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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

Nolumus leges Angliae mutari (We object to changes in the Laws of England).—The Barons at Runnymede.

The Laws to which reference is made were the Common or Customary Laws, known at that time as the *Lex terrae*, to which the King himself had to bow. We are amused to note that a review in our esteemed contemporary, *Truth*, dates the Common Law as post-Reformation.

“This grossly inaccurate conception of the Middle Ages (as Totalitarian monarchies) is deeply embedded in the unlettered, whom it serves as a convenient starting-point . . .

“There is not a word of truth in all this. Let us remember, without at the moment stressing it, that Power was shared in mediæval times [with the *Curia Regis*], limited by other authorities which were in their own sphere autonomous, and that, above all, it was not sovereign.”—Bertrand de Jouvenel: *Power, its natural history and growth*, p. 35.

So far as it is possible to judge such a matter, the elevation of the United States of America to the position of the protagonist of Western Civilisation is a major calamity from almost every point of view. So much is this so, that the triumph of Asia might almost be predicted as a consequence.

There is a considerable body of U.S. citizens who as individuals inspire both respect and liking. But it is sheer ignorance, or worse, to suppose that this type is effective in the corporate policy, and particularly foreign policy, of the U.S.A. considered as a world Power. If there is any quarter of the world except Palestine and Johannesburg in which the U.S.A. has inspired either respect or affection during the past four years, we have not heard of it. And the general explanation of this is precisely that the civilisation, if that is the correct term, of North America, is North American, not Western or European.

The root difference is one of faith. The very aggressiveness of the less attractive type of “American” (an attribute which the New Order is introducing into “Britain”) is the outcome of uncertainty—a lack of confidence in the rightness of action. Hence the violent shifts of policy under sectional pressure, the adulation of success, however temporary, and the pathetic acceptance of veneer as being “just as good” as sound wood.

At a Conference of the Scottish Liberal Party held in Dundee on November 6, the activities of the Hydro-electric Board were commended.

During the hey-day of power of the so-called Liberal Party, subsequent to the 1906 Election (“Chinese Slavery” the issue, you remember) a period during which the Constitution was wrecked, agriculture ruined, and taxation established as a dominant policy, the Gold Finance and the nascent Chemical Empire divided control of the dominant Party in much the same way that Mond-Turnerism, thinly

camouflaged under P.E.P., is the organ of Industrial Cartelism and the T.U.C. or Labour Cartelism. Monopoly of electric power is basic to the racket.

There is a skilfully fostered defeatism in regard to these matters. The idea is disseminated that man can conquer anything but his policy; that the schemes of Mond and his fellow-conspirators must win, while the measures which many people with an elementary sense of decency prefer to them must lose. That is true just so long as such “axioms” as the divine right of majorities to be the catspaw of international crooks and filibusters is accepted at its face value.

We have no desire, God wot, to usurp the role of Pickwick’s Fat Boy, we merely state as a truism that unless the *fiat* of the Barons at Runnymede—“we object to changes in the Laws of England”—be established retroactively, we are gone as the snows of yesteryear.

In the name of all that is sane, if there be such remaining, cannot we stop to consider the appalling presumption with which we are enthroning the “knowledge” acquired in the last hundred years, what time we discard the wisdom of twenty million years and dozens of civilisations?

Most thoughtful observers have been struck by the marked similarity between the Truman victory in the States, and the Attlee victory in this country in 1945. In point of fact, the similarity almost amounts to an identity, not excepting a marked facial resemblance.

We are convinced that a “Socialist” (*i.e.* P.E.P.) Government in this country was tacitly, if not openly arranged in 1940 to take over after the defeat of Germany. Mr. Truman’s Government is now a P.E.P. (New Deal) Government. The joy of the Zionists is unconfined; P.E.P. is a Zionist plot or Zionism is a P.E.P. (Dead Sea Chemicals) plot, whichever way it is preferred to phrase it. *If you are not included with “Mond” or “Turner,” the gas oven is the place for you.*

We are daily more sceptical of the authenticity of ballot-box results even if the secrecy principle be swallowed. The retention of thousands of half-baked American soldiers in this country in 1945, most of them with an intelligence quota of minus five combined with a belief that “England” needed d’markrazi like Ammurica and willing, unasked, to say so; the long interval between the polling and the declaration, the complete absence of Conservative policy, all have their counterparts, *caeteris paribus*, in the absence of “issues” between the parties, the palming of the universally unpopular Dewey on the Republicans; and the minority victory in both cases. Dewey was a safety bet; but it is evident that he was not backed to win. He had not recognised Israel, merely because he couldn’t, not being President; and the old firm can now be kept in the way it should go.

It will have been noticed that Mr. Strachey’s policy of fair shares for all, irrespective of ability to pay, does not apply to those who have friends (or funds) in Indianapolis.

PARLIAMENT

House of Commons: November 1, 1948.

Debate on the Address

The Chancellor of the Exchequer (Sir Stafford Cripps):

... All these policies which I have mentioned are followed uniformly by the Cominform agents in every country which is still free from Communist domination, in the hope that by economic disintegration they may be overcome. The exact identity of the propaganda throughout the world on these issues proves conclusively its common origin and its single aim. It is indeed sad to think that so many patriotic nationals in Europe are entrapped into actions most hostile to their own fellow countrymen by slogans which are false in sentiment and still more false in content.

But this cold war, an attempt to disintegrate the Western European economy, with its attack centred on the Marshall Plan because that plan is a basis for rapid recovery, emphasises the urgency of the need for the Western European countries to strengthen one another by the fullest economic co-operation. . . .

Our policy must, therefore, be to knit together the economy of the Western European nations, together with the vast areas in other parts of the world which fall within the same monetary systems, so that upon such a structure we can base a power and authority that will stand firm and unflinching against the aggression of any other forces in the world. That is the true key to our own independence and our own safety, and it is encouraging to know that the other nations of the Commonwealth share with us the realisation of the need for and the wisdom of such a policy. . . .

... I now come to the European Payments Scheme. This Convention is associated with trade rules which will be found upon pages 17 to 19 of the White Paper. These are an essential and most important part of the whole arrangement, for they provide the basis upon which the creditor nations have been prepared to provide the funds under the Payments Scheme. The basis of these rules is this, that debtor countries must be economical in their external expenditure and do their best to increase their exports, while creditor nations—

Mr. Churchill (Woodford): Was it "external" or "internal"?

Sir S. Cripps: External expenditure, and do their best to increase their exports, while creditor countries must be as liberal as they reasonably can in their export policies to try to help the debtors with their exports.

These rules are designed to bring creditors and debtors nearer to a balance, while those countries already in equilibrium would contribute to the desired end by buying more from the debtor countries and selling more to the creditor countries. If I may quote something said recently by Mr. Hoffman on this topic, I would remind the House of these words:

"It is my conviction that participating countries which are in a debtor position in intra-European trade must make every effort to increase their exports to other participating countries."

That is an absolute condition of the success of the Scheme which, as the House will appreciate, might otherwise degenerate into a method by which one country improved its standard of living at the cost of another without itself making any contributory effort.

As regards the question of securing essential supplies to the debtor countries we have, first of all, got it clearly prescribed in the rules that it is the duty of every country, whether a debtor or creditor, to do its best to maintain and increase the essential supplies to others, so far as it can afford to do so without prejudice to its own recovery. Then, in order to reconcile debtor countries to relying on European sources of supply, rather than standing out for a bigger share of direct dollar aid so as to purchase those goods from the Western Hemisphere, the rules provide that net creditors shall facilitate the use of the funds they are putting up for the purchase of necessary goods, and in particular that all countries should do their best to increase exports of products which it is understood should be supplied within Europe as a condition of the agreed division of direct aid.

This Payments Scheme is the first concerted step towards the re-establishment of multilateral trading in Europe and provides, as nearly as has been found possible, enough of the scarce currencies, Belgian francs and sterling, to enable the countries receiving them to obtain all their essential needs without the payment of gold or dollars. It has not been possible to eliminate altogether the need for balancing payments in gold, since the total of Belgian francs made available will not, it is calculated, be sufficient to cover all the needs of all the other nations though they will go a very considerable way in that direction. We may, therefore, have to continue to make gold payments to Belgium, though on a reduced scale, under our bilateral agreement with that country. . . .

... Nevertheless, the greater part of the difficulties are removed, and so far as sterling is concerned we believe that we have removed the whole of the difficulties of others who were suffering from a shortage of sterling. This will, of course, cover the trade of the participating countries not only with the United Kingdom but with the whole of the rest of the sterling area as well, and, out of the nearly 500 million dollars worth of sterling we are putting up, or allowing to be used this year, probably 70 per cent. of it will be spent in the sterling area outside the United Kingdom, mainly upon raw materials.

The drawing rights under the Scheme are shown in Annex C which shows net drawing rights of sterling equivalent to 282 million dollars. That money will not be repayable to us. It is a gift. In addition, various countries will be allowed to draw down their existing sterling balances by an amount estimated as being equivalent to 209 million dollars. All this relates to the year 1948-49 from the period July 1 to June 30. I should also mention the question of the transferability of drawing rights, to which I referred in the House when I spoke on September 16 last and which I took up with the E.C.A. when I was in Washington. One objection to this was that any automatic right to transfer would almost certainly have landed us in gold payments to countries to whom we are debtors. On the other hand, we have been accustomed to allow a very wide measure of transferability of sterling where that danger did not arise. In Article IV of the Agreement it states:

"Contracting parties, while not binding themselves to accept second category compensations"—

that means transfers which increase another country's sterling holdings—

"intend to co-operate fully in facilitating any reasonable propositions put forward to them by the Agent"—

who manages the Fund—

"having regard to all the circumstances concerning such compensations."

That really accords with our practice.

We shall certainly go as far as we can to allow free use of sterling multilaterally. But we must reserve the right to refuse transfers where they might involve us in a gold liability. Article XVII of the Agreement provides that there should only be a revision of drawing rights in exceptional cases and that the O.E.E.C. shall provide some machinery for supervising the scheme and considering representations on such points. . . .

House of Commons: November 2, 1948.

Mr. Gammans (Hornsey): . . . the truth is that this Government has not introduced a single social service of their own which was not approved in principle by the Coalition Government. . . .

The National Health Service was agreed in principle by the Coalition Government and by the Conservative Party. . . . In this Debate we have two objectives. We are asked to approve the record of the Government over the last three and a half years and we are supposed to be showing our sense of blessing for things to come. We have had three and a half years of Socialism: I admit it seems very much longer. The plain truth is that the Government have failed utterly and completely in all the things that matter for the economic wellbeing of our people at home and our security abroad. Perhaps I am a little unkind to talk about utter and complete failure after the speech by the Chancellor of the Exchequer yesterday. The Government have certainly carried out their pre-war election pledges to liquidate the British Empire. More Union Jacks have come down in the last three years than went up in the previous 50. Are we to have a target for the liquidation of the Empire? Are we to be told what part is to be liquidated next? If so, it would be rather interesting to know when we shall come to the Isle of Wight.

I say that the Government have failed in everything that matters. They have failed to feed us as well as we were fed before and during the war—[*Interruption.*] I have no doubt that hon. Gentlemen opposite take great comfort from what the Minister of Food said yesterday about sweets and sugar. In the case of sweets, the Government have merely followed the advice given by Lord Woolton, and so far as sugar is concerned they have listened to the voice of the *Daily Express*.[*] Even so, we are told that we shall not be able to improve our standard of living until 1952—and that is if the target is reached. I may remind hon. Gentlemen opposite that on the whole they are not very good marksmen.

What does the housing record of the Government boil down to when it is stripped of the windy verbiage of the Minister? It is simply that today with the same labour force as before the war we are building roughly half the number of houses at three times the cost. Socialism has failed to maintain the value of the £ at home or to prevent a growing rise in prices. Soon the Government will be able to abolish all rationing and all points schemes. Goods will become so dear that rationing by the purse will become automatic. Not only have the Government failed to produce an efficient administration, they have failed to produce one which the

country can afford. At the moment, in one way or another, the State and local authorities take 8s. 0d. in the £ of all our income. That is far beyond what the London School of Socialist Economics admits is possible in any State.

For the first time in our history we are mendicants. The symbol of Britain is no longer the proud trident of Britannia, but the begging bowl. One out of every four meals we eat today come to us from the bounty of the United States. There are nearly two million unemployed in this country today, but they have been exported, if not in body, in economics, to the public assistance authorities in America. [*Laughter.*] That is perfectly true. In foreign affairs we are barely a second class Power in our influence and in our strength. Countries like Argentina, Chile and Guatemala can challenge us with impunity, and today we are on the brink of a war with Russia, a country with whom hon. Members opposite claim to have a special spiritual affinity.

The outstanding failure of the Government in the last three and a half years is that they cannot persuade the British people—and I am not referring to any one class—to do a good week's work. Socialism is a creed which asks housewives to slave seven days a week so that the men can work for five. The Government have had the decency to admit that they have failed in that direction. The hoardings are plastered with posters making it perfectly clear that we have come to the end of our available resources in manpower and that unless we can get a greater amount of work out of each man this country cannot ever regain its independence.

We have heard a lot about the wicked days of pre-war. The hon. Member for Oldham gave us another chapter out of that distorted history, but with all its failures—

Mr. Hale: If the hon. Gentleman is alleging distortion against me, would he tell me what distortion I committed?

Mr. Gammans: . . . It enabled this country to pay its way and stand on its feet. It did not ask women to stand for hours in queues. It provided us with food in the shops, and it made us a great Power respected throughout the world. It enabled this country when it went into the war to stand on its own feet for two years, and it kept the British Empire intact as a great Power. With all its shortcomings it brought home the bacon, both literally and metaphorically. What is the reason for this monumental failure of Socialism?

. . . Socialism is based upon a compendium of economic piffle. It believes that it is possible to get a quart of wages out of a pint pot of work. It says that hard work, initiative and enterprise are vices and not virtues. It believes that people can be taxed to death and at the same time be expected to work hard. It believes that the word "nationalisation" is a sort of holy incantation, and that one only has to mumble it often enough for the laws of economics to cease to flourish. May I remind hon. Members opposite of a famous saying by Benjamin Franklin:

"Life's greatest tragedy is the murder of a beautiful theory by a gang of brutal facts."

That is exactly what is happening to this country.

What has this country got out of nationalisation? Who is a penny better off at this moment because we are shareholders of the Bank of England or Cable and Wireless? All we know about Cable and Wireless is that in the first year of nationalisation their profits were about half what they were under private enterprise. Why do not hon. Members

[*] But even so each person loses the choice of half a pound of sugar (instead of jam) each month.—Editor, *T.S.C.*

(Continued on page 7.)

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Saturday, November 20, 1948.

The Proof of the Pudding

Lord Horder, with much smaller support than the Medical Policy Association even in the early days of its campaign, is getting wide press publicity for his "Fellowship of Freedom." If he did not understand the position when first the B.M.A. went into action as agent, if not as architect of 'socialised' medical practice, it was not because it was not explained to him. His voice, when anyone's could have been effective to arouse the country to a sense of its plight, was silent on the main question, though audible to a restricted audience on matters of relative unimportance. For the avoidance of confusion, we should say here that among matters of relative unimportance we should include (a) methods and all discussion of methods, and (b) all abstract statements of policy not directed to a strategical point. What was (and is still) behind centralisation of control over the medical certificate had to be unmasked before anything else was done to oppose the National Health Service. If that had been done effectively, the dispute would by this time have been forgotten and, perhaps, the present Government with it; while, with the (very minor) assistance of a Government *not* describable as 'another pup on the same string,' we might have been well on the way to a genuine national recovery. We aren't, and no Whig Government whatever the label, will ever help or try to help us to get onto that road. They aren't drawn to the right design. The design to which they are drawn embodies a different conception of most things that matter to any electorate that might be.

At the best, Lord Horder's exploit is late; at the worst, it may seriously inconvenience any realistic handling of the situation in which either doctors or their patients may participate.

This opening is, we are assured, much larger and more promising than anyone (the enemy alone excepted) yet sees. Trouble is brewing all round, and the position of those unhappy individuals who have seen their own opportunity in the nation's extremity is precarious. For this reason we should say, without unduly enlarging upon the topic, that the best thing anyone interested can do is immediately to apply himself to (a) a thorough study of all that is implied in what used to be called 'standing orders'—we mean the time-honoured rules of committee action; (b) as thorough a self-information concerning what is, and what is not a requirement of the Act, (it is not legal power, but *presumed* power which has up to now defeated the legitimate aspirations of the people of this country). Anything directed to placing secret political interest in the same category as secret finan-

cial interest, for open disclosure by nominees to public bodies of all descriptions would, at the present juncture, be highly useful as well as entertaining. It is intolerable that mere shareholding should be held to be in the highest degree suspicious, and secret alliance with underground forces pass without remark. The pudding concocted underground throughout the years since the Reformation has come to table; and, if the cooks have not come with it, they are still in the kitchen.

At his meeting in London on November 13, Lord Horder referred, we understand (the newspapers do not say so; but their assistance was not sought), to the B.M.A., of whose council he is a member, claiming that eleven members of that Council were with him. If their presence in the organisation he has just formed means as little as their presence in the B.M.A., or if being 'with him' does not mean thoroughgoing recasting of their notions of political warfare, on his side as well as upon theirs, the statement is meaningless. He mentioned also the "comings and goings" of certain officials to Whitehall and back to the B.M.A., and the "machinations of men in key positions." But such talk is now universal in every walk of life. Everywhere one goes one meets someone who volunteers the information that what the country is suffering at the hands of the present administration is something "framed," something kept going and given added momentum by corruption of some kind: bribery with position, or promise or expectation of position; or fear of something not very ill-defined, unless—. It is this feature which produces the rapid deterioration of morale, *i.e.*, morals, not merely 'stuffing,' which we are witnessing. Quite obviously, the Medical profession has learnt something from the M.P.A., even if it does not know where it has learnt it. So has Lord Horder, who also may not know where he learnt it. But it is of no use to learn only half a lesson. Battles are won by men who have mastered the whole of something; and, unless the Fellowship of Freedom in Medicine is to go the way of the Society of Individualists and similar organisations which drain energy into useless and unprofitable channels and hide from public view opportunities for more effective action, it will have to learn the whole, not a part of its lesson.

It is worth trying, and it will not take very long to discover, whether The Fellowship for Freedom in Medicine has enough iron in its constitution to survive the initial excitement of "regaining the self-respect of its members and of the public." They can quite easily and quickly lose both again unless the lessons of the past few years have gone home, and is anyone satisfied that what has been done so far merits so speedy a recovery? Of the personnel of the new body, we say nothing. It is far more important to devise and to prosecute and to adhere to a sound strategy than who does these things, and, at this stage, we should be surprised if there is not first class support, and active support, for a course which is seen to be realistic in conception and unequivocal in its objective.

A Constitution is to be "hammered out." We admit the importance of constitutions, on any scale, and at the same time we note the grave insufficiency of most people's ideas on the subject. At the same time we remember that all that the M.P.A. did, and it was much and deserves a reward in the present as well as in the future (which may be realised) was done by rightness of intention and address

(continued on page 8).

Social Engineering

By NORMAN F. WEBB

The reviewer of Dr. Robertson's book* is confronted with more than one difficulty, the most immediate being the lack of space in which to give an adequate idea of the enormous scope of this really fine work. If he is a Social Crediter, and writing from the particular and consistent angle of this journal, he has others, which, however, it is not my intention to stress now. Dr. Robertson and I do not agree at all points, and some of them I regard as essential ones, but on so many we do agree, that I prefer to confine myself to emphasising some of them.

My Oxford Dictionary is so Concise that it has cut out the word "ecology". But for Dr. Robertson's purposes in its narrow, biological sense, it means "the science of the influence of environment on organism," and he widens this to, "the science of the adjustment between organism and environment." His main theme, in his own words, is "what is here called, the philosophy of mechanism, the key idea of which is that *those who use mechanisms subserve the ends inherent in the mechanism.*" He gives a list of seven mechanisms in the order of their existing effective potency—(1) Finance, (2) Industry, (3) Sanctions, (4) Administration, (5) Politics, (6) Education, (7) Religion,—which order, he says, is an inversion of reality, or realism, presenting to us first things last, and last first. But not only is the sequence inverted but the original uses, or objectives of the different mechanisms have been partly, and in some cases completely perverted, preserving the intention of their origin as a façade only (or myth), behind which the nature of the mechanism itself has been altered to suit other purposes. These seven are the social mechanisms. There are others. He says: "the human body is a biological mechanism, for putting the consciousness in touch with the physical world *via* the senses, it is not the real man. . . . The mechanism on which all turn is the human mind."

There, in bald outline, you have the mechanics—Greek *mékhané*, contrivance, expedient, means—of Being, conscious existence. The author's training and experience in biology and medicine has obviously revealed a great deal to him, not the least being a realisation of the limits of the legitimate claims of what we call the Natural Sciences to exactitude. Nevertheless, he has a deep reverence for the methods which their sincere exponents uphold and, on the whole successfully pursue. Dr. Robertson's researches into the mechanics of being—more particularly into that of beings in association, society; Social Engineering as Major Douglas has named it,—have led him inevitably to a study of the human mind. This of course, is the Subject of subjects, one that repays humble and intelligent study. Curiously enough, it is the branch (or is it not the stem?) of knowledge which would seem to have been in decline since at least the sixteenth century. This is a point that has been more than once noted in this journal, and it is significant that it coincides with the period when men turned their attention away from the human mind to "things" (external physical phenomena), under the influence of a complete misinterpretation of Francis Bacon's profound wisdom. What Bacon's advice amounted to was this: that not only should the *Thinkers*, the introvert Schoolmen, turn from their exclusive concern with ideas, but that the *Doers*, the extroverts, should modify their narrow concern with things material and that *both* from

their opposite standpoints, should give their attention more to *associations*; what Bacon refers to as "The just balance between the mind and things." Relative truth, in fact, which is what we have to make do with in this world, and which is concerned altogether with associations and relationships, as the term relative implies—with adjustment, fitting-in, allowance, indeed every tolerant quality,—in short, with the science of ecology.

If one can sum up a work of this scale and lack (I say it without necessarily meaning any adverse criticism at all)—lack of concision, one might say that it was devoted entirely, and on the whole very successfully, to emphasising and analysing the vital impact of the mechanism of human thought (the kingdom of co-ordinated and fruitful thinking), as applied to all the other external, phenomenal mechanisms of human association,—*"all these things,"* which rightly follow upon thinking, or mentation, as the psychologists have it. And the moral of the book, its lesson and warning is to be found in that word *inversion*, and in its most clear analysis of the present inverted order of those seven social mechanisms to the preservation of which false sequence all interested propaganda is directed. It is this inversion, as the author points out, which constitutes the prevalent and unnatural disorder of social values, the reversal of which would re-introduce that Natural Order or Rule of Law which is the goal of all true religion. It is a human weakness, especially rife, I think we must admit, in Western civilisation, to want to run before one can walk. And undoubtedly the most immediate lesson that needs to be learnt is the hard paradox that while in reality (ultimately) there is no such thing as precedence—not only shall the last be first, but the first shall be last,—nevertheless, our present and urgent need is to learn and understand, and to uphold, that correct structure and sequence which is the science of Social Engineering; the putting of first things first. And pre-eminently first must come the sovereign, religious individual, the conscious experiencer of Reality, the consumer-and-maker-in-one, with his technique, whatever it may be, in one hand, and the Money Vote in the other: the only and genuine political dictator. That is the correct picture of the individual in association which, I begin to realise, must triumph, and is only temporarily kept from doing so by the fact of our inverted social values. Much of this is worked out by Dr. Robertson in Chapter 24, Integral Society, in what appears to me a most admirable manner, far ahead of the quite celebrated chapter on The Rule of Law in Professor Hayek's "Road to Serfdom"; where he proceeds down through the Social mechanism, showing the true as distinct from the false "objective" of each one, to the last, Finance, "under all and serving all and in one sense being the greatest as being the servant."

The philosophy of Dr. Robertson's book—and it is as Social Philosophy that one recommends it—owes its origin to several sources. Obviously a considerable factor has been a study of the East and a reaction to it not unlike that associated with the name of Aldous Huxley—to my way of thinking, a trifle adulatory. Added to that is a sympathetic and understanding approach to the West and its social problems, based obviously on very wide reading and thought, but influenced, I should judge, to a predominating extent, by the writings of Major Douglas, which are quoted throughout with discrimination and with a respect due to the only scientific economist of the age. Where I, personally, would feel tempted to cross swords with Dr. Robertson—though I forebear here,—is in the Middle East, on "the planes of

**Human Ecology* by Thomas Robertson. William Maclelland, Hope Street, Glasgow. 21/-.

Armageddon," in short; over which, as I feel, he is apt to hop between his two chosen fields of East and West, with a too distant and bird's eye view of its significance. There is a vast territory covered by the Christian, as distinct from the Buddhist, interpretation of the term Incarnation, which I feel is a closed book to Dr. Robertson—I may be wrong of course.

But setting all that aside, I am inclined to think that this generous and over-flowing volume, that nevertheless has a discernable affinity to Dr. Hayek's compact and delectable but somewhat unsatisfying essay, may well be the pioneer in a returning stream of popular thought towards a too-long abandoned realism in Religion, Politics and Economics. I should be very sorry indeed if I gave the impression here that it offered over-tough or involved reading. Admittedly the subject is not easy or simple, but Dr. Robertson's style is limpid and clear, and—unless I am carried away by the fact that his approach to so many aspects of things is so close to my own—exceptionally entertaining, in the best sense of that adjective, and the tenor of his thought is so evenly preserved throughout the five hundred or so pages of his work, that I feel it can be safely recommended to anyone who thinks about social and philosophic matters at all seriously.

Dare one think it might come to serve as a sort of re-introduction of the study of that philosophic and economic realism which is the objective of Social Credit? The effect of a perusal of it by the entire British House of Commons might be appreciable. Unquestionably the currently indoctrinated mind is still largely an intellectual—or is it more psychological?—closed-shop to the idea of Social engineering as opposed to planning just as it is allergic to true Christianity, and the intrinsic humility implicit in the scientific method. The fact, in my view a profoundly important one, that the scientific approach is not fundamentally an intellectual one, is touched on more than once by Dr. Robertson. As, for instance, where he says on page 341 where he gives it as his opinion that the "democratic" idea of hand-counting "as a method of determining any kind of truth is fatal . . . Religious truth or Reality as it is called here, is not only the possession of a minority, but it cannot be attained at all by *intellectual effort*." The emphasis is mine, for in the popular phrase "I couldn't agree more." Only I suspect Dr. Robertson of regarding that truth as an Eastern perquisite, whereas for me it is also a fundamental fact of Christianity, with its much misunderstood emphasis on the poor, referring almost always to lack of intellectual equipment.

Whether the size of this book is a defect or not, I don't feel competent to say. In my own case, after a fairly grim start, I found the journey both easy and rewarding. As a start my advice to Social Crediters is to buy it if they can afford to; at least to see their library gets it, and to read it, and recommend it with the same discrimination as Dr. Robertson has shown in his writing of it.

France*

The situation which has developed in France is the logical, inexorable, and foreseeable result of the operation of the principles of 'sound' finance. It is a situation which would have developed in one country or another much sooner than this if the war had not interrupted the normal processes of production and finance; and it is a situation which would

develop in one country after another if nothing else intervened.

The financial mechanics of the situation are simple, and easily stated in orthodox terms. They have, for example, been stated by Bertrand de Jouvenel in the *European Supplement to Human Events*, September 15, 1948: "The proximate cause of the crisis is high prices . . . Prices rise and their rise whittles away the purchasing-power of wages; the real wages fall to rock bottom. When that point is reached, a store of deferred wage claims is touched off and a general rise in wages is obtained: the real wage momentarily moves up. But now a fresh rise in prices is unleashed, which starts to nibble away at purchasing power. So the real wage sinks and the whole cycle starts afresh . . ."

M. de Jouvenel states that the level of retail prices has now risen to nearly seventeen times its 1938 level, rising from fifteen times in April last, despite the fact that M. Schuman's Government had "set its face" against rises in wages, and promised a lowering of prices.

When the process reaches this scale, it is completely obvious that an increase in wages automatically requires an increase in prices if production units are to remain solvent. In general, however, this is always the case, and it would always have been obvious but for the propaganda against profits. Profits have always been only a small part of final prices, so that at any time an all-round rise of say ten *per cent.* in wages, with fixed prices, would have wiped out profits.

Exactly the same process of inflation is in operation in Australia. It has proceeded neither so far nor so fast only because Australia is only at the beginning of industrial expansion. The effect of this is that many items of cost are 'deferred'—they do not appear in current prices. The money involved represents *current* income, but *future* prices. For example, an Australian car industry has been in operation for a considerable time; wages have been paid out for years, but the cars are not yet on the market. These wages represent a fund to meet the ever-increasing cost of living. But no such fund is available in France; the economic organism is old, with, so to speak, hardened arteries, without elasticity to absorb the pulse-wave of wage-increases.

Now the whole Communist (Marx-Leninist) strategy is based on the theory of the inevitable break-down of 'Capitalist' economy; and we entirely agree with the Communists that this break-down is inevitable, *so long as existing financial practises are adhered to*. That is to say, other things being equal, Australia would arrive at the condition of France in quite a limited period of time under existing financial policy. But what is not inevitable is the continuation of that policy.

Thirty years ago it was possible to believe that the arbiters of financial policy did not understand all this; but it is possible no longer. What we are faced with is the deliberate continuation of a policy which the example of France demonstrates to be catastrophic. It is the policy being pursued in Australia.

To grasp what we are up against, it is essential to realise that politicians like M. Schuman and Mr. Chifley are allowed to play the game any way they like, provided they play according to the rules framed by the arbiters of financial policy. The rules are so framed that the players ('Right' or 'Left') cannot "beat the bank"; the banker's rake-off is certain, so long as the players keep playing.

One thing we marvel at: that the world has been given

* From *The Australian Social Crediter* for November 6.

so many warnings. This journal (and for many years before it, *The Social Crediter*) has since its inception pointed out that the consequences of existing policies must be disastrous. We do not expect in Australia a repetition of the events in France, any more than we except one road-accident to resemble another. But we do see that the direction we are following must lead to an 'accident' of which events in France are a measure; and that our drivers have been put on, and are being rigorously kept to, the wrong road. And we can see that changing the drivers will make no difference, except, possibly, to the rate of our progress to destruction.

The importance of France, in this connection, is as a demonstration of our contention—or the latest demonstration. It can—it *will*—happen here; and Major Douglas's warning of twelve years ago this October still stands: "I might say at once that there is not one person in this room who is secure in the world that he now has." Not one of them was.

PARLIAMENT (continued from page 3.)

opposite devote a whole of an hour's speech on a public platform trying to persuade the people how much they have benefited already under nationalisation? All the public knows is that prices have gone up, quality has gone down and they have lost the benefit of the consumer's choice. The only beneficiaries that I can see under nationalisation are sacked Cabinet Ministers and retired trade union officials. Every time a man buys a packet of cigarettes he pays an extra 3d. to make up for losses last year on the National Coal Board and also on civil aviation. That is a high price to pay for teaching hon. Gentlemen opposite the facts of life. When we consider that every passenger who travelled by B.O.A.C. last year cost the taxpayer over £60, it is obvious that it would have been far cheaper to have given the fellow £50 and sent him by train or to have bribed him to go by some other line, K.L.M. or Sabena.

... This "Ask your dad" business might prove to be a bit of a boomerang. ... Dad might remember the Socialist Party's record on re-armament. In fact he might be a nasty-minded dad who might look in vain for the war ribbons on the bosoms of the hon. Gentlemen who are now asking his son to enlist in the Territorials. Why not "Ask mum"? Mum might remember when she could buy as many eggs as she liked for 1½d. each. She might remember when a child's frock cost 5s., and a few other things like that. I think this "Ask your dad" business may not turn out quite as the Lord President of the Council imagines.

What is the second reason for this monumental failure of Socialism? It is not only their fantastic economics, but I suggest it is the deliberate attack on the fundamentals of the British character. When people are asked to work harder, they can still hear the strident tones of the Minister of Food telling them that hard work is unnecessary and that no one benefits but the boss. The boss is still there, even in nationalised industries, even if he is happily ensconced in a country mansion. When people are asked to enlist in the Territorial Army they can still remember what the Chancellor of the Exchequer said when he talked about "patriotism and all its tomfoolery," and when they are told of the importance of the export trade they can still remember what the Minister of Health said and what the Minister of War said when he told us that exports were only a swindle of capitalists.

How can hon. Members with this record expect the

country to take them seriously?

Mr. Kirkwood (Dumbarton Burghs): You never won a by-election.

Mr. Gammons: There is no form of indigestion which is so difficult to cure as trying to swallow one's own words. Not even the Central Office of Information has been able to discover a brand of bicarbonate of soda which will cure it. Hon. Members opposite got into power by belittling all the real qualities upon which our survival depends. They sneered at patriotism, they ran down the British Empire, they decried hard work, they denigrated good manners, and put rights before duties. They have exalted the vulgarian and scrounger and made life safe for the spiv.

The only boast hon. Gentlemen opposite can make, and it was made just now, is that they have not done too badly in the by-elections. That does not surprise me in the least, and I would not recommend hon. Gentlemen opposite to draw too much consolation from it. For one thing the great electoral tides in this country have never in the past receded very quickly. But also, the Government and the country are living in a completely false sense of security. It is living on the combination of the American Loan and the pillaging of our national assets. The Government claims that the real wages of the working classes have gone up by 10 per cent. I doubt if it is true, but if it is true where has it come from? It certainly has not come from production. Half of it has come by eliminating the rich and also by reducing the standard of living of the middle classes by 20 per cent., and that is admitted in the White Paper.

We are selling our assets abroad, ranging from the sale of Argentine railways to the threat of selling H.M.S. "Ajax" to the Chileans. But we can only pawn the furniture once. Father Christmas can do quite well for a time if he is in alliance with Bill Sykes. The trouble is that he cannot keep it up. Hon. Gentlemen opposite, including the Lord President, are always harping on the Tories having no policy. . . .

... May we ask, first of all, what, when we have got rid of all the windy verbiage, is the policy of hon. Gentlemen opposite? So far as I can see, just as giant pandas can only live on bamboo shoots, so Socialism can only live on class hatred and a pathetic uncritical belief in nationalisation. What do their speeches mean, both in this House and on the public platform? Nothing, except the uncritical acceptance of nationalisation, interlarded with the usual envy and class hatred and the pulling down of people who have built up our British industry in the past. That is the beginning and end of Socialism.

The Lord President has asked what is the policy of the Conservative Party? The first thing in our policy is to get rid of the Lord President himself, and all that he stands for, and to provide this country with what it needs more than anything else today. That is leadership and competent, experienced and, if I may say so, a united Government. What we can do for this country is to provide it with a Prime Minister who can both lead and inspire at home and abroad; a Foreign Secretary who will restore our tattered prestige throughout the world; a Chancellor of the Exchequer who will reduce taxation and reduce the rising cost of living; a Minister of War who will by his words and personal record give confidence to the Army; a Minister of Food who knows something about business and a Minister of Health who will allow houses to go up as fast as they did before the war.

That is the first plank in our policy. [*Laughter.*] Hon. Gentlemen opposite may think that amusing, I have no doubt that they do. But that is what the country wants today—a Government that can govern and one that can command self-respect.

We shall also try and do our best to revive the Parliamentary standard of good manners and tolerance towards our political opponents. Another thing we shall do is to restore national unity and put first things first. When we have done this then we shall get on with our long-term plans for agriculture and house ownership—co-partnership in industry and also plans for Empire development that are not restricted by doctrinaire Socialism. That is our policy and on that policy I am prepared to fight a General Election, and the sooner the better.

House of Commons: November 3, 1948.

Mr. Crawley (Buckingham): . . . The tactics of the Opposition throughout the Debate this week have been very interesting to hon. Members on this side. They have not used very many of the guns in the forward turret on the Front Bench and they have called to the assistance of the rest of their battery the right hon. Member who sits as an Independent representative for Oxford University (Sir A. Salter). He and the right hon. Member for Southport (Mr. R. S. Hudson) and today, I think, the right hon. Member for Bournemouth (Mr. Bracken)—and I have no doubt the right hon. Member for Bromley (Mr. H. Macmillan) tonight—in all their speeches have conceded a great deal of the thesis on which this party bases its policy. All of them have acknowledged that there must be a large sphere of the industry of this country in which the Government plays a decisive part. We on this side welcome this change of front on the part of so many right hon. and hon. Members opposite. It seems that they are emerging from the phase of Tory democracy initiated by the father of the right hon. Gentleman the Member for Woodford (Mr. Churchill) into that Tory socialism which the right hon. Gentleman himself prophesied that his father would have adopted if he had lived in this century. Tory socialism is a curious paradox which we on this side would welcome, because it must inevitably weaken the force of the Opposition when they attack us; but I cannot really believe that it is a policy which will appeal to the electorate of this country. . . .

PROOF OF THE PUDDING—continued from page 4.

and not by the shining excellence of its constitution. We are not sure that it ever had a Constitution. Can't Lord Horder cut out the Constitution and get on with the job of making clear to everybody within reach what it is that has been done, who has done it and what results must ensue? It may be that Contracting-out was mentioned at his meeting; but we don't think it was. If it is true, as is widely believed (and propagandised by job-seekers under the Act themselves), that the breakdown of the new "service" is imminent, it should not need a meticulously devised Constitution to push it over. The first efforts of resolute and well informed doctors should be directed to completing the political education of Lord Horder, if that can be effected.

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