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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

From an advertisement in the *Bucks Herald* of April 5:

"Bucks War Agricultural Committee . . . invite Farmers and their Workers to see

VALLEY OF THE TENNESSEE

a film showing the story of the Tennessee Valley Authority. New methods of Farming and Land restored to Fertility."

But they didn't say anything about the thirteen thousand dispossessed Tennessee farmers, and the thousands of acres of good land permanently lost by submersion, or the connection of the Jewish control of the TVA with the activities of the "British" PEP and its offshoot, the War Agricultural Committees. Or the fact that the suggestion to organise the Missouri Valley on the lines of TVA raised such a storm that it was hastily withdrawn "for reconsideration."

The finance of TVA is likely to be the subject of a Congressional investigation. In 1939, the last date of which we have an account, the loss to the taxpayer was \$12,789,000 (Twelve and three quarter million dollars).

• • •
"British" Communists Calling. 8 a.m. April 16. Demand for rationing, everywhere, always, by Herbert Lehmann (Jew). Ferocious minimum penalties for building reported as carried in House of Commons. Success of Professor Laski in getting permits for Spezia Jews to enter Palestine. Coal restrictions in "Britain" to remain as before. "Collectivisation" of Alderney, previously given as news talk, repeated as news. British policy in occupied Germany represented as Fascist.

• • •
It will be remembered that two of the accused persons in the Canadian Spy Case stated under oath that they had an allegiance which transcended their Canadian citizenship. In view of the fact that they were Jews, it is interesting to compare this statement with the Instructions of the Supreme Council 33rd Degree Scottish Rite of Freemasonry.

"Repeat now after us our Supreme Vow;

"I swear to have no country but the Country Universal. I swear to oppose utterly, always and everywhere, the boundaries of nations, the boundaries of fields, of houses, and of workshops, and the bonds of family.

"I swear to overthrow at the sacrifice of my life the boundaries which the humanicide Christians have traced with mud and blood in the name of God. I swear to devote my entire existence to the endless triumph of progress and of universal unity, and I declare my adherence to the denial of God and of the soul."

Few persons regard the Cabinet as being anything but a not very polite racket whether it is called a Conservative or Socialist Ministry. But the acquiescence of Sir John Anderson in the balance sheet just presented by Sir Hugh Dalton really can only mean one of two things. Either the ex-Chancellor does not understand anything about finance, in common with Mr. Dalton, or both of them are merely "putting on an act" in connection with a document over which they realise they have no control; a document prepared elsewhere, quite possibly in New York, which they are instructed to present to an apathetic public. Our food is doled out from Washington; why not our money from New York? It is sheer waste of time to analyse it; its integrity is sufficiently indicated by the proposal to place the receipts from the sale of Surplus in a Fund (how well we know those Funds) so that not only does the taxpayer have to pay again for what he paid for in taxes, but the sums he pays do not go to the reduction of capital account, and so he pays in perpetuity. Towards the latter half of the nineteenth century an eminent Anglican divine, Bishop Wilberforce, was widely known as "Soapy Sam". This idle reflection arose in our mind as we contemplated a photograph of Dr. Dalton presenting his Budget. What a perfect union of the man and the part—the flexible countenance, the flexible figures, and the Liturgy of Mammon. Waal, waal, waal. We may not see his like again.

• • •
"All the dilapidated buildings you see are really due to the system of taxation. It is the same with cottages. You have a dilapidated cottage, and make it good and habitable, but immediately you have done that, you have to pay much more in income tax. The real cause of the disgraceful housing condition is taxation." Mr. Justice Macnaghten in the Revenue Court on March 12, 1946.

• • •
We live, (and it would appear, for our sins) in a power age. The measurement of power, and especially of electrical power, is one of the least controversial subjects. It is susceptible of a degree of accuracy considerably better than one per cent of error, and the result is expressed in invariable units in regard to which there is no discussion.

Therefore, when Mr. Emanuel (God with us) Shinwell tells the press conference that the total consumption of coal by the electricity generating stations has risen very considerably, and the large power companies state that the units sold have gone down, a number of questions appear to demand an answer.

The two statements can only be reconciled on the assumption that coal of lower quality (calorific value) has been used, or that the overall efficiency of generation has gone down. The latter condition might be temporarily the result of lower output, it might be the result of losses on the

Grid system, or just plain waste of coal. But even so, there remains the enigma of results. If Mr. Shinwell's contention is correct and the productive efficiency of the country is not less than it was in 1939, we ought to be getting at least half as much again in industrial production as in 1939—an estimate which disregards any improvements of process over that period. Where is it? What are we getting for it? Why is the standard of living that of a moderately well run prison, and when is the greatly superior efficiency of the Planned State (which, be it remembered, was instituted by the P.E.P. Government as caretakers for the present Ministry) going to produce something other than paper Forms and more bureaucrats?

The three main centres of occultism are said to be Tibet, Capri (Italy), and Denmark. A demonstration alleged to be of 200,000 people, has just taken place in Denmark demanding intervention against General Franco in Spain. Denmark has no legitimate interests of any kind in Spain, and the demonstration (if it took place) is a further proof that Armageddon is a war between Judaic occultism (the Kabbala) and Christianity.

PARLIAMENT

House of Commons, April 4, 1946.

WORLD FOOD SHORTAGE

Sir David Robertson (Streatham): ... I will confine myself to matters that are within the control of the Government, and particularly the Minister of Food.

In the food Debate on 14 February last, the Minister of Food said:

"If I could have another ten refrigerator ships, I could make a good deal of change very quickly in this country, but, unfortunately, I have not got them."—[OFFICIAL REPORT, 14 February, 1946; Vol. 419, 4. 580.]

Prior to that Debate, and realising that lack of shipping would be used as an excuse for failure, I met the official in charge of the United States shipping in the United Kingdom and Iceland. I inquired whether refrigerator ships were available for urgent British use.

Sir B. Smith: American ships, I think.

Sir D. Robertson: As I said, it was an American official in charge of United States shipping in the United Kingdom and Iceland. It was, of course, United States shipping we were speaking about. I was told that vessels of the C.2 reefer type, the largest and most modern, each capable of carrying 6,000 tons, were becoming available as their duties in transporting frozen foods to United States overseas bases, were finishing. I was told that if the British Government sent a strong minute to the United States Government a number of these fine vessels would be loaned to us at a cost equal to the actual cost of the operating of the vessels. Unhappily, I failed to catch Mr. Speaker's eye in that Debate although I sat throughout, and, therefore, I drew the attention of the Minister of Food by question to the availability of these refrigerator ships. In spite of his great need the Minister sidetracked my Question by turning it over to the Minister of Transport who replied in a written answer. My right hon. Friend the Minister of Food answered Questions early on that day and if he had replied to me, of course, the House would have known about this. However, my Question was numbered over 100. It went to the

Minister of Transport and I got a written answer to the effect that they were always in touch with the United States shipping administration but would make enquiries. The House has not yet been told the result. I now ask the Minister who will wind up this Debate to state what success has been achieved in securing these essential vessels. At the same interview, I inquired whether the United States were in a position to loan us cargo vessels. I was told that 50, or even 100, of the most modern 10,000-ton Liberty ships of the oil-burning type were available on request, if required.

Mr. Harold Davies (Leek): If we had the dollars.

Sir D. Robertson: I realise we are short of dollars, but the amount required to pay for the use of essential shipping could not be regarded as an obstacle in these days of world food shortage. We could find the dollars by cutting out some of the worst of Hollywood's exports. I now want to say a few words on the subject of meat. The White Paper published two days ago acknowledges that livestock production has increased greatly in the United States and Canada, and is still 40 per cent. over pre-war production. Since the ending of Lend-Lease I understand that exports to this country have ceased. In view of Britain's great need I suggest that these should be resumed. When the American loan comes through it will provide some of the dollars and I hope our exports and passenger shipping services will provide the remainder. I shall be glad to hear tonight what the intentions of the Government are about immediate imports of meat from the United States and from Canada. The White Paper also states that meat production in southern hemisphere countries is greater than it was before the war. I was informed yesterday by one of the leading importers that the present rate of killing in New Zealand is higher than ever before, that cold stores are laden with mutton and lamb awaiting shipment. Another speaker in this Debate referred to that and said the killings had stopped because the cold stores were incapable of taking any more meat. ...

Sir B. Smith: ... The hon. Member for Streatham (*Sir D. Robertson*) asked me about refrigerated tonnage, and assured me, through an American friend, that I could take all the refrigerated tonnage I needed—

Sir D. Robertson: I never said, "friend." I said a top ranking official in Europe, Eisenhower's righthand man.

Sir B. Smith: I accept that, but I want to assure the hon. Member that I cannot hire those ships. It is all a question of dollars. It is all a question of dollars, and that goes also for a good deal of dry goods tonnage. The Americans, of course, would be glad to let us have them on their terms, but until this Government has the exchange with which to meet those demands it is futile to ask me or anybody else to hire the ships. I need them, for with their help I could lift the whole of the exportable surplus of the Argentine, of Australia and of New Zealand, and could collect the 40,000 tons of apples I have bought. ...

April 9, 1946.

ADVERTISEMENTS (RACIAL DISCRIMINATION)

Mr. Palmer asked the Minister of Labour if he is aware that a list of vacant posts for scientific and technical workers circulated by his Department included several advertisements which stated that no aliens or Jews were required; and

whether he will take steps to ensure that no advertisements involving racial discrimination are in future approved by his Department.

Mr. Isaacs: Some vacancies containing a certain stipulation were notified to my Department whose duty it is to submit the type of applicant likely to be acceptable to an employer. In this case the list of vacancies with the stipulation was circulated internally in my Department and was also made available to an association of workpeople, but no question of the approval of an advertisement arose.

Mr. Palmer: Will the right hon. Gentleman agree that it is a disgraceful business that these advertisements should be backed apparently by a Government Department?

Mr. Isaacs: I do agree that the backing of a Government Department ought not to be given to advertisements of this character and I am very much concerned about it. What happened was this. This firm asked for persons within the classification and we passed it to one of our Departments and to the association concerned with that class of workers. The information got out in that way. I personally regret it, and if I had seen it before it was published I would have prohibited it.

Mr. Sydney Silverman: Will the right hon. Gentleman undertake that in future his department will not circulate applications for persons which contains such a racial discrimination and which are against the published policy of this country?

Mr. Isaacs: That is certainly what I intended to say.

Mr. Piratin: Will the Minister consult with his colleague the Home Secretary in order to ensure that legislation is passed to prohibit such cases of racial discrimination?

WAYS AND MEANS FINANCIAL STATEMENT

The Chancellor of the Exchequer (Mr. Dalton): . . . we have to make good not only the ravages of two great wars on our timber reserves, and the beauty of our woodlands, but also the failure, over long periods, of private landowners at large, in spite of some admirable exceptions—but they were exceptions—to take proper care of existing woods and forests, or to plant on a sufficient scale.

Mr. Churchill: That is quite undeserved.

Mr. Dalton: We are providing, this year, no less than £335 million for cost of living subsidies . . . thanks to increasing profits and increasing incomes generally, I expect to do a bit better than this, and to get an additional £67 million from Income Tax this year, giving a total yield of £1,145 million . . .

In the last full year of war, 1944-45, our expenditure was £6,063 million and our revenue £3,238 million. That is to say, in the last full year of war, out of every £1 of expenditure we met 10s. 8d. out of revenue. We thought that was a good record for a full year of war, and so it was. In 1945-46 the year of transition from war to peace, our expenditure was £5,484 million, and our revenue £3,284 million; so that, last year, out of every £1 of expenditure, we paid 12s. out of revenue. In the year which is now opening, 1946-47, the first full year of peace, expenditure is estimated at £3,887 million, and revenue, on the existing basis of taxation, at £3,193 million; so that, on this basis,

we shall pay, this year, out of every £1 of expenditure, 16s. 5d. out of revenue. This, I suggest, is a pretty quick recoil towards a balanced Budget . . .

NATIONAL LAND FUND

Finally, I have a word to say about the land, and about the special fund to which I have already referred. In 1909, 37 years ago, David Lloyd George introduced a famous Budget. Liberals in those days sang the "Land Song"—"God gave the land to the people." I think that the right hon. Member for Woodford (Mr. Churchill) used to sing that song.

Mr. Churchill: I shall sing it again.

Mr. Dalton: Then I hope for the right hon. Gentleman's full support in the proposals I am about to make. The strains of that song have long since died away. But much land has passed, since then, from private into public ownership and it is the declared policy of the Labour Party that much more should so pass, and that the principle of the public ownership of land should be progressively applied. There remains on the Statute Book one Section of the famous Finance Act of the late David Lloyd George which is of present day interest and importance in this connection. Section 56 of the Finance (1909-10) Act, 1910—I will not trouble the Committee with its wording in full—provides that, when the Executors and the Commissioners of Inland Revenue agree, Death Duties may be paid by the handing over of land instead of cash.

There was never much follow-through of that Section during the years that followed. It has remained rather sterile upon the Statute Book. It has never been used as was originally intended, even, although this mode of payment might often have been a great convenience to Executors, no less than to the State, if properly used. Indeed, only twice in 36 years, in two quite trivial cases, has this Section been the means of bringing two small pieces of land into the hands of public authorities . . .

BROADCASTING, SCOTLAND

Colonel Gomme-Duncan (Perth and Kinross, Perth): . . . What are the proper functions of a broadcasting service? I do not think I can do better than repeat the very brief headings given in an extremely good pamphlet produced by the Saltire Society, a society which deals with every form of Scottish culture . . .

April 10, 1946.

WAYS AND MEANS

Mr. Benson (Chesterfield): I suggest that not only is our Income Tax level too high, but that the incidence itself requires very considerable review. Take P.A.Y.E. That was a brilliant piece of work. It was logically perfect. The Board of Inland Revenue were asked to produce a scheme, and they produced the cumulative assessment. It certainly was a brilliant piece of work. It deals with every possible factor except the factor of human nature. Indeed, it is a perfect example of the perfect tax, that has become a perfect nuisance.

The Chancellor of the Exchequer (Mr. Dalton): So what would the hon. Gentleman do?

(continued on page 6)

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The Abandonment of the Price System

When the history of this period comes to be written, if it has any survivors who can understand it, one of the difficulties they will encounter is the apparent isolation of Finance, and particularly the wage system, in the first Socialist Government, from any intelligible price structure. The same phenomenon was apparent in the atmosphere which surrounded the almost-forgotten Macmillan Monetary Commission which we now see was submerged in the activities of the international plot, PEP "New Deal".

We confess to an inability to decide whether the fantastic wage increases, (which of course can only be spent on withheld consumer goods) the "export drive", and the imposition of the lowest standard of living perhaps ever experienced in the British Isles, are the outcome of a determination to repeat the Russian financial wreck of 1917, as a preliminary to a bloody revolution; or whether the money hypnosis has such a hold on the majority of the "Labour" Ministers that they think that, having captured the Bank of "England", its magic will work just as well the way they are working it as it did under an intelligible, if vicious, orthodoxy. But such statements as Mr. Emanuel (God with us) Shinwell emits on the economics of coal prices are either sheer lunacy, or they are intended to make a price system having any relation to costs impossible. And how and what is to replace the proposition that money and prices are simply a ratio, Mr. Shinwell may know, and the Bretton Woods bankers may agree; but if so, it is a State secret. If nothing workable is to replace it, our doom appears to be sealed.

A Programme for Canada

At the highly important and successful National Convention of the Social Credit Association of Canada, held in Regina on April 4, 5 and 6, the Hon. Solon Low, M.P., was re-elected President, and Professor Grégoire, D. Litt., and Major Jukes, D.S.O., Indian Army (ret'd.), Vice-Presidents. The following resolution, the significance of which is self evident was passed by a considerable majority:—

NATIONAL ACTION

RESOLVED THAT:

- (1) The main efforts of the Movement be directed henceforth to the establishment of non-party electors' action groups in as many polling divisions as possible.
- (2) These electors' action groups to unite and mobilize the

electors in their respective polling divisions in a demand for the results they want.

(3) As a majority of electors in each constituency becomes organized on the foregoing lines, steps be taken to bring the elected representative of that constituency under the effective control of the electorate.

(4) The National Council be authorized to work out a detailed program of action in conformity with this policy, to be submitted to the provincial Social Credit organizations and other organizations for their consideration and implementation."

The Shortage Policy

"Clearly no man can say that food will be scarce many years from now. Then why does the Government pretend such knowledge?

"Are anonymous 'officials,' of doubtful allegiance, being too clever for rather simple-minded Ministers?

"An explanation may be found in the latest broad-sheet of that anonymously-controlled organisation which propels this country towards Communism behind-the-scenes and calls itself merely "P.E.P." (Political and Economic Planning)... Where, even now, is 'the world shortage'? In North and South America food is not rationed. Ireland has food-abundance and (as Sir Shane Leslie testifies) vainly offers it to our Government: Australia also. Denmark has food to spare, but it comes not to us. Bewildered British soldiers describe the abundance of food in Athens, Salonika, Rome and Milan in their letters home. A traveller returning from Czechoslovakia recently told us of astonishing plenty in the foodshops there. In a London hotel lately our table was next to that of six Hollanders who had brought pounds of butter and dozens of eggs to tide them over a week in England. . . . The continuance of food-rationing as a *policy*, irrespective of the amount of food available, would mean that in a vital matter the Government is yielding to the Communist Group inside the Labour Party."

— Tidings, April 13.

In the House of Commons on April 10, Mr. Skeffington asked the Secretary of State for the Colonies whether he is satisfied that the Government of Palestine have adequate plans for housing and adequate machinery for carrying them through.

Mr. George Hall: . . . Bulk orders were placed and importing arrangements made by the Government to ensure the provision of building materials at the lowest possible cost. When these began to arrive in 1945 the Government Emergency Building Scheme was put into operation, to provide accommodation at reasonable rents for the cramped population of the urban centres of Jerusalem, Jaffa, Tel-Aviv and Haifa. This scheme, which is progressing favourably, will provide accommodation for some 14,000 families. Municipal schemes and programmes of Housing Associations and Private Companies designed to accommodate some 12,000 families have received Government approval and are now under way.

The supply of building materials imported under Government auspices is constantly improving and the local mass production of standardised components organised by the Controller of Heavy Industries has substantially reduced the cost of those items . . .

Communism in Canada

The following, which is to be continued in our issue of next week, is the text of the speech by Mr. Norman Jaques, M.P., in the Debate on the Address on March 25:

Mr. Speaker, may I congratulate the mover (Mr. Viau) and the seconder (Mr. Winters) of the address in reply to the speech from the throne. I can only hope that time will justify their optimism. I should like to endorse the speech that was made by my friend, the hon. member for Peace River (Mr. Low, who leads this group and also the speech made by the hon. member for Portneuf (Mr. Gauthier), which I think was an excellent one. But I did not wait until I reached the House of Commons before making public my ideas on espionage in Canada. I happened to be in Victoria when the news broke, and I wrote a letter to the press which has been published in various papers in this country and which I will now read:

The existence of a "Communist Spy Ring" should surprise no one. To-day Marxian socialists, internationalists and other totalitarians occupy key positions in government, organized religion and education.

The communist party is an organized concern with unlimited funds, directed by a permanent general staff, many of whom have been trained in Moscow in the arts of moulding the thoughts and actions of the workers.

The communist party holds key positions in most labour unions, has infiltrated all channels of publicity. They have penetrated the teacher's federations, the theatre, all avenues of education, instruction and entertainment. That is true of every democratic country.

The police are exposing not merely a ring of professional spies, but a nation-wide conspiracy inspired by Marxian socialists who, for years, have been undermining our Christian and democratic ways of life, thus threatening the sovereign rights and freedoms of Canada.

Only a few weeks ago the Canadian Soviet friendship council (one among the fifth column identified by the police) held mass meetings across Canada which were sponsored by the leaders of church, state and business.

For years columnists and commentators of press and radio, the "Red Network", directed by the "Hidden Hand" of world bolshevism, have been poisoning the minds of Canadians with anti-Christian, anti-democratic propaganda without let or hindrance.

I do not blame the Russian government for carrying on this espionage. I continue to quote: It is the men entrusted with the safety and welfare of church and state, and not their underlings, who must be held responsible for the existence of "Communist Spy Rings" composed of men and women who have been systematically taught by socialists that Christianity has failed, that patriotism and loyalty are national vices, and treason a virtue.

That, I maintain, is no exaggeration of the situation in Canada to-day.

Nobody has mentioned the fact, the amazing fact to me, that we practically had to apologize before we arrested the enemies of this country. Nobody has remarked on the equally remarkable fact that, so far as we are told, no arrest of spies has been made in the United States and only one, I believe,

in the United Kingdom. Are we to suppose that there are no spies in the United States? Or are we to suppose that their police arrest them and that they then disappear without anybody's knowledge? Or are we to suppose that this communist movement has become so powerful that its adherents can defy the police and government authorities? It must be one of these three things, and from what I have read in United States papers the fact is that the control exercised by these people is such that so far they have carried on with impunity.

Criticism has been made, I believe, of the Prime Minister (Mr. Mackenzie King) in the first place, coupled with the Minister of Justice (Mr. St. Laurent) also the mounted police or, if you like, the police commissioner. Nobody hates tyranny more than I do, but I think those people who have criticized the steps taken by the Department of Justice and the police have failed to realize the dangers that face us. Surely everybody knows that the honest Canadian need have not the slightest fear of either the Minister of Justice or of the police or of the commissioner. To-day in Canada no honest Canadian need fear the Department of Justice, and might I add that that cuts both ways, that the Minister of Justice and the commissioner of police need fear no honest Canadian.

Let me quote two statements by two of the world's great men. The first is a very short one by his Holiness the Pope, from an encyclical by Pope Pius XI, on "Atheist Communism." These are his words:

"No one who would save Christian civilization may collaborate with it in any undertaking whatsoever. Those who permit themselves to be deceived into lending their aid towards the triumph of communism in their own country will be the first to fall victims of their error."

Then we have this statement which was written by Winston Churchill just prior to the war. It is taken I believe from his book, "Great Contemporaries". He says:

"Communism is not only a creed. It is a plan of campaign. A communist is not only the holder of certain opinions; he is the pledged adept of a well-thought-out means of enforcing them. The anatomy of discontent and revolution has been studied in every phase and aspect, and a veritable drill book prepared in a scientific spirit for subverting all existing institutions. The method of enforcement is as much a part of the communist faith as the doctrine itself. At first the time-honoured principles of liberalism and democracy are invoked to shelter the infant organism. Free speech, the right of public meeting, every form of lawful political agitation and constitutional right are paraded and asserted. Alliance is sought with every popular movement towards the left.

"The creation of a mild Liberal or Socialist regime in some period of convulsion is the first milestone. But no sooner has this been created than it is to be overthrown. Woes and scarcity resulting from confusion must be exploited. Collisions, if possible attended with bloodshed, are to be arranged between the agents of the New Government and the working people. Martyrs are to be manufactured. An apologetic attitude in the rulers should be turned to profit. No faith need be, indeed may be, kept with non-communists. Every act of good will, of tolerance, of conciliation, of mercy,

of magnanimity on the part of governments or statesmen is to be utilized for their ruin. Then when the time is ripe and the moment opportune, every form of lethal violence from mob revolt to private assassination must be used without stint or compunction. The citadel will be stormed under the banners of liberty and democracy; and once the apparatus of power is in the hands of the brotherhood, all opposition, all contrary opinions must be extinguished by death. Democracy is but a tool to be used and afterwards broken, liberty but a sentimental folly unworthy of the logician. The absolute rule of a self-chosen priesthood, according to the dogmas it has learnt by rote, is to be imposed upon mankind without mitigation, progressively forever. All this, set out in prosy textbooks, written also in blood in the history of several powerful nations, is the communists' faith and purpose. To be forewarned should be forearmed."

(To be continued.)

PARLIAMENT

(continued from page 3)

Mr. Benson: The Chancellor asks me what I would do. I would hand it back to the Board of Inland Revenue who gave it birth, and ask them to see that it was reborn . . .

Sir Stanley Holmes (Harwich): . . . Now I want to express my agreement with the hon. Member for Chesterfield in what he said about P.A.Y.E. Having had great experience of this matter I say that it ought to be given up altogether. I would remind the Committee that P.A.Y.E. was instituted by Sir Kingsley Wood, and that the impulse really came from the trade unions . . .

Sir Stanley Reed (Aylesbury): I was rather surprised when my hon. Friend the Member for Harwich (Sir S. Holmes) entered into his dissertation on P.A.Y.E. If I touch upon it briefly now it is in no spirit of controversy; but rather because the Committee should not be under any misapprehension. He gave the Committee to understand that P.A.Y.E. was introduced on the representations of the trade unions. I do not know what part the trade unions took, but they were by no means the only or the strongest force . . .

The Chancellor referred in passing, to our contribution to U.N.R.R.A. and to its effect upon our economy. I think it is time a little plain talk was indulged in over U.N.R.R.A. After all our £80 million or £90 million to U.N.R.R.A., whether in money or in goods, is a very considerable sacrifice by our people at this time. If in cash, it comes from resources we can ill spare; if in goods, it is adding to the difficulties of our dollar exchange, and is taking out of this country things of which our people are in urgent need. To illustrate; not long ago, in company with some of my constituents, I waited on the head of our transportation company to complain rather bitterly of the irregularity, slowness and inadequacy of our means of communication. He said, "I quite admit it is bad and defective and ought to be rapidly improved, but what has happened? We have lost 500 of our engines, others are falling to pieces, and we cannot promise anything better until we get new ones." A day or two afterwards I saw in my paper a picture of a magnificent engine, one of a number of British manufacture, going to Yugoslavia under U.N.R.R.A.—

Mr. Austin (Stretford): Is not the hon. Gentleman wrong in referring to U.N.R.R.A.?

Hon. Members: Order.

Sir S. Reed: I read again a day or two afterwards that in Yugoslavia, where every public expression of opinion is controlled by the present government there, day in and day out there is nothing but continual abuse of Britain, of the Commonwealth and Empire, and of all its ways. We are making sacrifices and will continue gladly to make them for the rehabilitation of countries which suffered in the war, but there must be some genuine response and some genuine recognition of what we are doing and there must be something better than continued abuse and criticism of us and all our ways.

Another point to which passing reference has been made, and which is, frankly, a nightmare to me, is our overseas debt and the growth of that debt. I think the Committee should know quite clearly, either from the Financial Secretary or the Chancellor, the amount of that debt, the way in which it is growing, and how we can hope to discharge it, without introducing into our relations with countries with which we hope to keep as cordial as we can, an element of distrust and an element of some bitterness . . .

Mr. Coldrick (Bristol, North): . . . I submit it is the most regressive form of taxation that could be imposed upon the people of this country. It has been argued that indirect taxation is regressive in so far as its incidence falls disproportionately upon poor people, and by a curious form of logic it is now being suggested that, if one retains the Purchase Tax and grades it, presumably it will be exceedingly progressive.

What in essence will it mean? I have always believed that progress is made by bringing an increasing range of goods down to a lower price, in order that the mass of the people may be able to enjoy their consumption, but if we are to retain the Purchase Tax, and make people pay an added tax in order to consume a superior article, inevitably we shall create a class system . . . Apart from the fact that it denies poorer people the opportunity of consuming the better articles, it tends to do the very thing which the Chancellor insists he does not want to do, and that is, to promote inflation . . .

Mr. David Eccles (Chippenham): . . . They want to use taxation to redistribute wealth and to iron out the inequalities of wealth. That is to use the collection of revenue to change society. It is a policy which involves a principle that must come into conflict with the other principle of encouraging the growth of the national income, if it is pushed too far.

I want to direct the attention of the Committee to the conflict of these two principles. We have gone a long way from the time when John Stuart Mill described progressive taxation as "graduated robbery" and when another eminent man said that it was no part of the taxation system to readjust the vicissitudes of fortune. Times have changed, and the amount a Government now has to spend is so large that it cannot possibly be collected if the taxes are not governed by the principle of ability to pay. We all agree with that, and that means progressive taxation. How far ought we to push this principle of progressive taxation? . . . Men and women always have been, and always will be, born unequal; they differ in their brains and ability, they differ in their willingness to apply their brains and abilities. They also differ in their willingness to save, and thus, in that worthy

manner, to accumulate an income out of capital. We on this side of the Committee say that those differences should be reflected in some differences of fortune. We say that the State ought to respect inequalities of fortune which are a proper reflection of differences in ability, application and thrift. That is our principle. It follows that we think it wrong that the Chancellor should push graduated taxation, as he has done last autumn and yesterday, to a point where any part of a man's income is as good as confiscated. That is not levying tax; that is imposing a penalty, which ought to be done by a court of law and not by an Income Tax inspector.

Here I come head on against the Socialist doctrine which holds that no man can be worth more than a certain income, and further, that the amount of that income ought to be fixed by politicians. As I watch the nationalisation Bills coming before this House I see that right hon. Gentlemen opposite do not object to high salaries, provided they nominate those who are to receive them; and I learn from the current number of *Tribune* that when the Socialists have got the power to fix all incomes, as they will have to do when industry is completely nationalised, we are to look forward to the total abolition of Income Tax. That is entirely logical, because direct taxation becomes completely superfluous once the Government have to fix all wages and salaries before they are paid.

I should like to say to the Committee with such emphasis as I can command, that never in British history has a group of men aspired to such absolute power as would be theirs if they could fix every citizen's income. Further, be it noted, that in such a Socialist society there would be no certainty of a greater equality of income. Indeed, I am told that in Russia inequality of reward is a most marked feature. But there would be a certain loss of freedom, and in those circumstances ambition—that ruthless, savage, and almost universal emotion—ambition, which is now largely measured in terms of money, would then be largely measured in privilege and power, with the cruel results that can be seen in any totalitarian economy. We on this side of the Committee will never allow that any handful of men has the right to fix the value of all their fellow citizens in terms of money. Such power would corrupt angels, let alone our honourable selves. We on these benches, on the other hand, are resolutely determined that the real differences in ability, application and thrift should be the test of differences in fortune [*Interruption.*] Yes I mean that.

Mr. Benson: Would the hon. Gentleman allow me? To which of these attributes would he ascribe the inheritors of income?

Mr. Eccles: Under the third, thrift. We hold that the best way of mitigating improper inequality is by way of positive action, that is, by promoting the opportunity for all men and women to get on in the world . . .

. . . Why is it the Labour Government, the self-styled representatives of labour, have done nothing at all about P.A.Y.E.?

Lord Keynes

The sudden death of Lord Keynes on April 21 is reported.

Special Treatment

The "Hampstead Parliament" is a debating society which debates the current topics of the day according to Parliamentary rules. It meets in the Hampstead Town Hall, and claims to be the oldest society of its kind in the country. A local paper, the *Hampstead News*, makes a special weekly feature of reporting the debates, usually to the length of a column and a half. Every debate during the recent session, which closed on March 27, was reported at some length in the issue of the following week, except the debate which occurred on March 13 when the motion was allotted to the Independent members. All mention of this debate was absent from the usual column, which was filled with heterogeneous matter of no obvious urgency instead.

The Order of the Day, was as follows:—

Mr. C. G. DOBBS (Croydon South), Ind. (Social Credit) to move:—

"That in the opinion of this House the right to contract out from National Insurance (including Health Insurance) is fundamental to the maintenance of freedom and should be the prerogative of every citizen irrespective of income."

Seconder: Capt. ARTHUR ROGERS (Horniton) Independent.

The following is a brief resumé of the opening speech, a copy of which was sent to the *Hampstead News*:—

Insurance is a contract undertaken for fear of lack of money. This fear is, in general, justified or not according to the monetary policy pursued by those who control the Nation's credit. Since the nationalisation of the Bank, the Government at Westminster claims to be in control of the Nation's credit and its intended policy can be judged by the fact that compulsory insurance against poverty is to be imposed on everybody except those who are already very poor (those with incomes under £75 per year).

Compulsory State Insurance was first used by Bismarck (1883) as a means of reducing the common people to a state of subservience to the Government. It was first applied to the poorest and most helpless class in this country by a 'Liberal' Government in 1911, and the income limit raised twice thereafter to include those whom debasement of the currency had reduced to a similar state of poverty. In 1942, at a critical stage of the War, the Government launched a huge propaganda campaign in favour of the Beveridge Report, which recommended universal compulsory State Insurance, and in the 1945 election no opportunity was given to the electors of voting against it.

All members of the governmental class, of all parties, are agreed that compulsory national insurance is a progressive measure conferring freedom from want upon the poor, whose burdens will be lightened by the inclusion of the higher income groups. As one has come to expect, this is the reverse of the truth, as may be judged by anyone who will give honest answers to the following questions:—

1) Who suffers more from a levy of 4/7 or 5/9 a week, the rich or the poor?

2) Who suffers more from having to comply with the innumerable and unlimited conditions attached to the receipt of benefits, the rich, who can afford to forego them, or the poor, who cannot?

3) Who suffers more from a fine of £10, and £10 per day after a first conviction, for failure to comply with any of the regulations or conditions, especially those attached to the receipt of benefit, the rich or the poor?

4) Who suffer more from having to limit earnings to £1 a week, or have them deducted from a pension of 26/-, those who have to live on the State retirement pension, or those who have savings, or a civil service pension to live on?

5) Who need most the benefits of such an Insurance Scheme if they are to escape the extremes of want? Obviously the very poorest, those with under £75 per year, who by reason of their poverty are exempted from participation.

This last is the clearest evidence that the main purpose of the scheme is to get and not to give, to profit the new class of Beveridge bureaucrats who will thrive on taking our money from us, surrendering some of it again on whatever conditions they like, and living on the difference, and certainly not to profit the poor who are excluded if they have not enough money to be worth taking. Above that level of income, the freedom of all will be restricted in direct proportion to their poverty. The only people to be unaffected by it are precisely the people who devised it, whose income is sufficiently high to make an additional levy of a few shillings a week a very cheap price for their increase in power over everyone who cannot afford to refuse the benefits, and ignore the conditions attached to them. The right to contract out of the whole business is absolutely essential to the preservation of the freedom of all but the wealthiest section of the community.

A somewhat typical Conservative amendment sought to make the freedom to contract out subject to "the principles of sound insurance." Not a word was said in favour of this amendment, and the mover of it made a most eloquent speech in favour of the original motion; but the move gave the Conservatives an excuse for abstaining from voting against the principle of compulsion to which their party leaders have committed them. In all, six speeches were made in favour of contracting out, and five speeches were made against it, consisting exclusively of a dogged repetition of prevailing propaganda in favour of compulsion, without reference to its complete exposure, amply supported by facts and actual extracts from the Insurance Bill, made in the speeches for the motion.

Finally, the Conservative amendment was negated without a division, and the "House" divided on the motion, the Socialists voting solidly against, the Conservatives, who could have outvoted them, remaining in their seats, and most of the Independents and some Liberals supporting the motion. Result: Ayes: 12; Noes, 28.

Extracts from a report of the Debate which appeared next day in the *Hampstead and Highgate Express*, a local paper which does not usually make such a feature of the "Hampstead Parliament" Debates as does the *Hampstead News*, are as follows:—

A Conservative motion opposing compulsory national insurance was lost by 16 votes at Hampstead Parliament on Wednesday night.

Mr. M. G. J. Dobbs (Cons.) said that compulsory insurance struck at the very poor who could not possibly afford to pay the contributions.

Mrs. C. Borrett (Cons.) insisted that the right to contract out of national insurance should be limited to high income groups.

• • •

Mr. D. Jackson (Lab.) maintained that equal benefits should be available to all. "We do not want the wealthy to draw the best medical attention away from the common people," he said.

In many respects this local affair exhibits the characteristics of the Press and of the Parties, which are largely responsible for the loss of our liberty.

— C. G. D.

The Mighty Atom

A correspondent draws our attention to the dedication of Marie Corelli's *The Mighty Atom*, first published in 1890:—

"To those self-styled 'progressivists' who by precept and example assist The Infamous Cause of Education Without Religion and who, by promoting the idea, borrowed from French Atheism, of denying to the children in Board-Schools and elsewhere, The Knowledge and Love of God, as the true foundation of noble living, are Guilty of a Worse Crime Than Murder."

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