. Chesterton's poem "The Secret People."

"...I have quoted it before, but today it seems to me is particularly applicable, not only to Once-Great Britain, but also to Canada, and so I'm re-quotting it. The whole poem is worth reading but I have no space for it, so I am giving you this excerpt. Here it is:

"They have given us into the hands of new unhappy lords.

Lords without anger or honour, who dare not carry their swords.

They fight by shuffling papers; they think they are brave because they look at our labour and laughter as a tired man looks at flies.

And the load of the loveless pity is worse than the ancient wrong.

Their doors are shut in the evening; and they know no songs."

1,000 GERMANS DAILY FLEE SOVIET RULE

BERLIN, (AP)—Gen. Lucius D. Clay said Tuesday an average of 1,000 Germans a day are fleeing Russian rule and slipping into the western zones of Germany.

The U.S. Commander in Germany made his statement at a press conference, where he discussed both the Berlin crisis and the general German problem. He gave no explanation for the wholesale flight from the Russian zone.

Observers said, however, one of the reasons probably was the lagging Soviet economy. Another contributing factor, it was said, might be fears of a police-state regime imposed through the newly-organized "people's police."


"SPY" RING IN U.S.A.


"An official close to the House Un-American Activities Committee said the committee's report on atomic espionage "will shock the public when it is published."

The official said the report will state that Presidents Roosevelt and Truman as well as Secretary of State Stimson "had all the facts" on the Russian spy ring that got atomic secrets, but that they did nothing about it."

S.C. CHALLENGE — 4 — DECEMBER 16th, 1948