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From Week to Week

The essence of Social Credit from the economic point of view is the restoration of initiative to the *individual*, making use of the obvious identity between individuals and consumers. Every individual is a consumer, whether man, woman, child, soldier, sailor, tinker, tailor, richman, poor-man, beggar-man, thief. Economically, nothing else but consumerhood unites all individuals into a single class discharging a single function, however variously according to individual need and taste. If there is such a thing as 'economic' man, this is he; and if there isn't there is man the consumer who plays a constant rôle under any and every economic system. That rôle has the effect of price-cancellation, and can be discharged, under our present economy, only when distributed purchasing-power suffices. The instrument of price-cancellation is money. *Money* in any form which does not reach the consumer returns to its source without completing its function, which is price-cancellation. Price-cancellation is wedded to consumption. It need not be; but, if it were not so, there would be no *public* buying: the economy would be that of an institution, such as a prison or a work-house, where the managers received all the 'wages' and the inmates received board and lodging and clothing 'free.' Even so, the 'wages' would have to be sufficient in the aggregate to cancel aggregate prices and so discharge 'costs.' Such a system is not incompatible with the taxation of the 'managers' to pay for unbridled capital expansion, wars, *etc.*, and other manifestations of social dislocation. The 'managers' and the 'inmates' would suffer in such proportions as the 'managers' could determine or the 'inmates' impose, with what sanctions they might possess. The fate of both would rest upon the measure of freedom they jointly enjoyed to determine to themselves the flow of goods and services. And how?

This is 'Socialism.' The particular case is a stage between the credit-financing of the producer, and the credit-financing of the consumer himself, who with the operation of an un-adjusted price, is always short of purchasing-power. Douglas explained why this deficiency should exist, and in what circumstances it must exist.

It should be noticed that it is not in any sense an 'improved' producer-credit system. The defects of systems of producer-credit are all retained, perhaps in a clumsier and worse form than before.

In any case, anyone who advocates such a system is advocating the opposite of Social Credit. It is characteristically the tendency of the Alberta Party Government and of all movements which it inspires. *The Times* correctly labelled them 'esoteric Socialism'—masked, hidden, con-

cealed Socialism. It seems as though a publicly recognisable common ingredient of all their proposals is to 'pay off the Debt' (National or Provincial). This is represented as 'getting out of debt'—as, of course, it would be if the community's credit were monetised to effect it. If it isn't, the result is an additional tax. "Oh no," say they: "we shall reduce taxation." Then, look out for "esoteric taxation" (more Socialism).

With the 'democratic constitutions' of the British Empire in such rags as they are, we frankly do not see what there is to prevent party after party, faced with the dire necessity for a change of 'front' (*i.e.*, mask), 'modelling itself on the magnificent example of Alberta's Social Credit Administration'—"entirely a Canadian product" (*vide The Canadian Social Crediter*, and we 'could not agree more')—and gaining 'power' by such means.

We think, however, that it is much more likely that the next candidate for dishonour will not be the stricken Liberal Party in England, Viscount Samuel not dissenting. Dr. Evatt has been mentioned, and it would be quite in keeping with his past record if indeed he did capture Australia for the Labour Party in the forthcoming Federal Elections with the aid, openly solicited, of a group professedly Social Credit in policy. The *New Era* some years ago recorded the first steps of Dr. Evatt in this direction.

To our untutored mind, there is a distinctly odd ring about this gem from a tangle of abstractions headed "Consumer's Choice" which appeared in *The Times Literary Supplement* on July 24:—

"When the great exponents of libertarian philosophies in the past century spoke of liberty of opinion they had in mind principally a man's liberty to express his own opinions, not his liberty to listen to the opinions which he preferred."

The subject is sponsored television, as might be expected. If the writer means: "you may say what you like: but you must listen to me!" it would make sense, even if unpalatable sense.

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PARLIAMENT

House of Commons: July 2, 1953.

AGRICULTURE

Supply—Agriculture and Food Production

(The Debate continued: Sir Robert Boothby is speaking):—

... There is, however, room for a considerable further expansion of the production of animal feed in this country; and, therefore, of animals, on marginal and hill land. I reckon that we could bring into use an additional two to three million acres without undue cost. In this business of reclaiming marginal land it is the cost that has to be borne in mind; and we must never forget it, because sometimes a lot of nonsense is talked about it. But I reckon that we could do that, and I think that Lord Lovat has shown that it can be done and how it can be done. He has done a great job in the Highlands of Scotland.

Nevertheless, the key to this problem of meat production does not lie in marginal land. It lies, in my opinion, with livestock and leys. This means that the plough must be taken round the farm to the same extent in England as it is in Scotland. I wish that I could get some of the English farmers and Members of Parliament to come up to Angus, Forfar and Aberdeenshire and look at the farms there, and see how farming really should be done. Some Americans who came up there the other day rightly said, "This is the best farming in the world." Livestock and leys, take the plough round the farm, and leave nothing out. That is what they do up there.

Despite the fact that grass management has become almost an exact science, the English particularly, and, I am afraid, some parts of Scotland also, carry millions of acres of poor grazing; and they go on feeding to dairy cows concentrates which should be going into the production of bacon and eggs. Nobody can deny that, because it is profoundly true. The answer is to improve the quality of permanent pasture by the application of scientific methods where this can be done; and to bring the rest of it under the corrective influence of the plough, which in my opinion is not sufficiently done, especially in England, although I do not want to make a national issue out of it.

If we do that, we could, in my view, carry several million more head of sheep and cattle; and increase the production of meat over present levels by 50 per cent. within a reasonable period of time. There is no other single thing in the domestic field that any Government could do which would be as beneficial to this country as a whole. . . .

... I now come to a rather difficult passage of my speech, but I must say a word on the subject of marketing. In this country we handle 40 per cent. of the world's trade in food, and we continue to do so even after the war. We are, therefore, a controlling factor in world price stability. Our basic objective must surely be to combine maximum stability with maximum freedom. To the primary producer, with the long-lag between his costs of production and the sale of his products, violent price fluctuations are deadly. Nothing could do him more harm; even if prices

go up sharply that does not do him any good. In agriculture there are wide seasonal fluctuations—caused by conditions, weather, and so on. Any policy, national or international, which budgets for the world's food needs must therefore, give rise to periodic surpluses; and these must not be flung without thought on ordinary markets and break those markets, but be disposed of in an orderly manner. So my plea is for orderly marketing both abroad in the international field, and at home.

Before the war I remember oats at 14s. a quarter. I remember when our Scottish farmers were on their backs under the flail of foreign vested interests and speculators, and the long years when prime Scotch beef was under the hammer at Smithfield at prices far below the cost of production. The Joint Under-Secretary of State will also remember that very well, and will agree with me when I say that whatever theoretical views we may have about Socialism, capitalism, bulk purchase, private enterprise, or whatever it may be, Scottish farmers are never going to allow that to happen again. Never—they are never again to be at the mercy of those foreign speculators at Smithfield Market—never. We will march down—if ever that happens—with our claymores and burn Smithfield to the ground; and it will not be the first time it has been burned to the ground.

I am well aware that on the subject of bulk purchase I am regarded by my party as something of a heretic but I have been absolutely solid and consistent on it for a quarter of a century. There can be no doubt that the bulk purchase policy of the Ministry of Food has given a considerable measure of stability to world food prices, and a considerable measure of prosperity to primary producers all over the world. We have to face that fact. . . .

(On the ground of their bearing on foreign affairs, our extracts from the Official Report for July 21 are printed out of order of date.)

House of Commons: July 21, 1953.

NATIONAL FINANCE

Food Subsidies

Mr. Gower asked the Chancellor of the Exchequer at what annual figure the food subsidies are now maintained; and what proportions are in respect of home-produced foods and imported foods, respectively.

The Financial Secretary to the Treasury (Mr. John Boyd-Carpenter): As my right hon. Friend said in his Budget speech, the provision for food subsidies in 1953-54 is, in round figures, £220 million. Of this total, rather over 85 per cent. is for home-produced foods and rather under 15 per cent. for imported foods.

Foreign Affairs

Captain Charles Waterhouse (Leicester, South-East): First, I should like to associate myself with what was said by the right hon. and learned Member for Montgomery

(Mr. C. Davies) in such appropriate terms about my hon. Friend the Member for the Isle of Thanet (Mr. Rees-Davies), who made an admirable maiden speech. . . .

He began with the question of Egypt, and I should like to make that the first of the three short points which I want to put to the House this afternoon. I welcome the clear and categorical statement of my right hon. Friend that our base in Egypt is essential for world peace, and his final remark on this subject, that we shall be patient and resolute. I was glad to hear him reiterate and reaffirm the statement made by the Prime Minister on 11th May. That statement gave us real confidence. The various points he made were made firmly and clearly, and he made it absolutely apparent, by the general background of what he said, that the last thing he intended to do was to evacuate the Canal Zone.

Yet we can hardly open a paper for many days consecutively without finding that a correspondent is informed from some reliable source that something is being done about evacuation. In the "Sunday Times," yesterday, I read that Mr. Dulles and the Marquess of Salisbury, last week discussed in great detail British conditions in relation to evacuation. I submit that this reiteration of the idea of evacuation is doing real harm to our cause.

The Prime Minister has said that we are not going to evacuate. We know that we have far too many troops there; more troops than we want to have there, and possibly more than we can afford to have there, but between a reduction of troops, to the number of 5,000 or 10,000—as suggested by my hon. Friend the Member for the Isle of Thanet—and evacuation, there is the whole difference between security and scuttle.

I hope and believe that the Government will never agree to evacuate the Canal Zone in that way. After all, we are apt to forget that we stand on definite Treaty rights and that they do not end for three years. We have a responsibility to the whole world for the maintenance of this base. I do not think we need fear that the Government will relinquish their great responsibility in that respect.

I must, however, express a fear. I do not think that we shall get any great help from our friends in the United States of America on this matter. They have made their position clear. They stand four-square against all forms of imperialism, and they are to be the judges of what imperialism is. They advised us to get out of Hong Kong. They advised us to get out of Burma. They advised the Dutch to get out of Indonesia and the French to get out of Indo-China.

That is all very well. I do not grudge them the power of giving advice. They are the judges of their own affairs. They are content merely to dominate a couple of continents and to have strategic bases throughout the world and to exploit oil wherever it is to be found. I do not blame them for that. That is their point of view, and I hope that they will allow us to have our point of view.

That brings me to my second point. It is that President Roosevelt made these views of his perfectly clear first at Teheran and then at Yalta. He made it abundantly clear. According to General Eisenhower's "Crusade" he said to Stalin that "Russia and the U.S. were both free from the stigma of Colonial Empire building." That is a very fine

sentiment; but I think that there have been few greater disasters in modern history than those conferences at Teheran and at Yalta. I do not want to use too hard a word but in my view President Roosevelt was completely hoodwinked by Stalin. He took the view that Britain was likely to be the trouble maker and the aggressor in the post-war world.

My right hon. Friend the Prime Minister must have had a shock when he discovered how the counterpoise in this committee of three was shifting. I hope that there is no fear of us, on our part, falling into a similar error today and taking the side of Russia against the United States. My right hon. Friend the Chancellor of the Exchequer has given me no cause to believe that there is, but obviously there is considerable pressure in that direction. The right hon. Gentleman the Leader of the Opposition spoke of the possibility of loosening tension by general talks. He was against stating a view. He believed in wide talks.

The right hon. and learned Gentleman the Member for Montgomery (Mr. C. Davies) has just been asking what the difference is between our attitude now and our attitude of a few months ago. He asked for everything to be open. He was against any form of interchange of Notes leading to another meeting and other Notes.

Really, where does all that take us? Are not the interchange of Notes and official meetings always the necessary basis of any lasting agreement? Do either of the right hon. Gentlemen really believe that three men, however great, can meet round a table, with differences as great as those which divide Russia from Britain and the United States, and come to some agreement because of their charm of manner or their change of heart or something of that sort?

Mr. C. Davies: I agree with what the Prime Minister said. The Prime Minister said, "Let us meet without anything of this kind—without Notes." He said that it was not to be expected that they would arrive at a full technical agreement but, at any rate, the feeling would be all the better and they could start the technical discussion afterwards.

Captain Waterhouse: I did not read into what the Prime Minister said a declaration that we had changed our ground. Unless I made a wrong note of the right hon. and learned Gentleman's words, he asked, "What is the difference between what we say now and what we said before?" If one is always expected to change the ground, to be advancing towards one's opponent in the discussion before one has started the discussion, surely one cannot hold any position at all. It is here that I join issue with the right hon. and learned Gentleman.

Mr. Davies: That was not the point. What we said a few weeks ago is exactly what we are saying now—that there would be no point of putting into this Note to Russia the statement that we want a meeting with them on exactly the matters on which Russia has already said she will not hold a meeting. Therefore, the Prime Minister said that we should put the matter on a broader basis.

Captain Waterhouse: There has been reference to a business meeting. If we are to have a business meeting we must know the business which is to come before the meeting before we attend it.

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Saturday, August 8, 1953.

The Pattern of Events

History teems with examples of the overt Will-to-Power; is there any reason to suppose that covert practitioners of the art are any less numerous? We may assume that the Will-to-Power is working just as effectively in the events of to-day as in, for example, the French Revolution; that it is at work everywhere, and that it is most dangerous where great nations and vast capital agglomerations are concerned.

War, or the threat of war, is the best method of obtaining the consent of modern populations to a degree of regimentation and taxation (a special form of regimentation) that would otherwise be repudiated; and war, when it comes, must be exhausting. While it *may* be preferable that the overt dictatorship should win, it is for practical purposes just as useful if the more 'democratic' victor is crippled. This means that the scales must be adjusted before-hand; that the weaker side must be built up or the stronger side reduced, in order to ensure that the threat is real and that war, when it does come, is sufficiently destructive.

Douglas pointed out that in three months of World War I Germany was decisively defeated; from the moment that von Kluck swung right at the Marne, Germany's major strategy collapsed. Having failed to defeat England and France before dealing with Russia "it was impossible for her to release sufficient men to force a Russian Army of even half the number of men of whom Russia disposed." We know that the balance was readjusted by the disruption of Russia, and the War thereby prolonged by another three years. Munitions and equipment sent by France and England were never allowed to reach the Russian armies for which they were intended; and professional revolutionaries were sent from various parts of the world to bring about the Bolshevik Revolution. According to Jacob Schiff, Kuhn, Loeb & Co., of New York, did everything in their power to secure the victory of Germany by the disruption of Russia; and from 1914 to 1916 almost completely controlled President Wilson, according to Sir Cecil Spring-Rice, British Ambassador at Washington.

The first phase over, the victors were speedily disarmed and their economies crippled by deflation, postponed in the case of the U.S.A. until 1929. Meantime, Hitler and the German armaments industry were rapidly built up by investments, from "British" and "American" sources, totalling many times the amount received from Germany as reparations. By the close of 1938, the stage was set for the next phase, which was made possible the following year by the Russo-German Treaty.

In view of this treaty and its natural consequences, the granting of allied status to Russia immediately the Germans attacked her becomes significant. Since Russia had no chance of concluding a separate peace until at least three years later, and we owed her anything but a debt of gratitude, a status of co-belligerency and a gift of only such munitions as might suit our own strategy was the obvious course. But that was only the beginning: from then on nothing was left undone to ensure that the close of the war would find Russia dominating Europe. At Casablanca in January, 1943, Roosevelt's formula of Unconditional Surrender was adopted—a formula well calculated to render our enemies desperate, and to put Stalin (to whom bargains meant nothing) in a position to conclude a separate peace, and to use this as a lever for even more concessions. He received them at Teheran, at Yalta, at Potsdam, chiefly through President Roosevelt and his advisers (amongst whom was Alger Hiss) America being by then the dominant partner. It is also also of interest to note that, two days before the President left for Yalta and seven months before the surrender of Japan, he received through General MacArthur a peace offer, on the terms later accepted, from that country. Though MacArthur urged acceptance, Roosevelt paid it no attention, thus leading to the loss of many lives, the use of the A-bomb, the entry of Russia into the Japanese war, and so to the Korean War. These facts are given in John T. Flynn's book, *The Lattimore Story*.

There is a disposition in some quarters to regard these facts, and many more like them, as a series of honest mistakes, or the work of a few traitors appointed to important offices by mistake. The best comment one can make is to point out that for one such mistake of similar magnitude any industrial executive would be promptly dismissed, and that the people responsible for them represent the best brains money can buy. Moreover, when mistakes run consistently in one direction they become a pattern which reveals a purpose.

Coming now to the contemporary pattern of events, one point must be continually borne in mind: there is no possibility whatsoever of making a stable peace with Russia under its present or any similar regime. All talk of "co-existence," all attempts at "appeasement," are moonshine and demonstrably impractical. Russia can have no change of heart until she has a change of doctrine; until then, any change is merely a change in tactics.

While those who mould world affairs are certainly under no illusions in the matter, it appears to be difficult for the ordinary man to grasp the fact that Marxist and Leninist doctrine means exactly what it says. So also with Hitler's *Mein Kampf*. It is reiterated that a world dictatorship of the proletariat must come about through a series of revolutions in all countries, that everything done to bring about these revolutions is right and meritorious, and that the only aim is any action that might hinder or delay them. Thus the end justifies any means, and honour, pity, forgiveness and the like are at best weaknesses and at worst "loathsome bourgeois betrayals" of a sacred cause.

That such a doctrine is in its social aspect as contemptible intellectually as it is morally is beside the point; that in the countries in which its disciples have seized power it has

(continued on page 8.)

Churchill as the 'Honest Broker'

The "Drive to save the Soviet Union" is recognised here as well as in the United States; but its place in the setting of bankrupt finance-capitalism (the Mond-Turner Elizabethan Age) is not clearly seen in either Great Britain or America, although some features are more realistically handled in America than is the case anywhere else. This is a case probably of specialisation: the greater the degree of 'labour-saving' in industry, the more dangerous is the drive towards the expansion of industry in order to boost wages, salaries and dividends to the point at least adequate to effect the sale of goods in the consumption market (capital goods cannot be bought by the public and virtually belong to the money-lender, and thus his, too, is the disposal of the product). The financial system in its association with industry is not self-liquidating. A form of purchasing-power not comprised under the heading of payments made to individuals is constantly needed, and is provided by loan credit or export credit. "It is true enough, as our super-industrialists and orthodox economists are always telling us, that imports are paid for by exports, but on the whole they are content to leave it at that. They do not explain, for instance, how a population which most certainly cannot, and does not, buy its own total production for cash (if it could, there would be no necessity either for home or export credits, and no 'unemployment' problem), can become able to buy the imports which are exchanged for the unpurchasable surplus" (Douglas: *Control and Distribution of Production* p. 85-7).

'Labour-saving' (cutting down costs) deprives the community of wages in the aggregate. Work-making by fresh schemes to 'labour-save' increases wages in the aggregate. The latter are financed out of savings (forgoing purchase of consumable goods) or loans. The result in either case is a debtor economy with all the attendant evils, including acceleration towards disaster.

The drive to save the Soviets is not, therefore, a drive to save the Russian people; but a drive to save the Money Power. That Sir Winston Churchill "leads the extraordinary procession" is explained by *Human Events* by saying that "the more American economic help Russia craves, the greater the commissions 'honest broker' Churchill can obtain from Uncle Sam." This is altogether a misleading statement. The commissions are not in Uncle Sam's gift. Uncle Sam is just about where we are. If it is a fact material to the present situation that the proportion of human effort consumed by agriculture relatively to that consumed by industry is still very much greater in America than in Great Britain, Uncle Sam is not quite so near the edge of the precipice as we are; but in this matter it seems that the actual intra-industrial position is the determinative. The recent dominance of the *political* forces located in the United States, suggests equally that the American economy is crucial, or that an American politician (e.g., Eisenhower or Stevenson) would not find the role of 'honest broker' convenient at the moment—McCarthy or no McCarthy. (The superfluity of the Senator to this issue is the reason rather than the justification for our sharing Dr. Letitia Fairfield's scepticism concerning his true rôle in politics.)

There are recognised three phases of "exports": first

the exportation of 'surplus' consumable goods, e.g., food, textiles, boots and shoes succeeded by exportation of the means to manufacture consumable goods, and lastly the exportation of direction (brains, skill). There is nothing to follow. The present university policies in Great Britain and the United States suggest that someone (whoever he is) knows that for both Britain and the United States the last phase has been reached and is being or is about to be exploited. *Unconditioned* directive skill, even if technologically competent, would be undisciplined skill and dangerous to the money-monopolists. That technological competence goes with conditioning is incidental. With the present mal-adjusted financial-economic system (policy) it is impossible to see where that exploitation can lead except to a still greater acceleration towards perdition. The world cannot accept any more exports: it 'can't take it'—Russia excepted. For a time, Russia might absorb enough to stave off collapse. Sir Winston Churchill's backers (or in default of Sir Winston the backers of 'his' policy, which, observe, the Labour Party in England is so eager to uphold, however it may be with Lord Salisbury) have, for the time being decided against war which is an alternative increasingly incalculable from their point of view.

It is curious to see, as evidence of the confusion of mind prevalent among our 'leaders' that *The Scotsman* for July 29, exhibits, almost side by side, advocacy for all three stages of 'exports' enumerated above. In the House of Commons, tobacco and matches are mentioned in exchanges with the Chancellor concerning the necessity for a 'rising curve of production'; Mr. Butler urges restraint of wages to facilitate, export of, *inter alia*, engineering products; and there is jubilation over the appointment of a Scottish university graduate as an expert in the conservation and exploitation of forests in India.

What do the 'honest brokers' themselves know about these matters?

We are inclined to say 'not a little.' Further we are inclined to say that the not a little they know is not confined to themselves. It is now twenty-three years since Sir Winston Churchill delivered the Romanes Lecture in the Sheldonian Theatre at Oxford under the title "Parliamentary Government and the Economic Problem." Mond-Turnerism was then four years old. Members of the public who have recently sought to obtain copies of the address have been discouraged through the fact that they did not know the exact title (which was as stated above) and the publishers could not help them to identify it.

A study of the text is rewarding, and specially so if it is assumed that the Prime Minister composed the address himself.

He begins with an injunction to his audience to dismiss from their minds any 'apprehension' that he may become engaged in 'contemporary controversies.' Once he has assumed the academic panoply, he presents himself as a Seeker after truth, though he will not hesitate to become the guide if his search leads anywhere. Three short sentences lead him to a discussion, slightly cynical, certainly not exhaustive, of the system of government by talk of which the English "are undoubtedly the patentees" if they were not the inventors, by which Democracy has "achieved its

political status." He sees that this system loses "much of its authority" when based upon universal suffrage. Democracy has "shown itself careless" of its instruments. After 1918, a "great change" came over our public life. Before 1914, the issues fought out in Parliament were political and social. "The parties fought one another heartily in a series of well-known stock and conventional quarrels, and the life of the nation proceeded underneath this agitated froth." It was no longer a case of one party fighting another nor of one set of politicians scoring off another set. "It is the case of successive governments facing economic problems, and being judged by their success or failure in the duel." The nation was not interested in politics, but in economics. It had in the main got the political system it wanted, and asked for more money, better times, regular employment, expanding comfort, and material prosperity. It felt that it was not having its share in the development of the modern world, and that it was losing its relative position. It felt that science and machinery ought to procure a much more rapid progress. It complained that the phenomena of production, consumption, and employment were at this time in our country exceptionally ill-related. It turned to Parliament asking for guidance, and Parliament, "though voluble in so many matters," was on this one paramount topic, dumb.

"Never was a body more capable of dealing with political issues than the House of Commons. Its structure has stood the strain of the most violent contentions. Its long tradition, its collective personality, its flexible procedure, its social life, its unwritten inviolable conventions have made an organism more effective for the purpose of assimilation than any of which there is record. Every new extension of franchise has altered the character, outlook, and wordly wealth of its members. The Whig and Tory squires of the eighteenth century and the gifted nominees or sprigs of the nobility have given place to the mercantile and middle classes, and these in turn receive into their midst hundreds of working men. Yet though the human element has undergone these substantial changes, the nature and spirit of the assembly is the same. We may be sure that Fox or Burke, that Disraeli or Gladstone, if they returned to-day, would in a few months feel quite at home and speedily reclaim their rightful place. Indeed, they might find it an all too-easy conquest.

"In the present period the House of Commons is engaged in digesting and assimilating a large new party founded, in theory at any rate, upon the basis of manual labour. It is a very heavy meal and the process of deglutition must take time. The constitutional boa-constrictor which has already devoured and absorbed the donkeys of so many generations only requires reasonable time to convert to its own nourishment and advantage almost any number of rabbits. And similarly the House of Commons tames, calms, instructs, reconciles, and rallies to the fundamental institutions of the State all sorts and conditions of men; and even women! But these latter dainty morsels are not always so tender as one would suppose. Taking a general view, we may say, that in dealing with practical politics the House of Commons has no rival.

"But it is otherwise when we come to economic problems."

(To be continued.)

PARLIAMENT—

(continued from page 3.)

Mr. Ian Mikardo (Reading, South): One often has lunch before a business meeting.

Captain Waterhouse: If the Prime Minister wants to go to a social function for lunch, that is a different matter. Here we are talking about a serious question of trying to get two opposing views together, trying to find a way of agreeing between opposing ways of life. That will not be done by any conference without preparation unless there is a real change on one side or the other.

We think—and I believe that the right hon. and learned Gentleman agrees with me here—that we were right in what we said some time ago. The right hon. and learned Gentleman believes, as I do, that the Russians were wrong. The whole basis of the Prime Minister's remarks was that he thought that there had been a change of heart in Russia. Do not let us be afraid of reiterating what we believe to be right. Let us have confidence that the Russians have changed their view, as the Prime Minister thought, and are coming towards our way of thinking.

Everybody in the House hopes that much will come out of the Washington discussion. There is no great evidence of anything yet. I share the regret that the Prime Minister's illness deprived us of the benefit of his presence in this House. I do not know that I really regret that he has not been able to go to these talks. I am not at all sure that the time is yet right for that, but I am absolutely sure—and this brings me to my final point—that the strain on Ministers of the Crown is becoming more than any man can possibly bear.

During the last Administration three highly respected Ministers had to leave office and go to their deathbed within a few weeks or months. In this Administration in the last two years there has been far too much sickness among Cabinet Ministers. Can one wonder when one thinks what they are expected to do? The whole system is approaching a point where a change must be made or our practice of government will become virtually impossible. Of course, the biggest strain of all is on the Foreign Secretary. The late Ernest Bevin, the present Secretary of State, and now the Prime Minister, one after another, have paid a high price for their devotion to their duties.

We in this country pride ourselves on having the finest Civil Service in the world. We pride ourselves on having the finest representatives that any nation could look for. Our greatness in the past has not been built only on Ministers of the Crown: it has been built on the Stratford-Cannings, the Cromers, the Milners, who have had real authority in their posts. I am told—my hon. Friend will tell me whether I am right or not—that the Foreign Office is inundated today with despatches, telegrams, telephone calls. Last year the Minister of State spent about six months in the United States. It would be interesting if the Chancellor of the Exchequer would ask someone in the Foreign Office to give him a list of the number of times the Secretary of State and any junior Minister at the Foreign Office has been absent from this country within the last seven years. It would, perhaps, be rather disappointing if, after each absence, a note were made of exactly how much was achieved.

I suggest that a change has to be made here, and that it has to be made quickly. I believe that the proper place of a Foreign Secretary is behind his desk in the Foreign Office, where people will go to see him, and that only after all the preparations to which the right hon. and learned Member for Montgomery has rather discouragingly referred must the Foreign Secretary be lured away from this country to go to a foreign country to a conference, and there to set the seal on something that has already been decided after the weeks and months of work.

I believe that the proper place for the Prime Minister is behind the largest and best cigar he can get in Downing Street or Chequers. I believe that the place of Ministers of the Crown is the position in which they can advise the Crown, and they cannot advise the Crown from foreign lands. I do urge my right hon. Friend, the Chancellor of the Exchequer, who is as tough a guy as any in this House and shows no sign of breaking up himself, to bear what I have said in mind and, if he thinks well, to consider, with his ingenuity and in consultation with his colleagues, whether some way can be found of relieving the all too heavy strain which now falls upon the holder of the office which he is representing today.

Major H. Legge-Bourke (Isle of Ely): I had intended to raise a matter which is allied more closely to the beginning of this debate than to the end. But first I would say a few words concerning my feelings about Germany. During this debate I have been remembering a reference in Lord Rosebery's book about Pitt, in which he said something to the effect that every so often the Russian Empire feels the desire for expansion. This is usually gratified at the expense of the Turks—I suppose today we should substitute Yugoslavia for the Turks—with the result that the Western Powers do their best to prevent this process, with much the same effect as pruning would have on a healthy young tree.

I cannot help feeling that, at the end of the war, we might have realised that the damage had been done before the war had ended, and that everything we did from then onwards to push Russia back, or to get her to recede behind her frontiers, was likely to be done in her time and not in ours, and that much waste energy could have been avoided. That is a rather sorrowful reflection, but I am inclined to think that it is probably nearer the truth than many others we have heard on this subject. I believe that the damage was done at Teheran and Yalta, and that once we allowed Russia to get as far West as she did, it was entirely up to Russia when she withdrew from that line, and that nothing that we could do, short of starting a world conflagration, was likely to push her back.

I am quite horrified to hear in this debate today from a number of speakers the idea that one of our duties when the talks take place must be to offer something to Russia. In the name of conscience, has not Russia taken enough from the free world since the war? Have we now got to give her still more? I should have thought that if we could have seen Russia giving freedom to Estonia, Latvia and Lithuania, we might have said that Russia had done something for which we should give some return, but, until something like that occurs, I do not see why we should give one single thing to Russia.

That is all I propose to say on that subject, beyond this—that I believe that one thing which we have to consider so often in politics is which is the worst of two worlds, and to try to avoid having the worst of the two. I say that the worst of the two worlds as far as Germany is concerned would be a Germany re-united and tied up with the East. I would say no more on that subject, because I am not sufficiently expert in German affairs to know the details of the matter, except that the paramount issue in my mind would be to avoid a re-united Germany going towards the East and going in with the Soviet Union. Do not let us imagine that there must be a majority for the Communist Party in Germany for that to happen, because there was no majority for the Communist Party when Ribbentrop signed the pact with Stalin before the war.

The other subject which I wish to raise is one which I think I can claim to know a little more about, and that is the question of Egypt and the Middle East. There is one large problem there which we tend to overlook in all these difficult negotiations about the Canal Zone, and it is that, in addition to the rather natural desire of the Egyptians to try to remove us from the Canal Zone, I believe that they have had another reason for wanting us to go which we have ignored rather too much. I believe that that reason is that they want us to go so that they can one day and in their own good time, try to redeem the shocking defeat which they had at the hands of the Israeli troops when we were setting up the State of Israel. The hon. Member for Leicester, North-West (Mr. Janner), who is sitting opposite, may find what I am about to say strange, coming from me, but I hope we shall be more or less in agreement.

I am of the opinion that there is one very dangerous dilemma in which this country may find herself in the Middle East unless fairly prompt action is taken. It is this. Let us suppose that we were so to denude our garrison in the Canal Zone to the level of maintenance troops, and that we had adequate safeguards—or safeguards which might be considered adequate—so far as our return is concerned. Suppose that the Egyptian Government decided to send their army into Israel. It is absolutely certain that the Kingdom of Jordan would have to come in with Egypt, if only to support her own interests. We should then be in a very unpleasant dilemma because, on the one hand, we are guaranteeing the frontiers of Israel jointly with other Powers, and, on the other, we have a treaty of alliance with Jordan.

Therefore, if that situation should arise, we might find ourselves in the unfortunate position of either having to abandon Israel or break our treaty with Jordan, or sit on the fence. If we sit on the fence, then one thing is certain—we shall have a conflagration in the Middle East which will get out of control and which will result in a terrible loss of life. I doubt whether we should ever be able to control it by ourselves. Therefore, it seems that what we must avoid is any likelihood of the Egyptian Army ever again invading Israel.

One of the things which have been troubling a great many of us for a considerable time, especially those of us who have been regular Service men, has been the appalling effect upon morale of boxing up our troops in the Canal Zone for such a long time under the conditions in which they are now living. A fairly close relation of mine recently went

out there, and he described the conditions as being little short of living the life of a prisoner of war. That is probably the nearest and most apt description which I could give of it.

Something has got to be done about that. We cannot leave a number of men, particularly of our Regular Army, living in such conditions for ever. I believe that one way of overcoming this difficulty, without at the same time losing face or endangering our interest, would be for us to move the fighting section of the troops in the base at the moment, or a sufficient quantity of them, to maintain law and order—and that is the important thing—somewhere else in the Middle East.

There is one thing about which I have always disagreed with the Prime Minister, and that is the statement which he made at the beginning of the 1945-50 Parliament in which he said that he saw no strategic importance in our staying in Palestine. I always disagreed with that view, and always agreed that Palestine, or Israel as it now is, must inevitably be of immense strategic importance to us.

I do not think that we want to stay in the Canal Zone for the sake of the Canal, but we must be somewhere near that region because it is the junction between two great continents. History shows that long before the Canal was built, that area was vital, and it will remain vital whatever Lord Montgomery or anyone else may say.

I believe we might thus be able to do something that Israel very badly wants us to do, and not do something which would make our relations with the Arab States even worse than they are at the moment. It would maintain our strength in the Middle East and would keep a bastion in the area against possible aggression from the Soviet Union. It would mean, perhaps at the price of considerable economic aid, giving Israel financial assistance, on the understanding that our troops could go perhaps to Sarafand or North Accra, where considerable activity took place during the war. Let our fighting troops be in that area and the Suez Canal base remain where it is, with a maintenance squadron.

We should then achieve many objects that we ought to achieve. We should overcome the problem of the morale of the British Army, Egypt would be deterred, after our pulling out, from attacking Israel through the Sinai Peninsula, the political solution of the Israel-Arab problem would be very greatly facilitated, the refugee problem would be eased, and peace, I believe, would be guaranteed between the Arab States and Israel. We should still maintain a bulwark against the possibility of a Russian coup in that area, and maintain our traditional role of keeping the peace in the East. All these things are important to do. We shall never solve the social problems of the East until we solve the political problem, and that is what we must do.

It being Ten o'Clock, the Motion for the Adjournment lapsed, without Question put.

THE PATTERN OF EVENTS—

(continued from page 4.)

degenerated into a soulless tyranny is only to be expected; what matters is that there is no common basis of honour or legality upon which any bargain or treaty can be made. Any conference to that end will be regarded by Russia

merely as a means to consolidate what has already been won by force, or by a show of force, and any treaty concluded will be kept only as far as may seem expedient.

If these conclusions be accepted, there would appear to be three possibilities before Russia: all-out military attack, a continuance of the cold-war, or collapse.

The third possibility is perhaps not so remote as it may have appeared a year ago. The palace intrigues consequent upon the death of Stalin have caused much fumbling and weakness to become obvious, and Russia's softer policy abroad is a sign that for the moment, at least, she can bear less pressure from outside. Instead of increasing that pressure, however, we are doing anything that public opinion will allow to diminish it. It is impossible to say what line will be taken at the projected council of Foreign Ministers, or whether the proposed "conferences at the highest level" will take place later in the year. It is apparent, however, that attempts to call off the Korean War have run into unexpected difficulties as a result of General Van Fleet's revelations and the expressed determination of President Syngman Rhee to continue the war. How far his integrity is to be relied upon is uncertain, but if Korea were kept open as a running sore in the side of Russia and her Chinese ally, with a progressively decreasing commitment of man-power, a gradual lifting of the present threat to Western civilisation might become visible. Then, the present Plan will have miscarried.

R.L.N.

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