

# THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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## THE HON. E. C. MANNING

*Premier and Leader of Alberta Social Credit Party*

An official telegram from Edmonton to the Social Credit Secretariat states that the Hon. E. C. Manning, Minister of Trade and Industry in the Alberta Government, is the new Premier in succession to the late Mr. William Aberhart, who died suddenly at Vancouver on May 23.

It is understood that the difficulties incidental to the political situation brought about by Mr. Aberhart's death have been largely surmounted. The Alberta Party is solidly united behind Mr. Manning, whom they have unanimously elected leader.

## THE SOCIALIST STRIKER

In an important article contributed to the *Sunday Times* of June 6 by Sir John Marriott, the distinguished political historian and ex-Conservative Member of Parliament for Oxford City discusses the decision of the General Council of the Trades Union Congress to admit to affiliation the Postal Workers' Union.

"To the casual onlooker," he says, "the point at issue may well seem comparatively trivial, perhaps merely technical. Though narrow in its immediate implications nothing less is at issue than the relation between the State and those who are actually its partner in administering its affairs. Those whose sympathies tend towards Communism or even State Socialism ought to be the first to realise the significance of the controversy. Are strikes permitted under the Soviet Government? Under a Socialist regime the State would become the sole employer of labour. All the workers would, in effect, be civil servants. How would the State deal with combined action—carried to the length of a strike or the threat of it—by any section of their servants for the purpose of getting an increase of wages or otherwise altering the conditions of labour?"

## The "Land for the (Chosen) People" Racket

By C. H. DOUGLAS

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## Programme For the Third World War (X)

By C. H. DOUGLAS

In the sense in which the word Education, with a capital, is understood by the Headmasters' Conference, I should be the first to admit incompetence as a critic of it.

But on the *policy* of education I do not feel so entirely unqualified. No reasonably observant individual with average geographical and social experience (which schoolmasters, and particularly elementary schoolmasters generally lack) could fail in acquiring a deep sense of misgiving as to the results of "educational" policy over the past fifty years. First as to the facts.

The word "educate" means "to lead out." Words are very important things—they are the only link we have in common between a fact and an idea. The first point to notice is that the underlying idea of the standard type of school is "to put in," not "to lead out." I do not think that the Public School emphasis on character provides an answer.

*Demon est deus inversus.*

The less important result of this is that, as Mr. Sorabji pointed out, only about five in every hundred acquire any profit either to themselves or anyone else by the process, and such faculties as the remainder possess are "blunted and stunted" by the system. Much more germane to the well-being of the social structure is the fact that this "putting-in" process is operative at an age when the critical faculty, even in the case of individuals who might later have developed it, is almost non-existent. In consequence, such ideas as are absorbed are accepted as equally factual—"twice two equals four," and "labour produces all wealth," being statements of the same importance and credibility.

It is safe to say that in varying degree all victims of this mental drill spend the second twenty years of life in dehypnotising themselves of the subconscious attitudes absorbed in the first twenty.

The complete pragmatic failure of the policy is demonstrated by Germany, which drove the cramming technique perhaps farther than any other country. And the final stage is now openly proclaimed by the National Socialists—that the end and aim of "education" is to mould every German into a slave of the State and a fanatical worshipper of its Führer.

It should be remembered that this system is highly modern. The oldest Public School in England (excluding one or two slightly romantic claims to existence in the Dark Ages) does not antedate the fifteenth century, and in those days Public Schools were public schools.

During the Middle Ages, in which the common life of

these islands, bearing in mind the state of the industrial and domestic arts, was probably higher than it has been before or since, the child of well-established (not necessarily rich) parents, spent his early years, after infancy, in the household of a great lord as a page. He was reasonably disciplined in behaviour, mixed with other pages and all social classes, and learnt to be useful, while observing the ways and success or otherwise of his elders. Later, he travelled, or went to the foreign wars (not a very dangerous field sport in those days), and then, if the urge was with him, visited the Universities and imbibed what he could from books. Notice the complete inversion of principle to which we have been led. Instead of, as in the Middle Ages, applying the experience of the present to a consideration and criticism of the *records* (not the facts) of the past, we make the *records* (not the facts) of both the present and the past a standard against which to assess experience undergone "with blunted and stunted" faculties. Could any more Satanic method be devised of hindering the human individual from profiting by experience than to ensure that he is incapable of applying any unwarped intelligence to it!

Let anyone who imagines that this picture is over-drawn talk to the average mechanic between the ages of twenty and thirty on the subject of Russia. A handful of enthusiasts for so-called Russian Communism have, in the past decade, gone to Russia to work.

I am not aware of one single instance in which, where return was possible, the verdict was not wholly condemnatory, and to the effect that conditions might suit the Russians for the moment, but they would never be tolerated here. I met Max Eastman, the fanatical Russian-Socialist enthusiast, twenty years ago, when he was convinced that Russia was the coming Paradise. There is no more bitter critic of the Soviet system alive.

A short time ago a technically trained Soviet woman engineer was taken round this country as a kind of seventh-day wonder of Russian progress. A British woman engineer of long experience, rather bored by the naïveté of the exhibit, enquired as to the whereabouts of several Russian University women she had known who were over here in the days of Imperial Russia to add to their engineering experience. The enquiry was considered to be in the worst of taste.

None of this kind of thing, and not even the reports of Trades Union delegations, have the slightest effect on the readers of the lamented *Daily Worker* whatever may be the private opinions of those who read its threepenny edition. The effect of so-called universal education is to condition the average mind for the reception and retention, in the face of reason and experience, of any myth which seems to connect with some cliché absorbed before leaving school. Anyone who desires unbiased information on Russia from a Russian should refer to an article by M. Paul Haeusel in *Contemporary Russia* for May, 1937.

I am satisfied that nothing will right this situation but a complete reversion, under modern conditions, to the earlier sequence. After a lengthy but not isolated childhood, the simple elements mentioned by Mr. Sorabji, of reading, writing, and the simplest arithmetic (can anything be more idiotic than to teach the average child the extraction of cube roots?) and an "au pair" system, or its school equivalent, should be arranged which would diversify social experience at a fairly early age, to be followed by short hours in

economic life of some description. At about the beginning of the twenties, work overseas should be undertaken and three or four years afterwards, entrance to a University should be encouraged.

The inculcation of social or industrial theories at an early age should be discouraged by every means available.

*Deus est demon inversus.*

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*To be continued.*

## FROM WEEK TO WEEK

According to the German News Agency, a meeting has taken place in Algiers between Litvinoff (Finkelstein), the Russian Ambassador to U.S.A., and General Giraud.

At the *Alliance Universelle pour l'action Maconnique*, we suppose.

Princess Elizabeth has made a special study of Land Tenure.

According to an overseas News Agency, General Montgomery put the Jew correspondent of the *New York Times* in jail for ten days for trying to send a dispatch to his paper which alleged that British Generals in North Africa used the American and French troops to do their dirty work.

We've always liked General Montgomery, but we think he made a mistake. It ought to have been ten months.

John L. Lewis, a typical Labour gangster, is obviously acting as an *agent provocateur* to enable the U.S. Bureaucracy to demonstrate its supremacy over the right to contract out. The coalminers have been manoeuvred into an absolutely indefensible position in relation to both "public opinion" and the conscripted forces, and they will be broken, and then paid what they ask. That is to say, they will be allowed to pay themselves.

It is part of the technique of the New Despotism to "take powers" to prevent you from doing anything for yourself, while at the same time giving no undertaking to do it for you. For instance, the Scottish Hydro-Electric Development Bill.

Trespass is a theft of responsibility.

According to the "B."B.C., General Giraud, speaking from Algiers, said that our modern civilisation is derived from the French and American Revolutions.

We accept his apology.

"Made in Wall and Pine Streets" is stencilled on the Argentine "Revolt." Nothing could be worse for British interests.

According to information from Canada, the *Saturday Evening Post*, the American magazine claiming to have the largest circulation in the world, which came under Jewish control some time ago, has violated a hard-and-fast agreement between the Canadian and U.S. Governments regarding secrecy in respect of the Great Goose Bay Air Port in Labrador. In addition to the breach of censorship, the article is a

glaring attempt to depict the Base as a U.S. project, whereas it was started a year before the U.S. entered the war, and was mainly built by Messrs. McNamara Limited, a Toronto firm.

Representations to Washington have been made by the Canadian Government on the subject.

Canada is beginning to feel the effects of having had a "Washington Post," in the person of Mr. McKenzie King, for a Prime Minister. It was a lovely idea so long as it was generally understood that the British were finished, and Great Britain was to be a Wall Street holiday resort. But it isn't working so well, now. The Minister of Defence, Mr. Power, and the Minister of Finance, Mr. Hsley, wouldn't be much missed, either. They might all join Mr. Curtin, of Australia.

## The "Money Myth"

The following letters reprinted from THE SCOTSMAN continue the series republished from that journal in THE SOCIAL CREDITER of May 15 and June 5:—

Sir,

I am grateful to Major Douglas for his having taken what he calls my "mild rebuke" so philosophically. His reply seems to indicate that we have the same ideals, though he states so many of his views in an abstruse manner, particularly when he criticises a stable price-level.

The point is this, that we are suffering from a financial system which is unjust and unfair to producers of wealth, production of wealth being the foundation of our civilisation. Major Douglas is right when he says that money should be an accounting system only, but he would circulate money before wealth is produced. This, I contend, is wrong in principle, because man might cease to toil (minister to each other) if given money without any relation to services. This is part of our present trouble in that we have a few wealthy and many poor.

Major Douglas will, I hope, agree that if the labourer is worthy of his hire he should, by the community, be guaranteed remuneration. Would not that be far better than social dividends, "doles," or subsidies? People would then give of their best and become true aristocrats, instead of worrying about the necessity to have "investments" to enable them to "lord it" over others or to provide for their old age. Work would then become the main or first object of life, and give pleasure as it should because it is healthy. Is this not what Christ taught?

I am, etc.,

W. D. CLARK.

West Ord, Berwick-on-Tweed; May 20, 1943.

Sir,—“In vain is the net of the fowler spread in sight of any bird.” I feel sure that if anyone could lure me into the swelling ranks of those who know what is best for us, from charging 27s for a bottle of whisky to telling us what the well-dressed man will wear in 1945, it would be Mr. Clark. But the pretty criss-cross does not attract me, and if it is any consolation to Mr. Clark, it attracts me much less when it is put in the words, “we need supremely the control of human purpose,” by the Archbishop of Canterbury, than in the words employed by him. That is not to say that I disagree with what he says; I merely disagree

that what he says should be imposed on us.

In those halls of learning through which, almost without causing a ripple, I passed many years ago, a sharp distinction was drawn between economics and political economy. Economics was taken to mean the study of facts and their automatic consequences, while political economy was the manipulation of facts to produce desired consequences. Like the “we” in the Archbishop’s aspiration, the people who desired the consequences were unspecified. All the evidence available in these times appears to confirm the view that there is too little economics, and far too much political economy, about.

Money systems definitely belong to the domain of economics, and have illegitimately been imported into political economy. The restoration to its legitimate sphere of a realistic money system would have the result that the labourer to whom Mr. Clark refers would not depend on the guarantee of a nebulous abstraction called the community, for his “hire”—he would get it automatically.—I am, etc.,

May 24, 1943.

C. H. DOUGLAS.

## BOOKS TO READ

By C. H. Douglas:—

Economic Democracy .....	(edition exhausted)
Social Credit.....	3/6
The Monopoly of Credit.....	3/6
Credit Power and Democracy.....	(edition exhausted)
Warning Democracy.....	(edition exhausted)
The Big Idea.....	2/6
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World Review; The Jeffrey Professor of Political Economy, Etc., (containing Financing of a Long- Term Production Cycle, reprinted from <i>The Social Crediter</i> of November 28, 1942.) .....	1d.
The Job of a Representative.....	½d.

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### ALBERTA

Meagre as it is, the news published in *The Social Crediter* from Edmonton concerning the political situation which has developed in Alberta in consequence of Mr. Aberhart's death is actually more in substance than readers will find in any other publication available in this country. Chambers's *Twentieth Century Dictionary* states that a distinction is sometimes drawn between *authentic* and *genuine*, the former indicating that 'the writing is trustworthy, as setting forth real facts; the latter that we have it as it left its author's hands.' In this sense, no telegram is *genuine*; some telegrams are *authentic* and some are not. Since the year 1900, newspapers have become more and more dependent upon vast 'agencies' for the collection and transmission of such news as they receive (which is, of course, an infinitesimally small part of the world's 'news'). Before that time, important newspapers in England, but more particularly in London, had a long list of their 'own' correspondents abroad and at home—a British Consul here, and a savant or a schoolmaster there; a merchant somewhere else or, perhaps, a banker or a doctor; but the practice of employing professional journalists earning their livings by writing for or editing a foreign or a local newspaper was growing. Nevertheless, a considerable amount of material came unsolicited or was invited by telegraph from men who had in greater or smaller degree the natural interest of the informed and intelligent *inhabitant* in the events of which he was a spectator. This is now a thing of the past, and, as Douglas has expressed it, Finance and Communications are 'concentric': in their special orbits, they revolve around the same Sun. Some time after 1900, a remarkable 'poster,' composed by a well-known London Editor (who had suffered for his opinions), set up in type and 'run-off' on the 'bill'-machine, was displayed for several weeks (hardly long enough) in the rooms of the Editorial Department, defining the salient features of the new order of centralised reporting and piquantly repudiating, on behalf of the entire staff, the ethics it imposed. He has forgotten it; and efforts made (by Mr. Bardsley) to secure a copy of the famous 'poster' were of no avail.

Because of the object lesson provided by press treatment of the news from Alberta since Major Douglas gave evidence before the Canadian Banking Enquiry (1923), and particularly after he became Chief Reconstruction Adviser to the Alberta Government in 1935, Social Crediters are the only considerable *body* of people who have insight into

the real working of modern propaganda as it is conducted by newspapers. They alone not only know they are lied to and lied at; but they know the truth which the lie conceals and appreciate the motive for concealment.

It is important, therefore, that they should study carefully the discrepancies between the news in *The Social Crediter* and the distortions of the opposition press. To extend an ancient jest, the press has now got itself into the position that it can only open its mouth without putting its foot in it by keeping its mouth in one newspaper office and its foot in another; its duplicity has defeated its object: it can't talk, and it doesn't like to hear itself spluttering. This may be the explanation for the painstaking efforts now being made in unprecedented as well as unexpected places to wean the public from the wholesome nourishment of those Social Credit ideas percolating irresistibly through to its mind. But we should do well to take some pains in return.

The lesson must be pushed home that the press is ruthless, unreliable and irresponsible.

The weapon to use is facts; but largely Social Crediters must be their own fact-finders. In the sense suggested by Chambers's Dictionary, none of the messages we receive (we do not publish them all) is 'genuine'; all that we publish are 'authentic' as scarcely any press telegram of the opposition press—certainly not one about Alberta—is authentic. Our messages are delayed. This, we are credibly informed, is the universal fate of messages subject to censorship. They are untimed, and this, we are told, is due to a rule governing the disposal of night traffic. But isn't it queer that the Government 'defeated' in 1935, from which, eight years later Time has cut the Head, contrives to be still supported in power by a unanimous and solidly united Ministry under a fresh and living Leader? T. J.

### STATUTORY RULES AND ORDERS

A group of M.P.s, among whom are Mr. Ralph Etherton, Sir Herbert Williams, Mr. A. C. Reed and Mr. Levy, are keeping a watch on the Statutory Rules and Orders issued by the different Ministries. Last week the questions they raised included some about the simple interpretation which the Home Secretary had promised would be affixed to such orders to make them more easily comprehensible to 'laymen,' which in some cases have not been available; and about some orders which were put into operation before printed copies could be purchased by the public. One of these, concerning soft fruit, was dated May 7, came into operation on May 10 and was not purchaseable by the public until May 13. Mr. Mabane, who answered, said that copies of the Order were available for inspection by members of the public at Food Offices from the day of its operation, but M.P.s were not satisfied with this reply.

### BANKS EXPAND DEPOSITS

Memorandum No. 93 (March, 1943) of the Royal Economic Society, published by the London and Cambridge Economic Service, says:—

"The higher expenditure of last quarter was not matched by an increase in revenue receipts or in the subscriptions to the loans on 'tap' to the public. There was accordingly a greater increase in the floating debt than in the preceding quarter, and a larger amount of this was financed by the expansion of bank deposits."

## The Dangers Inherent in the Proposed Schemes for International Money Units

By R. GAUDIN

*The following statement was drawn up for members of the public who are specially interested in the export trade:—*

### 1. Introduction

There is no doubt that the emergence of the willing buyer and the willing seller is only possible under conditions which make both parties satisfied with the transaction. In the case of international trade we have the lately published *Proposals for an International Clearing Union* and *The United States' Proposal for a United and Associated Nations' Stabilisation Fund*.

Before even placing these proposals before experts, I think it most desirable to envisage the real policy behind them and satisfy ourselves whether, on the face of it, the underlying motive is what it purports to be, or whether there is in these suggestions a hidden danger which, if appreciated, no freedom loving person would tolerate. There are very grave fears that they will not be so appreciated and before we realise it this country may find itself committed to a policy which would mean the complete disintegration of the British Commonwealth of Nations, let alone the sabotage of our Export Trade. The reasons for these notes are therefore quite clear.

### 2. No satisfactory scheme for domestic currency has ever had the support of International Financiers

Up to the present we have never had any financial scheme sponsored by eminent economists or bankers which would foster harmonious conditions. The cause is not difficult to find, for if any specific scheme proved successful it would transfer power from the few who now hold it to the many, and in all history there has never been a voluntary surrender of power by those who hold it. We find therefore that they even go so far as to sabotage proposals by misrepresentation through every channel of publicity and action. If, therefore, these people have failed in the smaller sphere, are they likely to succeed in the larger?—"By their fruits ye shall know them." I believe Mr. Norman of the Bank of England has confessed he does not fully understand how to solve the problems associated with a smooth and satisfactory money system; satisfactory, that is to say, from the point of view of the people of this or any other country. At the same time he is reputed to have expressed the view that even if the dogs bark the caravan goes on. In other words, whether you like it or not we are proceeding with the bankers' policy, and I doubt whether Mr. Norman is really serious when he confesses to bewilderment.

### 3. The promoters of these schemes clearly understand the policy they are pursuing

From the observations in the foregoing paragraph I would be the last to concede that the real promoters of the schemes do not know what they are doing. I am convinced that centralisation of power by any means is the true aim and these proposals will, if implemented, consolidate it in the hands of the very people who have undermined our civilisation. This regimentation and control has been applied

mildly and slowly at first and then, as it was found that the technique succeeded, with increasing rapidity through the use of the various tools (*e.g.*, the press, pulpit, cinema, and radio), which are more and more under their control. Soon, unless we are very careful, we shall find ourselves so enmeshed in mental inhibitions and physical prohibitions that we shall be as slaves controlled by anonymous rulers. They will propagand the highest "moral" principles and to support their action, the principles of sacrifice (Jam to-morrow but never to-day), the virtue of employment and the nobleness of austerity and, should these methods fail, then control ultimately by the use of irresistible physical force. Contrast this with Christ's words, "I come that ye might have life and that more abundantly."

Significantly, just after the postponement of the second bloody phase of the World War, P.E.P.'s journal *Planning* (October 4, 1938) said, "We have started from the position that only in War or under the threat of War, will a British Government embark on large-scale planning." Just so, the Planners' disappointment, at that time, appears to have been amply compensated by subsequent events, a few of which are the passing of panic legislation undermining the basic principles of British Liberty (*e.g.*, Section 18b), the closing of small businesses, the appropriation of larger ones by bureaucratically controlled departments and the issue of thousands of "S.R. and O.'s" until we are tied hand and foot. It is realised, of course, that some centralisation is necessary in war-time—hence the satanic policy is helped by war. Who really engineered the War?

These remarks are not a digression but are necessary to give a background to my subsequent discourse. If the reader thinks I have overstated the case or that I am an alarmist, he had better stop reading further—but he must not blame me, if through incredulity he fails to face up to the situation and do something about it.

### 4. These Schemes do not necessarily promote international trade

We know that international trade can revive—not because it is or can be an end in itself—but because it is a means of enabling the people of the World to lead a fuller and more satisfying life; yet I fail to see anything in these schemes which will automatically maintain healthy international trade and will enable the fruits thereof to be enjoyed by the inhabitants of these islands. I will admit that they may prove a means of starting such trade, but the very apparatus envisaged appears to amount to a Bank of Central Banks. Banks, particularly central banks, are powers for good as well as evil and whether the power they exercise be beneficent or not depends ultimately, not on the apparatus in the hands of the controllers, but the policy pursued. Of course, an unsound apparatus would preclude the use of a suitable technique to implement any policy, but I for one have too much regard for the technical skill of bankers and their advisers to fear any breakdown on that score.

### 5. What is the Policy we want?

Surely the policy we want is the policy our men are suffering death and torture to obtain—freedom to live—without regimentation, without being compelled to do anything unless the wellbeing of the people of the country depends on it. People want to be able to live their own lives in their own way. The word freedom in this connection

means an active enjoyment of life. It means "Love thy neighbour as thyself," and with this as a frame of reference it is easy to understand that interference with the lives of individuals by regimentation and employment for all as an end in itself is a gross misrepresentation of the ends to be sought in a civilised world. As C. G. Dobbs put it in a verse of his beautiful poem *Against the New Order*:—

"We who in the ashes dwell  
Want no planned and ordered Hell,  
Fight no wars to be policed  
When the bombs and fires have ceased;  
Life's too precious far to give  
For any freedom but to live."

It has been suggested, of course, that "freedom" is incompatible with security, by which I mean sufficient food, clothing, housing and all the amenities possible in a modern world. I believe, except within the meaning I have indicated above, such statements to be utterly untrue and pernicious propaganda calculated to make the people submit to further centralisation of power. They are put about to create the impression of "either or" if one may coin a phrase: Either submit to this regimentation or there will be chaos again and the supply of necessities in a world of potential plenty will be impossible. It will, of course, be your fault if that is so, not that of the Planners. Remember the Planners wanted to plan and welcomed war.

#### 6. *What are we to do about it?*

If we oppose these schemes without a clear idea of what must be done about it, it will doubtless be suggested that we are obstructionists, advocates of the perverted nationalism symbolised by Nazism and so on. Therefore, it is absolutely necessary that reasonable alternative proposals be put forward, not as schemes, but in the form of a specification of our requirements.

Before we draw up this specification we can perhaps learn something from the first lesson taught by disciples of Confucius to children, which embodied the following words of wisdom: "When the personal life is cultivated, then the home life is regulated; when the home life is regulated, then the national life is orderly; and when the national life is orderly then the world is at peace."—"To know the order of precedence is the beginning of wisdom." To put it in every day language it means, "First things first."

Here surely we have a clue as to the first step, and that is to demand that within our own country all hindrances whether monetary or bureaucratic be removed so that we can produce and distribute our production up to the personal needs of our people or our power to produce, which ever happens first.

#### 7. *The need for Money*

If the raw materials and productive power are present within a country and there is no money, then its economic life is strangled if the country be a modern civilised community depending on money to facilitate production and distribution. Now money in practice is controlled by the banks and ultimately in this country by the Bank of England. Hitherto the policy implemented by the Bank of England has never been a satisfactory one because the policy of maintaining and centralising power has had primary consideration. The "Bank" must be the supreme power in the country. In this connection remember the words of Meyer Rothschild

(1790), "Permit me to issue and control a Nation's Money and I care not who makes its laws." On the other hand, if the policy of the Central Bank were in accordance with the undisputed wishes of the mass of the people as already specified, then there would be issued on behalf of the State—itsself acting on behalf of the people—by the banking system sufficient money and in such a way that the goods and services the country could produce would be distributed up to the sum of the real demands from the people or up to the capacity to produce, whichever happened first. There is no doubt that the mere production of the goods would incidentally maintain employment at a high level for a considerable time, although, of course, employment is not an end in itself.

#### 8. *Import and Export Trade*

If the implications of paragraph 7 have been grasped, then even with international currency no exchange of goods with other countries could take place if internal currency were non-existent for there would be no production in any case, let alone anything for export. Conversely, the better the internal currency arrangements are framed to meet our specification the greater would be the exportable surplus and the greater would be the buying power of the country as an international economic unit. In other words—and it has been shown over and over again—if internal economic activity has been fostered by easy monetary conditions then export and import trade also spring to life. The trouble is such conditions are always transitory.

#### 9. *An international money unit would appear to be unnecessary*

In spite of what has been said it might be argued that an international money unit would be of very great convenience because of its universal acceptableness and the ready way in which it could be exchanged into the domestic currency of any country. On the other hand, if the price we have to pay for this convenience is that set out in Section IX of the Clearing Union Scheme then it is prohibitive. Here are some extracts:—

- (a) The Union might become a pivot of the future economic Government of the World.
- (b) It might set up an account in favour of an international policing body.
- (c) It would provide excellent machinery for enforcing a financial blockade.
- (d) We have here a genuine organ of truly international government.

There is also a cryptic remark referring to the "anonymous" or "impersonal" quality of the operation of the scheme!

#### Shades of Frankenstein!

From Euclid's axiom "that things which are equal to the same thing are equal to one another," it follows that the true exchange value of any currency with others can always be ascertained even though direct trade between two countries using different currencies does not at the time exist—an academic proposition unlikely in practice. Great Britain, for instance, trades with every country in the world in peace-time.

## 10. Speculation in Currencies

It is, of course, probable that the very people who are the instigators of these international clearing schemes, apart from the devisers of them, are those who did not hesitate to so manipulate exchange rates so as to produce a "lack of confidence" in domestic monetary units. These kinds of movements were, however, not the consequences of genuine international trade, but the misuse of power for other motives. This "hammering" of a national currency could be beautifully camouflaged by the anonymous authority controlling the international money units and the foreign trade of a country interfered with and perhaps ruined without the perpetrators being located; their identity would be hidden by their anonymity.

## 11. Conclusions

These can be brief:—

- (a) Oppose these schemes as being unnecessary and dangerous.
- (b) Insist on a satisfactory domestic currency to meet the specification in paragraph 6.
- (c) Use all means at your disposal to publicise these views and get all supporters to instruct their representatives in Parliament:—
  - (1) To act in accordance with (a) and (b) above.
  - (2) To refuse to be drawn into a technical discussion on the schemes.

If these steps are not taken we shall find ourselves so enmeshed by anonymous forces that the servile World State will become a fact. If it becomes a fact, the Planners may get an Utopia far different from their dreams, for has it not been found that men do not "gather figs of thistles" nor "grapes of thorns"?

Finally, remember "when the national life is orderly then the world is at peace." This means *inter alia* a healthy and natural international trade in which British Exports will play no small part.

## Points from Parliament

House of Lords: June 1, 1943.

### BEVERIDGE REPORT: MEDICAL SERVICES

Lord Derwent had given notice that he would move to resolve, That, in view of the fact that the medical provisions of the Beveridge Plan, as it now stands, concerning the future status of doctors and the medical treatment of the population in general do not appear to be designed to further the best interests of British medicine or of the population, His Majesty's Government should not adopt them without careful examination. . . .

. . . The aim is to suggest that the medical provisions of the Beveridge Report, as set out in its Assumption B, are virtually a Trojan Horse which the Ministry of Health are attempting to introduce into the camp of the medical profession, and that His Majesty's Government should think twice and even thrice before countenancing this; and, since neither the medical profession nor the public as a whole

would stand to gain by such a procedure, to press forward as soon as possible for a correct vision of what is happening.

. . . I am merely concerned at the moment with the medical aspect of it [the Beveridge Report], an aspect which was dealt with at some length during the February debate by the noble Viscount, Lord Dawson of Penn. I will confine myself on this occasion to reminding your Lordships that Assumption B of the Plan is based on the view that it is "a logical corollary to the payment of high benefits in disability that determined efforts should be made by the State to reduce the number of cases for which benefit is needed";

and that

"it is a logical corollary to the receipt of high benefits in disability that the individual should recognise the duty to be well. . . ."

A comprehensive national health service is therefore envisaged which will ensure that for every citizen there is available whatever medical treatment he requires in whatever form he requires it; the assumption that this is necessary being in accord with the definition necessary of the objects of medical service as proposed in the draft interim report of the Medical Planning Commission of the British Medical Association.

The drafters of the Report then proceed to point out that most of the problems of the organisation of such a service fall outside the scope of the Report and at the end of their review of the proposals involved they state, it is only fair to point out, that it suggests the need for a further immediate investigation, in which the finance and the organisation of medical services can be considered together, in consultation with the professions concerned and with the public and voluntary organisations which have established hospitals and other institutions. I mention this in order to indicate that if we are dealing with anything resembling a wolf in sheep's clothing, which I should be myself loath to believe, the clothing at least has been carefully draped, with the possible exception of one corner where we have the impression that something sombre might be seen showing through, a corner which can be found in paragraph 431 of the abridged version of the Beveridge Report from which I cannot refrain from quoting the following passage:

"If a contribution for medical treatment is included in the insurance contribution, contributions will cover not 90 per cent. of the population . . . as is assumed . . . but 100 per cent. of the population. This will not, of itself, put an end to private practice. Those who have the desire and the means will be able to pay separately for private treatment, if the medical service is organised to provide that. . . . But no one will be compelled to pay separately. The possible scope of private general practice will be so restricted that it may not appear worth while to preserve it. If, therefore, it is desired to preserve a substantial scope for private practice and to restrict the right to service without a charge on treatment to persons below a certain income limit, it will not be possible to include a payment for medical service in an insurance contribution which all are required to pay irrespective of income."

I leave your Lordships to meditate on this passage which seems to me, personally, full of significance, and I will pass on to what, as far as I can see, has actually occurred since the Report appeared. . . .

[In discussions proceeding between officials of the British Medical Association and the Government] . . . the Ministry had put forward, so far, non-committal suggestions but they represented the workings of the Ministerial mind. On the "dusty subject" of administration the Ministry rejected the conception of a corporate body preferring departmental control under the political leadership of the Minister. The latter proposed that general practice, at least

in areas of considerable population, should be based on health centres where—although this was rather vague—such local authority clinical work as normally came within general practice would also be done. Believing that health centres should be the basis of the service and that competition between doctors for patients under the roof of the centre was undesirable, the Minister proposed that, in the main, general practice should be conducted on a salaried basis. Those now in general practice would enter the service if they chose, either as whole-time or part-time officers; in the latter case they would engage in private practice among that section of the community which, although entitled to State services at the health centre, preferred to consult a doctor privately. New entrants would have no choice except between whole-time salaried service and staying out (a curious instance, I suggest, my Lords, of possession being nine points of the law). The proposals included compensation for loss of practice and Dr. Hill then proceeded, apparently with some unwillingness, to mention the salaried scale which eventually, after eighteen years, would rise to £1,200. . . .

[Lord Derwent then described the antagonistic attitude to these proposals of the British Medical Association, the British Hospitals Association, Lord Horder, Dr. Geoffrey Marshall, and *The New Statesman*.]

. . . I could, if I wished, give instances indefinitely to show the very powerful reaction of the medical profession to what would seem to be the present attitude of the Minister of Health. . . .

. . . I have been prompted to speak to-day on this matter by my solicitude for the future of British medicine, and even more by my anxiety for the common man, the everyday Englishman. I think that I have a right, having lived with him for months on end during the last war and during this war, to put in a word for him. If really the intention of His Majesty's Government is to turn the medical profession into the equivalent of a band of salaried functionaries, of what I hardly hesitate to call State lackeys—I do not say that it is their intention, but everything seems to point that way—then, in my opinion, not only is an ancient and honourable profession going to be degraded from its high calling, and thwarted in its best and most constant efforts to improve itself, but, what in a way is far more important, the everyday citizen is no more going to get a square deal than I am.

There is a visible tendency everywhere now for John Citizen to think that the State, as a Universal Aunt, is capable automatically of righting all his wrongs, of acting as his trusted paladin against all sorts of occult and terrifying tyrannies, which are lumped together under the head of vested interests, and of which he is quite capable of considering the medical profession as one. Vested interests may and probably do exist. President Roosevelt could probably give us some news of them, but I dare say that we could reply to him that such what I would call financial and parapolitical Klu-Klux-Klans and Camorras might possibly be found even on this side of the Atlantic. But to give the ordinary man the impression that he is gaining a point by being put into the hands of an indifferent, and perhaps tired and harassed, functionary of a local government board—the “duty M.O.,” as it were—when he or those near and dear to him are ill, seems to me a piece of calculated and sinister hypocrisy; for, even if the ordinary man can lay the flattering unction to his soul that that by this time somewhat mythical body, the idle rich, will be obliged to

conform, and that cheques for guineas will no longer flow into the pockets of Harley Street, and that therefore everything in the garden will be lovely, what the ordinary man does not realise is that he himself more than anybody will be treated as a cypher, as a face in a crowd, an item in a series, far more than the people whom he thinks he is dispossessing.

I cannot help feeling that functionary is the new tyranny and, as far as I can see, a great deal more ominous than any previous one. The whole tenor of the medical provisions of the Beveridge Report, and of what has leaked through to the public about the conversations and negotiations which have taken place between the Ministry of Health and the medical authorities, show that there is great danger that that is what the Ministry would like the hospital doctor and the general practitioner to become. Of course, I know that fun has been poked at doctors, and harsh things have been said about them, from the days of Molière to those of Anatole France and, to come nearer to present times, down to the contemporary novels of Dr. Cronin. I remember, incidentally, a particularly vicious attack on them by the late Leon Daudet, who had been a medical student himself, in a book of his called *Les Morticoles*, which I regret to say means “the cultivators of death.” But I prefer to remember the names of Æsculapius and Pythagoras, and, to come nearer home, of men like Harvey, Jenner, Lister and Simpson of Edinburgh.

I should add, so far as the medical profession as a whole is concerned, that it has long been recognised by the profession itself and its representatives that there is need for improvement in the medical services of the country, and they have demonstrated that they are more than willing to collaborate in any reasonable scheme. All I can say is that what appear to be the Government's present intentions seem to me to represent a very unusual example of encouraging what Lord Halifax, quoting Hitler himself, called the other day “the saving doctrine of the nothingness and insignificance of the individual human being.” If they are carried out, I do not hesitate to say, even if this were to be my last utterance in your Lordships' House—and by this time your Lordships may well be wishing that it might be—and that I consider that the British public, to use an irreverent but undoubtedly graphic phrase, is being sold a pup. I beg to move. . . .

*Lord Snell*: . . . Those who have been good enough to speak in this debate to-day may rest assured that what they have said will receive the most careful attention of the Department concerned. The Government have previously made it clear, and they now reaffirm, their decision that they have no intention of seeking to impose upon the medical profession and the existing health services hasty and ill-considered proposals. The Government's procedure is based on the sound principles of concentration, of consideration, and of discussion before action is taken. But the Government are also resolved that while there shall be no irresponsible haste there shall also be no unreasonable delay.

*Lord Derwent*: My Lords, in view of the reply given on behalf of His Majesty's Government, which seems to me to be relatively satisfactory, I should prefer to withdraw my Motion.

Motion, by leave, withdrawn.