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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

WILL THERE BE WAR?

"THE ANSWER, THEN, TO 'WILL THERE BE WAR?' IS YES. THERE WILL BE WAR AFTER WAR UNTIL CIVILISATION IS DESTROYED—UNLESS POWER AND RESPONSIBILITY ARE ONCE AGAIN REUNITED IN THE INDIVIDUAL."

The quotation is from an article, "Will There Be War?" by C. H. Douglas in *The Social Crediter* for December 31, 1938. The occasion for our reviving it is not, as might otherwise be supposed, the publicity which is obviously preliminary to the coming Churchill-Truman talks (Paris is publicity, not diplomacy) but a postscript by Douglas Reed to his book, "Far and Wide." That Mr. Churchill is not quite sobered by his post-second-phase-of-the-World-War experiences is indicated by his (apparently) careless reference to the American leadership of the world at the Lord Mayor's banquet, to which the *Sunday Express* devoted the whole of its 'leading' article last Sunday. We agree with the leader-writer when he said that the United Nations "has become the lush pasture of the most astonishing herd of tax-escaping international bureaucrats that man in his folly ever set up to shape and control his life. We ought to shake ourselves free from it before it brings us to final ruin." The *Sunday Express* does not, however, consider at all how we may avoid "the abdication of Britain from power and authority" and, at the same time, the entry of "the astonishing herd" by another door. The reason why it seems to Mr. Reed to be paradoxical that "these peoples can now be drawn blindfold into war" and that "they have surrendered the power to scrutinize their governors' motives for beginning a war, the conduct of military operations, or the political outcome" is that he does not fully realise that 'these peoples,' in accepting current economics and the corollary "full-employment" have accepted war as a policy just as much as have their masters. "The men of the English-speaking countries can be marched, through 'emergencies,' to their own enslavement." It does not matter where they are marched, against whom, with whom, who 'wins,' how long they fight, whether 'Communist aggression' is to be overcome or 'British-American Imperialism,' what is overcome is Peace, for "the seeds of war are in every village" so long as every tradesman is earning his living (what there is of it) by competition to snatch from other traders a sufficiency of pound notes, themselves in short supply, to clear his stocks. The Socialists think he would succeed better if he did without his profit. A little better, but not much, and why? Would he? The economic system is not self-liquidating, and the assumption underlying the arguments of states is that it is.

Neither Mr. Churchill nor Lord Beaverbrook are talking (or thinking) of decentralising power, and every door that

is not a door to an extensive retransference of power 'down to the individual' is a door to war as a policy.

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THE TOWN THAT WOULDN'T VOTE.

A correspondent has some interesting things to say about "a frolic for radio by Keith Waterhouse" broadcast in the Home Service of the B.B.C. on November 8. Apparently the 'pitch' (as a painter, not a musician, might call it) is 'high' (no one in England takes ideas quite seriously). A Yorkshire town (echo of Mr. Priestley?) is the scene. Nobody votes. Nobody is returned. Result (as we have predicted in these columns) alarm in the Cabinet. Comic persuasion and comic threats, and, still in comic mood, a townsman allows himself to be sensible and thus to be elected "so as to get the right NOT to have an M.P. Despite apparently the overwhelming popularity of not-having-an-m.p.-ism, the Conservative and Labour Parties, no less than the Liberals, cannot believe there is no chance for their candidates, and following these a long list of others—Peace Movement, Vegetarian, Social Credit, etc., etc. No Candidate but the NHAMP gets a vote. The scene shifts to the House of Commons (where seemingly even M.P.s elected not to have M.P.s go), and the tone becomes slightly more serious. The new member makes a speech. He apologises to the House for his having played the fool and goes on to say what he has come for, which is to tell them that "Democracy is freedom, not only freedom to do something you want to do, but not to do something you don't want to do." (This semi-definition of contracting-out on top of the mention of Social Credit, drawn in with the also rans, was probably unintentional). Our correspondent does not say (perhaps the play did not disclose) what the percentage poll was. With no disrespect to our readers in Yorkshire (or to the West Riding), its humour has always seemed to us to have strong affinities with the Teutonic. 'Frolic' is, of course of Teutonic origin (fröhlich). Well, if it can't do any better, let the B.B.C. go on fröhliching.

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We are not often able to cite *The New Statesman and Nation* as a source of illumination on the essential world structure, and do so the more readily when opportunity occurs. "London Diary" in the issue for November 3 has the following, which a friend has marked with a pink pencil:—

"An American friend has just drawn my attention to the curious attempt last year to corner the soyabean market in the U.S. According to the *Herald Tribune*, '51 persons with Chinese names—many of them living in this country—

all but cornered the soyabean market just before the Korean war . . . The Chinese cleared an estimated \$30 million on a sharp rise in soyabean prices.' This news item appeared on August 16; two months before, in the MacArthur hearings, Senator McMahon had suggested that this operation had been handled by Chinese Nationalists (who operate in America as well as in Formosa), and had pressed Mr. Acheson in vain for details. I can understand the Senator's anxiety. Clearly, the operation was highly organised, since more than fifty names were known to the U.S. authorities, and it was on a very large scale, since so great a profit can be made only on an enormous capital stake. But the interesting question is why a group of Chinese Nationalists should suddenly speculate in soyabeans before the Korean war began. The trend in soyabean prices had been steadily downwards, and the trend was unlikely to be reversed unless Far East trade was abruptly disrupted by war. Did these Chinese Nationalists work purely on a hunch? If they did, they had amazing gambler's courage and astonishing luck. Or did they know some sort of conflict would start in the middle of 1950? The issue seems important enough to me to warrant a thorough inquiry. Yet very little has been heard of the investigation of the China Lobby which Mr. Acheson promised at the time of the MacArthur hearings."

PARLIAMENT

House of Commons: November 6, 1951.

King's Speech

Mr. Speaker: I have to acquaint the House that this House has been to the House of Peers at the desire of the Lords Commissioners appointed under the Great Seal for holding this present Parliament, and that the Lord High Chancellor, being one of the said Commissioners, delivered His Majesty's Most Gracious Speech to both Houses of Parliament in pursuance of His Majesty's Command, of which I have, for greater accuracy, obtained a copy, which is as follows:

My Lords and Members of the House of Commons:

It is a matter of sincere regret to Me that I cannot address you in person on this Opening of a New Parliament. I have been sustained and strengthened through My illness by the prayers and sympathy of all My peoples.

It has given Me great satisfaction that The Princess Elizabeth, accompanied by her husband, has been able to undertake her projected journey to Canada and the United States of America, and I have been deeply moved by the warmth of the reception accorded both to her and to the Duke of Edinburgh.

The Queen and I are deeply touched by the sympathy and understanding shown by My peoples in Australia, New Zealand and Ceylon on learning that We had, for the second time, been prevented by My illness from carrying out Our plan to visit them. Happily My elder daughter and her husband will make this journey in Our stead; and they ardently look forward to their visit to these and other Commonwealth countries through which they will pass in the course of their journey.

My Ministers will ever be anxious to maintain the intimate and precious ties of friendship and understanding

which exist between all the peoples of the Commonwealth and Empire.

My Government will make it their first duty to ensure our national safety and in concert with the other members of the Commonwealth, the United States of America and our European partners, will share in a supreme effort to build a more tranquil and prosperous world. They will take the necessary measures to strengthen our defences both in trained men and in equipment, to re-establish the Home Guard and to develop Civil Defence.

My Government will faithfully support the United Nations as the World instrument for peace and security. They will continue to play their part in Korea with the aim of restoring peace and well-being.

My Ministers will try to repair the injuries our rights and interests have suffered in Persia.

My Government regard the abrogation by the Egyptian Government of the Anglo-Egyptian Treaty of Alliance of 1936 and the Sudan Condominium Agreements of 1899 as illegal and without validity. They are resolved, in conjunction with the Governments of the United States, France and Turkey, to press forward with their proposals for joint defence arrangements in the Middle East. In the meantime they will maintain their position in the Canal Zone under the terms of the 1936 Treaty and will safeguard the international highway. Nothing can be allowed to interfere with the rights of the Sudanese to decide for themselves the future status of their country.

The text of the Japanese Peace Treaty signed at San Francisco on the 8th of September will be presented to you before ratification. Legislation will be introduced to give effect to certain provisions of the Treaty.

My Government will introduce legislation to regulate the position of Commonwealth and foreign armed forces who are stationed in this country.
Members of the House of Commons:

The estimates for the public services will be laid before you.

My Lords and Members of the House of Commons:

First steps will be taken to fulfil the plans of My Ministers for the management of Scottish affairs.

I have approved new arrangements to bring added strength to the councils of My Government upon the special problems and interests of Wales.

My Government view with grave concern the economic situation of the United Kingdom about which a full disclosure must be made to the nation. The recent deterioration in the balance of payments causes increasing anxiety and must be urgently remedied in order to restore the fullest confidence in the purchasing power of the pound, so that we may continue to be able to obtain from overseas the supplies necessary to maintain employment and an increasingly high level of production. The measures to this end must include drastic action to reduce the growing inflation in our economy which threatens the maintenance of our defence programme and which if unchecked, must cause a continuing rise in the cost of living. My Government regard this problem as overshadowing all other domestic matters. They are giving it urgent examination and will announce their conclusions and make proposals to Parliament in the immediate future. They will make a searching inquiry into Government expenditure with a view

to reducing it wherever possible. While pressing on with domestic remedies they will also invite the other Governments of the Commonwealth to confer together on action which should be taken in concert to remedy the adverse balance of payments.

My Government will seek to promote flexibility in those industries which have been brought under public management and to stimulate free enterprise by giving it a fuller share in our economic activity. They will be mindful of the great demands on our productive capacity, and will consider all methods for creating that spirit of partnership between management and workers on which industrial harmony and a higher level of productivity must depend.

My Government view with concern the serious shortage of labour, particularly of skilled labour, which has handicapped production in a number of essential industries. They will review, in consultation with representatives of those concerned, the possibilities of making available more labour for those industries and of ensuring the best use of the existing labour force.

A Bill will be placed before you to annul the Iron and Steel Act with a view to the reorganisation of the industry under free enterprise but with an adequate measure of public supervision.

Proposals will be made to facilitate the extension of private road haulage activities.

A measure will be laid before you for strengthening and widening the activities of the Monopolies Commission.

You will be asked to authorise for a period the continuation in force of certain emergency enactments and defence regulations which are due to expire next month.... My Ministers will, however, review the whole subject with the aim of reducing the number of these controls and regulations and, wherever possible, embodying those which must be kept in legislation requiring annual renewal by Parliament.

My Government will do their utmost to stimulate the building of new houses for My people, using to the fullest extent both public and private enterprise. Their housing policy will have regard to the desire of many people to own their homes and to the special needs of the elderly.

In their policy towards the social services My Government will pursue the aim of ensuring efficiency and providing value for money spent.

My Ministers will vigorously encourage production of food by the basic industries of agriculture, horticulture and fisheries.

Further progress will be made with the consolidation of the statute law.

Other measures will be laid before you in due course.

I pray that the blessing of Almighty God may rest upon your counsels.

The Prime Minister (Mr. Winston Churchill): We meet together here with an apparent gulf between us as great as I have known in 50 years of House of Commons life. What the nation needs is several years of quiet, steady administration, if only to allow Socialist legislation to reach its full fruition. What the House needs is a period of tolerant and constructive debating on the merits of the questions before us without nearly every speech on either side

being distorted by the passions of one election or the preparations for another. Whether we shall get this or not is, to say the least doubtful.

. . . Very soon severe competition from Germany and Japan must be expected in our export markets. The problem of earning our independent livelihood stares us in the face. All our united strength will be needed to maintain our standards at home and our rank among the nations. If in these circumstances the electioneering atmosphere is to continue indefinitely, with the nation split in half in class and ideological strife, it will present a spectacle which the world will watch with wonder, and I believe, on the whole, with dismay.

My hope is that the instinct of self-preservation may grow steadily during this Parliament. Controversy there must be in some of the issues before us, but this will be but a small part of the work and interests we have in common. . . .

. . . We have thought it right to make certain reductions in Ministerial salaries. They are not intended—

Mrs. Braddock: They are being scabs as soon as they get in.

The Prime Minister: —as a reproach upon the party opposite, but only as a signal which may be helpful for all. . . . The reductions are intended to mark the emergency character of the period upon which we have entered—into which we have been led by the leader of hon. Gentlemen opposite. They are limited to the period of re-armament or three years, which ever ends the first.

The Gracious Speech contains only one obviously controversial measure, the annulment—that is I understand, a term of art, but it may well be expressed by the more familiar word “repeal”—the annulment of the nationalisation of the iron and steel industry. The restoration of the university representation was one definite issue at both the General Elections. On a strict interpretation of our mandate we should be entitled to make a change in university representation operative immediately, for that was the intention most clearly expressed; but on reaching the moment of decision, I and my—[*Interruption*] . . . I and my colleagues felt that for the Government to add to their majority in a Parliament already elected would create a questionable precedent. We should look a little like the London County Council—not that I should think of comparing University Members with so docile and trustworthy a band as those have proved to be. We therefore decided that it was better that any alteration of the franchise should follow the normal course of franchise Measures and be operative only at the Dissolution. . . .

. . . The King's Speech in no way limits the legislation which may be brought before Parliament if the public interest so requires. I am sure that it would not be wise for us to commit ourselves to complicated constructive proposals until we have had full and reasonable opportunity for studying the whole situation. . . . and for using the machinery of the Departments to aid us in framing and shaping policy. Time is required for thought and decision, and we shall not hesitate to submit to Parliament additional Measures not mentioned in the Gracious Speech if we consider at any time that this is necessary.

. . . Now I come to the greatest matter that I have to bring before the House today—the financial and economic
(Continued on page 6)

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Saturday, November 17, 1951.

Power and Authority

Of *political*, as distinct from merely *party* propaganda, the B.B.C. is now the chief instrument. Whatever changes Mr. Churchill intends to introduce in the Charter of this immensely powerful agency, they are unlikely to affect this paramountcy, or alter or adjust its direction. The politics of the B.B.C. is the politics of the Revolution. "All roads lead away from Rome," by which assertion we mean to express not in the least that the B.B.C. is "Protestant" (though, of course, it is), but that the same interchangeability of routes as is claimed by the assertion that all roads lead to Rome serves it, and that the destination is the heart of something different from and opposite to Christendom.

So we note the Reith Lectures, seven of them, to be broadcast on Sunday evenings in the Home Service, the lecturer being a "public servant," Lord Radcliffe, a Law Lord and a Privy Councillor. Students of physiognomy may see his portrait in the *Radio Times* for November 9. The first of the lectures was broadcast on November 4. The subject is Power and the State, a topic made important not so much by M. Bertrand de Jouvenel as by the march of events. The revolutionists can no longer ignore public discussion of Power—Power which, as Lord Acton said, "tends to corrupt." Limitation of Power, distribution of Power, must limit corruption. Corruption must be defended; which means that discussion must be guided. Lord Radcliffe will guide it through the mighty instrument of the B.B.C.

For the moment we submit to study only the first eighty-six lines of the report which appeared in *The Listener* for November 8 of the first address. These lines and some following them are introductory to an essay on Plato (about whom more anon. It is usual even in freemasonic circles to concede that Plato was not Christian). In the lines alluded to the word 'power' appears eleven times (twice as 'powers'), and the word 'authority' five times. In every case in which 'authority' is used it is used as a synonym for 'power.' Now follow the suggestion—it is not an argument: it is not allowed to reach the platform of argument, which is a conscious platform—"Power and Authority are *one thing*. That is, there are not *two things*. One or the other, as a thing to be distinguished, *does not exist*."

At the risk of perhaps unduly drawing attention to ourselves, will our readers carry with them as they listen (if they do) to further lectures by Lord Radcliffe, the two assertions which have been made in this journal, *viz.*, Power cannot be destroyed; it can be distributed. Authority cannot

be destroyed; neither can it be distributed. We add a third: the distributable and the undistributable cannot be the same thing. Whoever says they are is confusing someone.

"The Tablet's" Economics

The following has been addressed to *The Tablet* by Mr. Pasco Langmaid, dated November 5:—

Dear Sir.

It is such a pity that your almost weekly references to the export-import aspect of our economy should be so unrelated to facts and experience. The published figures, taken from a fraudulent unaudited account cannot possibly lead to a realistic assessment of our economic and financial position.

But such facts as are available indicate that we have never received adequate value for exports. For example, before devaluation whiskey was sold to a monopolist in the U.S.A. for the equivalent of five shillings per bottle and retailed at the equivalent of three pounds. Major C. H. Douglas's suggestion that it should be sold by auction in the U.S.A. was received with indifference by the devotees of dollar gap-filling.

"The almost superstitious trust in the mechanism of a world market to balance the economy." (P. Pius XII, *The Tablet*, June 17, 1950, page 477) is accompanied by the incredible blindness to the needs and possibilities of the home market and of this latter I give two recent instances.

"Startling drop in vegetable acreage. 19% fall since Sept. 1950." (*The Fruit Trades Journal*, Nov. 3rd, 1951.)

"In their quest for raw materials, German soap manufacturers are wondering how long it will be before they are offered 80,000 tons of butter—the quantity their country expects it will shortly have to declare as surplus." (From a Correspondent to *The Grocer*, Oct. 13th, 1951.)

The task before us is that of integration—of figures with facts, of facts with Catholic principles. And for the task "integrated" men. So *The Tablet* may become an organ of restoration. Quoting your Chess Column, 'The Lord Spiritual effectively subdues the Lord Temporal.'

Several other readers (some Roman Catholics) of both journals (*The Tablet* and *The Social Crediter*) have written to us complaining of *The Tablet's* economics, which, since they should be based on fact, not opinion, are open to anyone's criticism. Perhaps the Lord Spiritual among Social Crediters will continue the attempt to subdue the Lord Temporal (whoever he is) of *The Tablet*. (Editor T.S.C.)

Grand Orient

FREEMASONRY UNMASKED

by MGR. GEORGE E. DILLON, D.D.

From K.R.P. PUBLICATIONS, LTD.

5/-

“Hopeless But Not Serious”

The Dublin correspondent of *The Times* in the issue of that newspaper for November 6 said that the last few weeks had seen political discussion of financial problems on an unprecedented scale in the Dail.

This observation is in line with reports we receive from Eire suggesting that influential writers of letters to the newspapers reveal the existence of a more intelligent reaction to what is called “the bankers’ attack on the country” than there has been hitherto. Many ‘Social Credit’ letters appear. On the face of it, Eire presents no essential difference from other countries relatively to the fundamental problem of the Constitution. Any government is open to introduce Social Credit ideas into its administration, and most governments now do so, with varying proportions of inversion, even the least of which negative the underlying policy of Social Credit, which is “that the end of man, while unknown, is something towards which most rapid progress is made by the free expansion of individuality, and that, therefore, economic organisation is most efficient when it most easily and rapidly supplies economic wants without encroaching on other functional activities.” Exposure, by any means, of the opposing policy, the present policy of Finance in league with and in control of Governments, is, without doubt, contributory to the possibility of a reversal of it. But we have long since discarded, if we ever entertained, the notion that a discussion of technics divorced from a *thorough* understanding of policy, and policy not *in vacuo* but inherent in the machinery of government (*e.g.* the ballot box) is anything different from a compromising nuisance.

The Times article goes on:—

“The Government’s contention that Ireland is facing an economic crisis is denied by the Opposition. Mr. Sean Lemass, the Minister for Industry and Commerce, accuses his predecessors in office of encouraging the country to live beyond her means, but Opposition speakers claim that the excess of imports over exports has been no more than a reflection of strategic stock-piling and expenditure on capital equipment.

“In the middle of the controversy the Central Bank authorities intervened on the side of the Government. The crisis, they insisted, was real. But the Central Bank is not regarded as an impartial authority. The Opposition view it with mistrust as a creation of Mr. de Valera’s Government. It is also regarded as being too much under the thumb of the Bank of England.

“Nor did its remedy for the crisis command respect. The advocacy of a deflationary policy pleased nobody, and made an implacable foe of the Irish Trades’ Union Congress, which promptly expressed its alarm at the suggestion that public works, [*] housing, and flour subsidies might come under a budgetary axe.

“The truth probably lies midway between the contestants. Undoubtedly the Government are right to warn the nation that it is spending far more than it earns, and there is also some justification for their complaint that the bulk of the excess expenditure has been on consumption and not on capital goods. [†] But the Opposition have equally sound arguments in favour of their contention that the

remedies proposed by the Central Bank and not disavowed by the Government would be worse than the disease.

“Ireland is still essentially an under-developed, under-capitalized country. [‡] The last Government may have failed to ensure that a sufficient proportion of the national expenditure was diverted into productive channels, but that is no argument for the reduction of productive expenditure, which is the Central Bank’s recommendation.

“In addition to the problem of the balance of payments, the prospect of inflation has caused some alarm. Prices have risen considerably during the year, but this is mainly attributable to the higher cost of imports. Little evidence exists of any dangerous inflationary tendencies within the country. Even if they did exist, the sterling link would act as a brake on any insular drift away from present price levels.

“To consider the Irish economy as self-contained while the sterling link remains is foolish, and one of the most serious criticisms levelled against the Central Bank has been of its failure to make clear just how feeble is the control which Ireland exerts over her financial policies.

“Mr. Sean MacBride and others have resumed their advocacy of an independent currency, but the practical obstacles in the way are great as matters stand at present, and as long as the Irish pound note carries an inscription that the bearer is entitled to £1 for it on demand in London financial events in Ireland will continue to be of less moment than the news from England.

“Both sides, therefore, may be right in Ireland’s economic civil war. The crisis may indeed be upon us, but, to use an old comment, this country’s economic position, although hopeless, is not serious.”

In some quarters the termination by the banks of the strike of the Irish bank officials (there could be another) is attributed to a threat made to the President to publish the banks’ secret reserve figures. Why didn’t they do it? *The Irish Times* on January 4 last carried an advertisement across two columns, signed “J. Titterington, Organising Secretary,” containing a paragraph as follows:—“This Association is facing ten banks who have vast undisclosed monetary resources, and who are financially able to distort the true facts of the situation.”

Jews in Parliament

The seventeen Jewish M.P.s of the new Parliament were all Labour members of the last Parliament. The *Jewish Chronicle* in its leading article, “The New Government” on November 2, said:—

“We offer our sincere congratulations to all the Jewish M.P.s who have been returned to Parliament, though we cannot refrain from a nostalgic wish to see Jewish representatives included once again in all the major parties in the House of Commons. Fortunately, the present single party contingent does not necessarily mean the existence of a Jewish vote. This state of affairs seems much more to be one of the vagaries of British politics—there were Jewish candidates in all the major parties—than any conscious electoral discrimination in favour of Jewish identity with one of the parties in the State.”

[*] The T.U.C.’s addiction to Mond-Turnerism (the work state).
[†] More Mond-Turnerism, but this time the correspondent’s addiction.

[‡] What is “enough”? All notes by Editor, T.S.C.

PARLIAMENT.

(Continued from page 3).

situation. The right hon. Gentleman spoke in jocular manner about making bricks without straw, but I quote that only to emphasise by contrast the seriousness of the position. We were confronted on taking over with a Treasury report setting forth the position as it stood at that date, 10 days ago, I sent a copy of this to the Leader of the Opposition in order that he might know our starting point. It was certainly scratch. In overseas payments we are in a deficit crisis worse than 1949, and in many ways worse than in 1947. Confidence in sterling is impaired. In the present half-year, we are running into an external deficit at the rate of £700 million a year compared with an annual rate of surplus of about £350 million in the same period a year ago. That means a deterioration of more than £1,000 million a year.

The latest estimates show that in 1952, on present trends and policies and without making any allowance for further speculative losses, the United Kingdom would have a deficit on its general balance of overseas payments of between £500 million and £600 million, and the loss to the central gold and dollar reserves in the transactions of the sterling areas as a whole with the rest of the world might be appreciably more. These figures mean, in short, that we are buying much more than we can afford to pay for from current earnings, and this can only in time lead to national bankruptcy. The position has been made worse by the loss of confidence in sterling and by the additional strain of the loss of Persian oil supplies, to which the Leader of the Opposition has made reference in some of his speeches.

Such was the statement presented to us within a few hours of our taking office, and it has taken first place in our minds and discussions since. We are convinced that it is necessary to present the facts plainly to the nation in order that they may realise where we stand. We do not believe that a full and frank statement of our position will aggravate the loss of confidence abroad which has been taking place. On the contrary, many of the facts are known in foreign and financial circles and are, in some cases, exaggerated by foreign speculation.

We feel that a solemn resolve by Parliament and the British people to set their house in order without delay, and the measures necessary to give effect to that resolve, would act as a tonic to our credit all the world over. A full statement of the financial position and the remedial measures which, in the time we have had to consider these matters we consider imperative, will be made by my right hon. Friend the Chancellor of the Exchequer at the opening of tomorrow's debate. I will not now elaborate the matter further.

We also find a bad position about coal supplies. Stocks of house coal are only half of what they were last year, and they are lower than they have ever been since the war. It is a tragedy that this great coal producing country should have to import coal, and a comedy that at the same time we should be exporting coal with our limited shipping. I know that there are explanations for all this, but the resulting fact remains, and we cannot let our people suffer cold or our industries and re-armament be hampered if there is anything that we can do at this stage to prevent it.

The failure to build up house coal stocks was evident during the summer, and it seems a pity that coal was not imported at that time to restore the position when import,

although no doubt not easy, would have been less difficult than it is now across the winter Atlantic. In spite of this difficulty, the Government will do all they can to get more coal from abroad. It will not be possible in the time available to bring in enough for us to guarantee that there will not be hardship before the winter ends.

We have had to reduce the meat ration to 1s. 5d. worth a week. Our predecessors had already given notice that this would be necessary. [*Interruption.*] I am only reciting facts. It is a great pity to get into a state of mind when we fear facts. They hoped that it would not fall lower during the winter and spring. My right hon. Friend the Minister of Food, in consultation with Lord Woolton, felt it essential to reduce the ration to 1s. 5d. without delay. The meat supply is really worse than it was in wartime. In the period from April, 1942, to 1945, the weekly ration averaged about 1s. 2d. that would be equal to about 1s. 9½d. to 1s. 10d. at our present prices. On the reverse calculation, the ration of 1s. 5d. of today's weekly ration would equal a ration of about 11d. at wartime prices.

The prospect of supplies in the first half of next year is far from ample, but we trust it will grow. The imports from the Southern Dominions and from foreign sources such as the Argentine, even if all are made good, could not relieve the anxiety. There can be no assurance that the 1s. 5d. level can be held. We hope to do so, but I cannot disguise from the House that there are many uncertainties. A serious shortage of meat cannot be overcome quickly. To regain a pre-war consumption we should need 600,000 tons more meat a year than we are getting. I cannot hold out any hope of that in the near future. . . .

Mr. Ian Horobin (Oldham, East): . . . I suggest for the earnest consideration of the appropriate Minister that part of any de-nationalisation proposals should be considered on a basis not of sale for sterling but of sale for dollars. If it be right to have a fifty-fifty participation in Persia or in Middle East oil, if it be right for America to build Fawley, I do not see why it should not be a good thing to marry their desire and our desire for free enterprise, for instance, in the electricity industry to a participation in dollars which will involve them building the power stations which we require. [*HON. MEMBERS: "Oh."*] Why not? Hon. Members opposite took some credit, and rightly, for the fact that the Americans were building the biggest refinery in England at Southampton. What is wrong if we can make arrangements with them for building the power stations without which these cuts will continue?

I venture a prophecy: there is not the real capital available today to build the power stations which are essential. They can only be built with American dollars, and if we can marry our desire for American dollars with the de-nationalisation of the industry and their participation in it on the basis of their putting up some of the dollars and steel without which the power stations cannot be built, would it not be a jolly good bargain for us and, incidentally, get us the electricity which we need? Much more important than American assistance in matters of this sort, let us never forget that American capital exports compromise one of the essential conditions of any balancing of the Western world's accounts with America. That is common sense, or it should be. But why should it always be assumed that any part of the world can have American investments except Britain?

Mr. Norman Smith (Nottingham, South): If the hon. Member wants to know, I can tell him. American capital exports are essential, provided they are on a give-away basis in the same way as we give away to Africa and other countries poorer than we are. It cannot be done on the basis of money being sacrosanct.

Mr. Horobin: I really think that answers itself. If we are to wait until all the capital investment in this world is put on a basis of giving away money for nothing, we are going to wait a very long time. If we are to consider as a major objective the convertibility of sterling, which can only be done—and I believe can be done—once we have put our own house in order along the lines I have suggested, would it not be a matter at least for consideration. in the light of the dramatic change in the situation between last year and this, whether fixed exchange rates temporarily between the pound and the dollar are appropriate in the post-war world? The rate of exchange between the pound and the dollar is the one over-riding consideration upon which all other economic decisions have to be made. We have attempted, for good reasons, since the war to continue the system of the fixed exchange rate, altered from time to time by catastrophes. . . .

But that is not to say that in the extra-ordinary situation of today it may not be, not only wise but the only course open to us, as a preliminary to getting back to convertible sterling on a new fixed exchange rate, to go through a period of variable exchange. I myself believe that if we were to put to the Americans the argument for convertible sterling, we should receive support in a measure quite different from that which we shall get if we merely go to them with a hard-luck story. The Americans, in their own language, are tired of bailing out English Socialism. If we had gone to them on the basis of getting assistance towards taking this great world currency back again into the position of being a free currency, then I believe the currency stabilisation loan could have been, and probably now could be, obtained; but we must face the fact that for some time in the future the amount involved would be enormous.

As a first step, might it not be possible to consider a variable exchange rate supported by a really effective forward exchange rate? There would be three advantages. First, the amount of dollar assistance necessary to maintain a really effective forward dollar exchange market in this country, though big, would be only a fraction of what would be needed as a currency stabilisation loan to ensure sterling at a fixed rate. The second advantage, if that could be done quickly—and this is a purely Lancashire advantage—is that it would mean a big step forward towards the implementation of a pledge which Lancashire has and which Lancashire will expect to be implemented. We have a pledge that Lancashire will see re-founded the Liverpool cotton market.

Mr. Butler's Need for Encouragement

"To tell the truth, the City is in two minds. In finance, as in trade and industry, many people have done very well under the soft option of inflation. The banks, in particular, find the prospect of real 'disinflation,' involving a rise in interest rates and a fall in gilt-edged values, most distasteful. In fact, it is being said that it was the advice of the banks to Mr. Churchill, directly or indirectly, which prevented the appointment of Mr. Oliver Lyttelton as Chancellor of the Exchequer. He said publicly that he favoured 'traditional methods' of credit control, and the banks trembled for their balance-sheets. Mr. Butler is believed to have no such ruthless remedies in mind, though he may, of course, disappoint the prophets.

"A crucial question for the next few months is what part the Bank of England will play in the making of financial policy. Formalities apart, the bank can still exert powerful influence if it chooses to speak out. The present Governor is quite capable of speaking out. A few weeks ago he told the late Chancellor in public that nothing counted for more in the making of economic policy than the stability of our currency, and that ought to be given overriding priority 'even if it may involve discomfort and disappointment for all of us in other directions.' The new Chancellor is a man who, from all accounts, needs this sort of encouragement even more than Mr. Gaitskell did. . . ." (Financial Editor of the *Manchester Guardian*, October 30.)

Work and Education of M.P.s

The *Manchester Guardian* for October 31 gave the following particulars concerning the work and education of M.P.s:—

WORK OR BACKGROUND		Con.	Lab.	Lib.
Journalists and writers	15	30	—	
Doctors	3	9	—	
Lawyers	58	35	5	
Teachers or academic	6	47	—	
Services	22	2	—	
Accountants	2	—	—	
Local government	—	1	—	
Other professional	8	13	—	
Company directors, landowners	113	8	1	
Business men or executives.....	42	13	—	
Farmers	17	4	—	
Private means	12	2	—	
Trade union officials	—	58	—	
Manual, clerical, &c.	1	59	—	
Political, diplomatic, or colonial service.....	21	13	—	
Total	320	294	6	
EDUCATION		Con.	Lab.	Lib.
Primary only	3	87	—	
Secondary or further	84	159	4	
Public School	234	48	2	
Total	321	294	6	

Of the Conservatives 204 continued to a university, and of the Labour members 118. A hundred and twenty-five Labour members have local government experience and 73 Conservative members. Three Liberal members attended university.

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"The Grand Lodge Above"

At a Masonic service held on October 28 at Holy Trinity Church, Paddington, the Prayer for the Church, from the service of Holy Communion, was borrowed and altered thus, says *The Church Times*:—

"ALMIGHTY and everlasting God, who has taught us to make prayers and supplications and to give thanks for all men, we humbly beseech Thee most mercifully to receive these prayers which we offer unto Thy Divine Majesty, beseeching Thee to inspire continually our Fraternity with the spirit of truth, unity and concord. We beseech Thee also to save and defend Thy servant George our King, Past Grand Master of the Order, that under him we may be godly and quietly governed. Guide, uphold and bless our Grand Master; our Provincial Grand Masters and all Rulers of the Craft; and to all Brethren of our Ancient Craft give Thy heavenly Grace; that with meek heart and due reverence, they may hear and receive Thy Holy Word; truly serving Thee in holiness and righteousness all the days of their life. And we most humbly beseech Thee of Thy goodness. O Lord, to comfort and succour all them who in this transitory life are in trouble, sorrow, need, sickness or any other adversity. And we also bless Thy Holy Name for all Thy servants departed this life in Thy faith and fear; beseeching Thee to give us grace so to follow their good examples, that with them we may be partakers of Thy Heavenly Kingdom and united once more in the Grand Lodge above. *Amen.*"

The collect for purity, and another collect, were also used the newspaper says, but the name of the Saviour was omitted.

The *Church Times* announces that it "still awaits an authoritative statement that cardinal doctrines of the Christian faith shall not be designedly omitted from any service held in church."

The Speaker

In the new House of Commons on October 31 Mr. W. S. Morrison was elected Speaker by 318 votes to 251. It was the first time for 56 years that the election of the Speaker had been contested.

Final State of Parties

The final state of parties in the House of Commons now is:—

Conservatives and Associates	...	...	321
Labour	...	...	295
Liberal	...	...	6
Others	...	...	3

Installation of Air Raid Sirens

The Home Office states that local authorities have been informed that some of the additional air raid sirens required are now available. The authorities have been asked to overhaul their sirens and to instal them and the additional ones as these are received.

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