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FOR POLITICAL AND ECONOMIC REALISM

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"SECOND FRONT"

What is known as the Second Front, besides being a one-way idea (it works from West to East, but not from East to West), did not originate in the strategy of the present struggle. This fact is brought out with great clearness in *Sea Power*,* one of the few really first-class books published during the war. Cannot the Dean of Canterbury and his co-agitators of Trafalgar Square be induced to rest from their Penguin Specials for a time to study it?

In it is to be found not only the suggestion, but strong evidence of a corrosive influence at work—particularly over the last fifty years or so—and through individuals probably quite as well-intentioned as the Dean, to deflect England from her traditional and cultural policies. The book is throughout a brilliant piece of exposition, tinged, no doubt, to some extent by the associations of its author's naval calling, but none the less convincing.

Sea Power begins with the publication, in Boston, in 1890, of Mahan's *Influence of Sea Power on History*—a book which underlined in the clearest manner the importance to the British Empire, and to the modern world-structure, of England's naval supremacy. Incidentally, it is to be noticed that Walter Lipmann, the American columnist, has discovered the same fact in his latest book. All the evidence Mahan accumulated went to show the soundness of England's policy of a Big Navy, and no military commitments on the Continent. "England," said Napoleon on St. Helena, when he had no longer any need to hide his real convictions, "can never be a Continental Power, and in the attempt she must be ruined. Let her stick to the sovereignty of the seas and she may send her ambassadors to the courts of Europe and demand what she likes."

Mahan's book, once it became known, created a wide stir. "I am just now," wrote the exuberant Kaiser Wilhelm, "not reading but devouring Captain Mahan's book. It is on board all my ships." Here was proof of what he and Herr Ballin and his other Jewish advisers were convinced of, that command of the sea was command ultimately of the world situation. He issued a direct challenge to grand-mamma and the realm she ruled when he announced: "Germany's future lies in the water," and inaugurated a new European set-up, with Britain and France closing their ranks under the persuasive influence of Edward VII and his Rothschild advisers.

This was a natural reaction in the circumstances; but what was not so natural was that British statesmen, under a threat dramatically and unmistakably associated with a pub-

lication that proved the wisdom of the traditional English policy which kept her a sea power governing almost without an army, should have applied themselves so directly to alter it. Not thus the Elizabethans, who plainly saw their country as Shakespeare put it, a "precious stone set in a silver sea, which serves it in the office of a wall . . . Against the envy of less happier lands." Yet in the great reaction following the sweeping Liberal victory of the Campbell-Bannerman Government in 1905, when Lloyd George began his introduction of Prussian State Socialism (Insurance), Sir Edward Grey, along with Lord Haldane (whose spiritual home was Germany!) and later Sir Henry Wilson, carried through negotiations with the French authorities that committed Britain to "large-scale land operations, with all the Continental accompaniments of conscription and bureaucracy and regimentation." And when, in August, 1911, the Agadir incident set all Europe by the ears, Mr. McKenna, as First Lord of the Admiralty, was presented, at a hastily summoned meeting of the Imperial Defence Committee, with what amounted to a complete turn-round in national strategy arrived at without any general discussion whatsoever.

As a result, in the war, which broke out three years later (to quote the author of *Sea Power*), "Three-quarters of a million British and Dominion lives were lost in the Continental fighting, and the result was a bankrupt victory which found the British nation in a state of grave physical and moral exhaustion, which had the most serious after-effects. Financially, the country was heavily mortgaged to the United States of America and was thereby forced into a long subservience to the tortuous eccentricities of American politics, to the great detriment of distinctively British interests. . . . So far from the shattered warriors of the recent fighting being regarded as the saviours of their country, it was the conscientious objectors of the war period who became the heroes of the peace. And under their irresponsible and sentimental inspiration, the country made haste to throw away its arms and demolish its defences, so that when a foreign menace sharply challenged it again twenty years after, it found itself woefully unprepared and scandalously weak." . . . "The Bloomsbury mind appeared unconscious of the possibility that the British Government might have a duty to the British people, and especially the youth of military age, not to squander their lives unnecessarily; or that there might be something, after all, to be said for the attitude of Sir Robert Walpole who, in conversation with Queen Caroline in 1734 regarding his refusal to commit Britain to participation in the war of the Polish Succession, took credit for the fact that 'there are 30,000 men killed in Europe this year, and not one single Englishman.'"

No one could deny the realism of that statement of the facts of the last war and after, even if it might not meet

**Sea Power*, by T. 124: Jonathan Cape, 1940.

with the approval of the Moscow press. But the lesson and the implication of it are not that Great Britain should be out of this war, and leaving the continent to "fight it out" among themselves; but just that her real value to the struggle lies in preserving her political identity and in contributing what it is in her nature to contribute, and in her own, and not in an alien fashion. If Britain had, quite literally, "stuck to her guns" in the inter-war period and had not given way before the Bloomsbury bombardment, affairs in 1938-39 might have shaped differently.

To those who do not think naturally in terms of great manoeuvring numbers—generally of one's fellow men—there is something very persuasive in the author's comparisons of the relative "cost" of land, as distinct from sea and air operations, computed from the Army and Navy estimates for 1912-13. As strategic argument they are greatly strengthened by the subsequent course of the war—this book must have been actually in the press before Dunkirk and the Battle of Britain. Worked out on these estimates the cost per head of the Army was £125, against £321 for the Navy. Assuming the number of men in France in 1917 at two million, on the above money basis its naval equivalent was 750,000 personnel. With 1,200 officers and men to a battleship, or, alternatively 100 to a destroyer, the financial equivalent to the Flanders army was 625 battleships, or, 7,500 destroyers. Consumption of ammunition in the Navy in actual warfare is about half what it is in the Army. Admittedly, the figures with which we are dealing are arbitrary—fleets can't be built up as quickly as armies—nevertheless, their bearing on broad, long-term policy is very considerable. As the author points out, the British military dead in the last war would have served to man the 1914 fleet three times over!

And in the air—the 1939 Army estimate works out at £440 per man, the Air Force at £564. On this basis the equivalent in cost of an Army division of 24,000 would be 300 planes, and of the 1939-40 Expeditionary Force, 6,000 planes.

The implications of all that, in the light of Dunkirk and Britain's deadly peril in August-September 1940, seem plain enough. Every phase of the war, then and since, appears like a direct confirmation of our traditional policy. Bloomsbury intellectualism, along with Chatham House and the Bank of England, has failed. And yet in spite of it we have prominent ecclesiastics still under its influence, deserting their Deaneries and Palaces to stump-speech the country so that they may tell us, amidst rapturous applause, what a poor show we make of it compared with the Russians, and to warn us against a resurgence of Britain's harsh and "perfidious tradition," so calculated to confuse the limpid simplicity of continental politics, and bruise the delicate, clinging tendrils of the Third International. What is this mesmeric influence that leads them to decry their native wares? It must be the same as that recounted in this book which swept the country in the first decade of this century, and induced men of such diverse views and backgrounds as Mr. Lloyd George, Sir Edward Grey and Lord Haldane, to press policies on the country *all tending in the same direction*, and all alien to, and destructive of the tradition and policies of the past.

Again, why, it is pertinent to ask, has the British traditionalism typified in the Senior Service, as one of the main factors in the situation, not been allowed due weight, or

indeed, any influence at all in shaping recent British policy? The Big Navy represents the obvious strategy of *defence* as distinct from the *aggressive nature* of the Big Land Army; of preservation rather than acquisition. The British fleet has in practice proved a method of "policing" civilisation in the least offensive manner, so that the trying process of technical world-development might be got over with a certain degree of decency. Neither in operation, nor in results has this instrument been perfection; but, like the so-abused theory of the "balance of power," it has served none too badly; at least it has grown out of the facts of the situation.

One of the most hopeful signs to be observed at the moment is the growth, particularly in America, of a rather naive appreciation of the fact that there are worse things than British Imperialism. To be effective, however, it needs to remain relatively untrammelled, as those influences behind the present parrot-cry for a Second Front no doubt realise; for it is obvious the agitation arises quite as much, if not more, from a desire to have Britain well and truly committed to mass slaughter as to relieve pressure on any body, or thing.

N.F.W.

Expansion of Treasury Branch Service in Alberta

The following developments in the Treasury Branch Service were announced in Alberta recently:—

1. *To simplify the administration of the treasury branches and the use of treasury branch transfer vouchers, thereby reducing administrative costs, and making it more convenient for individuals and firms to make full use of the treasury branch services.*

To this end all of the restrictions as between cash accounts and trade claim accounts have been removed, and the purchase of Alberta trade marked goods as a basis of the consumers' bonus is being eliminated. Commencing September 15 each depositor will require but one account irrespective of whether he makes a deposit by cash, cheque or transfer voucher. Against this one account he will be free to issue either cheques or transfer vouchers, or to make cash withdrawals without any restrictions.

The elimination of Alberta trade marked goods as a basis of the consumers' bonus, in addition to simplifying the use of transfer vouchers, has been considered expedient in view of the complete change which has taken place in the field of the manufacturing and distribution of consumer goods under existing war time restrictions. The stimulus to the purchase of Alberta trade marked goods in pre-war times resulting from such goods being made the basis of the consumers' bonus, is no longer effective under war time rationing and the general shortage of the manufactured products.

2. *To increase the scope of the services available to the public through the treasury branch offices.*

Steps are being taken to make every treasury branch a local government service office through which the public will be able to obtain many of the services which, in the past, have been available only through the central government offices, or through the facilities of private financial

institutions. This step is being taken in accordance with the government's policy of decentralising public services by taking the administration of public affairs directly to the people.

The treasury branches will, in the future, provide increased public services in such lines as government fire and life insurance, the issuing of various licenses and permits, in addition to serving as local agents for the various major government departments. Steps are also being taken to enable the branches to serve the public in the administration of estates, in addition to rendering other services for which people must, at the present time depend upon the facilities of trust companies or other private financial institutions.

3. To make the entire treasury branch services self-supporting.

Much unwarranted criticism has been voiced in opposition political quarters regarding the cost of treasury branch services, without any recognition of the offsetting treasury branch earnings, or the direct and indirect benefits to the public.

The present reorganisation of the treasury branch services is being carried out to the end that the entire overhead costs of the treasury branches may be offset by their investments and other earnings, while, at the same time, providing increased governmental and financial services at costs which will represent substantial savings to the general public who make use of the facilities.

LABOUR IN CZARIST RUSSIA AND IN 1937-8.

"H.R.," writing in *The Patriot*, gives detailed cost tables for food and clothing in Russia in 1913-14 and 1937-38, with a summary of an average worker's expenditure on rent, rates, taxes, heating, lighting, insurance, education, medical attendance, food, clothing and incidentals at the same time. A comparative wages table is appended, and the writer says:—

"These tables speak for themselves. They show that whilst the cost of living had risen from 233 roubles in 1913-14 to 3,852 roubles in 1937-38, or by 1,600 per cent., wages have been increased only from 345 roubles to 3,080 roubles, or by 900 per cent., leaving a gap of such magnitude as to preclude any possibility of the average worker approaching anything like the standard of 1914. They also show that in Czarist days a workman's salary was sufficient for him to sustain himself and his wife (reckoning her expenses at 50 per cent. of his own) without any extra earnings. In 1937-38 the average workers' salary was insufficient even for his own needs, the two alternatives being either to cut down some items of consumption . . . or to work overtime to earn a living wage, whilst the wife has also to work for her own subsistence."

More Labour for Tailoring

The protest made by members of the bespoke tailoring grade who pointed out that Government regulations operated in favour of suppliers of ready-made clothes has been followed by a change reducing the withdrawal of labour from the bespoke tailoring retail trade.

Individualism

The following letter was sent to, but not published in, *The Scotsman*:—

Sir,

Mr. Arthur A. McDougal is doubtless a competent agriculturalist but his incursion into the free-for-all of political economy is hardly more happy than that of Mr. Fraser. Both are fundamentally anti-individualistic.

There is no connection whatever between "rendering such great services to the community" and "reaping a considerable reward for one's enterprise." The examples Mr. McDougal gives, Lord Nuffield, Ford, etc., did not grow rich by making things; they grew rich by selling things for more than it cost to make them. If Mr. McDougal grows rich by "growing double," as I hope he does, it is not because he "grows double," it is because a wicked price ring respectably camouflaged as a controlled price, assures him of a gap between his costs and his receipts, and the War Debt, camouflaged as "deficit spending" provides the public with money to buy. I hope Mr. McDougal will not tell me that money is not wealth. I said that one some time ago.

One of the major catastrophies of history was the failure of the Mediaeval Church to grasp the idea that the Just Price was a ratio, not a moral aspiration. As a result of this failure, we have lived in a welter of meaningless phrases such as "fair wages," "reasonable prices." Not unconnected with this is the entirely unjustified attack made by Mr. McDougal on specialised forms of purchasing power which in the past have provided the means to bridge the gap between what it costs him to grow his potatoes and the larger sum he charges for them, such as rent, royalties (I notice he does not mention banking). The fact that they are technically inadequate for this purpose, is beside the point. Mr. McDougal's argument is that economic services are the only services to humanity, and that considerable purchasing-power unaccompanied by the rendering of economic services is simply "piracy."

This is pure dialectical materialism, and leads straight to the totalitarian State, with which genuine individualism can make no accommodation.

Perhaps the most curious psycho-political phenomenon of this odd period is the glorification, by considerable numbers of people whose memory comprises records of a world glut, both of preparations for the onset of an incomparably greater glut, and the imposition of every conceivable hindrance to its absorption.

I am, etc.,

September 30, 1943.

C. H. DOUGLAS.

RECONSTRUCTION

The "Glasgow Evening Times"
Articles of May 1932

By Major C. H. DOUGLAS

Price 6d. (Postage extra)

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FROM WEEK TO WEEK

The article in the centenary number of the *Economist* entitled *The Future of Banking* confirms an opinion we have held for some time—that the studiously fostered outcry against “profits,” which the great majority of those who participate in labour and Marxian agitation believe to be synonymous with dividends, will be used to justify first their reduction, and then their abolition so that economic security will be non-existent. The cart-horse will be “issued” its bale of hay—on terms. The line which is clearly indicated in the article in question is the abandonment of any pretence that banks are obliged to compete for deposits, in order to re-lend them, and the admission that banks can lend without borrowing, so that no interest need be paid to the ordinary depositor (although interest can be charged to the borrower). On the contrary the ordinary depositor should be charged for services rendered in keeping his account. The logical consequences of this thesis, which (with a major reservation) is theoretically, as distinct from pragmatically, sound, are far-reaching. Public companies will no longer be under any obligation to offer shares to the public, or to pay dividends on them, because the money does not come from that quarter. As a result of this, the share market will, at no great distance in the future, cease to function and the income of those dependent for existence on dividends will cease. This, of course dovetails perfectly with a policy of “full employment.”

If our enthusiasts for the abstract virtues of the restoration of money to a central source of issue (the Nation, or what-have-you) would spare a little time to contemplate this situation, it is possible that misgivings of their complete adequacy to cope with the problem might assail them. But probably not.

The Scottish Nationalists, engrossed with their pragmatically doubtful objective of a Scottish Parliament, appear to have overlooked a development which may easily be much more important—the transfer of British journalistic prestige from London to Edinburgh.

During the middle decades of the nineteenth century, half-a-dozen English newspapers published in the Metropolis carried almost unrivalled weight in the opinion of the outside world.

To-day the few that remain are read as publishers of syndicated news, but the effect of their circulations as an

educative force is probably less than that of the newspapers of a Middle-Western American town.

The independently owned *Scotsman*, on the contrary, both by the balance of its views and the high level of its special articles (and, in peace-time, its unrivalled photography) is read with attention and respect far outside Scotland.

“Not only evacuees, but their hosts in other parts of Germany, are discontented. Evacuees are treated with open hostility. There have even been free fights in some smaller villages in Austria and Czechoslovakia, which have called forth stern warnings from newspapers and Nazi authorities. I do not hesitate to state that the evacuation has more than doubled the effect of Allied bombings.”

—Special article in the *Scotsman*, October 1, 1943.

On taking over control of Milan, the German authorities dismissed the Italian editor of the famous newspaper *Corriere della Serra*, and installed in his place the half-Jew Amadeo Lasagna. “Hitler’s policy is a Jewish policy.”

The “B.”B.C. combined its usual Sunday Money Savings Review, on October 3, with a talk by Dr. Rabinovitch on the work of Jewish troops in the Middle East. Saving and lending, as you might say.

“The State is the curse of the individual, and it is not only the State, but all ideas, all aims which ignore the simple solid happiness of the individual and his right to it, that are curses.”

—Letter from Ibsen to Brandes, 1893.

Old Scottish saying: “Freedom and whusky gang thegither.”

Yes, Clarence, whiskey is practically unobtainable.

THE CULT OF UGLINESS:—

“To seek wilfully after ugliness, is a criminal gesture . . . the slaves’ rancour against all that is noble and well-constituted.”

“Anyone acquainted with the Old Testament will have noticed that the Israelites were always going after false gods. . . .”

—*Addled Art*, by SIR LIONEL LINDSAY.

This book is a complete exposure of the Jewish art-dealers’ racket in “modernist” pictures.

THE GOVERNOR

In an editorial paragraph appended to Letters to the Editor in *Cavalcade* of October 9, 1943, it is stated:—

“We are informed, from a source close to the Governor, that the statement which appeared in a letter from a reader in last week’s issue to the effect that the Governor of the Bank of England stated in 1939, ‘We will have to give Germany a loan of £50 million. We may never be paid back, but it will be less loss than the fall of Nazism,’ is completely without foundation, and that neither in 1939 nor at any other time did the Governor make this statement.”

INSIDE OTTAWA

By AUSTIN F. CROSS.

We reprint without comment the following article from THE FAMILY HERALD AND WEEKLY STAR, of Montreal, a widely-read subsidiary of the most powerful newspaper in Canada, the MONTREAL STAR. It is unnecessary to emphasise the article's far-reaching significance.—EDITOR, T.S.C.

A little flirtation is being worked up between the Progressive Conservatives and the Social Crediters. Thus far, the discussion has been little more than academic, but hard-boiled realists are to-day viewing the prospects with a speculative eye.

Let us look at this problem squarely. First is that the Progressive Conservative party needs all the support it can get, if it is ever to get into power again. In England the Liberal party got crushed between the Tories and the Socialists. The Prog-Cons. to-day are really the closest thing Canada has to a liberal (without the capital letter) movement. The C.C.F. is the Socialist party, and the Liberal Party (with capitals) will always be fundamentally conservative, while it depends so strongly on Quebec—the most dyed-in-the-wool conservative body of opinion in Canada.

Actually Social Credit should not be a political party. It is an economic theory and you cannot have a new party for every theory. They should be worked out through an orthodox national party. Social Crediters should be a group of economists co-operating with the party they like best, just as Single Taxers, Farm Parity men, High Tariffers and Free Traders. For if every new economic theory got itself dressed up in political clothes, we should have a string of parties all the way from Sydney to Prince Rupert. It is only a political accident that this one particular economic theory should have blossomed into a full-fledged party.

Now it must be apparent even to enthusiastic Social Crediters that their zenith is past. From an Ottawa standpoint, they returned in 1940 with only half the representation they had in 1935.

In the provincial field, the real Social Credit leader, the late William Aberhart, is gone. He was more than a political leader, and it is doubtful if young Manning with all deference to his unusual gifts, can be the sort of "Messiah" Aberhart was.

But the Social Credit idea *in the economic sense* is making gains where the Social Credit idea in the political sense is losing. Thus the irrepressible and brilliant Gerry McGeer, Vancouver-Burrard, M.P. talks something that sounds like Social Credit, and Arthur Slaght, Liberal of Toronto, and reputed a well-to-do man, has sounded off along Aberhartian lines. There are other members on both sides of the house who have social credit "leanings" who cannot see the present Social Crediters as a political force.

After the war, with monetary reform a pressing problem, the Progressive Conservative party might easily make a working agreement with the Social Crediters. This does not mean they will go off the deep end for the so-called "funny money." But the Progressive Conservative party of Bracken will by then have gone much farther along the lines of fiscal reform than either the Conservative party in its pre-Winnipeg

days or the present Liberal party. Properly handled, not by the old guard, but by some of the new, young friendly realists, this political wedding might easily be arranged. It may not be a love match, it may only be what the French call a "marriage of convenience," but it will be a marriage just the same! Fundamentally Bracken is a reforming realist, who will always take half a loaf rather than no bread, and his whole policy—which has never yet met defeat at the polls, has been to conciliate, and co-operate. Then when he has everybody together, he can march a solid political unit towards his objective.

Now if you examine the situation closely, you will find the Social Credit party thinks in some ways along the lines of the Progressive Conservatives. Actually, the John Blackmore group was the first to come out and call for compulsory selective service. There was never any pussy footing about their attitude towards a whole-hearted war effort, as there was in the C.C.F. camp, and in influential Liberal quarters.

Social Crediters are right behind the war effort—but they want to finance it a different way. This is where the dispute arises. But after the war, or within a year or so, the chances are that many of the old theories of the financiers will have gone by the boards, and the Progressive Conservatives will discover they have a lot more in common with Social Credit than what they thought.

After all, there are big advantages. For the Social Credit party political power is as remote as the Jap's chances of dictating the armistice terms from London. Similarly, the Conservatives have only 39 seats at Ottawa, and need 123 for a bare majority, or 135 to make things safe. Where are the Progressive-Conservatives going to get the seats? Where are the Social Crediters going to get the power? Some sort of union might bring big advantages to both.

Who, a year ago, would have predicted that the Progressive-Liberal Premier of Manitoba would, within six months, be the leader of the old Tory party? Yet it turned out to be eminently feasible, workable and successful.

The session is petering out pretty well. Most of the fight is gone from all the parties, and what is still left will be removed by the inevitable Ottawa heat and humidity that descends on Parliament Hill every year. The Progressive Conservatives did not make as much out of the Man-power debate as had been expected. They talked a big fight for months, but when the critical time came, with the Hon. Humphrey Mitchell's affairs before the Commons, they fought only for a week. At one time, it was thought Man-power would be good for a month as a topic.

Morning sessions have begun, while the Wednesday and Friday evening sittings have already been under way for some time. Nothing of vital or contentious nature seems to be ahead. Parliament will wind up in a blitz of hard work.

"When Sir Samuel Hoare took up his post France was falling; there were 20,000 'tourists' in Madrid alone; and a demonstration inspired by Germany outside the British Embassy was an almost permanent item on the engagement pad of Herr Lazar, Armenian-Jewish Propaganda Chief at the German Embassy."

—London Evening News, August 23, 1943.

Social Credit Secretariat

LECTURES AND STUDIES SECTION

The following are the question papers set in the Examination for the Fellowship of The Social Credit Secretariat just concluded. Candidates were awarded a Basic Mark for their 'field' work, and in addition were required to obtain a separate pass in each of the written papers:—

ECONOMICS

*1. How many price systems were in use in Great Britain before 1939? How many are in use now? Describe their main principles.

How did a mixed price system affect the disparity between total price values produced and total purchasing power distributed, as disclosed by the A plus B Theorem?

Note: Any technical terms employed should be carefully defined.

2. Discuss the following:—"The international monetary tangle offers a problem of extraordinary difficulty, especially for the United States. Unlike the raw material countries, on the one side, or the industrial countries like England, on the other, American economic interests are neither preponderatingly agricultural, nor preponderatingly industrial in character. This makes a consistent and coherent monetary policy far more difficult for the United States."

—ALVIN H. HANSEN (1934).

3. "In series production it is necessary for the total A payments of all firms in the series to equal the A plus B costs of the final firm only for a state of equilibrium to be maintained." Discuss the above statement.

4. (a) What is, very briefly, the main purpose of the National Balance Sheet? (25 to 50 words; 50 words maximum.)

(b) Make a rough draft of the items that go to make up a normal (*e.g.*, not the first) N.B.S. quoting no figures and giving only sufficient items, classified on broad lines, to bring out the main principles involved. (For this purpose, nine items, apart from totals, are sufficient. Not more than 20 such items should be entered.)

(c) Comment, in not more than 200 words, on the fluctuation as between one N.B.S. and the next, of one or more of the items.

Notes: The maximum marks allotted to each part of this question will be: (a) 10 per cent. (b) 70 per cent. (c) 20 per cent.

It is not intended that the reply to (c) shall cover all items. It is better to give a lucid exposition, without any redundancy of words of course, relating to only one item, rather than skimmed references to all.

5. The purchasing power of Money is presently qualified and restricted by such means as Ration Books, Personal points, Coupons, Permits, Quotas, Priorities, Licences, *etc.* State your views with reasons therefor on the following:—

(a) What advantages and disadvantages, if any, are inherent in this system from the point of view of those who have inaugurated it?

(b) Are there any technical lessons to be learned from its present working which might be useful to help construct

a future system under conditions and following a policy which Social Crediters would accept?

6. Discuss the implications of Douglas's proposals for the purchase and transfer of land with special reference to post-war agriculture.

POLITICS

*1. (a) Discuss the 'Rule of the Majority.' What is the basis of the idea? Has it, or had it, any validity? Is it, or was it ever, a fact?

(b) In the light of your answers to (a) criticise the following statement: Men can only be moved to persistent mass action where there is a common participation in the gains and honours of an advancing exploitation.

Note: Any technical terms employed should be carefully defined.

2. Show how the British Parliamentary system has been used (a) as a mechanism for an advance towards genuine democracy, and (b) as a mechanism for the imposition of the complete rule of the individual by functions.

Do you consider that, in present circumstances, the coming of genuine democracy is best served by the retention of Parliament? State, in order of priority, the factors of critical importance that you take into account in coming to this conclusion.

3. Let it be assumed that there is a majority of Members of Parliament which, while intensely disliking the present trend of 'socialist' measures and planning, is drifting towards the support of the clique of left wing 'conservatives' who would out-Herod Herod. Assume also that you have access to two or three Members upon whom the possibility of a more realistic policy begins to dawn.

Give some account of the strategy and tactics which you consider appropriate to this situation. Draft preliminary Report or/and other documents required to initiate action on those lines.

4. Discuss the politics of conscientious objection to military service.

5. "Control of credit and control of the news are concentric."

Explain this statement in detail, giving what you consider sufficient evidence to prove it true in fact. In addition furnish convincing evidence of the centralisation of controls in other aspects of human affairs which indicate a world-wide effort to reduce mankind to the slave state.

6. Write an essay on the preservation of individuality with particular reference to the small trading unit.

The Leased Bases

In the House of Commons on September 23, the Financial Secretary to the Treasury said that since the agreement of March 27, 1941, a system of mutual aid had come into being, and under this the Government had accepted a liability of £1,400,000 for compensation due to owners of property expropriated in connection with the leased bases.

*All candidates were expected to answer question 1 in both papers.

P.R. AGAIN

Readers familiar with the claim that Social Credit is first a policy, and that the characteristic features of this policy arise, as those of all policies arise, from a philosophy, or conception of the nature of reality as a whole, will readily understand what is meant, and how much and how little is meant, when we make the claim (which is only to put this claim in another form) that Social Credit over now a long period of years has been a coherent and consistent body of ideas which has merited acceptance or rejection, and, if acceptance, adoption. Most politicians who deemed themselves and their reputations important enough for their functional labels to be publicly attached to them have recognised the validity of this claim, if only by maintaining that reserve which leaves open to the silent a way of escape.

This has been the attitude hitherto of most politicians, if not all. A few there have been whose names we need not publicise, who have done themselves the honour to agree with us. Many others have tried to honour themselves by demolishing a bogey of their own construction, a course which is as near to the conventional *alibi* as needs be. It is not that they did not hear; merely that they did not hear aright! Doubtless the practical dilemma has become more engrossing as acceptance of our premises has entailed larger and larger doses of adoption; and thus the *convenient alibi* has become harder and harder to maintain. We have now reached the position that what we have to say on matters of political organisation is the considered view of most people who think at all. (There is then, of course, the economic *alibi*, the popularity of which may, in part, be due to the personal inconvenience entailed in conscious acceptance of clear views concerning such matters as the 'rulership' of majorities.)

Up to this point, the reactions of public men to the impact of Social Credit ideas has seemed capable of a certain degree of rationalisation. Now, however, there comes from Ottawa, dated June, 1943, a request that we should 'favor' the State Department, Washington, D.C. (or the British Foreign Office, London, England) with our opinion concerning a proposal to set up an international electoral commission. (Just to see, Clarence, that we du really get 100 per cent. d'marcrazy, an' everybody gets it, all roun', an's gotta take it!) We are assured that our criticisms of, or comments on, this plan will be welcomed "and possibly incorporated in revised editions." We are not assured (at least not from the same source) that both the State Department and the British Foreign Office are already fairly well-informed concerning our views. With full knowledge, therefore, of where any 'favor' in the matter may lie, we can address ourselves to the less fantastically improbable plea that our views may be faithfully reflected in a later edition of *An International Electoral Commission*, the pamphlet under review.

Mr. Wilson M. Southam's project is stated with sufficient clearness in his first paragraph:—"Liberal minded individuals sincerely believe that the *foundation* of representative government, law and order in all democracies is based on a fair electoral system with adult suffrage, and the secrecy of the ballot. If that premise is accepted, surely one of the first steps to be taken at the peace Conference, even before various national boundaries have been settled, is to appoint with the full approval of our allies from the occupied countries, an independent, impartial, electoral com-

mission to supervise elections in all the occupied, and Axis controlled countries including Japan." While there is nothing in the 28 pages which follow this paragraph which materially advances the thesis it contains, some expressions may be quoted. For example:—"Therefore one of the first requirements for a firm and enduring basis for internal peace in all war-torn countries . . . is that old leaders should ask the electors for a new mandate to carry on; and that prospective new leaders should have an opportunity to voice their opinions." "... the electoral system adopted should be one that gives the minority opinion an opportunity to be heard, but . . . the majority opinion should prevail."

Another example:—"In September 1939 the electoral system of all European countries differed in some degree from all others . . . the electoral systems of no two countries gave similar results." So uniformity must be imposed in order that political leaders may "obtain a true perspective of political currents" and in order that "the ordinary individual or newspaper" may "gauge this political or economic thinking." The "system, though *optional* to our allies from the occupied countries [as in Alberta?], should be *imposed* [author's italics] by the peace Conference on all Axis controlled countries as a basic method of channelling their political activities into a democratic form of government." If a parliament is *democratically* [author's italics] elected, it will order cabbages to grow in golf-bunkers and they will grow, or indebtedness to the banking system to eventuate in freedom and prosperity—and it will! 'Democratic' election is, we gather, dependent upon adoption of the Hare system, of proportional representation, know in Eire, since its adoption there, as the hair-of-the-dog-that-bit-'im system, or the *democratic* drunkard's introduction to Another Day! May we commiserate with the Right Hon. Winston Churchill over the author's association of his name with that of Dr. C. J. Hambro as an alternative nominee for the Chairmanship of the International Electoral Commission, while fully agreeing that if anyone understands democracy it's the Hambros?

Having now rid an awkward bird of its garnishing, let us return to paragraph 1. "Liberal minded individuals sincerely believe. . ." They may: "When we introduced into the State organism the poison of Liberalism its whole political complexion underwent a change. . ." The quotation is from the Protocols. We need not inquire whether it is true. Is it true that "the *foundation* of representative government, law and order in all democracies is based on a fair electoral system with adult suffrage, and the secrecy of the ballot"? Well; take this serpent of a sentence by its tail, that being the less venomous end. Why secrecy, when the whole trinity of representation, law and order stand by to see *fair* play? Are the Albertans who voted against the (minority) opinion of the *Edmonton Journal* (a Southam newspaper) deprived of the results they voted for because they were not stealthy enough? Will Mr. Southam tell us what is the present value of a vote in (no, not Alberta) Eire? No one in his senses would give a penny for a dozen. *When a parliamentary vote was worth more, it fetched more.* In English electoral history, the price has been as high as several shillings. It never has been worth, for example, a bottle of whiskey at current prices—not, that is, to the voter. The banker, when he secured control of the mechanism, got it (like everything else) for nothing, and made public sales illegal to prevent "unfair" competition!

T. J.

LOCAL GOVERNMENT REFORM

House of Commons: September 22, 1943.

Major Mills asked the Prime Minister (1) what steps for the reform of local government and the redistribution of the powers and duties of the various categories of local authorities are being contemplated; and whether before definite proposals are brought forward either consultation will take place with representatives of the authorities affected or a Royal Commission will be set up to enquire and advise;

(2) whether, in respect of any local government services in which a Minister desires action to be taken over a wider area than that represented by the jurisdiction of any single local authority, care will be taken to secure that the new area will be the same for all such services so that local government may not be confused by each such service being allotted its own area by the Ministry concerned, quite regardless of other widening services and the views of other Ministers?

Mr. De la Bère asked the Prime Minister, whether, in view of the transfer, by means of Orders in Council, of the powers of local government and county councils to the Ministry of Health in connection with the national health service, the Ministry of Agriculture in connection with agricultural education and other services, the Ministry of Transport in connection with Class 1 roads and the Board of Trade in connection with weights and measures, he will now give an assurance that it is not the intention of the Government to transfer by this means the work and duties of the county councils to a central body?

The Prime Minister (Mr. Churchill): It is, I am assured, generally agreed that there is a strong case for the expansion and improvement of many local government services and that we should be ready with plans for execution at the end of the war. I am aware of the fears voiced by the Associations of local government bodies lest the Government, in putting forward proposals for such changes, should pay insufficient regard to their cumulative effect upon the existing local government system.

The Government have given the fullest consideration to the representations that have been made to them to the effect that before any important changes in particular services are decided upon there should be a comprehensive and authoritative inquiry into the general machinery of local government. It is clear that such an inquiry would involve the taking of much evidence and the consideration of many highly controversial issues going far beyond those raised by the plans for meeting post-war needs in regard to particular services. It would consequently occupy much time, and the results might not in the end find general acceptance. The delay involved would be highly prejudicial to the success of our post-war plans, and in the circumstances it is not the intention of the Government to embark on a comprehensive inquiry into the machinery of local government at the present time.

The Government are, however, very much alive to the need for avoiding any weakening of the structure of local government and I can give the assurance that in framing any proposals in relation to particular services for submission to this House, the Government will pay the most careful regard to this factor.

A letter which is being addressed to the Associations will

be circulated in the *Official Report*.*

Mr. De la Bère: Is the Prime Minister aware that the great danger to be guarded against is centralised bureaucracy in Whitehall?

Major Petherick: Are we to understand from the answer that the inquiries that are to proceed will take place after the war and that they will be instituted and carried out by an impartial body, such as a Royal Commission or a Joint Select Committee of both Houses of Parliament?

The Prime Minister: We will see when we get a little nearer the end of the war, and I shall be glad to take up that point.

*The letter comprised a fuller expression of the Prime Minister's answer.

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