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FOR POLITICAL AND ECONOMIC REALISM

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## The Brief for the Prosecution

By C. H. DOUGLAS

### CHAPTER IV\*

It will be realised that the re-establishment of the Gold (Exchange) Standard was the culmination of a considered policy of restriction, carried out by the visible Government with, for the most part, Mr. Stanley Baldwin as Prime Minister, but obviously inseparable from the covert control of the Bank "of England." An intrinsic feature of it, if not its primary objective, was a reduction in wages and salaries, not perhaps so much in rates as in total earnings. With this, in the nature of things, went a weakening of the bargaining power of organised labour.

It is easy to comment that this attack upon "Labour" was scandalous and indefensible, and if a sufficiently comprehensive view of the whole social and economic system be taken, this is true. But it must be remembered that the Labour Movement was not so much, as it once had been, a wage negotiating body; it had become under international influence a revolutionary political organisation openly claiming the right and the intention to substitute Marxian Socialism for what, without understanding the term, it designated as "Capitalism." The ordinary employer, by which is meant the small and medium sized industrialist of the older type rather than the directors of "public" or international companies or cartels, was forced, in many cases against his desire, into a position of antagonism to his employees because it became obvious that industry was being transformed into a battleground of politics, in which he was being attacked without scruple, not only by the Trades Unions, but by the financial cartels, both aiming at monopoly.

Neither the individual workman, nor his employer, had the time or opportunity to realise that they were equally catspaws of a common enemy, and that their legitimate grievances were being used to stampede them into a common ruin.

It is necessary to appreciate this situation before the background of the next phase and its bearing on the underlying policy can be seen to be coherent. The General Strike of May 3-12, 1926, ostensibly developed from a failure to adjust the situation arising from the termination of the subsidy, which amounted to about £24,000,000, paid to the coal industry—a subsidy which had been granted under perhaps the most inept handling (as it appeared) in the

records of Government. After having stated that under no circumstances would it be paid, the Government suddenly reversed its decision, agreed, under the most nebulous stipulations, to pay a subsidy, and simultaneously proceeded with open preparation against a general strike, which could be provoked at any moment by withdrawing the subsidy.

In 1920 a Royal Commission under the Chairmanship of Mr. Justice Sankey, a Socialist, had investigated the conditions obtaining in the Coal Industry, and certain witnesses had recommended the nationalisation of coal. It was commonly stated that the pressure towards this object, together with that for the nationalisation of railways, proceeded from international loanmongers who wished to have tangible assets, rather than mere taxing power, behind the large amounts of British Debt which they held. At that time, the proposal was not implemented.

On March 10, 1926, the Coal Commission under the Chairmanship of Sir Herbert Samuel, issued its report recommending *inter alia* that the State should buy the coal from the mineral owners compulsorily, on very advantageous terms, paying for it in paper money, and that the miners should accept a reduction in wages. The Chairmanship of this Commission, and its recommendations (particularly its emphasis on the principle of property in coal) should be borne in mind in connection with the Mond-Turner negotiations to which reference will later be made, the amalgamation of Brunner, Mond and other chemical concerns into Imperial Chemical Industries, the Chairmanship of the Fuel Research Board (Governmental) by the Chief Chemist of Imperial Chemical Industries, the acquisition of the coal from the mineral owners under the Coal Act of 1938 which took place in July 1942, and the general drift towards the adoption of a Cartel-Trades Union "Democracy," in which the ordinary individual, and even his House of Commons, become an unimportant factor awaiting absorption or elimination. The Miners' Federation rejected all that part of the Report which affected them, but supported, without understanding, the "nationalisation" of coal.

The details of the negotiations for a settlement of the coal dispute, which were without effective result, are outside the scope of this survey. They are available in the *Annual Register 1926*, *The General Strike* by Sir John (now Viscount) Simon, the pages of *Nature* for 1926 and elsewhere. It is almost certain that in fact neither side wished for agreement—the Miners' Federation, which was infested by alien influences, was deluded into believing that a general strike would bring the country to its knees; the shadowy influence behind the Mining Association (the Colliery owners, perhaps as stupid a body of men as industry could show) knew quite well that a general strike was certain to fail unless it developed into armed civil war, and that the way would

\*The extracts now being published in *The Social Crediter* from Major Douglas's forthcoming *The Brief for the Prosecution*, of which the present is the sixth, are published with a view to the existing situation, and not in the sequence or detail in which they will later appear.

be opened to further centralisation. In spite of the fact that both sides made a great display of legality, the only fact which was ever in dispute was the extent to which in the last resort, the armed forces of the Crown could be employed to defeat the strikers.

A Royal Proclamation declaring a State of Emergency as contemplated in the Emergency Powers Act of 1920 was issued on May 1, and on May 3 the General Strike came into effect. Official negotiations between the Government and the General Council of the Trades Union Congress, who were directing the strike, were completely abortive.

Sir Herbert Samuel was apparently in Italy during the negotiations which preceded the Strike, but on its declaration at once returned to England and began "unofficial" negotiations for a settlement—on the face of it, with no special qualifications for intervention.

On May 11 Sir Herbert Samuel laid before the T.U. Council the Draft of a Memorandum the adoption of which would, he thought, promote a settlement of the coal dispute. It contained nothing which was not expressed or implied in the Coal Commission Report, other than minor adjustments in timing. The Council laid the memorandum before the Miners' Executive the same day, with a statement that in their opinion it contained "the best terms which could be obtained to settle the present crisis in the coal industry."

The Miners' Executive quite naturally rejected the proposals, as representing no advance on a situation they had previously refused to accept. Nevertheless, the T.U. Council wrote Sir Herbert Samuel that in their opinion, the memorandum offered a basis on which negotiations might be renewed, and in consequence, they were taking the necessary measures to end the General Strike. A deputation called on the Prime Minister to inform him to that effect, and on May 12, the Strike was called off. The Miners were, of course, furious and continued their own strike, with a good deal of support from the railway unions.

The General Strike was broken. Sporadic and sectional strikes continued for some time, but the sectional Trades Unions emerged impoverished and humiliated, and nervous of their ability to maintain their privileges. Two facts stand out clearly in retrospect. The General Council of the Trades Union Congress seized, or were handed, the initiative and control of the whole of the militant trades union movement and centralised it. And the Coal Commission Report was embedded in the settlement (despite the fact that no party to the dispute accepted it) in such a manner that it might be contended that the Government was committed to the implementation of it. The ground was prepared for the next steps—the founding of Imperial Chemical Industries, whose major raw material is coal, and the Mond-Turner negotiations between Sir Alfred Moritz Mond who had become a Conservative in 1926, afterwards the first Lord Melchett, and Benjamin Turner, afterwards Sir Ben Turner, C.B.E.

Benjamin Turner was by trade a weaver; he was Chairman of the Labour Party in 1911, a critical year, Chairman of the Trades Union Congress, 1928, Chairman of the Trades Union Congress General Council (the body which had negotiated with Sir Herbert, now Viscount Samuel, in 1926) and a Labour M.P. He was given an O.B.E. in 1930, and created a knight in 1931. Since his conference with Mond, the T.U.C. has never authorised a strike.

In order to trace the thread of long-term policy in the events we are discussing, it is necessary to give to the career of Alfred Moritz Mond somewhat more extended consideration.

In passing, it may be observed that steady and continuous propaganda in Labour circles had been devoted to an attack on the private ownership of coal. Most individual miners, besides being convinced that "the coal belongs to the people," were under the impression that the owners' royalty decreased the miners' wages, and greatly increased the cost of coal to the consumer. There is no justification for any one of these ideas.

There is in existence a Scottish charter, dated A.D. 1202, in which the superior grants the lease of certain collieries in Newbattle, and the right of the landowner to dispose freely of his coal has never since been questioned, and was set out by Sir John Pettus in his *Fodinae Regales*, published in 1670. It should be particularly noticed that property in coal has not been abrogated by the Coal Act of 1938. It has been acquired intact by force majeure accompanied by a derisory compensation, and can be transferred to another owner either by lease or outright sale. Private owners of coal were heavily taxed. Coal now pays no taxes.

The actual royalty received *nett* by the private royalty owner rarely exceeded 3d. per ton, and was often less, as owing to the political weakness of the owners, forms of taxation which would never have been tolerated otherwise were imposed on the gross royalty. Since the acquisition by the State, the price of coal has risen by more than twelve times the old royalty.

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## Points from Parliament

House of Commons: May 24, 1944.

### UNITED NATIONS INFORMATION ORGANISATION

Mr. Driberg asked the Minister of Information if he will make a statement on the constitution and functions of the United Nations Information Organisation; and if the Soviet Union is represented on this body.

Mr. Bracken: Eighteen National Information Services are at present represented on the Organisation, which is designed to distribute information of common interest to the United Nations. The new Organisation is the successor to the Inter-Allied Information Committee established in 1941. The U.S.S.R. were invited to participate at an early stage and have appointed an observer.

House of Commons: May 25, 1944.

### NATIONAL HEALTH SERVICE

Dr. Russell Thomas asked the Minister of Health how many doctors he intends to make State-salaried officials on the initiation of the proposed National Health Scheme.

Mr. Willink: I cannot accept the implication of the Question. If the hon. Member will look at the White Paper, he will see that there is no intention of turning doctors into State-salaried officials, and that, even where—as in the health centres—remuneration by salary is mentioned, it is suggested

one among other possible alternatives.

*Dr. Russell Thomas:* In view of the fact that the White Paper authorises the Minister to establish health centres and State-salaried doctors, if he considers the public interest demands it, does not that mean that this Government, or a future Government, can create a State-paid bureaucratic service?

*Mr. Willink:* No, Sir. My hon. Friend's conception of the White Paper is very far from the mark.

*Dr. Russell Thomas* asked the Minister of Health how many doctors will be required to undertake the proposed National Health Scheme.

*Mr. H. Willink:* There is no reliable means of assessing this at present, but I have no reason to doubt that, when doctors return from the Forces, the number of doctors available will be sufficient to enable us to make a good start with the new Health Service.

*Dr. Thomas:* As there are over 70,000 doctors on the British register, and not half of that number are required for this service, does the Minister remember the ruthless remark of his Parliamentary Secretary in the Health Debate, when the hon. Lady said that those who were unemployed could retire, or go to the Colonies?

*Mr. Speaker:* The hon. Member is giving information, not asking for it.

*Mr. Gallacher:* Could the Minister not consider abolishing the medical men and getting on with the health service?

*Dr. Russell Thomas* asked the Minister of Health when he intends to introduce a Bill in regard to a National Health Scheme.

*Mr. Willink:* No, Sir.

*Dr. Thomas:* Is the Minister aware that, if he should bring in his Bill, based on the proposals of the White Paper there are those of us in this House who are prepared to combine to fight the Bill, Clause by Clause?

*Mr. James Griffiths* asked the Minister of Health if he will consult with the representatives of workmen's medical aid societies before deciding upon the provisions of the legislation based on the White Paper on the health services.

*Mr. Willink:* Yes, Sir.

*Mr. W. J. Brown:* Would the Minister also consult representatives of workmen's hospitals, such as the Manor House Hospital at Hampstead?

*Mr. Willink:* I shall be glad to consider that suggestion.

House of Commons: June 6, 1944.

### STATE SOVEREIGNTY (POST WAR POLICY)

*Sir T. Moore* asked the Prime Minister whether his policy for a world order to be established after the war envisages any participating country surrendering its sovereignty to a super-sovereignty by virtue of the transfer of its armed forces, or a portion of them, to an international authority.

*Mr. Attlee:* This no doubt will form a subject for discussion in due course.

## Mr. Kirkwood and German Reparations

The following letter has been sent to MR. DAVID KIRKWOOD, M.P., at the House of Commons:—

Dear Sir,

I have read your request to the Prime Minister that no reparations or indemnities either in kind or money should be extracted from the Germans "which would be injurious to trade or employment" as after the last war.

The implication of your question is perhaps the most mischievous suggestion which it would be possible to make at this juncture. The idea that the population of this country should be made to do work which has been caused by German enemy action, instead of making Germans do it can only be described as the delirium of Socialist politics, and as a démonstration of the complete misconception of your duties as an M.P. which do not include the care of German interests.

If you had taken the trouble to look at the figures, you would have been able to convince yourself that it was not Germany, but Great Britain and France upon whom the payments for reparations fell most heavily, and that the depression which succeeded the armistice was the direct result of the policy of deflation announced by the Government in May 1920 and regarded by our only Socialist Chancellor of the Exchequer, Viscount Snowden, together with all orthodox financial policy, as being inspired by principles for which he had the highest admiration, if no understanding of their meaning.

If you have any comment to make which would modify your question as reported, I shall be happy to consider it, as I propose to ensure that your opinion is not allowed to pass unnoticed.

Yours faithfully,

C. H. DOUGLAS.

June 9, 1944.

### MORE APOCRYPHA?

An increased use by the Church of England of the Apocrypha (the fourteen Old Testament Books sometimes omitted in printed copies of the English Bible) is advocated as an experiment in a report issued by authority of the Archbishop of Canterbury.

In a new scheme of first and second lessons to be read in church, extracts from the Apocrypha are set out without alternative passages from Old Testament Books, and this is the most important departure in the two tables of lessons provided to be read in alternative ecclesiastical years.

The report, recommending their use in public worship during four years beginning on Advent Sunday, 1944, will be debated at the autumn session of Convocation.

To enjoy—to love a thing for its own sake and for no other reason.

—LEONARDO DA VINCI.

### CORRECTION

Note by editor, *T.S.C.*, page 4, issue of June 10, 1944: for *which* in penultimate line please read *while*.

## THE SOCIAL CREDITER

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### Free Enterprise and National Dividends

A new racket in word spinning is in full swing. The supporters of the *status quo* are shouting vociferously that socialism will destroy the precious privilege of free enterprise which we possess and must be resisted on these grounds at all costs. This plays right into the hands of the advocates of state socialism, as no doubt is the intention, and enables them to say: "Look at what free enterprise has been giving you! Exploitation of the many by the few, monopolies, combines and all the evils with which we are cursed."

... All the propaganda being put out by socialists against 'free enterprise' as being unrestricted economic gangsterism—propaganda which is supported by the pompous utterances of bankers and apologists for the present system that the organised racket they are operating is 'free enterprise'—is sheer unadulterated nonsense. There is precious little free enterprise remaining under our present system, and that is the main reason for all the discontent and growing revolt.

Free enterprise means a system of social organisation under which everybody has the opportunity and scope to use his initiative and enterprise—something that is almost non-existent to-day.

In the first place the vast majority of the people have little or no choice in the conditions under which they work or the wages they receive. Our marvellous financial system is so arranged that most persons are *forced* by sheer economic necessity to either accept the working conditions and wages imposed upon them, or they must face destitution. They are wage slaves with no effective scope for exercising initiative or enterprise.

... Free enterprise has been killed. It no longer is a feature of our monopoly—cartel—ridden system of centralised control.

Just as in the case of all the false propaganda about democracy, it was suggested that the cure for the wolf of a hidden dictatorship masquerading in the sheep's clothing of a democratic constitution was to substitute for it the real animal of unbridled dictatorship, so the false propaganda about free enterprise is being used to persuade us that the cure for the present centralised control which is rampant in the guise of free enterprise is to substitute absolute centralised control under one vast State monopoly which will openly plan, control, dominate and regiment everybody's life from the cradle to the grave.

Free enterprise in the true sense—the opportunity for each to exercise his personal initiative with a maximum of freedom and without interfering with the same right of anybody else—can exist and flourish only under a genuine

democracy. Genuine democracy means the government and management of a nation's affairs to give the people the results they want. This can be achieved only under a form of social organisation designed to diffuse ultimate political and economic power among the people as individuals.

In concrete terms this would mean that every Canadian would be a shareholder in the vast and richly endowed concern of Canada Unlimited. Canada Unlimited would be operated by those of its shareholders best qualified for the various jobs. The test of each person's qualification would be whether he produced the results wanted by his fellow shareholders, who must, therefore, have the power to retain him in his position if he is delivering the required results or remove him if he fails to do so. For these services each person would receive an appropriate share in the goods and services produced.

However, a successfully operated concern should provide its shareholders with dividends. The basis of the shareholding in Canada Unlimited of every Canadian is the cultural heritage—the vast accumulation of knowledge from the past which enables the people of a nation to use their resources to produce goods and services for their use. This cultural heritage is something which the entire nation inherits; no one group of individuals has any prior claim to it. Therefore every Canadian is an equal shareholder in this cultural heritage—and any dividend declared by Canada Unlimited must, in equity, be distributed equally among all its shareholders, the people of Canada.

Now it will be plain that to the extent each person obtains a dividend entitling him to a share, as a right, of the goods and services of his choice accruing to Canada Unlimited as a result of the united efforts of the people, each individual Canadian will have economic independence. And economic independence will give him freedom of action in using his personal initiative and developing his individual enterprise in association with his fellow Canadians. No person will be able to dictate to another the conditions under which he shall work or what he shall do. Nobody will be able to force or coerce any other person under the compelling threat of destitution.

Only under such conditions would free enterprise have any real meaning. In fact free enterprise, in its true sense, and Social Credit are inseparable—for the application of Social Credit principles alone will provide the political and economic democracy that will enable the people of Canada to gain full access to their immensely rich heritage and to acquire the freedom which is their birthright.

This is a matter which must be clarified by Social Crediters. The people must be shown that the present system of large scale racketeering has not only destroyed free enterprise, but actually represents the initial stages of a socialist State dictatorship—that all the propaganda being put about to misrepresent it as a "free enterprise system" is travesty of the truth designed to confuse and mislead them. The people must be shown that the choice before them is either a system of genuine free enterprise under a properly functioning democracy or the perpetuation and intensification of the evils of the present system of centralised domination under State socialism—whether introduced by one party or another being a matter of little consequence.

The focus of this issue is the freedom of the individual—the core of Social Credit philosophy.

(Reprinted from TODAY & TOMORROW, April 20, 1944.)

## Do Government Officials Know Best?

*Mr. AUSTIN HOPKINSON'S speech in the Debate on the Location of Industry, in the House of Commons on June 7, 1944.*

*Mr. Austin Hopkinson (Mossley):* I always think it well, in discussions in this House, to get back occasionally to the subject under discussion, and I venture, with all diffidence, to suggest that we have been wandering to some little extent, during the last 20 minutes or so. The subject under discussion is whether the Government know better than people themselves what people want. There are two political principles; one is Liberalism, and the other Socialism—or you can call it Nazism or Communism because they are all the same. The Liberal supposition is that men and women know best what they want. We call that idea *laissez faire*, and we say it is entirely out of date, that Government officials know very much better what people want than people know themselves, and the proposals of the Government, as outlined by the President of the Board of Trade earlier to-day, show clearly how far we have slipped back from what used to be the opinion of the vast bulk of the people of this country. Possibly, if only they could make their will felt that would prove to be their opinion to-day. That is the one thing that is going to save this country from the totalitarian State which is being erected by the present Government. Every day we get a little closer to the position existing in Germany, the position existing in Italy, and the position existing in Russia, and adopt one after another the principles of the totalitarian States. I think historians will say, if we go on as we are going with our present policy, that the enemy, even if he is defeated in the field, will have won the war because he will have forced us to adopt all those principles of his against which we are supposed to be fighting.

Nor are we likely to succeed with such a policy. Dr. Schacht, a person of some prominence in Germany, was taken back into favour in the early part of 1940, and he remarked to a neutral in the spring of that year:

"Germany is going to win in the end. Bit by bit, the so-called democracies will be forced into adopting the totalitarian system which exists in Germany—the State control of every activity of human life. War conditions will push them deeper and deeper into the mire, and at the end of the war they will not be able to get out again, just as Germany cannot. But mark this distinction between Germany and the democracies. Germany will have had the advantage of having practised that system for years and of having gained that experience which the democracies lack. Therefore, the democracies, when they become totalitarian States, will be at a great disadvantage and will go under."

That was the opinion of one of the cleverest intellects in Germany and I am not sure that he is not right.

These proposals, as they stand, are based upon the supposition that the State knows better what is good for the individual than the individual knows himself. That may be a perfectly sound and proper basis for the conduct of the Government of this country, but let the people of this country know what is being prepared for them, and, above all, let the fighting Forces know what is being prepared for them.

*Mr. Gallacher (Fife, West):* The theory is that the State can organise the resources of the country better than a series of individuals working against one another. That theory has been proved in the crisis of the war. Does the hon.

Member suggest that the State should have no part in running the war?

*Mr. Hopkinson:* That cannot possibly be true in the present war, so long as Germany and Russia are on opposite sides because the two systems are exactly the same. Supposing Germany beats Russia, does that prove that the totalitarian system of Germany is something better than exactly the same system which exists in Russia, or, if Russia beats Germany, that her system is better than Germany's? That does not give you any useful information at all because, as both sides are based on exactly the same principles, there is nothing to show which one is the better.

Now let us get down to the practical part. [*Interruption.*] . . . Forty years ago I had to "locate" an industry. I was perfectly free to go anywhere in the country to set up my industry. . . . I did the very thing that other Members would have done. I took a map of Great Britain and drew in the outline of all the coalfields. Then I made a calculation of the centre of gravity of the coalfields and thus found the most suitable spot from the point of view of my markets. On examining that spot, I found it was close to my birth place, a place I was very fond of. I knew the people and, to some extent I think my family is favourably regarded there. In those days of local banking, if a young man was starting in business without any money, it was very desirable that he should start in his own district, because the bank there would not ask him for a lot of collateral security which he had not got. All they asked was whose son he was, and if the answer was all right, they said: "Give him a thousand pounds; he'll probably make good." That was a very good reason for starting up in one's own district. The area which I chose had, moreover, excellent transport facilities. Two main lines happened to cross there and made a junction where all the express trains stopped. It was an ideal situation for the industry.

The President of the Board of Trade would never have allowed that. It was one of those areas where unemployment in my own industry was not at all bad, because it was the best position for that industry to be located. It was where many generations of skilled engineers had been brought up. Engineering works had naturally collected around that spot. For that is the way in which industry locates itself. If the Board of Trade had come to me and said: "This is a very good scheme of yours, but we think your engineering works for producing coal-mining machinery had better be located in Cornwall," would they have made themselves responsible for seeing that I did not go into bankruptcy, owing to my works being placed in the wrong situation?

Take another case. We have heard from the President of the Board of Trade about trading estates. Some years ago, owing to the extreme depression of the collieries in Durham, a great scheme was set up called the Team Valley trading estate where new workshops were established with every possible facility—at whose expense? Mine, and that of other industrialists in this country. One of the applicants for one of these new works happened to be the agent for a firm of German makers of the kind of machinery that I was selling. For many years he had been selling German machinery of this type in this country. When he saw these beautiful new works to be obtained at uneconomic prices, and with a hidden subsidy underlying them, he took some, to the great delight of the Government of the day. They said: "Here is a man who has taken one of our beautiful



new works at the Team Valley estate in Durham's depressed area. He has put into employment 100 men." I suggested at that time in this House that he had, at the same time, put out of employment exactly 100 of my men. He was in competition with me, and all that the Government had done, by their marvellous expenditure of public money and of energy, had been to put 100 men out of employment in Lancashire, and put 100 men into employment in Durham. There is not a Member of this House who does not know that this is the only possible effect that can be produced by Government action in such matters.

I respect the character rather than the intellect of hon. Members above the Gangway who sincerely think that there will be a Utopia if Government offices manage industry. How they can continue to hold that opinion, after having had 4½ years' experience of it, I cannot understand. After all, hon. Members above the Gangway know the public conduct of industry has been carried on for a long time without the profit-motive and on the basis of losing something like £2,500,000,000 per annum from its operations. As a commercial concern, the Government trading has not been a very great success. I think I have succeeded in bringing the Committee back to the consideration of the points which we are really discussing. The first point is—is the principle of Government interference in the placing of industries theoretically sound; secondly, how would it work out in practice. The flappedoodle and cant, which constitute what the Government call policy is in this case of the location of industry as one might have expected from its authorship, a perfect epitome.

### Another Bank Act in Alberta

Another Provincial Bank Bill has been carried through the Alberta Legislature. It is designed to eliminate the stated objections of the Dominion government to the last application for a provincial bank charter, made by the province in 1940.

It provides for members of the executive council to become shareholders in the Alberta Provincial Bank, to the extent of \$500,000, and to act as directors of the bank, exercising all powers and functions of directors, as required by the Bank Act.

The Act also provides that the Provincial Treasurer may pay costs and expenses of incorporating the Provincial Bank out of the province's general revenue fund, and that \$500,000 sum which will enable members of the executive council to become shareholders in the bank to that amount, also out of the general revenue fund.

If a Minister ceases to hold that office, the Act provides that he shall cease to be a shareholder or director of the bank.

The Act also repeals the present Banking Powers Act, which was the basis of the province's first application for a bank charter.

If and when a provincial bank is established, Treasury Branches would come under the provisions of the Provincial Bank Act, instead of being administered under the provincial treasury department as at present.

Mr. Maynard said that under the new Bank Act, no extra privileges will be asked of Ottawa, nor will anything be asked that is not granted to any other bank.

## The Apostasy of the B.M.A.

*The earlier part of this twelfth bulletin of the Medical Policy Association was reprinted in last week's issue of THE SOCIAL CREDITER.*

(Continued)

**THE PRACTICAL STEPS.** We hope that it is evident by now that, if we rely on the usual variety of haphazard amendments of the Executive's controlled agenda, we shall be defeated. A properly co-ordinated approach is necessary, and this approach must discriminate between policy and administration.

Now the M.P.A. Plebiscite, and the numerous resolutions already passed by Divisions, have made it perfectly plain that the great majority of the profession are in agreement on fundamental policy. The resolutions, which for the most part are simple and clear and confined to *policy*, are an example of what happens when the profession controls its own agenda. If that majority will confine itself to policy, and refuse to vote on questions of administration, it will certainly gain its objective. If, on the other hand, it allows itself to be bluffed into voting on administration, it will be split into a number of powerless and unco-ordinated groups, and policy will be controlled by the Executive, as happened at the last A.R.M.\* (see Bulletin 9).

**What we have to do, therefore, is to agree on policy, formulate that policy clearly, and inform our Executive that we require it to represent that policy, and no other, to the Government and to anyone else concerned, and that any attempt to impose any other policy on the profession will be repudiated, and the Executive dismissed.**

**The first step** is to organise in the Divisions around an **agreed policy**. (Don't try to make converts; simply get together with all those who have the same fundamental policy in the neighbourhood. They are the majority in nearly every area).

**The second step** is to pass a resolution embodying the fundamental policy. This resolution should be confined solely to *policy*, clearly stated, to be in conformity with resolutions passed by other meetings.

**The third step** is to appoint a representative to *represent your policy* at the Annual Representative Meeting. He must be instructed that this is his sole function and duty. At the A.R.M. he must refuse to vote on any questions of administration. He must convey to the central Executive your policy, and make it clear to the Executive that you look to it to **administer** your policy. The administration of the profession's policy is its proper function; that is what it is appointed for, and that is its responsibility, and its alone. If the members of the Executive say that they cannot do it, they must resign, and be replaced by those able and willing to carry out the profession's policy. **There are plenty of men competent and willing and anxious to do what is required.** The M.P.A. is prepared to put up a panel of them if necessary.

It is quite evident that an Executive, properly backed up on *policy* by the great majority of the profession, would have little difficulty in gaining the result required. As Professor Hayek has shown, totalitarianism is *not* inevitable;

\*Annual Representative Meeting. — Ed., T.S.C.

the belief that it is an opinion sedulously fostered by those interested in totalitarianism. (*Op. cit.*, Chapters IV and XIII especially). There is only one practicable way by which the Government could impose totalitarianism on the profession, and that is by making use of the "leaders" of the profession to do it. Merely passing laws won't make doctor slaves; nor could the medical profession be run by the Army. The way to make doctors slaves is somehow to bluff them into becoming the employees of the central authority, which, by controlling their incomes, can starve them into acquiescence with subsequent schemes. That is the essential and vital step, and the "leaders" have been induced to co-operate in getting doctors to take it. The principle is well understood in the slaughter house. So long as we *are* free, we can remain free—and well the bureaucrats know it. Also, "Only in war or under the threat of war will any British Government embark on large-scale planning." (PEP—in *Planning*, October 4, 1938).

It is equally certain that patients will support us. This has already been proved by Drs. Hay and Monro in Scotland. These doctors held a combined meeting of their patients and explained the White Paper to them. Then they gave them voting papers with the questions: (1) Do you wish to employ your doctor as at present? (2) Do you favour the proposed State Medical Service?—The latest information we have received is that 600 voted in favour of question (1), and *not one in favour of question (2)*. And of course it is quite obvious that *patients do not want a bureaucratic third party interfering in their private affairs with their doctors*, any more than they want the forced labour, penalties, and gestapo system that are shown in the Beveridge Report (but not in the Abridged Report).

IF THE PROFESSION IS TO RETAIN ITS FREEDOM TO BE RESPONSIBLE SOLELY AND PRIVATELY TO PATIENTS INDIVIDUALLY, IT MUST CONTROL ITS OWN AGENDA AT THE FORTHCOMING MEETINGS. TO CONTROL ITS OWN AGENDA, IT MUST AGREE ON A FUNDAMENTAL POLICY. THERE ARE ONLY TWO FUNDAMENTAL POLICIES—CONTROL BY AND RESPONSIBILITY TO A CENTRAL AUTHORITY, OR INDIVIDUAL FREEDOM, PRIVATE CONTRACTS, AND DIRECT PERSONAL RESPONSIBILITY OF DOCTOR TO PATIENT AND TO NO ONE ELSE.

To assist those who wish to state their policy for freedom in conformity with those in other Divisions as an instruction to the Executive, we submit the following. If the majority of Divisions can agree on a common form of words, it will overcome the divide and rule principle which is of such service to the Executive:—

**That this meeting affirms its desire to see the extension of the full facilities of medical care and attention to the whole community under conditions of privacy, freedom of contract, and personal responsibility of doctor directly and solely to patient, subject only to the Common Law and the ethical tradition. The meeting is, however, totally opposed to control of doctors by any form of central authority that has statutory or other power to alter the private contractual relationship between doctor and patient. In consequence, it rejects both the proposals of the White Paper, and those of the Council of the B.M.A., specified in paragraph 40 of the**

**Council's Report on the White Paper. It therefore instructs the Council that the White Paper provides no basis for negotiation, and directs the Council to take the necessary steps so to inform the competent authorities. This meeting holds the Council responsible for carrying out this our policy, and will repudiate any other policy and any personnel representing it.**

### The Negotiating Committee

A *negotiating* committee would be appropriate if we surrendered to the totalitarians. If we do not propose to surrender, we require not negotiations, but the *representation of our policy*.

The Council proposed at the last A.R.M. that the "negotiating" committee should consist of 30 members, out of which *only eight would be elected by representatives attending the A.R.M.* The members which the Council is now asking the Representative Body to approve were members of the earlier Representative Committee. This Representative Committee was itself derived from the Medical Planning Commission (*B.M.J.*, May 13, p. 663), and the Medical Planning Commission is the body which, inspired by PEP and assisted by Sir William Beveridge, permeated the profession with planning ideas. Thus the members put forward for approval are heavily committed in favour of planning; of which the central feature is a planning authority, and are probably by now constitutionally incapable of *representing* any policy but one of control.

The important requirements for a satisfactory representative are that he should himself believe in the policy he is representing, and that he should possess the technical qualifications to enable him to deal with political issues as they arise.

In the event of a satisfactory outcome of the A.R.M., culminating in the appointment of representatives to convey the profession's policy for freedom to the authorities concerned, Mr. Andrew Rugg-Gunn, M.B., F.R.C.S., a member of the M.P.A., is prepared to act in such a capacity. Further, as noted previously, the Medical Policy Association is prepared to render assistance in formulating a method of extending the conditions of private practice and other medical facilities to the whole community under conditions that do not involve the subjection of doctors or patients to authoritarian control. Such assistance will be made available on request to any properly constituted body which presents satisfactory evidence of honesty of intention, and possesses the necessary sanctions to give a system a trial under proper conditions. *There is no doubt that medical facilities can be made fully available, up to the limit of medical personnel, without central control.*

### Conclusion

For eighteen months, under the immense difficulties imposed by limited financial resources, shortage of paper, opposition, and insufficient secretarial assistance, the M.P.A. has endeavoured to clarify the policy of the medical profession. Its first efforts were largely directed to ascertaining the policy on which the Executive of the B.M.A. was basing its political activities. The result was published in Bulletin 5, of which the important extract was reproduced in Bulletin

11. Shortly we obtained from the Executive the statement that they advocated a central authority.

Next we ascertained the policy of the profession, by means of a Plebiscite. This revealed that 77 per cent. of 10,000 doctors who replied were opposed to control of the profession by any form of central authority.

On the basis of these ascertained facts we have issued a series of analyses bearing on the developments of medical politics, and have endeavoured to assist doctors taking action to retain their individual freedom. We have indicated where relevant information is to be found. Under existing conditions, it has not been possible to deal with the situation as fully as is desirable to make it clear to a body of men whose interests and duties are far removed from "politics." There is now, however, a considerable body of doctors who understand the situation, and they can do a great deal in helping others.

In the last resort action depends on individuals, and the point has now been reached where momentous consequences depend on your action as an individual. Centralised power is being used on an enormous scale against you, yet the issue depends on the aggregate actions of individuals. If now you surrender your individuality, it may be for your lifetime, and the life of the doctors who succeed you.

Some of the material in this Bulletin may be difficult to grasp, because compression is unavoidable. But an effort to understand, together with a study of the references given, will, we believe, make it clear. We can win this battle. The M.P.A. is doing what it can in various fields related to the issue; but the time has come when right individual action, on *your* part, is increasingly decisive. Centralised power can be defeated by individual initiative—and it had better be.

The basis of effective political action is:—

1. Have a clear comprehension of your objective—your policy.
2. Associate yourself with others having the same objective.
3. Avoid confusion between policy and administration.
4. See that your representative does represent your *policy*.
5. Make those responsible for carrying out your policy responsible for getting *results* you require. Let them be entirely responsible, under penalty, for the methods they adopt. (If you allow yourself to be forced into voting on methods, you become responsible for the results of those methods).

**Do this and we shall remain a great and free and responsible profession.**

[The address of the Medical Policy Association is 18, Harley Street, London, W. 1.]

**SEPTEMBER 2, 1939**

"When the final hour came only one member of the French Cabinet was fully in favour of war. That was the desperate last-minute fact which presented itself to Mr. Chamberlain. That one man in Paris was Monsieur Mandel." — *Review of World Affairs*, June, 1944.

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