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An Introduction to Social Credit*

By BRYAN W. MONAHAN

Part 1.—PHYSICS.

(continued)

Bearing in mind that the solution of a particular problem, or apparent problem, is only an application of Social Credit like the application of algebra to Zeno's problem, we may approach the greater subject through the well-known "paradox of poverty amidst plenty."

Seven years of war and post-war disturbance have admittedly abolished both the poverty and the plenty. Poverty is thought of as a financial condition, and plenty as a material one; and at the present time incomes are widespread and at a high level, while goods of most descriptions are in short supply.

Unless a further phase of the war supervenes shortly, however, it is certain that both poverty and plenty will return. This at least seems to be a basic assumption of official economics, which, in consequence, is freely forecasting a depression in the near future.

The nature of "plenty" is the first subject we have to examine; this is the field of physical and industrial science referred to, earlier.

From the purely physical, material point of view, man is a machine performing work by the conversion of energy. He is a form of internal combustion engine, obtaining energy by the burning of fuel. Now the primary condition of individual life must obviously be that the amount of energy obtained from the "fuel"—food—shall be sufficient to allow for the expenditure of energy in the searching for and consumption of food. It is possible to conceive of a state of life where the consumption of food just balanced the expenditure of energy in obtaining it, and in these circumstances no other activity would be possible. Life must have started at least slightly above this level, for otherwise no progress beyond it would have been possible. Now the difference between the energy-expenditure necessary merely to sustain life, and the energy available altogether, represents "profit" in its most fundamental sense. It forms the basis of the ability of the animal to pursue other ends than the mere obtaining of food.

A thorough understanding of this basic physical reality is essential to our subject, for it lies at the very heart of Social Credit. An individual which has to devote the whole of its time to obtaining the mere necessities of its existence has the nature of its activities wholly determined by this necessity. But as soon as it has a surplus energy above this fundamental requirement, it has a choice as to how it will expend it.

There are, of course, innumerable ways in which this surplus energy may be expended. One of them, however, is of peculiar importance. This is the use of this energy to improve the efficiency of the individual as a machine—to further increase the useful effect produced by a given expenditure of energy. Of the many ways in which this may be done, the important one for our enquiry is the construction of tools; for the use of tools introduces a new factor, not only enabling a much greater economy in the expenditure of energy, but rendering possible processes hitherto impossible.

We might imagine an individual man, equipped with neither knowledge, training, nor tools, and suppose that he could support himself by grubbing for food with his bare hands. Let us suppose that, after allowing for necessary sleep, he has an hour or two a day to spare, when he need not search for and consume food. That hour he might spend in "amusement." But if he devotes it say to making a net with which to catch fish or birds; or to making an instrument with which to dig; or a spear; or even if he devotes it to devising better methods by which to obtain his basic requirements; then he makes it possible to obtain those basic requirements in a still shorter time, and thus to have at his disposal increased time which again may be devoted either to "amusement" or to improving efficiency.

We need not explore the natural limits of this process, for it is only the principle which is of importance. An exact grasp of the principle, however, is of the first importance. It is the basic physical reality underlying the conception of *investment*. This is the elementary form of investment, on which the modern complicated superstructure is founded. Investment is the devotion of energy to the increasing of efficiency in the expenditure of energy. It begins in the individual, and its original benefits accrue to the individual.

The tools and knowledge of processes which result from this basic form of investment make use of the individual's own energy, and the total amount of such energy available in the individual limits the usefulness of tools. Yet, even within this limit, the cumulative effect of the use of tools, and of the knowledge of process, results in a marvellous expansion of the possible results of effort. One has only to think of the change wrought by the use of the spade in the practice of horticulture.

But it is most important to realise that it is not the spade alone, but also the knowledge of the use of the spade, and of the habits of plants, which results in the realisation of the possibilities. Now, many tools have a life exceeding the life of their makers, and commonly they are passed to a succeeding individual. This we call inheritance. It is only less obvious that all we may call knowledge is also the subject of inheritance. The sort of knowledge we are considering is, in fact, a cumulative inheritance; it is a growth

* Now appearing in *The Australian Social Crediter*.

from generation to generation, a growth and a condensation; for a knowledge of the original knowledge is commonly lost. But—in this context—the knowledge inherited is a *working* knowledge; the individual inherits with the spade a knowledge of “spade-practice”, without which the spade has only a fraction of its possible usefulness.

This working knowledge, this knowledge of process and practice, in all its wide ramifications, inherited parallel with physical inheritance, we call the *cultural inheritance*. This again is a fundamental conception of immense importance, as real as, and more effective than, the longevity of tools and structures. For it enables not only the adequate use of the tool, but the tool's replacement.

Thus we have found basic physical meanings for the terms *profit* and *investment*. Profit we may define as improved efficiency accruing to the individual; and investment as the application of profit to the enhancement of efficiency. Profit, investment and *inheritance*, especially *cultural inheritance*, are basic elements of economics, and a correct understanding of them apart from any economic, and particularly financial, theories is essential.

“Plenty” has its origin in these elements; it begins in the little surplus energy at the disposal of the individual, is increased by the application of this surplus to the improvement of process, and enhanced through the accumulations of the cultural inheritance.

(To be continued).

Who Are The Economist's Readers?

Last week's funny-page article in *The Economist* again touched the constitution issue and “laughed off” the Revolution. It began: “By kind permission of the publishers, the Stevenage University Press, we are privileged to print the following extract from a forthcoming book, to be published early in 2048, by the Silkin Memorial Professor of Political Mechanics.” By way of a reference to whether or not, “if a Minister's wife did not observe . . . limitations and the Minister was officially advised to divorce her,” he would be constitutionally bound to accept advice from “his” permanent staff; a sly association of “the aged Duke of Montgomery” with political eminence; and other details of “broadening down from precedent to precedent” the article comes to a conclusion with—“It was not until 2013 that an Act was passed formally legalising the position that the real nomination [to the permanent staff of “the reality of power” above the Law] lies with the Committee of the Athenaeum. This happy blend of classical learning derived from Greece, of a self-perpetuating Soviet derived from Russia, and of the mandarin system imported from China, illustrates the flexibility and adaptability with which the British Constitution has evolved through so many centuries without any of those forceful revolutions that have brought so much tragedy to less fortunate peoples.”

Documents of Communism

“Speaking at Canberra [on November 29 last], Mr. Archie Cameron, M.H.R., in criticising the appointment of Mr. Mountjoy to the executive of the C.S.I.R., mentioned the Canadian spy ring. He went on to say that he had previously asked the Attorney-General the number of members of the Soviet Legation in Australia. The reply showed that there is the astounding number of 84.”

“Mr. Cameron complained that the reply to his question had not been published in *Hansard*. This is a serious matter, and some searching questions should be asked by the electors.”
—*The New Times*.

Tidings for January 25 states that copies of the Report of the Canadian Royal Commission are now obtainable from H.M. Stationery Office, and that memoirs by Alekseev (mentioned on page 8 of this issue) may be expected to be published.

BOOKS TO READ

By C. H. Douglas:—

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Economic Democracy	(edition exhausted)
Social Credit	3/6
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Security, Institutional and Personal	6d.
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Social Credit Principles	1½d.

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The New Despotism by the Right Hon. Lord Hewart...21/-	
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The Nature of Social Credit by L. D. Byrne	3d.
The Beveridge Plot	3d.
The Beveridge-Hopkinson Debate	3d.
Lectures and Studies Section: Syllabus.....	3d.
Social Credit: An Explanation for New Readers 1½d. each, or 50 copies for 5/-.	

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7, VICTORIA STREET, LIVERPOOL, 2.

Responsibility of the B.M.A.

Dated January 20, 1947, the Medical Policy Association addressed all representatives to the B.M.A. meeting held on January 28. The letter said the true issues had been obscured by emphasis upon subsidiary details and irrelevant arguments and overlaid with prejudice and material interests. It continued: "The plain facts are as follows: This is an Act which is designed to deflect the profession of medicine from its ancient and legitimate end and convert it at a stroke into a *means to an end*, that end being, not the health of the nation nor the care of the sick and needy, but the balancing of Treasury accounts. It is designed, further, to degrade the status of the individual doctor from that of a freeman freely using his knowledge, skill and judgment, after the manner of a profession, in the interests of his patient and for the advancement of medical knowledge, to that of a servant of the Civil Service, liable to fines, imprisonment and dismissal unless he obeys to the letter the arbitrary orders of Whitehall. Ninety-five *per cent.* of British doctors know this in their hearts and fear it. They know that they can serve under this Act only with a loss of self-respect. That doctors do not openly acknowledge this and act upon it, is due to another fear, *viz.*, that they may find themselves in a minority and be compelled by economic pressure sooner or later to conform. In other words, they distrust their fellows. This uncertainty—the fear of the unknown being greater than the fear of the known—holds them back and impels them to disguise their real motives with substitutes. The latest of these is to doubt the legality of flouting constituted authority. It is a curious commentary on this argument that men are now being tried in Germany at the instance of this same Government for failing to do what we are told not to do!

"If, then, we are right in suggesting that fear of the other fellows's disloyalty is the primary impediment to wholesale refusal by doctors generally to serve under this Act—and we are far from implying that this fear is groundless—its removal should not be beyond the scope of statesmanship. We submit, therefore, that the results of the plebiscite authorize the Representative Meeting to instruct the Council of the B.M.A. to draw up a SOLEMN LEAGUE AND COVENANT, the terms of which should be short, precise and unambiguous, which every practising member of the profession in these Isles should be invited to sign and thereby bind himself irrevocably to refuse service under this Act or any other Act which centralizes control of professional activities in a Government department or Ministry or any single corporate body. This is the answer to the Minister and to his ignoble mouthpieces, and now is the time to give it. We believe that only on these lines can the profession be mobilized to express their true feelings and to make a stand for freedom, individual, professional and scientific, and save the sick of the nation from the fate of receiving care and attention in their hour of need that falls short of the very best that modern medical resources can provide.

"The Minister desires above everything to force the doctors, by guile, into accepting joint-responsibility with him for an Act that is certain to prove unpopular. This must not be. Let him be solely responsible for his own Act or let the three Presidents share responsibility with him. For it is as certain as that day follows night that Mr. Bevan will make no concession that matters. This is clear from his reply to the three Presidents. "I shall endeavour," he writes, "to meet any views of the profession which do not conflict

with the principles of the Act." Further on, he says "a doctor, like any other citizen, has his rights at common law enforceable by the courts . . . I will gladly discuss with representatives of the profession the procedure to be followed BEFORE deciding an appeal TO ME from a decision of the Tribunal to remove a practitioner's name from the list, with a view to providing any additional protection possible WITHIN THE FRAMEWORK OF THE ACT." Note the words "within the framework of the Act." Should additional protection within the framework of the Act be found impossible, well, it's just too bad. Note also this—that negotiations are not harmless, as is so often said. Negotiations over regulations commit you to approval of the principle of the Act.

"Freedom of action for patient as well as for doctor is best protected, indeed, can only be protected if the patient has the funds with which to enter freely into a contract with doctor or hospital. If the Government really desires to provide the poor with the same service as has been enjoyed by the rich, it can do so by ensuring that everyone needing medical attention has the money to pay for it."

The Pope to the Patricians

Addressing the Roman nobility on January 9, the Pope said, *inter alia*:—

"To-day, it is less difficult for you to determine your possible lines of conduct. The first of these is inadmissible. It is that of a deserter, or someone who is justly called an 'émigré à l'intérieur.' It is the abstention of a vexed and annoyed man who through spite or discouragement, makes no use of his gifts or of his energies. He takes no part in the activities of his country or of its needs, but withdraws himself while the fortunes of his country are at stake.

"Also an unworthy line of conduct is that which is the result of a lazy or passive indifference. This is sometimes hidden under the mask of neutrality—it is *not neutral*, it is *guilty*.

"But an upright and staunch man, however, is one who does not allow himself to be shaken in his convictions either by the upheaval of the people or by the menacing frowns of the tyrant. Such a man remains firm even though the world may be falling to pieces around him. An upright man will feel the obligation to resist, to stop the cataclysm, or at least to lessen the damage.

"This means that you must face the present situation as it is, and in directing your activities to the good—not exclusively to your class but to the good of the entire nation. Thus, individuals and families will be able without difficulty to lead a life according to the laws of God—to live orderly and be happy. . . .

"In this way, there opens before you the task for the future. Last year on this same occasion, we showed where lay the nobility and aristocracy even in those democracies of recent date which have no feudal traditions behind them.

"This nobility is the society of families who, in keeping with tradition, give all their energy to the service of the State, its government and administration, and on whose fidelity it can count, on every occasion."

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Saturday, February 1, 1947.

From Week to Week

"... Mr. Byrnes recently said to a Foreign Office official 'I think you English are mad. You want dollars; you sell us whisky at 6/- a bottle [4/9, Editor, T.S.C.] which will sell in the U.S. for 20/- a bottle and in South America for £5 a bottle. I am convinced you English are Mad.'" —*Sunday Express*, January 19, 1947.

No, Mr. Byrnes, not in this case. There is an uglier word for it. Ask some of your own importers who know all about it.

You haven't heard that we are sabotaging barley so that there will only be small quantities of whisky left, have you? That ought to leave the market free for American whisky.

Sir Stephen Bilsland, Chairman of the Scottish Council (Industry) gave five reasons to the Edinburgh Chamber of Commerce on January 17 for the resumption of whisky distilling. Not one of those reasons had any connection with the supply of whisky to Scotsmen.

It is becoming increasingly rare for anyone to suggest that you should make something because you want it, Clarence. Take care you aren't put away under 18B.

Perhaps one of the most surprising features of the French situation is that the only sign of financial sanity anywhere evident, should be in a country which has been notorious for its financial corruption and chicanery since Carlyle's Glorious Revolution which opened the door to it.

As we have always insisted, credit in its monetary form is primarily a function of prices: falling prices, "good" money; rising prices, "bad" money and the flight from it. We have become so used, in this country, to the policies and practices of the London School of Economics, of which the fundamental principles are open and concealed taxation to whatever extent is necessary to deprive the individual of his credit in return for a minimum ration, that we perhaps do not recognise the possibly historic nature of the "Lower Prices" associated with M. Blum—an association almost as surprising as its field of operation.

It must always remain a matter for speculation whether the contempt which people such as Dr. Dalton have for the intelligence of the general public is justified. What is not in doubt is that the policy of inflation which he pursues and understands, serves the purposes of the Financier-Socialist gang far better than a "price" policy, and nothing at the moment suggests that they are losing their grip.

The House of Commons more-or-less re-assembled after happy days of feasting on the devastated Continent. You

can say this for "Labour"; it not only believes in broadening its mind, but, also, its not inconsiderable body.

We commend to our readers a letter in *Truth* last week under the heading "Enemies at Large" on the genealogy of the Jews, not only for its intrinsic interest, but because it indicates the extraordinary ability with which, at one and the same time, the idea of race in the Goyim, the Gentile, has been ridiculed and discredited, while in the Jew it is the vehicle and the basis for special privilege beyond anything which would be claimed by the possessor of sixty-four distinguished quarterings.

The same idea runs through the propaganda of Communism: destroy your opponent's prestige and accuse him of all the tricks you are playing, or mean to play, yourself.

The success of the technique as applied to "Britain" after each of two victorious(?) wars, is not in doubt. A leading Quebec newspaper remarks "England no longer enjoys quite the same prestige." Waal, waal . . .

The feature which must appal any thinking individual at the present juncture is the universality of the attack on civilisation. The Canadian Espionage Report is perhaps more striking by reason of the fact that no such Report has been issued elsewhere; yet to suppose that Canada was alone selected for the activities with which it deals is merely fatuous. We are afflicted with streams of unctuous nonsense from the new League of Nations; yet, both in this country as well as among the rest of the "victorious" Powers of Europe, the most flagrant and inhuman breach of International 'Law' is not merely condoned; the discussion of it is largely suppressed—we refer to the slave labour of German and Italian prisoners of war. If they were Jews, the world would ring with it.

Neglected Teachers of Mankind:

No. 1. (THE OCTOPUS)

From *The Times* advertisement columns, January 20:—

RESEARCH in the PHYSIOLOGY of LEARNING—An opportunity has arisen for the appointment of a RESEARCH WORKER to investigate the mechanism of learning in various animals, and in the first instance in Octopus; the work to be done under the direction of Professor J. Z. Young, partly at the Biological Station at Naples and partly at University College, London. Applications are invited from men or women with training in Biology or Medicine. The appointment will be for three years in the first instance, and the salary £600-£800 per annum, according to age and experience. In addition special expenses of the research and fare to Naples will be met.—Applications to be sent forthwith to the Secretary, University College, London, Gower Street, W.C.1.

International Spy Ring

Up to December 27 last, fourteen persons had been tried in Canada on charges arising out of the espionage "probe" commenced during the previous summer. Durnsford Smith, National Research Council engineer, was the last suspect to be convicted, being sentenced to five years' imprisonment in Kingston Penitentiary. On various dates, seven others were sent to prison, one was fined and five were acquitted. The *Edmonton Bulletin* for December 27 stated that an appeal on behalf of Durnsford Smith was expected.

Neville Chamberlain

By NORMAN F. WEBB

It is difficult to decide what can be done within the limits of a critique with a subject as massive as this *The Life of Neville Chamberlain*.^{*} Commend it for what it is, yes; because it is an extremely able biography, well told and, as far as anyone can judge, no more biased than any friendly (and by that I mean understanding) biography has a licence to be. From his literary and historical qualifications, its author, who never actually knew Neville Chamberlain, would seem eminently well qualified for his work; but when that has been said, all has in fact been said. The next step is to procure the book for oneself and read it, and get its extraordinary flavour of the English industrial ruling class of the nineteenth and early twentieth centuries—the class that not only pioneered the Industrial Revolution, but found time in conjunction with the remnants of the landed aristocracy, to govern the country, and introduce almost all the ameliorative and restrictive social legislation of the period. The age of Peel and Palmerston and Gladstone (Disraeli simply defies definition) and Joseph Chamberlain and Asquith and Baldwin. The whole epoch—with the loss, perhaps, of some of its saving Anglo-Saxon ripeness—seems to be summed up in Neville Chamberlain; all its integrity, and real gentlemanliness, and its pragmatic narrowness, and stiff honesty, come, as it were, to a head in his slow maturity, and fall—yes, even if only for a time, fall—when he fell in May, 1940.

In a sense the story is simple; because Englishmen, the best of them, are simple, and there can be no two opinions at the end of this biography, no matter how differing one's political opinion, that Neville Chamberlain was comparatively speaking, a "good" man. Perhaps, according to Lord Acton's dictum, and for that same reason, he was not great, though I think that as statesmen go, he was wise and sagacious under the most bewildering concentration of events that it has ever been the fate of a British Prime Minister to meet. And for the reason that he was no power-monger and no dictator—he said of his premier-ship: "it has come to me without my raising a finger to obtain it, because there is no one else, and perhaps because I have not made enemies by looking after myself rather than the common cause"—for that reason he was not corrupted, was in a way incorruptible.

Both the outcry released at the time of "Munich" and the subsequent fall are made quite plain and understandable in this narrative, lacking no plausibility, but only significance, by being kept entirely to an internal domestic issue. Radical though the Chamberlain strain was, Welsh and non-conformist largely in origin, one recognises a potential antagonism with the Left from very early years. It is interesting to note how considerable were the struggles and exertions of the better nineteenth century industrialists to improve the labour conditions which the sudden expansion let loose by applied physics had produced. There are no new and, be it said, potentially restrictive, measures of "Social Justice" being mooted today that do not seem to have been canvassed, if not put into actual operation in the Birmingham of fifty or sixty years ago by the Chamberlains, or some one of their class, and Neville was in the forefront of all this. He had wide experience of the political working man from an early age, and while, in local government and municipal affairs, he was in touch with them from his

earliest days, and industrially on the best of terms with them, he had no very high opinion of them in their political capacity, especially when he fought them in local Government and reprobated their determination to use it for political ends. "Their gross exaggeration," he says, "their dishonesty in slurring over facts that tell against them, and their utter inability to appreciate a reasonable argument, do embitter my soul sometimes, and if I seem hard and unsympathetic to them, it is the reaction brought about by their own attitude." Chamberlain had none of Baldwin's easy-going finesse. He found it hard to disguise his thoughts, and he would subscribe to nothing he did not wholly feel. In Parliament, in later years, his clashes with Labour were frequent and biting.

But it fell to Neville Chamberlain from 1934 onwards, not in his ministerial capacity of Chancellor of the Exchequer, but actually because he, beyond all others in the Cabinet, saw the dire necessity for Britain to rearm, to press this unwelcome and internationally unpopular policy on the reluctant British public. It was the last thing the financiers of Hitler and Goering wanted. So British political labour was swung into action, and responded as eagerly and blindly to their extra-territorial "whip", as did the "Canadian" men and women recently tried and condemned in Ottawa. Had not Clement Attlee—unless he is incorrectly reported—said at Southport in 1934: "We have absolutely abandoned any idea of nationalist loyalty. We are deliberately putting a world loyalty before loyalty to our country." I think, above everything, it emerges from this autobiography that Neville Chamberlain was re-armament, and re-armament Neville Chamberlain. He who had the courage to say in Parliament in 1936 "Britain has no policy", had from 1934 onwards a very definite view of what had to be done, that was to re-arm, and do everything possible to postpone hostilities. In July, 1936, when Hitler guaranteed Austria's integrity, his diary records: "I do not take Hitler's peace professions at their face value . . . once again we are given a little more space in which to re-arm." And there are numerous other notes in the same strain. It may be criticised that his vision was not large enough. Probably Churchill felt this; but Churchill had not to deal with a reluctant British public, fed almost exclusively from the Left, and a Labour and Liberal opposition that blocked any move towards his goal. Doubtless, with the use of such ballyhoo and mass-psychology methods as were employed in Germany at the same time, the scope might have been enlarged. But having regard to the country and particularly, the man, we must recognise that that was not a real possibility—the worse for Britain had it been so. Nothing can be more certain than that the "Left" mentality, the psychological condition upon which the international forces of evil play their disruptive fantasias, is fundamentally inconsistent. They cry for collective security and individual disarmament; for sanctions and "the strong line," when through their exertions their national unit has been rendered powerless; and, as in this case, they send up a scream of outrage when the result of their own reactions force a humiliating compromise on their country. Admit the poor showing of the successive Baldwin governments—and this book, incidentally, shows what a predominating hand Neville Chamberlain came to have in them long before his premier-ship—nevertheless, their instinct was always truer and ahead of public opinion, oppressed and moulded as it was by *The Times*-inspired Left propaganda. To hope against hope, and to re-arm at the greatest possible speed without disrupting

^{*} *The Life of Neville Chamberlain*, by Keith Feiling.
(London: Macmillan, 25/-.)

industry or totalitarizing the country (the armament budget for 1939 was £1,500 millions; no small sum!) and to gain time—that became the only practical policy. It was, too, a British policy, and Chamberlain who was the initiator of it and the chief impulse behind it, was the natural target for all the anti-British international forces.

Then came the split with Eden, handled with almost too great delicacy here, over the danger of throwing Mussolini into the arms of Hitler, and lighting the European bonfire before we had got together sufficient equipment to put it out. And the pressure behind Eden; America, and his fear of alienating her public opinion. Then, inevitably, came Munich, and whatever its faults of arbitrariness and lack of diplomatic tact, it was absolutely in the sequence of the policy which Chamberlain had set himself. It achieved its pragmatic end, and the Left Wing doctrinaires congregated in New York and London and screamed in outrage.

Finally, war came, and Britain met its impact with her wheels turning in the right direction and to some purpose, due almost entirely to Neville Chamberlain. But the Left, still and always under extra-territorial orders, refused co-operation to the man who had done all the spade work, and bided their time. Then came Norway and the sudden personal attack imposed in an atmosphere of panic, and Neville Chamberlain's "fall". A new design was given to the war, a personal, centralized strategy of the most brilliant kind, and since its alternative was not to be tried, there is no more to be said. And whatever was the subtle "international" difference between Churchill and Chamberlain at the highest levels—and personally between the two men, acting and reacting together since the declaration of war, there was absolutely no difference; their relationship is one of the reassuring things that emerge from this book—by his own removal, as Chamberlain knew, Labour and Liberals were enabled to enter the Cabinet without losing face. Finally, in 1945, the doctrinaire Left picked up the broken threads, and are now busy showing the world what a futile thing it is to fight a war, no matter with what brilliance of strategy and eloquence of exposition, if you don't know what it is all about.

At the beginning of Chapter 33, there is a magnificent photograph of Neville Chamberlain fishing in Scotland; the last, golden word in English leisured, homespun gentility and statesmanship. That is what fell in 1940, all that upright, self-contained insularity and confidence. And the world waits to see what is going to take its place.

Priority Number One

In the foregoing review of Mr. Keith Feiling's work I have accepted the subject more or less as the author did, at its face value—a picture of British statesmanship in the inter-war years, wrestling with "events" largely as unrelated phenomena. There is not the slightest suggestion in the book—as I think there was none in the mind of its subject—that "events" were other than they appeared to be, and fortuitous, or that particular cards were being forced on Great Britain; nor that the problems that confronted the Government might have been tackled other than in the way they were tackled, to a large extent in isolation and in their own sequence. That is, of course, mainly how men live and act on this plane of consciousness—more so today perhaps than ever—and I begin to think it is the chief reason why they are so much the victims of eventual circumstances. They

take things entirely—as to some extent we all needs must—in the sequence in which they present themselves in time, whereas actually, if we wish to dominate and solve our problems, that sequence will be found more often than not to be a false one, destined to make us the slaves, not the masters of events.

Never, I think, were the practical results of this procedure more clear, or its disastrous fruits plainer to be seen, than in the inter-war period exactly covered by this biography of one of its most considerable and effective political figures. What had happened was, I believe, something like this. To deal instinctively and successfully with problems and events as they come and in isolation—and in one sense that is the only effective way to deal with them—one must concentrate and more or less forget other considerations. But for proper co-ordination there must exist a strong, agreed and underlying principle or policy; such for instance as was supplied by the Mediæval Church, or in a much more limited sense is supplied by a military war. Granted that fundamental and common agreement, individuals and nations can let their creative impulses blossom with comparatively little fear of collision and in reasonable safety. But remove the unifying principle or policy, or purpose, and creative exuberance turns rapidly into exclusive ambition, and dictatorship. That is the present world's dilemma; it is without a common policy or principle, and so every separate nation, organisation, individual, tends automatically to exclusiveness instead of co-operation.

But "Back to Mediævalism", or resort to any kind of moralistic "religious" revival, is, I feel, no cure; nor is it feasible. The instinctive phase of human thought is over. With the disappearance of the *external*, mediæval discipline to compel us to listen to the *inner* voice of conscience, individuals must learn to obey a new form of "internal" prompting, and for a different reason; not for a moral reason, but for practical reasons, for the love of realism—in short, for *results*. The New Principle may arise in one or many guises, but it will, in its nature, I feel sure, approximate to the principle promulgated in England a hundred and fifty years ago, of "Enlightened Self-interest," with the emphasis on the enlightenment. Under its influence—and this is my point here—statesmen and individuals will begin to refuse to receive "events" and the sequence of their occurrence as a result of blind fate, the will of God, to be accepted as such, but will apply to them a more scientific analysis and a more sceptical and open frame of mind. Through the promptings of Francis Bacon and his continental coadjutors, the deductive and finite frame of thought of the Mediæval school-men regarding learning and research, was broken, and an overwhelming flood of "practical results", technological expansion, was released. And the same procedure—individually realistic, in place of generally prohibitive—must be applied to the deductive and finite frame of moral thought. It will have to be a frame of thought that will assist individuals to attain to the concept of self-interest as the only path to realism (Reality: God), and *enlightened self-interest* as that which realizes that one's own and one's neighbour's interest are for all practical purposes one and indivisible.

"And the second is like, namely this, Thou shalt love thy neighbour as thyself."

That reflection is something of a digression, but it is born of my study of Mr. Feiling's admirable picture of an intelligent, upright Englishman, dealing just so—in a

alse sequence—with the problem of the inter-war years which culminated in the crescendo of crises between, say 1932 and 1939. It was a terrifying concentration and jostle of events, occurring in the congested defile created by the deficiency of consumer purchasing power. Towards the end of the period the increasingly threatening state of Europe, combined with the drop in the unemployment figures due to re-armament and the housing boom, tended rather to confuse and obliterate the issue in men's minds, but nevertheless, from the time of the partial recovery after World War One till the outbreak of World War Two, there cannot be any doubt that the dominant and outstanding phenomenon and problem that demanded all the attention of statesmanship was presented by what was popularly known as Poverty in the midst of Plenty. Acknowledged by all, it was the anomaly of partially-running, or closed-down plant and overstocked warehouses on the one hand, and on the other an insufficiently satisfied general public, surrounded by an awful fringe of real want and malnutrition, on the other; of a plethora of real wealth, over against financial poverty.

Politically speaking, and especially of the particular era of economic crisis covered by the term inter-war years, that was the problem; that was, or should have been Priority No. 1 in the legislative programme and in the thoughts of all serious statesmen and governments and voters. And yet it was not. Continuously in domestic affairs Parliament was forced to deal with its numerous and proximate effects—chief among them, of course, unemployment—but the problem itself, the cause, apparently never presented itself to them as a crucial issue. It is uncanny to have the negative evidence placed before one so clearly as in this record of the political life, covering this inter-war period exactly, of one of the most active and "best"—using that term in an almost engineering sense, of well-integrated and built up, and placed—statesmen of the age, with whom apparently, as with his less likely contemporaries, it occupied neither second, third, fourth, nor even fifth place in his thoughts. In fact, if this book, compiled from all his most intimate papers, is not deliberately selective—and I see no evidence of it—as a problem or an issue it came nowhere.

Now this demands an explanation.

Neville Chamberlain led a very full life—an industrialist employing considerable numbers of workers; the municipal high-spot of a great manufacturing city; a local government expert; a pioneer and practitioner of Welfare Work, and a reformer of Housing and Health when such things found no place at all in the now-so-solicitous Press, he was in contact with a very wide field of social activity. It is obvious his humanity was deeply wounded and disturbed by the conditions of the human material of England's industrial expansion, and he gave up much of his leisure before he went into politics in working directly on these social problems. With his entry into the Cabinet, a great part of his time was spent in promoting and putting through Parliament reformative and highly restrictive legislation of extraordinary scope and anticipation. In fact, on the strength of Neville Chamberlain's reforming zeal, he proves himself a centraliser of the first order. And because Priority No. 1—the shortage of consumer purchasing-power—was invisible to him, except as a sequence of its effects, such as slum conditions, mal-nutrition, unemployment, exploitation, etc., etc., he was led as is the Conservative Party today, as well as the best elements of the Government, to work against

himself. And so, particularly from 1931 onwards, he who prized the relative Christian freedom of the Anglo-Saxon Way of Life before everything, lent all his prestige and talents and the somewhat tarnished prestige of his party to the will of the centralizers, *because he could see no other way*, no other sequence; promoting legislation of a progressively restrictive, and coercive, and pauperizing kind, embracing the whole useless Pharmacopœia of Social Security.

"These measures" comments Mr. Feiling, "he used to say privately would make the ground ready for some great act of consolidation which in time to come would crown the purpose of his life's work, the object of which was to set on an unshakable foundation a triple partnership between the State, the employer, and the worker, to insure against all the giant ills that flesh is heir to." And when he died, politically a beaten man, Anglo-Saxon freedom and culture which he so much prized, appeared to be losing on every field to the bureaucratic interference which all his legislation had promoted and fostered. That is what comes of taking the card that is dealt you in the belief that it comes from heaven, whereas nothing comes from heaven except the power to judge, to choose; the faculty of deciding for oneself what actually is Priority No. 1.

Now the answer to this riddle of the unnatural blindness of most men in positions of authority—at least, the answer to the main part of it—is comparatively simple. Almost all men are to some extent power-mongers, potential scoundrels; certainly it might be safely said, all that get to high political positions, and they instinctively scent the threat to "power" implicit in the realistic destruction of poverty. That is largely how it comes about that they are prepared to see society tied up, even to take a hand in the process, in a hopelessly impeding net of remedial legislation, designed (quite mistakenly) to mitigate the worst effects of their acquiescence in so palpably unethical a deception. I speak, of course, of the more "well-meaning" careerist-politicians, rather than of the much cruder dictator-gangsters. But manifestly, Chamberlain, particularly, was no power-monger in this excessive and enslaved sense; comparatively speaking, he was an exceptionally free man. He may have been bound up with a Party that had over-sold itself—it is hard to believe that Baldwin's successive Governments had not—but it is plain that Chamberlain himself had given few hostages to fortune from the usual motives of personal ambition. And even if he had scented danger in economic enfranchisement, surely in the inner sanctum of his diary he would have canvassed the possibility of a deficiency of purchasing-power, had it ever occurred to him. The conclusion is that it never did, any more than did the real nature of the dark forces—"the evil things" he referred to in his war-declaration broadcast—ever really present itself to him. "They" were Hitler and his gang, then, because Nazi Germany was for the second time in twenty-two years the chosen instrument of a "necessary" war directed against individual freedom—the war that the avoidance on his part of Priority No. 1, and on the part of all men of influence all the world over, had made inevitable and unavoidable.

To the last he hoped against hope, and put in herculean labour and effort that the inevitable might be avoided. And when war came, it came to him as the arbitrary decision of a raving maniac, the man with whom he had fraternized so heroically the previous Autumn. Along with much else of

significance, he had shut his eyes to the picture of the six million unemployed in the Germany of 1932, which was Hitler's justification and his ladder to power. He could not see the pattern behind Hitler. His view was the inhibited and conventional one of the English politician, of the man of affairs, of the man of this world, heightened in significance by his honest gentlemanliness and simplicity.

How valiantly and how vainly he strove to avoid the war made inevitable by his own, and his fellow ministers' inertia! His blindness would be pathetic, were it not actually so crass and wilful; so full of determination not to see uncomfortable economic realities. So too, when Clement Attlee, who together with official labour, opposed and rendered as difficult as possible his rearmament efforts, made it quite clear (if he is correctly reported at Southport in 1934) that they were acting under "international" instructions, Chamberlain failed to comprehend the true nature and potency of the opposition he faced. He argued and sparred with them and attempted to put the "British" Labour Party where it rightfully belonged, among the disloyal reactionaries and obstructionists, and thus added personal animus (a deadly force) to the international propagandist pressure under which they acted, against the day of his downfall.

I say that on the evidence of this book, Neville Chamberlain's moral record is a relatively grand one, such as could not, alas, be paralleled today; a credit to him and to the land that produced him. But viewed from the greater eminence of statesmanship, and particularly from the Social Credit standpoint of economic realism, it is pathetic, without purpose or principle, like the tragic and opportunist period which it covered. As he himself said in 1936, "Britain has no policy." How could she? When her ministers dealt with grave national and international crises just as they were tossed to them, like buns into a bear pit, without discrimination or any kind of constructive thought. In the latter end nothing could have been done probably; events came crowding in more like thunder rain on a tin roof, drowning completely the last chance of a hearing for the still small voice of reason contained in the book *Economic Democracy*. Hitler's election, the World Economic Conference, Mussolini's African ambitions, the Purge of '34, the walk into Alsace, the Spanish Civil War, the Constitutional Crisis, the occupation of Austria, etc., etc. The only thing left to do was to avoid being bounced out of the frying-pan. And at least the awful unemployment figures were going down monthly. But of statesmanship, of policy, there was none. What a degrading spectacle. And presiding over it all, Baldwin and Macdonald, in uneasy and undignified duplication, like over-grown twins in a double pram. Dreadful! And it might all have been so comparatively easily avoided, if First Things First had been Great Britain's political motto, instead of Catch-as-catch-can.

Today, we have in the Conservative Party the potential heirs to all this, without one man approaching the moral integrity of Neville Chamberlain, and captained by a Specialist—one of the most brilliant, probably the world has ever seen—in military strategy. To those familiar with Lewis Carroll's *Hunting of the Snark* the parallel will come instantly to mind; and it would seem that the Party is only saved from an accentuated repetition of the Baldwin reign of ignominy by the fact that the electorate has thrown it out on

its neck. Still national and international crises come crowding and jostling into the post-war arena, and Ernest Bevin, on whom, to quite a considerable extent, the mantle of Chamberlain has fallen, flies from one world conference to another, propping up the four corners of a tottering world. But on the Home Front now—and this is grim to see—there is selection and direction, a policy at work; an anti-British policy, a policy that is rapidly tying up the wretched Anglo-Saxon individual in a net of petty restrictions, and destroying the beautiful, delicately adjusted, self-acting mechanism of Great Britain's free-working economy. It is true that this anti-British policy is little more than an extension of the policy inaugurated by Chamberlain himself following the crisis of 1931; but it is being carried forward now with a swift ruthlessness that has nothing of the blind well-intentioned, fumbling of the pre-war Coalitionist Government. Men, most of them of far less integrity and ability than the old Baldwin team, are going about the liquidation of the British Empire and the disintegration of Anglo-Saxon culture—to leave Christianity out of it altogether—with a conviction and effectiveness and lack of any compunction that shows what can be done even with potentially decent, God-fearing Englishmen by a course of international (alien) conditioning *à la* the London School of Economics, and the Fabian Society and P.E.P., etc., etc. Neville Chamberlain's "evil things" that, as he lay dying in Hampshire, with the Battle of Britain raging over his head, and with what he regarded as his life's work in ruins about him, were still being heroically beaten off, as we thought, seem to have won the war in spite of all Winston Churchill's strategic brilliance. But the end is not yet, and in as far as these things are evil—and to what degree they are, is beyond the capacity of any mortal to say—we must, and do, believe that they carry within them the seeds of their own destruction.

Soviet and Extradition

The Washington correspondent of *The Times*, writing on January 21, said the State Department had that day made known the substance of a Note handed to the Counsellor of the Soviet Embassy in reply to a demand for the extradition of Kirill Alekseev, former Soviet trade representative in Mexico, who had abandoned his post and made his way to the United States and was charged by the Russian Government with embezzlement of funds.

"In reply," the message states, "the United States cites the well established principle of international law 'that no means for extradition exists apart from treaty,' remarks that no such Russian-American treaty exists, and recalls a declaration by the Supreme Court that the power to provide for extradition is not confided to the executive branch of the Government. The State Department is therefore unable to comply with the request that Alekseev be turned over to the Soviet authorities."

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