

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### From Week to Week

We have from time to time, and in various places, commented on the dominant influence of the myth in moulding politics and, in consequence, crystallised politics, which is history.

Anyone who has devoted a little attention to the subject must have been impressed by this dominance, and an outstanding instance of it during the last hundred years is the popular conception of Trades Unionism as, on the whole, a beneficent institution.

Many of the people who will denounce industrial monopolies, cartels and price-rings and would make the welkin resound with their protests if the *management* and, still more, the shareholders refused to allow, say, the sale of sugar unless their emoluments were doubled, will sit down under a Trades Union strike, which is the most vicious form of monopolistic warfare upon the public, with a resigned sympathy for the virtuous "workers" whose down-trodden existences have once again goaded them to resistance to the merciless slave-driving employer.

Now this weighting of public opinion (or perhaps it would be truer to say, Press opinion) in favour of one kind of monopoly only, would be curious, as well as reprehensible, even if Trades Unionism was effective in benefitting its members at the expense of the general public. But, and we speak with an intimate knowledge of the facts, while Trades Unions have injured the public, the consumer (which includes their members), continuously since their inception, there is increasing evidence, of the *reductio ad absurdum* type, that they have done more harm to "the worker" than any development of the last century.

The obsession, which no amount of argument will dispel, that the poor are poor because the rich are rich, is of course reinforced by Marx's idiotic surplus value theory. Because, we fear, of the prevalent psychology of class hatred which was inculcated with it, the constant rise of prices—really the steady debasement of the currency—is dissociated from one of its chief mechanisms, uniform wage increases, to the vast delight of the money coiners who make and appropriate the colossal quantities of new money required to circulate the same body of goods at higher prices. The real value of this new money is measured by the loss in purchasing-power sustained by the owners of older creations.

All this, which could be greatly elaborated, is bad enough. But when, as at present we submit ourselves to the governance, not merely as regards administration, but in regard to High Policy, of Labour Monopolies staffed by a description of bureaucrat chiefly distinguished by spell-binding ability: men who for generations past have cloaked their inability to solve any of our domestic problems by a noisy determination to gate-crash those of global proportions,

we are justified asking the first question applicable to a crime: *Quis beneficiit?*

Once again, in this matter we come across that curious, fatal, affix, *mon*—: monopoly, the accompaniment of that centralising policy which is taking the very scent out of the flowers, and the spice out of life. Let no one suppose that we are diverging into the realms of mysticism. "One Big Union" is blood brother to a World Chemical Trust, a World Bank, and a World Government. The fundamental idea is to reduce the individual to a number on an identity card, and to make him, when necessary, a guinea-pig for the experiments of the Chosen Few.

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"Our absolutism will in all things be logically consecutive, and therefore in each of its decrees our supreme will will be respected and unquestionably fulfilled; it will ignore all murmurs, all discontents of every kind and will destroy to the root every kind of manifestation of them by punishment of an exemplary character."—*Protocols of the learned Elders of Zion. XV, 18.*

Lord Peel, Lord Lieutenant of Lancashire, was fined £27,000 at Liverpool on October 31 for an offence against the building orders. Two architects were fined £1,500 each, and a contractor £1,000.

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"The choice of one man against another is an imperfect way of expressing the mind of a constituency.

"The action of opinion is continuous; that of voting occasional, and in the intervals between the elections of legislatures, changes may take place materially affecting the views of voters."—James Bryce, *American Commonwealth.*

### Mrs. Gaitskell

"Mrs. Anna Dora Gaitskell, the wife of the newly appointed Chancellor of the Exchequer, is the eldest of the four daughters of Mr. Leon Creditor, of Cricklewood. She was brought to this country by her parents from Lithuania when she was two years of age. She soon showed brilliance at school, and a series of scholarships took her to the university, where she studied medicine. As, however, her main interest was in literature, she went, after two years, to the Faculty of Arts. She met her husband while he was lecturing at the university, and they were married in 1937. Mrs. Gaitskell's father is Orthodox, a keen Zionist, and a well-known Yiddish Journalist and Hebraist. He was a co-founder, with the late Mr. Morris Myer of the *Jewish Journal*, and after working on *Die Welt* was editor of the *Jewish Weekly* for three years. At one time he taught at the Redmans Road Talmud Torah. His other three daughters are all married to professional men, two of them doctors, and the third a scientist."—*The Jewish Chronicle*, October 27.

## PARLIAMENT

*House of Commons: October 25, 1950.*

### Bermuda Dockyard.

*Mr. P. Smithers* asked the Parliamentary Secretary to the Admiralty whether it is proposed to reopen Bermuda dockyard, in view of the re-armament programme.

*Mr. W. Edwards*: No, Sir.

*Mr. Smithers*: Does the Minister think it wise to dis-pense with these facilities at a time when there is danger to this country of an international conflict? Does he not think it would be prudent to maintain a dockyard which is remote from potential enemy bases?

*Mr. Edwards*: I can assure the hon. Gentleman that careful consideration has been given to the position, but the dockyard has become uneconomical in many ways. I would point out that the Atlantic and West Indies Fleet is still operating from there and will be able adequately to carry out its duties.

*Commander Noble*: Has any action yet been taken to dispose of the Bermuda Dockyard?

*Mr. Edwards*: I could not answer that question without notice, but we are continuing with the process of getting out of the yard.

### Socialised Industries.

*The Lord President of the Council (Mr. Herbert Morrison)*: I beg to move,

That this House notes the steps which have been taken to give effect to the responsibility to the community (including consumers and workpeople) of the socialised industries, and will welcome any further measures to increase their public accountability, consistently with the duty of the Boards to manage the industries with maximum efficiency in the public interest.

. . . Another element of public accountability is the operation of the consumers' councils and consumers' interests. [*Interruption.*] The right hon. Gentleman the Member for Aldershot (Mr. Lyttelton) will have an opportunity of making a party speech later on. In the meantime, we might get on as peacefully as we can. It is profoundly important that the rights of the consumer should be affirmed, ventilated and upheld. With publicly-owned industries we have by statute set up an organisation to which the consumers can complain. There are the consumers' councils or similar organisations. I do not know in any case of private industry where that is so. [*Laughter.*] This is where the bias comes out. Private industry, including industries that are rings and trusts with which some hon. Members opposite are very familiar, are perfect and public industry is bound to be imperfect. [AN HON. MEMBER: "Hear, hear."] That just shows what a collection of dogmatists and doctrinaires are sitting on the benches opposite.

This is a new development of British industry, and it is a proper development. It is right that the public should have somebody to whom complaint can be made, and if I have any criticism to make at all about the consumer it is that he or she are not loud enough in making his or her voice heard in relation not only to these undertakings but to all other undertakings both public and private. Anything we can do—[*Interruption.*] Is there any point in these interruptions taking place, as though we were at a general election meeting in Clapham? It is rather cheap when one is trying to make a

serious contribution to this subject that these electoral inter-ruptions should take place which have no real significance on the question. It is profoundly necessary that the voice of the consumer should be heard and that somebody should raise it.

If consumers have some particular interest in these undertakings, which are highly organised, it is legitimate that their influence should be felt. It is curious that on the whole the voice of the consumer does not get adequately heard nor adequately expressed. It is not because the Government have not provided the machinery. In connection with these publicly-owned industries, we have for the first time provided, by statutory compulsion, for consumers' councils or similar bodies in relation to these industries—with the exception of the Railway Rates Tribunal for the various railways before the war, but that is hardly a consumers' council—

. . . It is therefore important that the consumer should use them. I agree that it is equally important in a board to accept them, and to recognise that the board shall encourage the public to use the appropriate machinery for ventilating grievances. Obviously, it is best for the consumer who has difficulties to take them up in the first instance with the local office or showroom, as the case may be. It is up to the boards to put things right on receiving complaints, if they are satisfied that there is something to put right. The consumers' councils are there, and the public can appeal to them.

*Mr. Profumo (Stratford)*: It is not true.

*Mr. Morrison*: The hon. Gentleman is interested only in transport. I am interested in rather wider things. He is interested only in the things that his party permits him to talk about from time to time. He is hanging on to his point, but the House understands that it is a typical bit of his style of Parliamentary controversy. The consumers are provided for and the bodies are there, or they will quickly be there. They are available to the public for these purposes.

I am anxious also that local authorities shall take an interest in these matters. There is nothing to prevent local authorities from making representations, complaints and criticisms. There is no finality yet, and we shall keep learning. No doubt improvements can be evolved from time to time. It is of the most profound importance that the voice of the consumer should be increasingly heard in these matters and should be taken note of, and heard not only in these publicly-owned industries but in private capitalist industries too. The House can be sure that in due course His Majesty's Government will take care of that as well. [HON. MEMBERS: "Ah!"] After all, I am being encouraged and urged along this path, so I hope there will be no complaint if, in due course, these things occur. . . .

*Sir Ian Fraser (Morecambe and Lonsdale)*: It is a little ungenerous of the hon. Member for Chester-le-Street (Mr. Bartley) to pay so little tribute to private industry, when we remember that the money to pay for the nationalised industries has come entirely from either private industries, or the savings of the past, or from American capitalism. He will forgive me if I do not follow him further in his ecstasy but turn very briefly to the matters I want to include in my 10 minutes' ration of speaking time, for which I am grateful.

The normal checks on efficiency in industry are those occasioned by the existence of shareholders who desire profits and customers who desire services. In the nationalised industries there are no shareholders, and so we must recognise that that check has gone. It is very important to consider the

handicap under which an industry must suffer if one of its supports to efficiency is taken away. The customer is the other check. He has not gone; he is still there; but his right to make a choice has gone, and, therefore his effectiveness as a critic has gone. When a customer was able to choose which of two or more sources of supply to go to for the thing he wanted, and was able to choose whether this alternative or that suited him best, he was an automatic and effective check. That check has now gone.

My own belief is that it must now be accepted that a very large part of the national effort that has been brought under public control and ownership must remain. It is, therefore, very important that we should devise ways and means of checking the operations of these vast enterprises, otherwise they will cost so much that the community will not be able to afford them. If it is intended, as it seems to be by hon. and right hon. Gentlemen opposite, to increase the field in which this system operates, we shall have to be careful lest we bankrupt our nation. My own belief is that the judicious introduction of competitive alternatives is really the right way to make sure that the nationalised and socialised industries are maintained at an efficient level.

In Russia there is only one party. In Spain there is only one party. They are not so sympathetic to their customers as we are in this country. Why? Simply because we have two or three political parties competing for votes. That fundamental consideration is so deep-rooted in human nature that it can only be ignored at great peril. If we on this side of the House should come into power, we intend to introduce competition in, for instance, the transport system. I believe that we must also introduce competition in the B.B.C. There was a time when we were all agreed that a complete monopoly there was the most desirable thing. The technicians used to tell us that competition was impossible in this small island, but they much exaggerated that, even in the early days, and it is now no longer true. Modern systems would make it possible for regions, or even cities, to have broadcasting systems either of their own or of a private character. Only if there is this competition between the nationalised and publicly-owned enterprises will be get that lively service which the customer wants. . . .

. . . My last word—and I have promised to limit myself to 10 minutes—is this: We have no shareholders and no profit motive. That is a terrible loss considering what a spur that was to activity and effort. We have no customers' choice. That is replaced by newspaper criticism or limited Parliamentary criticism and advisory committees. These are poor substitutes, and I think that competition, at some time, must be introduced. In some cases it will be competition from overseas. Then we must have all the facts, in order to see that our export prices are not being obscured by subsidies on the home prices. Where there is no foreign competition, we must try to contrive some human competition; otherwise, with the possibility of this field of public enterprise being increased, we shall find that we have so overloaded the earning side of our economy, which is the private enterprise side, and where the wealth comes from that pays for all the things that we want in our various spheres, that it cannot do its job, and it cannot pay.

*Mr. Champion* (Derbyshire, East): . . . In the railway industry much of the demand for nationalisation came from within the industry, particularly from people who felt frus-

trated in their jobs, who did not like their boss and who rather hoped that nationalisation would provide a way in which they could become their own masters. That was understandable in the circumstances, but it is these very people who now feel the greatest amount of disappointment and disillusionment. [HON. MEMBERS: "Hear, hear."] I can well understand hon. Members opposite cheering anything said from this side which appears to be against nationalisation, but they fail to realise that private enterprise, since the industrial revolution of 150 years ago, failed to solve these problems, and, indeed, produced the bad conditions that we had in that disastrous period between the two world wars. The Opposition have very little on which to congratulate themselves in this respect.

What we have to do is to try to ensure that we are creating conditions within the nationalised industries which will remove this disillusionment and disappointment. It is true that some of the people who have mentioned these very things to me—and I met it only last week-end—had not thought back to some of the conditions which existed between the two world wars and some of the conditions to which we should undoubtedly have returned had we not nationalised transport but returned to the old situation in which the workers were caught between the upper and nether millstones of road-rail competition.

That being so, I believe it is important, now that we are in nationalisation, to apply our minds to the task of trying to cure the psychological illness which is affecting most industries. . . .

*Mr. Grimond* (Orkney and Shetland): . . . Under the old dispensation the free market in theory did what the consumers' councils or Parliamentary control is supposed to do today. The idea was that the consumer should have 10s. in his pocket and then make up his own mind whether he wanted Bovril or Oxo. After looking at the price he made his purchase and there was a free consumer choice which acted as a Gallup Poll, and as a spur to industry, and which, indirectly, through the markets, enabled profits to be made and new capital to come forward. The business which they are now trying to set up by hand was, in theory at any rate, done automatically by *laissez faire*.

*Prima facie* that is a retrograde step. In most branches of science the tendency is to go from the hand-made to the automatic. We are going from what is meant to be an automatic system back to a system dictated by human aims with all the fallibility which that means. Why do we do that? Surely for the reason that we could not be sure under the old dispensation that the purchaser had 10s.. We found that wealth was not distributed in accordance with the conscience of the country, and furthermore, we set ourselves certain social and moral aims which were not met by the completely free play of the free market. Therefore, the Government intervened, but not for economic reasons. I have never thought it could be proved that Socialism is economically more efficient than the free market. I do not believe that can be done. The argument for nationalisation, to my mind, was a political or moral argument. . . .

*Sir Ralph Glyn* (Abingdon): . . . The point of this Debate, surely, is whether Parliament is willing to surrender its control over expenditure. So far as I know, nobody today has drawn attention to the fact that there are certain public

(continued on page 6)

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### Laicism.

We quoted not long ago from the Dublin periodical *Fiat* evidence concerning the mounting numerical strength of Freemasonry. The article, itself a translation of another which had received substantial currency in France and Italy, besides recalling attention to a social phenomenon the importance of which could, in our opinion, scarcely be exaggerated, made one contribution to an elusive subject which merits attention because of the inconspicuous position it occupied in the argument, altogether below its intrinsic importance. *The Social Crediter* has little room for anything else but serious argument, and, to the best of its ability, disfavours anything which savours at all strongly of the *argumentum ad hominem*. When we have said that Freemasonry is the recruiting office for the personnel of the order of society we contest, we have merely recorded an observation, in itself a useful service in our opinion. Everybody knows that when you touch operative organisation today, you touch Freemasonry. The Freemasonry is thereby judged by association with results which are generally loathed. Occasionally (but only occasionally) some individual Freemason has objected, endeavouring to detach himself from the implication that he is an evil fellow when all the time he is trying to do his best in a world which he regards as restrictive of his best efforts and so constituted as to be a natural obstacle to his success. He cannot be wrong: we must be wrong. This is but one form of a common dilemma. No one could possibly be out of step but Johnny.

It is, of course, a mistake to try to compress reality. Reality refuses to be compressed, and inevitably all attempts to isolate one facet from its fellows in the crystal arc attempts, however inconspicuous, to compress it: to make one facet do for several. This is held to 'emphasise' this 'aspect' of reality. In fact, it abolishes this face together with the other faces. This is the opposite error to trying to crystallise a crystal, which is impossible because it is gratuitous: this is the mistake of trying to make it more crystalline by uncrystallising it. Doubtless these matters are a little difficult. The way of telling the Truth has not yet been invented. The way of living the Truth cannot be invented because it was invented long ago, and is truly the only way of living at all. It is true that the human eye can 'see' only one thing at a time; but it is also true that this one thing can only be 'seen' with reference to contingent things and times.

What the Dublin newspapers pointed out was the association between Freemasonry and Laicism. It did not say that Laicism was Freemasonry, but that Freemasonry exemplified Laicism. Probably it had in its mind a particular instance

of Laicism, the doctrine that the man in the pew knows more about religion than the priest. This, it is true, is Laicism, but only one form. Laicism is a very widely prevalent heresy. We got hold of the word from Old French, the French got it from the Latin, and the Romans from the Greeks. *Laos* means the people (curiously *laios* means left). In English, the anti-clerical associations of the word have perhaps been made respectable by the Reformation (so-called); but also the cards at bridge which are *not* trumps are 'lay,' and unprofessional conduct (lay conduct) is punishable in some professions. The inculcation of laicism is, if not the trump card, at least a major technique of Freemasonry. In the country of the blind, the one-eyed man is King. In the country of the blind, the King is invisible to human eye. Brushwood is brushwood whether it is tied in bundles or not. The only right relationship between the individual person and the expert is the right relationship, and this is not secured by dislodging the expert from his seat and putting someone else to sit in it unless that someone else expresses the right relationship. The peculiar contribution of Social Credit concerns right relationships—between money and prices, between bankers and borrowers, between policies and administrations, between power and authority. In all these fields (only seemingly separate from one another) it (*i.e.* its inspirer) has made significant contributions. Each in turn has been met with the same weapon, which is (there is no better word for it) laicism. It may be useful to have a word, if only tentatively and for the time being, for so impressive a technique. Ballot-box democracy is laicism, the ascendancy of majorities derives its drive from laicism, the invisibility of Law in the modern world is a function of laicism. The people cannot see Law because its head is in the way. The *appeal* of laicism is always to the individual apprehension of Truth—of course it is: hypocrisy is the tribute which vice pays to virtue.

### Mr. John Wheatley.

Our recent list of additions to the Social Credit Library credited to Mr. John Wheatley the authorship of Mr. J. J. Campbell's *Reply to the Right Hon. John Wheatley, K.C., M.P.* Will readers please correct this mistake which arose through a copyist's error?

### Sponsors of World Government.

*Free Britain* recalls that a letter appeared in the London *Times* newspaper of October 24, 1950, signed by "certain gentlemen of England, describing themselves as the President and Vice-Presidents of the 'Parliamentary Committee for World Government' which comprises fifty members of Parliament from all parties, pledging their loyalty to a World Government. The names of the signatories to this letter are: Lord Boyd Orr, Gilbert McAllister, Lord Beveridge, Malcolm Douglas Hamilton, Lord Merthyr and I. J. Pitman.

"It is surely time that these pledges of loyalty to a World Government by subjects of His Majesty King George were questioned by authorities on Constitutional law?"

### Pigs in 200 Years.

It is estimated, says *The Farmers' Weekly* that at the rate the Queensland-British Food Corporation's piggeries are being established it will be 200 years before yearly production reaches half a million carcasses.

## A Study in Diabolism.

by H. SWABEY.

Alexander Del Mar (1836-1926) was at one time director of the U.S. Bureau of Statistics, and was a member of the U.S. Monetary Commission in 1876. These positions gave him the opportunity of putting the gold bug under his powerful microscope. He wrote *The History of the Precious Metals* in 1879, and it was published the next year. He reviews the work of W. Jacobs, undertaken for the British Bullion Committee of 1810, and at the outset enumerates the conclusions he will try to prove. These, briefly, are that the production of the precious metals on a commercial basis began with the era of Free Mining in 1849; the purchasing power of these metals is greatly affected by the Stock of them already existent; as a result the cost of producing gold and silver in the long run has been unprofitable in all countries. Gold and silver mining injure the surface of the earth by their demands on timber, and by diverting streams, etc., and mining countries have invariably fallen into decay. He was writing on the spot, in San Francisco, California. The relinquishment of conquest and slavery as means for their acquisition will, he says, tend continually to enhance their purchasing power. While the probable exhaustion of all great gold placers and the number and yield of silver mines will tend to widen the ratio between these metals. "In the search for gold, whole races have been put to the sword." As Russia has just gone back on gold, and the great store of gold is now in America, I fear that the process continues.

Darius in about 500 B.C. conquered and plundered much of Eastern Europe, Egypt and Asia Minor, and carried away to Persia the bulk of the gold of placer origin then found in Europe and Africa. Alexander plundered Persia and carried a lot of it back. "His passion for the precious metals cost the lives of several millions of human beings and the liberty of many others . . . slavery being the means by which the precious metals were first acquired and conquest that by which their possession was transferred."

The Spanish mines were worked by the Carthaginians from 480 to 206 B.C., when the treasure was captured and carried to Rome. Spain is still a poor country, much of it barren. "The fate of its aboriginal inhabitants, the destruction of its forests, the exposure of its soil . . . can all be read by the nearer pictures accessible to us of Mexico and Peru." Carthage abandoned its numery money and adopted gold and silver; Rome adopted silver as part of her monetary system in 269 B.C.; in 207 the Roman numery system came to an end. The wars in Gaul brought in so much gold that the ratio of gold to silver narrowed.

In the middle ages there was a good deal of plunder, but little production, although the Arabs worked the Spanish silver mines. Then came the conquest of America which "cannot be looked at otherwise than as a great tragedy . . . Las Casas was wont to estimate the loss (of life) by millions." Columbus had been a slave trader. The first negro slaves since the fall of the Punic and Roman empires were landed in Portugal in 1442. The prospect of obtaining gold procured for him the support of two financiers. His first suggestion of making slaves of the Indios and shipping some to Spain was not accepted. But he sent off four shiploads in 1495. His methods of obtaining gold became steadily more brutal. But the court of Spain disapproved of enslaving the Indios, and superseded Columbus. Ovando had no better luck,

"All this blood and toil was not paid for, even in money." In 1503 he was directed to *compel* the Indios to have dealings with the Spanish, and the Court re-established slavery. A cacique of Cuba, "recounting the cruelties of the white men, said they did all those things for a great Lord whom they loved so much . . . he produced a small basket filled with gold. 'Here is the Lord whom they serve.'" So few of the Indios remained alive that the negro slaves began to be imported from Africa. The cost of a million pounds of gold was at least a million and a half Indios. In 1511 King Ferdinand said: "Get gold; humanely if you can; but at all hazards get gold." The king had his Fifth of all the gold. Darien and Panama were ravaged. Cortez, a pirate, plundered Mexico, and "the search for gold continued with murder by lash and mine." (1521). He asked that no lawyers be sent to New Spain, and when an enquiry was held there, those making it were rapidly poisoned. When he died, he left behind him "more orphan witnesses of his cruelty and rapacity than probably ever man did before."

Pizarro turned on Peru, and in ten years "a half or even a third of men, cattle and works of men" had been destroyed. This was the view of an eye-witness, Fr. Domingo, who also gave the King of Spain an elaborate account of the sufferings of the Indios in the mines of Potosi.

Brazil, discovered in 1500 and held by Portugal from 1654-1822, followed the same pattern for a time. The "natives were hunted down, slavery in the mines was instituted, as they perished they were replaced by negroes from Africa." But the natives had ample room to retreat. Moreover, when the adventurers had emptied the country of gold, silver had to be used for currency; then base silver, copper. Metallic currency was "partially replaced in 1797 by paper notes and later by a system altogether of irredeemable paper which has efficiently served all purposes of money for the progressive empire." Portugal, however, demonetized silver in 1747, and adopted the gold standard which England afterwards copied and which "through the prominence of England as a commercial nation has come to exercise a potent influence upon the destinies of the world."

Japan did not welcome strangers with the innocent hospitality of the Indios. But the Portugese persuaded them to open gold and silver mines. They "converted villeinage into chattel slavery and religion into an instrument of torture and oppression." (1603). Perhaps the Dutch opened the eyes of the Japanese. The Portugese were expelled in 1624, and the Dutch were the only Europeans allowed to trade with Japan from that year until 1853. The Japanese Finance Minister said in 1710: "The earth was fertile and produced the best sort of wealth. Gangin was the first who caused mines to be diligently worked. Since, the heart of man has become more and more depraved. With the exception of medicines, we can dispense with everything brought from abroad. Let the successors of Gangin reflect, and the wealth of the Japanese will last as long as the heavens and the earth."

Del Mar calls the feudal system the "especial conservator of *species* or metallic money." One might retort that at least there could be no monopoly of credit. He goes on to say that "Wherever Franch arms, under Napoleon, prevailed, and the feudal system was swept away, monetary systems were changed, banks were chartered, and promissory notes became an essential portion of the circulation. But for this it would be difficult to estimate the consequences of the stoppages of Mexican supplies on the outbreak of the Spanish American

Revolution in 1810." Thenceforth the precious metals had to be obtained by free labour.

Russian production of gold added to the dwindling European stock, gold was discovered in California in 1848 and in Australia in 1851. They produced roughly two hundred million pound's worth each. Del Mar gives precise statistics. (Japan £40 M, Brazil £180 M, Russia £160 M, California £220 M, Australia £240 M.). But over 70 per cent. of the two thousand million that had come into Europe at the time of his writing had been lost, consumed in the arts or exported to Asia. "Precious metals will naturally flow where the greatest returns in merchandise can be obtained." Plunder failed to arrest the movement for long, it seems, although "the British conquered India and . . . plundered the plunderers at sea."

Del Mar discusses the Ratio, and remarks that the production of the precious metals is a *matter of chance*. He gives interesting details of methods of mining and their cost. "Ninety millions worth of gold was produced in California from 1848-56; the cost in labour alone was four hundred and fifty million pounds." The mines he saw were losing one and a half million pounds a year. "The physical devastation must be seen to be believed. It ruins the land for ever, chokes streams and harbours." Vein mines become nuclei of society, placers are centres of lawlessness and crime. Placers—fields or banks of sand, were usually at the bottom of a river. When at depth, they were hydraulic mines, well known to the Romans. He notes also the social and moral chaos mining causes, and the privations it entails, while it promotes insanity and crime. Lycurgus (ninth century B.C.) interdicted mining and used iron numeraries for currency. The Buddha forbade all use of precious metals, Plato proscribed the use of precious metals as money absolutely, Zeno conditionally. The Roman Senate and the Chinese Empire has shewn similar wisdom, and Japan also learned her lesson. "The desire for the precious metals has furnished in all ages an irresistible motive for the commission of cruelty, injustice and aggression . . . the agriculturist still stands at the bottom of the social ladder, the banker at the top."

Only fourteen years after the publication of Del Mar's book, Kitson wrote in *A Scientific Solution of the Money Question* (1894), "The Gold Standard means inevitable war. Nations cannot possibly exist for long under it. The children born of it are fire and sword, Red ruin and the breaking up of laws . . . It is the greatest moral, the greatest social question, which mankind has ever had to consider."

Yet the Cunliffe Committee on Currency—an alarming example of members of a trade meeting to defraud the public—insisted on returning to the gold standard, which precipitated the crises of 1926 and 1931. Messrs. Churchill and Baldwin were very helpful, and the layers of respectability with which its profiteers managed to cover gold shew how gullible the public had become even then. Gold had almost a *crusade* value. It has been hinted that one of the purposes of the war that started in 1939 was to restore gold. If that is true, the list of its victims has hardly begun.

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## PARLIAMENT

(continued from page 3).

industries which are maintained by a subsidy from Parliament. The air services are public, nationalised bodies and are dependent on subsidies. Transport is not; it is to be organised in such a way as to operate independently. All the nationalised bodies, however, if they want to raise funds, have power under the Acts which were passed by this House to go to the Treasury and get a guarantee before they make an issue—that is, public money. I was rather distressed when the Lord President, of all people, seemed to ignore the chief duty of the House of Commons to be the guardian of public expenditure. If we do not carry out that duty, we give up one of our main functions.

There is a distinction which has to be kept in mind.

*Mr. MacColl* (Widnes): I have had an opportunity of serving on two consumers' councils. One is the body which has already been the subject of rebuke for the right hon. Member for Saffron Walden (*Mr. R. A. Butler*) for its banality, the domestic coal consumers' council, and the other the London electricity council. I think it would be fair to say that those councils are not working as effectively as one would have hoped. That in part is due to the nature of the situation in a time of transition when the problems of taking over the industry are great and the problems created by full employment are great. There is not very much left for a consumers' council to do. That is one of the problems. Some Members have criticised the lack of Press publicity, but it is not much use encouraging the Press to take an interest in the council if it has not much work to do. The work may seem to be more effectively done if no one knows how barren is the agenda. That is in the minds of a great many members of consumers' councils. . . .

*Mr. Summers* (Aylesbury): I find myself in considerable agreement with much of what the hon. Member for Widnes (*Mr. MacColl*) said. The Lord President of the Council, in opening this Debate, took great pride in the fact that he had seen to it that consumers' councils were associated with each of the nationalised industries, in contrast, he pointed out, to what occurred in private enterprise. He completely omitted to realise that the remedy which the consumer has in the private enterprise sector of industry, namely freedom of choice, renders it quite unnecessary to consider a formal channel for the putting forward of complaints by the consumer. It is the very absence of that freedom of choice which makes it necessary to consider in some form or another an outlet for the consumer.

It is quite true that there has been great criticism of consumers' councils, and I wish to stress particularly the completely false position into which most of them appear to have got themselves. . . . It is evident that most of these consumers' councils have approached the matter from a point of view entirely different from that which at least it was expected they would follow. It is not, therefore, surprising to find such comments in the Press, as, for example, the following, which I quote from *The Times*:

"It is, in fact, the consumer of all people, who comes out worst in these reports: the councils, which exist to put forward his reasonable complaints, seem to be persuaded that in a sellers' market his complaints are unreasonable."

Then we have the *Economist* telling us:

"The Council was intended to listen to representations from

consumers and to suggest action to the Minister, but it seems to have neatly reversed the procedure."

*Mr. Niall Macpherson (Dumfries):* . . . I had a case which I did manage to get past the Table, and which the right hon. Gentleman was good enough to answer, concerning the question of short delivery of coal. The Coal Board merely replied that the wagons had been tared and had been found to be correct. It so happened that the merchant in question was able to get them re-tared at the place of delivery and found that they were not correct. He could not bring the railway official who did the re-taring to come forward and give evidence; I have no doubt that he would not have come.

I asked the right hon. Gentleman what should be done about it, and he referred me to the 1948 Report, suggesting that the matter should go to the domestic consumers' council about which the hon. Member for Widnes has spoken. What would have happened then? They have no power to settle the matter; they could only recommend. There is no public accountability within the consumers' councils. It is one thing to give accounts in the sense of writing reports or telling a consumers' council what is happening, and getting its advice and its reactions on the policy which is proposed to be adopted by the board. That is utterly different from calling for an account and having the right to exact that account. That is what this House alone can do. But we have seen from experience that it is too difficult for it to do this effectively. . . .

*Mr. Hamilton (Fife, West):* In the course of this Debate quite a lot has been said about the consumers' interests in the nationalised industries. Very little has been said about the workers' interests, and I maintain, as I think most of my hon. Friends would maintain, that the first charge on any industry should be the welfare of the workers within it.

*Lord John Hope:* The hon. Member realises, of course, that the workers are also consumers. It is no good dividing the two.

*Mr. Hamilton:* I am not as dull as the noble Lord would pretend. I know that the workers are also consumers, but I still maintain that the welfare of the workers within any industry, whether privately controlled or publicly controlled, should be the first charge upon that industry, and one of my main criticisms of our nationalised industries is that that has not been the case. . . .

*Mr. Oliver Lyttelton (Aldershot):* . . . First of all, let us look at Parliamentary control. The plain fact is that the structure of government, considering the way it has arisen and the duties and responsibilities of this House, cannot be satisfactorily geared to a corporation engaged in day-to-day business. We can patch up here and there, and we must try to do so. We can patch up here and there by palliatives and mitigations, and try to get a little further away from the total absence of responsibility, behind which Ministers can hide if they so wish. In the long run we cannot gear a day-to-day business with a legislative assembly, and all attempts to do so are doomed to failure.

Secondly, where a public monopoly is operated with all the force of authority of this House and of Ministers who are responsible to this House, there can be no satisfactory protection for the consumer. I commend the speech of my hon. Friend the Member for Morecambe and Lonsdale (Sir I. Fraser) on this side of the House. I do not think any of us

could have put the case with greater force or clarity than he did. The third point is that when we come to administrative efficiency we must find that decentralisation, which is widely advanced as the cure, notably by my hon. and gallant Friend the Member for Fylde, South (Colonel Lancaster), is entirely the opposite of the theory of nationalisation. Decentralisation means giving autonomy, or very nearly, to local bodies, whether local authorities or local boards. It has often been pointed out how necessary it is to restore a sort of local patriotism.

My point is that to localise, which is what decentralisation means, is exactly the opposite of nationalisation. Nothing could be more ironical than that believers in nationalisation should say that the cure for all these administrative difficulties, and they are massive, lies in decentralisation. The exponents of nationalised or socialised industries say just this, "It should lie within the power of a central body to judge at a given moment where the public interest lies." Any system of nationalisation must be antagonistic to local authorities, local boards and local autonomy, because of its very nature. Local individuals are far away from the superior beings who know where the national interest lies. . . .

Centralisation is the very idea and core of nationalisation, which claims that it can impart a uniform impulse to the whole of an industry. It does not permit and would not like to permit a road haulier to take traffic away from the railway, would not like to give to a *bona fide* traveller within the meaning of the Act the right to buy his glass of beer at any hotel except the nationalised hotel managed or mismanaged by a right hon. Gentleman. It would like to prevent a traveller from London to Newbury travelling at a cheaper price than a traveller going from London to Ashford. It would very much like to have the worker in the position where he either works for a nationalised industry or cannot work for any other employer.

That is the whole idea of the thing. When someone says—many hon. Members have done so—that decentralisation is the administrative cure for the mounting evils of nationalisation, what he is really saying—and he is right—is that nationalisation does not work and that the only way to make it work is to make it look as little like nationalisation as possible not by giving the right to control these industries to national people like these Ministers but by giving local people like a local authority or a local board the power to decide what are the local needs. In my vocabulary and in that of most other people "local autonomy" is the antithesis of "nationalisation" or "central authority."

When we talk about safeguarding the interests of the consumer we are really underlining the fact that a public monopoly, managed however remotely and with all the supreme authority of the Government and the eloquence of Ministers to support it, has the consumer completely at its mercy. There are no means by which the public can be protected from a public monopoly. Public monopolies are the Frankenstein monsters of universal suffrage. The consumer has only one course open to him, and that is to turn the Government out at the polls. Under our electoral system this recourse may occur to him only once every five years and even then, in turning out a certain Government because the consumer is being distressed by one of these nationalised industries, he may commit himself to a foreign policy which he does not like. These difficulties are inherent in the problem. The consumer's only recourse against the public monopoly is

the ballot box. If, under a Conservative Government, I happen to be knocked about as a coal consumer I might have to vote for this lot—and yet all I want is some sympathy. We ought to recognise that decentralisation and protection of the consumer are both against the very concept, theory and foundation of nationalisation. . . .

*The Minister of Fuel and Power (Mr. Philip Noel-Baker):* . . . It will take us a long time to find by trial and error the most effective methods of establishing the public accountability of the boards. I am in full agreement with the right hon. Member for Saffron Walden (Mr. R. A. Butler) that we have not yet got the answer, but I think the right hon. Member for Aldershot under-estimated the very considerable value of Parliamentary Questions and Debate.

### Austrian Minister Orders Dismissal of Jewish Police

In *The Jewish Chronicle* for October 27, the newspaper's Vienna correspondent wrote as follows:—

"Several Jews are among the senior Austrian police officials dismissed by the Minister of the Interior for supporting the Communist-inspired wave of strikes early this month. They include Dr. Fels-Margulies, Otto Spitz, Armand Frisch, and others, who were appointed to their present posts in 1945.

"The Soviet authorities here have issued a protest against the dismissals, and are reported to have asked the officials to stay in office."

### "Do You Agree?"

*The Daily Telegraph* on October 23 published a special article bearing upon the academic abilities of council staffs. So few local Government officers, it said, were able to pass the 1950 examination for promotion from the general or lowest division into the clerical and administrative divisions that the examination has now been dropped. The first was held in 1948.

Instead, the Local Government Examinations Board is to devise an easier test for candidates to graduate to the clerical grades. An additional examination will decide their fitness for promotion to the administrative grades.

This extra examination will be divided into two parts. The first will enable candidates to qualify for administrative jobs up to a maximum salary of £525 on the present scales, plus "weighting" allowances in the London area.

The second part, in many respects equivalent to an intermediate degree at a university, will be a recognised qualification for administrative appointments up to £1,000. The salary would be slightly more with the big local authorities.

One difficulty is to arrange adequate teaching facilities for officials studying in their spare time for the final stage. Efforts are being made to standardise university requirements for the Diploma in Public Administration so that candidates may take advantage of uniform courses of lectures if they live near universities.

The 1950 examination for promotion to the clerical

division was set by an academic committee appointed by the Examinations Board. This is representative of local authorities, the staff associations, and the National Whitley Council for local government service.

It was "somewhere between the school certificate and higher certificate." Out of 2,000 candidates expected there were only 813 entries, and of these 475 passed. The average age of candidates was about 28.

The newspaper gives the following "samples" of questions were asked:—

"Write an essay on courage in everyday life, or on a player's opinion of onlookers, or the achievements or prospects of the United Nations Organisation.

What do you think are the real causes of the tendency towards larger units of administration in local government?

"It was Rousseau's view that only at elections are the British people free. Do you agree?

"Until a public service is taken out of politics completely it remains not only corrupt but inefficient. How far does experience bear out this assertion?

"What changes in the procedure of the House of Commons are most urgently required?

"Describe the western marginal oceanic type of climate, mentioning the significance of variations found in various parts of England and Wales."

Under the new scheme the first examination for promotion from the general division will be held in April, 1951, the first stage administrative examination in October, 1951, and the first final administrative examination in April, 1952. Work is now in progress on the papers.

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#### ESPIONAGE.

#### Report of the Royal Commission.

(Order in Council, P.C. 411, Feb. 5, 1946).

#### (Espionage in Canada).

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