

THE SOCIAL CREDITOR

FOR POLITICAL AND ECONOMIC REALISM

Vol. 10. No. 20.

Registered at G.P.O. as a Newspaper
Postage (home and abroad) 1d.

SATURDAY, JULY 24, 1943.

6d. Weekly.

Programme For The Third World War (XVI)

C. H. DOUGLAS

The statement made in many quarters that one nation after another comes into the grip of, and is used by, the Jews reasonably provokes the comment:—"Well, if the Jews are so superhumanly clever that no one seems able to stand against them, there is nothing to be done about it. They win." This is, no doubt, what Professor Laski means when he states that "the Left" has "an historic right" to victory. It may also be noticed that a claim is implicit in this either that "the Left" is invariably right, or alternatively, it doesn't matter whether "it" is right or not.

There are several issues involved in this aspect of the matter. The first is "How has it been done?" The answer to this enquiry is "Simply, and in the last resort, solely, by control of the credit system." The God of this World is Money, and his Chosen People are the Jews.

Every effort has been made to present the Jew as primarily a usurer. I doubt whether the Jew was ever primarily a usurer. He has been in possession of a technique of credit-money creation for thousands of years, and his power has come not so much from charging interest as from creating new claims and appropriating them. This technique probably came *via* Egypt from Chaldea. There is, I believe, in existence somewhere a baked Chaldean tile which has inscribed on it an almost perfect prototype of the modern Bill of Exchange—the basic document of international finance.

Once understood, and it is not really very difficult to understand, only quite moderate intelligence is necessary to operate the credit system. And, operated with attention to a few easily formulated rules, banking automatically comes into control of everything necessary for its own defence, including control of information. Just so long as it is not widely understood.

That the power of the Jew is primarily the power of the banker, is certain. That fact is both a complete answer to the defeatist, and a clear indication of the direction in which to look for the triumph of the Right. But it does not deal with certain other aspects of the problem.

If you say that a man is a European, there is a sense in which you are just using words. You do not describe an Austrian in a company of Englishmen by calling him a European. But in a camp of Hottentots the appellation conveys a distinct and realistic picture.

The Jew is, in this sense, an Oriental, and only

Europeans who have had contact with the Oriental mind acquire sufficient wisdom to realise that they only very partially understand its workings, and that it works differently from the mind of any European. Consequently, to contend with it, on its own ground, is to court disaster.

To take a simple example, the average Englishman, with careful coaching and lengthy preparation, can secure a reasonable place in the Honours Examination in his chosen subject at one of our older Universities. While there is not lacking a body of respectable opinion to the effect that examinations prove little or nothing, it does seem to be the case that the average Honours Graduate is at least averagely successful in later life. But the Oriental, with one tenth the preparation, will leave him standing in almost any written examination which you can devise, and still be completely useless for any practical purpose. I personally knew an Indian who took a high place in *three* Triposes, and was only prevented from taking a fourth by the veto of the authorities. He was a pleasant but incompetent individual, and so far as I am aware has never done anything of the slightest consequence since he was restrained from rendering the Examination system ridiculous.

Such ideas as "fairness," "decency" and what we call the realistic Christian virtues, convey nothing to the Oriental *as such*. Perhaps I might with advantage observe at this juncture that many Orientals compare very favourably with many Europeans on every ground. That does not invalidate the main contention, which is that the Oriental has virtues of his own, but they are not in the main the same virtues as those of the European, and they do not contact them.

Again, for example, the "Liberal" ideas of the mid-nineteenth century, such as "England, the asylum of the politically oppressed," appear to the Eastern mind as either an invitation to corruption, feebleness, or insanity, and as such to be exploited to the possible limit. The only sense in which any gratitude ought to be expected, or is given, is that of a lively sense of favours to come. If the relationship between Great Britain and India had no other value, and it has many, the fact that it has injected into the Indian consciousness, more particularly in the North-West, the idea of "character" (a completely alien idea to the East) and into a few British minds the fatuousness of forcing political systems on to peoples whose philosophies do not fit them, would have justified it.

Perhaps the cleavage in outlook between the East and West is most practically exemplified in the idea of "price" as simply the haggling of the market, or as Sir Marcus Samuel put it, "the price of an article is what it will fetch," on the one hand, and the struggles of the Mediaeval Church (the foundation of Europeanism) with the concept of the

Just Price. Whether St. Thomas Aquinas achieved any stable mechanism for this doctrine, I do not know—probably not. But the philosophy of it is basic. There is no part of the Social Credit thesis which has roused such rancour as the demonstration that the Just, or what we now prefer to call the Compensated Price, is at the root of economic democracy.

Professor Laski knows quite well that the compensated price is now an integral part of British official policy, and he knows equally well that the money system is widely understood.

I think that it is in these facts that we can find the explanation of the rather urgent call for hurry. Things are not what they were. "Man, the Rebel" becomes the pet of the bullion-broker, and "Man, the Creator" the indispensable raw material of full employment at maintenance wages or slightly below. In fact, to quote Mr. Sieff, in a 1931 edition of *Freedom and Planning*, "The only rival [?] world political and economic system which puts forward a comparable claim is that of the Union of Soviet Republics." It may be noticed that none of the enthusiasts for Soviet Russia can be persuaded to go and live there.

To be continued.

All rights reserved.

Questions for B.I.S.

The following passage is quoted from WE'RE DOING BUSINESS WITH HITLER, an article by Heinz Pol in the New York PROTESTANT of December-January, 1943:—

"... Since the board of directors [of the Bank of International Settlements] has given its official approval to the report [annual report of B.I.S. dated June 8, 1942] one may conclude that men like Reichsbank President Funk, the president of I. G. Farben, Mr. Schmitz, and Montagu Norman* share the same opinions about the reconstruction of the post-war world. This is undoubtedly an encouraging sign, which is but confirmed by a discovery at the end of the report when the B.I.S. announces its assets and liabilities under the heading 'Long Term Deposits' and mentions a German Government Deposit amounting to approximately 76 million Swiss gold francs. That the Hitler regime has entrusted this respectable sum of gold to the administration of the Basle 'international high finance,' is unquestionably further proof of the strict neutrality of the B.I.S.

"There are, of course, people who have arrived at other conclusions. These are not confined to the circle around the London *Financial News* which in spite of all denials and dementis still maintains that members of the B.I.S.'s board of directors continue to meet. There are other people, too, mostly Swiss, even residents of Basle, who, being closer to the scene of events, i.e. the B.I.S., have seen or heard a number of things which they are whispering into each other's ears.

"Indeed, it cannot be denied that the atmosphere surrounding the building of the B.I.S. is full of rumours and secret allusions. Although some of them are no doubt

exaggerated the time seems to have come to pose a few questions in addition to those already brought up:

"1. Is it true that the members of the board of directors of the B.I.S. since the beginning of the war have held no official meetings in Basle, but have attended 'purely private' reunions in Basle or other cities? Is it true that during such reunions some of them were represented by special emissaries in order to avoid personal appearance? Is it true that men like Funk, Schmitz, Niemeier and Montagu Norman like to take summer vacation trips to Switzerland? And is it true that Schacht who has many friends in the board of directors has made at least two trips to Basle since the outbreak of the war?

"2. Is it true that part of the negotiations to bring about a fusion between the German and French industry and finance was conducted 'privately' by members of the board of directors of the B.I.S.? And is it true in this connection that Flandin and Pucheu, both of them commissioned by the French de Wendel group, met some of the members of the board of directors both in Basle and Geneva shortly before they emerged in Algiers as supporters of the Allied Nations?

"3. Is it true that owing to the international agreements of 1930 the activities of the members of the board of directors are free from any restrictions? Is it true that wherever they travel their luggage cannot be searched, their files cannot be confiscated?

"4. Is it true that the majority of the board of directors as well as of the board of executive officers has for more than a year been convinced of the necessity of a negotiated peace? And is it true in this connection that 'private proposals' worked out by several members have been internationally circulated thanks to the neutrality of the B.I.S.?

"5. And is it finally true that the deposit of the German Government amounting to about 76 million Swiss gold francs represents part of the fortunes which have been accumulated abroad by high Nazi officials like Goering?

"Since the official wartime activities of the B.I.S. are strange and obscure enough (although certainly 'neutral'), those things which might have happened within the private and unofficial sphere of this institution may well warrant a careful investigation. It is up to those who should know all about the activities of the Bank as well as the ugly rumours surrounding them to issue the proper denials and dementis."

The "Land for the (Chosen) People" Racket

By C. H. DOUGLAS

Price 2s. (Postage extra).

From K.R.P. PUBLICATIONS LIMITED,
49, PRINCE ALFRED ROAD, LIVERPOOL, 15.

*None of the directors of B.I.S. comes from the United States of America, but an American, Mr. Thomas H. McKittrick, is President (the chief executive officer).

FROM WEEK TO WEEK

IS YOUR JOURNEY REALLY NECESSARY? The Wolverton Works of the L.M.S. Railway (Transport Branch of the Bank of "England") has closed down for a week's holiday. Three thousand free travel passes to anywhere desired have been issued.

The campaign for a Fourth Term for President Roosevelt is being run by David Niles (Nilus), Russian Jew, Samuel Rosenman, New York Jew, Adolf Berle, Columbia Jew, Congressman Sabath, Southern Jew, and Jonathan Daniels. Bernard Baruch doesn't need electing.

Benjamin Cohen is too busy managing England.

"*Gallia est omnis divisa in partes tres*" (All Gaul is divided into three parts) said Caesar. To understand the Giraud-de Gaulle controversy, which may be vital, it should be realised that there are three real divisions in France—(1) the Big Business oligarchy, (2) the peasant-conservative-traditionalists, who include the genuine aristocracy, and (3) the radicals. The Big Business oligarchy includes the "*Haute Bourgeoisie*" and is as unpleasant a body as it is possible to find anywhere. It controls the "*Comité des Forges*" and the Banque de France, and would sell its grandmother. The oligarchy is represented by General Giraud, who is of petit bourgeois extraction.

General de Gaulle, who is an aristocrat of birth but not of money, represents the peasant conservative-traditional element, and, what is superficially but not really remarkable, the radicals. It is not too much to say that his general outlook is that of the Social Crediter.

If General Giraud is imposed on France, civil war is certain.

Wouldn't it be odd if peace burst on us just before the American Presidential election?

We expect it's written in the Pyramids that it will, and that the Great White Chief who won the war will dictate the peace.

The World Control has decided that Hottentots need more vitamins. In consequence Johnny is to have less chocolate.

(Note: There's more profit in sweets made of glucose, and the international chemical ring makes it.)

We do not, by any means, see eye to eye with Mr. R. R. Stokes, M.P., but we offer him our sincerest congratulations on his protest in regard to Regulation 18B, and in particular, on his comment on the continued detention without trial of Captain Ramsay, M.P.

We trust that Mr. Stokes will pursue the matter further.

FOR THE ATTENTION OF OUR AUSTRALIAN READERS:

"One Australian Cabinet member told a high U.S. official: 'You Americans say you may take us over after the war. Hell, you can't get rid of us.'

"He went on to charge that the English had hampered Australia's economic development and then had given the

country no support in time of war."

— DREW PEARSON in *Washington Merry-Go-Round*.

This is a syndicated "feature" which appears in nearly every newspaper in North America.

We quote it because we feel sure Australians will like to know the type of conversation used by their Cabinet Ministers to convey Australian culture and charm.

The western end of the Sicilian line, which is held by the Americans, is of little strategical importance. The key to Sicily is Catania, which is being attacked solely by Imperial (sorry, Commonwealth) troops. Cromwell is not there.

The Chairman of the Associated Portland Cement Company Limited says that people who complain of monopolies really are complaining of organisation.

Now that you know what it is, Clarence, give over, can't you?

THE IDEA OF LIBERTY

Arising from a speech by Lord Teviot, correspondence on the Idea of Liberty has been published by *The Scotsman*. Among the contributions is the following:—

Sir,

The arguments employed by Mr. C. de B. Murray in his differences with Lord Teviot provide almost classical examples of the logical fallacy known as the *petitio principii*—"begging the question."

(1) Postulate: "An employer underpays and overworks his men." Argument: "The employer ought to be controlled." Fallacy: (a) He may still be underpaying and overworking his men when he is controlled; (b) if the workman can contract-out, he can avoid being underpaid and overworked. All people with a private income can contract-out (Mr. Murray sees this, but apparently prefers control).

(2) Postulate: "The patent and glaring fact of the twentieth century is the failure of private enterprise to find employment, and therefore self-respect." Argument: "Every one of the controls imposed during the war must be maintained after the war." Fallacy: (a) Private enterprise, as a "patent and glaring fact," succeeded most admirably in its legitimate objective—to make more goods with less labour—*i.e.*, employment. It is not the objective of industry to provide employment. (b) The common complaint made about people with private incomes is that they have too much self-respect.

There was nothing very much the matter with Victorian Liberalism except that it was tied to the Gold Standard. In consequence, the problem of the individual was always purchasing-power, money, not goods. We now have more controls than ever existed in the world, and the problem is goods, not purchasing power. High amongst the reasons which cause many of us grave concern over the activities of the planners is their failure to demonstrate that they understand the working of the system which they did little or nothing to bring to its present stage of amazing success, while confusing it with a financial system which itself is a demonstration of the viciousness of control from above.

I am, &c.,

July 14, 1943.

C. H. DOUGLAS.

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: *Home and abroad, post free:*

One year 30/-; Six months 15/-; Three months 7s. 6d.

Offices: (Editorial and Business) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: Wavertree 435.

Vol. 10. No. 20.

Saturday, July 24, 1943.

Is Your Advertisement Really Necessary?

It was before World War II that the threepenny edition of the *Daily Worker* explained that labour-saving really made work by reference to some impressive figures collected from the worsted industry and the printing industry. As the former declined, the latter expanded. The example was not happily chosen, though few but social crediters scented the full flavour of the indiscretion. If shortage of purchasing-power causes the demand for cloth to shrink, an expansion of sales to cloth merchants of attractive inducements to the public to buy more cloth will support at least two legends, *viz.*, that advertising pays, and that the objective of production is to provide work. Advertising doesn't do the paying. The consumer does the paying, and for the paying he does on this account, he gets a diminishing number of suits of clothes of which he wants more and an increasing number of printed suggestions that he should buy what he can't buy because he hasn't got the money. The simple may believe that the extra printing done to explain to him how glad he is to have been born in a state of society in an advanced stage of disintegration (called an advanced state of society, for short) accounts for the 'gain' in employment—or, in other words, that the community gets 'value' for money, and is only restricted in respect of the 'shape' of the parcels in which the 'value' is done up. This, of course, assumes that processes never improve and that the production of bales of cloth automatically engenders the production of the money to buy them (plus a modest profit and wages to tailors when their turn comes to make the cloth up into suits). As we know, neither of these assumptions is true, and the primary shortage of purchasing-power is a simple device of cost-accounting and credit-creating and destroying in conjunction.

Hitherto, the money-power has not objected to the great waste of ink, paper, machinery, brains, *etc., etc.*, incidental to the unwieldy methods of creating artificial shortages of consumable goods and trying to sell them in a market still shorter of the money to buy them. Now that the millenium is well within sight, even if it has not actually arrived, this very offensive feature of our world is to be attended to, along with such little trifles as the effete British Empire, the Old School Tie and the Profit Motive. The Advertising Association has sponsored an 'impartial' enquiry into the economic consequences of advertising. Actually to con-

duct the enquiry (but 'with full independence') is the National Institute of Economic and Social Research. As *The Economist* (a trifle obscurely) observes, "there is no certainty that the conclusions will be welcome to the Association." That, of course, depends entirely upon whom the 'Association' really is: if the Association is an association of men earning their livelihood (and buying suits) by persuading other people (who couldn't buy them anyhow) to buy them, they may have to look elsewhere for a means of possessing themselves of income, if advertising is seen, when subject to 'independent' inquiry, to be what it is. If, on the other hand, the Association is... Well, let that pass! "In the building up of branded goods, for instance," says *The Economist*, "advertisement can be said to create monopolies—in a new sense, but no less restrictive of consumer's choice than the old-style monopoly." Perhaps the newspaper is thinking that all these isolated 'little' methods, even when they are an improvement on 'old-style' methods, will not be wanted in the all inclusive, super monopoly of the Millenium? If that is so, Farewell, thou shrewd and dainty 'puff'! Farewell, Advertising! And to you, too, advertiser, Fare-well, old been!

T. J.

"The Opposite is the Case"

The board of directors of the United Farmers of Canada, Saskatchewan section, recently protested against unfair statements on the farm debt problem by creditor interests, and expressed disappointment at the attitude of the Department of Farm Management, University of Saskatchewan.

Members criticised the propaganda, which they said was being published by creditor-interests, against "anti-debt legislation." This "showed" that economic conditions on the farms had been greatly improved.

Disappointment was voiced over statements of Professor E. C. Hope, head of the University's Department of Farm Management, at the annual meeting of the Canadian Political Science Association to the effect that "the relative position of agriculture has never been so bad as current use of income data would lead one to believe."

He also said that farm commodity prices had reached parity, but there still was a "vocal minority who clamoured for parity prices."

"Dr. Hope's arguments indicate the farmers' financial position is improved," said Frank Eliason, U.F.C. secretary, "yet he admits that grain, which is the main basis for the entire economic structure in Saskatchewan, is 34 per cent. below parity, and owing to restrictions not saleable."

The U.F.C. board demands that the voice of the western farm debt conference, which was responsible for drafting and submitting to the federal government proposed new debt legislation, be heard in protest, that western Members of Parliament be advised, and that the Canadian Federation of Agriculture prepare and publicise the truth about agricultural conditions in the western provinces for the enlightenment of people in eastern Canada.

It was feared that the people of the east were being led to believe that the farm debt problem was approaching solution when "the opposite is the case."

Let's Win The Peace Too

By R. L. DUCLOS,

President, The Douglas Social Credit Bureau of Canada, Inc.

We face the war with confidence but the peace with fear and trembling. We are at grips with known military foes and we're sure of their defeat. The post-war dangers, however, though just as real are not so obvious and subtle propaganda confuses and renders us impotent.

Most of the greatly publicised plans for post-war rehabilitation are based on "total employment." One politician expressed it thus: "...when employment for any reason falls off, the state must step in to give employment in useful works." This policy of work made for everybody and everybody made to work, has been reiterated by so many prominent men that it should be taken seriously and examined carefully.

Just what size of works programme will be necessary to give full employment to the million odd persons from the armed forces, war services and industries? The Marsh report suggests that one billion dollars be spent in one year. In any case the expenditure would be tremendous and the organisation almost as extensive as that necessary in war.

Assuming that a works programme is the proper method to achieve full employment (it certainly succeeded in Germany), where will we get the money and what control will we have over the scheme? If we still adhere to debt finance, we'll raise the money as we're doing in war time: We'll announce that we're paying as we go; we'll raise taxes "as high as the traffic will bear"; we'll promote tremendous loan campaigns; and then let the banks create money and lend it to the government to make up the impressive deficiency. It will still be a matter of taxes and more taxes, to pay interest and more interest, on debt and more debt.

In establishing a works programme, therefore, we are assured of two facts: We know who will pay the costs and we know who will do the work. What is not quite clear is who will get the contracts for those public works; who will get the patronage; in whose constituency will the works be constructed; and who will make the profit? In fact it's not at all clear who will profit; hardly those who will do the work; certainly not all those who will pay the ever increasing taxes.

We can, of course, assume that a works programme as suggested is meant to create fat pay envelopes. That is the theory. We remember, however, with grave misgivings, the works programme of the early depression years when \$14 was spent for each \$1 that reached the pay envelope. To avoid this outrageous swindle, we perpetrated our great scandal—unemployment relief.

In endeavouring to find some way to prevent excess profits or grafting in public works, the unimaginative, orthodox mind immediately thinks of the means used for that purpose during war. In war time we have price control, food control, metals control, profits control, selective service and dozens of other controls with Boards administering them. We have built up a tremendous bureaucracy

whose business it is to restrict us in every walk of life. All very necessary for war but surely not for peace. We must have our freedom and our democracy else the war is fought in vain.

Hitler instituted total employment. The German state cured unemployment by public expenditures on roads and armaments. In the process, however, in order to prevent unlimited grafting and keep control, the system known as Hitlerism was evolved. But the controls merely regimented the people and the controllers themselves did the grafting.

It would therefore appear that when we are promised the total employment, public works, public spending work state, we are being promised one of two results:—The uncontrolled, unlimited pork barrel—the political heelers' heaven, or the regimented, restricted bureaucratic state—the Hitlerish hell. Canadians want neither. That is not what we're fighting for.

We're not fighting Hitlerism that we may have it. We're not fighting slavery in Europe that we may have slavery in Canada. To fight for Democracy we surely need not become Nazis. Yet the late V. C. Vickers, director of the Bank of England, stated: "Our democratic system and our existing financial system can no longer live together."

The best brains of the ages have been busy for centuries devising ways and means for producing things with ever decreasing labour. We now have science in its various branches—chemical, electrical, mechanical—working to achieve super abundance with the least possible human physical effort. Yet we still have orthodox, reactionary minds unable to devise a better method of distributing that abundance than by meagre wages through "total employment," trying to distribute purchasing power for modern production by the outmoded work schemes of pre-war politics; the money invariably getting into the hands of those for whom it was least meant. This is an insane policy. Just as insane as would be the gardener who instead of watering his plants would pour water into the drain ditch to benefit the weeds, frogs, snakes, tadpoles and mosquitoes that thrive on slime and corruption.

In devising a distributive system for purchasing power why not look to nature: From its great reservoirs of water—the oceans, seas, and lakes—the sun draws up moisture. Then by means of rain, snow and mists it distributes that moisture where it is needed. Distributes it direct to the individual—the farm, the forest, the stream, the power plant. There is no debt incurred; no taxes, no fetishes; nothing artificial, needless or harmful about the process; nothing mysterious. The sun and the atmosphere function automatically and subject only to variations due to natural causes give us the results we want.

So it should be with the money system; it should supply the means whereby people can buy the fruits of our productive empire. It should do this so that consumption of goods can equal production of goods. It should do this without any of the voodoo of so-called "sound" finance with its pyramiding debts, usury, taxes and artificial scarcity.

As stated by the late Thomas Edison: "There is just one rule for money and that is to have enough to carry all the

legitimate trade that is waiting to move. Too little and too much are both bad," and again "If our nation can issue a dollar bond it can issue a dollar bill. The element that makes the bond good makes the bill good also," but "... the bond lets money brokers collect twice for amount of the bond..."

If we as a people are smart enough to use solar energy harnessed to scientific machinery, by processes we have developed or inherited from our ancestors, and thereby achieve a state of abundance then we can also develop a system of distribution that will enable all the people to enjoy all they want of all that abundance. That fact should be axiomatic.

"What is money made of, made of, made of, what is money made of?" Take a dollar bill out of your pocket and look at it—what is it made of? Paper and ink. Look at your bank book—of what is it made? A little paper book with figures in it. Don't let anybody tell you we can't make enough of those paper dollars or put enough figures in those paper books to allow us, the Canadian people to buy all the goods and services that we, the Canadian people, can produce; or that we can't devise scientific controls for this distributive medium (money) so that consumption of goods may always equal production of goods. Let's get away from the bunkum and utter nonsense propagated by the controllers of our archaic money system, to camouflage its ever recurrent cycles of inflation (cheap money—boom and "bust") and deflation (dear money—slump and starve), to camouflage its inability to deliver the goods.

"Almost the whole of England's post-war trade depression was due to a faulty monetary policy," stated the Hon. Reginald McKenna, world war Chancellor of the Exchequer and chairman of the Midland (world's largest) bank. This same debt, taxes and poverty-creating money policy is to-day, here in Canada, hampering our war effort and jeopardising the peace.

In the post war period, who is to decide what the people want? Will it be the financier; or the industrialist; the contractor of works schemes; the politician; the ward heeler or will it be the people? Who else but the people themselves, as individuals, can decide what they want?

Then why not let the people decide? They will show their decisions quickly enough if they, themselves, have the purchasing power (the money) to buy the things they want. They will have the necessary purchasing power if our government will distribute to the people direct, in peace time—as a dividend on our national productivity—an amount of money equal to that now being spent on war.

Then the financier, the industrialist and the contractor will soon learn from the retailers what the people are willing to buy and Canada will start producing the things Canadians want. When this happens, an ever rising spiral of production and activity will soon abolish forever the fear of unemployment.

• • •

Again quoting the late V. C. Vickers: "The wealth of the nation lies in its capacity to produce goods and its capacity to consume goods, and its capacity to exchange its

surplus goods for necessary importations from other countries."

We can, therefore, increase our activities until we have attained our greatest possible physical production or until our desire for goods and services is really satisfied. When that state is attained, and then maintained, we can continue the upward rise in culture; in the finer things of life; in "life, liberty and the pursuit of happiness."

Then our cultural attainments will know no limits and our future as individuals and as a people, will be assured in freedom and security. We will cease being the slaves of the money system or of work schemes and the state and its institutions will, at long last, exist solely to serve the people; to serve the sovereign people from whom the state derives its power.

REPRINTED FROM *The Ottawa Citizen*.

Points from Parliament

House of Lords: July 7, 1943.

AGRICULTURAL EQUIPMENT

[Continuing Lord Cranworth's speech from THE SOCIAL CREDITER of July 17:—]

I want to put another point of view before your Lordships. There has been a spate of agricultural policies placed before the country. Some of these have received the official or unofficial backing of the Government—perhaps "praise" of the Government would be a fairer term. Nearly all of these policies, notably those approved by the Government, include a suggestion that it shall be the duty of the landowner to maintain the buildings in a proper state, and if he does not so maintain them the land and buildings shall be taken away from him. That is inherent in nearly all these policies. I, like others of your Lordships, have many friends who believe in the State owning all the land; I have some friends who believe they should take the land without paying for it; but I have never yet met a single person who thought the right way of so doing was to say that it was the duty of the owner to keep his property in repair, to render it absolutely impossible for him to do so, and then to take it away from him because he had not done it. I am sure that cannot be the intention of the Government and I am waiting to hear how they are going to prevent it.

I should like to suggest two remedies, one for the present time and one as a longer policy. The first is the use of Italian prisoners of war for building. We have got quite a few Italian prisoners now, and a large proportion of them, I believe, are admirable workers in the building trade. Many of them are skilled craftsmen. I do not mean that they work very hard necessarily—some of them do not—but I believe their skill goes without saying. Might it not be possible to make use of some of these people to supply the place of the very many apprentices and builders' artisans who have been called up? I expect nearly every one of us knows of a small builder who formerly employed four or five men but who has now only got a boy or is all by himself. I know there are difficulties in the way—employers' federations, trade unions, and that sort of thing—but, after all, the Ministry has dictatorial powers now, and surely the adjustment of these things must be well within these powers.

The other suggestion I wish to make, and I know it

cannot be answered here, is that the landowner should be allowed to earmark a certain proportion of his income which he would have spent on the maintenance of his property—that he should be allowed to earmark that without interest, if you will, but without taxation, to be spent when builders and building materials are once again available. The people are fed by the land. They live there, they have their amenities there. In nearly every sense of the word the land does belong to the people. It would be the height of folly to let the maintenance of the equipment of that land, by which alone production can be maintained, to fall into ruin and disrepair. It will have been noticed that I do not ask for Papers in this matter, and for two reasons. In the first place I cannot conceive that there can be any Papers and, secondly, I would not have it thought by anyone that I wish in any way to cast any aspersion, or move anything approaching a vote of censure, on a Government and Ministry who have done so much for production and agriculture in this country.

[*Lord Cranworth was ably followed by Lord Hastings, Viscount Bledisloe, Lord Phillimore, Lord Saltoun and others.*]

HYDRO-ELECTRIC DEVELOPMENT (SCOTLAND) BILL (Clause 2)

Lord Brocket moved to insert in subsection (1), after paragraph (a):

“(b) to facilitate the supply of electricity to consumers in any such isolated area by the loan or grant of money to any company or person agreeing with the Board to construct enlarge or improve works in that area for generating electricity by water power and for distributing the electricity so generated.”

The noble Lord said: In moving the Amendment which stands in my name, I feel it may be as well if your Lordships will permit me for a moment to quote a short passage from the Cooper Report on Hydro-Electric Development in Scotland. On page 23 this Report reads as follows:

“Without a reasonably dense and concentrated population of consumers in urban areas with which adjoining rural areas can be associated for the purposes of electrical supply, a cheap general supply of electricity in such rural areas is impossible owing to the heavy expense associated with the distribution network; and the smaller and more dispersed the population the more impracticable it is to provide except at prohibitive cost a general supply. It is often possible to deal with unproductive areas by spreading the cost of supply over more remunerative areas and so ‘taking the fat with the lean.’ But we are satisfied that over a very considerable part of the Highlands ‘the lean’ predominates so extensively over ‘the fat,’ that a cheap general supply is unattainable on an economic basis.”

That is the expression of opinion in the Cooper Report, and I put forward this Amendment because I feel that, particularly in isolated parts of the Highlands, individual landowners or individual small companies or persons can probably supply electricity more easily at less cost and at much cheaper rates than this great monopoly that is going to be set up.

I am not a Scot myself, and I am not really trying to get a little bit of that £30,000,000 guarantee for private landowners, but it seems to me that private landowners who already have small plants could extend their plants with the aid of grants from the Electricity Commission in rather the same way that private landowners are now able to improve their cottages under the Housing (Rural Workers)

Act, 1926, more advantageously than the Commission could do it. I do not know what the noble Lord who will reply will have to say about this, but I do feel that it is necessary to put forward this point of view. I hope, therefore, that the noble Lord who replies will be able to give me either a satisfactory reply or an assurance that this may be dealt with on Report stage. I beg to move.

Amendment moved—

Page 1, line 25, at end, insert the said paragraph.—(*Lord Brocket.*)

Lord Alness: I am sorry that I cannot accept the Amendment which my noble friend Lord Brocket has just moved, and I would ask him to bear in mind just one or two considerations which I venture to mention. In the first place, he will remember that it is the statutory duty of the Board to provide supplies of electricity required to meet the demands of ordinary consumers in each such parts of the Highlands of the North of Scotland District, including isolated areas, as are outside the area of supply of the other authorised undertakers. That is a statutory duty laid upon the Board. The Board can, as I see it, discharge that duty in alternative manners. They can either give the supply from their own hydro-electric works or they may provide a small local generating station in the case of an isolated community, but I think there is every reason to believe that the Board, with the experience and knowledge and technical skill which they will possess, will discharge this function of giving supplies to an isolated neighbourhood more economically and more efficiently than would be done under the proposals which my noble friend has put on the Paper.

I would also ask him to remember that the Board are required by the Bill to make ends meet, and in so far therefore as they have financed local people in isolated areas by giving them grants or by making them loans on economic terms, that would have to be made good out of the profits which the Board anticipate to make by the sale of electricity to the Electricity Board. Therefore to that extent the Board's own capacity to develop electric undertakings in isolated areas would be hampered and impaired and that, I think, would be rather disastrous than beneficial to this North of Scotland area. For those reasons I fear I cannot accept the Amendment, nor did I understand from listening to my noble friend's quotation that Lord Cooper in his Report suggested that such a concrete scheme as this should be made part of the Bill.

Lord Brocket: Having heard the noble Lord's explanation I am afraid I am not entirely convinced, but I hope he is right in what he says. I therefore beg leave to withdraw the Amendment.

Amendment, by leave, withdrawn.

House of Lords: July 13, 1943.

GERMANS NATURALIZED

Lord Vansittart asked how many Germans have been naturalised in this country since the beginning of 1939, and how many Germans, naturalised or otherwise have found Government employment.

The Parliamentary Under-Secretary of State for India and Burma (The Earl of Munster): Apart from women who

lost their British status on marriage and have been re-admitted to it, the numbers of persons described as of German nationality who have been naturalised in the period mentioned are as follows: 1939, 390; 1940, 208; 1941, 18; 1942, 20; 1943 (to May 31), 8. As regards the second part of the question, under Defence Regulation 60D an alien may be temporarily employed, with the consent of the Treasury, in any civil capacity under the Crown if the appointing authority is satisfied that he possesses special qualifications or experience fitting him for that capacity and that suitably qualified British Subjects are not readily available at the time of his appointment. A similar relaxation in favour of naturalised British subjects has been made by a temporary modification of the Civil Service Nationality Rule.

The need for the exceptional treatment of aliens in this way has grown with the increasingly difficult man-power position. Up to date, specific Treasury sanction has been given for the temporary employment in the Government service in this country of 54 persons of German nationality (including Stateless persons of German and Austrian nationality) and 42 persons, formerly German, who have acquired British nationality by naturalisation or marriage. Treasury sanction was in each case conditional upon satisfactory security inquiries being completed. These figures do not include industrial staff in respect of whom general Treasury authority has been given subject to the same proviso.

NAVIGATOR OF GENERAL SIKORSKI'S PLANE

The *Jewish Chronicle* states that among the dead in the aeroplane crash in which General Sikorski lost his life was Warrant Officer Lewis Zalsberg, D.F.M., R.A.F.V.R., the navigator of the aircraft, who was a Jew, born and bred in the East end of London.

Awarded the Distinguished Flying Medal two years ago for gallantry and skill in air operations the precise nature of which is still a secret, W/O Zalsberg had to his credit over 100 operational flights over enemy and occupied territory.

He and his pilot on the fatal take-off had flown together since their training days, and on many occasions they had been chosen to fly high officials, including General Sikorski on his trip out to the Middle East, and an American General. W/O Zalsberg also navigated the plane in which Mr. Churchill flew from Cairo to Tripoli.

VIEWS ON EMPLOYMENT POLICY

"The first, the report issued by Lever Brothers and Unilever Limited, has the advantage of being the views of a single firm and, perhaps, the product of a single pen. As might be expected, it is the least radical of the three reports in the changes in industrial structure that it advocates—though some of the views it contains, especially upon the industrial responsibilities of the state, would be accounted very radical by large numbers of business men. The second, a broadsheet issued by P.E.P., is, like all that organisation's work, thoughtful and well-documented; unlike the P.E.P.

publications in the past, it takes up what is now the orthodox Socialist standpoint. Thirdly, there is the 'Statement' published as the result of a number of conferences of economists, business men and Civil Servants at Nuffield College."

—*The Economist*, July 10, 1943.

LESS LAND IN CULTIVATION

Figures issued by the Ministry of Agriculture show that the amount of land under cultivation in this country at present is less by about two per cent. than at the beginning of hostilities. The area used in aerodromes, munitions factories and battle areas is appreciably in excess of the amount reclaimed from 'derelict' land.

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
The "Land for the (Chosen) People" Racket.....	2/-
The Tragedy of Human Effort.....	7d.
The Policy of a Philosophy.....	7d.
The Use of Money.....	6d.
Social Credit Principles.....	1½d.

ALSO

The Bankers of London by Percy Arnold.....	4/6
Hitler's Policy is a Jewish Policy by Borge Jensen and P. R. Masson.....	6d.
Democratic Victory or the Slave State? by L. D. Byrne.....	4d.
How Alberta is Fighting Finance.....	4d.
Southampton Chamber of Commerce: Report of Economic Crisis Committee.....	9d.
The Planners and Bureaucracy by Elizabeth Edwards.....	8d.
Large versus Small Scale Electrical Production: The Grid by W. A. Barratt.....	3d.
Lectures and Studies Section: Syllabus.....	3d.
The Attack on Local Government by John Mitchell.....	9d. doz.; 50 for 2/6
Carthorse Conditions for All (the Beveridge Report issue of <i>The Social Crediter</i>)	2d.
The Voters' Policy as applied to the Beveridge Report (Bristol Voters' Policy Association leaflet)	2d.
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.

(Please allow for postage when remitting).

FROM K.R.P. PUBLICATIONS LIMITED
49, PRINCE ALFRED ROAD, LIVERPOOL, 15.