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FROM WEEK TO WEEK

Having been offered the choice between the Jew Steal and the U(tility) Steal the American voter tossed up, and the penny came down on its edge. Mr. Wendell Willkie immediately conceded a victory, said the country was never so united, and prepared to enter Roosevelt's Brain Trust with Morgenthau, Bernard Baruch, Solly Bloom, Felix Frankfurter, and other representative Americans.

Mackenzie King, Canadian Prime Minister, better known as the "Washington Post," lost no time in calling a Conference, to be held in the New Year, "to discuss Dominion and Provincial Relations." No risks of another slip—such as the two Social Credit victories in Alberta—are to be allowed to be taken again.

Have you noticed how anxious the B.B.C. and certain London newspapers are to make you forget that Nazi means National Socialist, and is exactly what it means? In general, it is referred to as Fascism, so that we may assume that they don't like Fascism, which is much the same thing. But dear Stalin, you know—it's only a passing aberration that he attacked the Finns, hates the English, and helps the Germans. He's really on "our" side.

Senator Key Pittman, Chairman of the Foreign Relations Committee, U.S.A., who has just died, was a delegate to the World Economic Conference in 1933, and with Cordell Hull and Mackenzie King, played a major part in wrecking it.

Hitler has evacuated the poor, persecuted, German-Jews to the French Riviera, according to *The Times*.

In consequence, the more luxurious

hotels on that enchanting coast are resuming their normal peace-time appearance.

The logic of the New World Order: Every country is fighting for Freedom so after the war we'll abolish countries. Every centralisation is a Dictatorship ruled by a gangster, who looks as well and behaves as if he came from the toughest quarter of New York's Bowery, so after the war we'll set up a World Dictatorship, which naturally will be ruled by a Saint.

THE COMMUNAL LIFE

"The communal life of unofficial evacuees who had turned such places as cinemas into homes and had there carried on the life of the neighbourhood which they had been forced to leave, indicated the basis for evacuation," said Mr. Michael Young recently in a lecture at Dartington Hall on the problems arising out of the bombing of London. He thought that the effect of evacuation on England was that people were tending in general to develop a more communal life. *It was cheaper, it had its fascination, and was good for morale* [our italics]. It did, however, tend to loosen family ties. Secondly, industry was being strategically redistributed. These two changes had already been foreshadowed in the founding of Dartington. They were signs of a better world. Such changes could not come about without a great deal of disorganisation and trouble but, in his view, the future was full of hope.

"We have started from the position that only in war, or conditions approximating to war, could the British Government be got to undertake planning on a large scale," was the expression of the same attitude in *Political and Economic Planning* in October, 1938.

The bulwark against an Island-sized Dartington is the opinion of 'local' people composing England,—and if Devon's opinion of Dartington is anything to go by, civilisation is safe.

As for West Country reactions to European refugees, Andrew Soutar writes in a letter in the *Western Morning News*:

"Down here we are unperturbed by the war. If it were not for the radio and the newspapers we should be blissfully ignorant of the chaos and cacophony in the Home Counties. We have more than a sufficiency of food and drink; we have our quiet evenings in the 'local'; we have gathered in the harvest, and look forward without dismay to the dark nights of winter.

"Ever since that memorable night, over a year ago, when the noble Earl Baldwin made a broadcast appeal for the European refugees who had sought sanctuary in this country, we have joyed in broadmindedness of view, altruism in its finest, noblest form, brotherhood in everything the word embraces.

"We have learned to love the Jews who came among us. They have taught us toleration. There was a time when we who are foolish in our prejudices would have railed against paying 24 guineas a week for a double-bedded room in any hotel. Not so the Jew. He pays and is thankful for the chance.

"We have seen 200 of them—old Jews, benign of countenance, and young Jews, full of the vigour of youth—sit down to high tea in an hotel, and on the face of each there was an expression of gratitude that neared the ethereal.

"In those hotels, where for 30 years garrulous commercial travellers clamoured, smoked and conceived fresh angles of approach to the tradesmen of the

town, there is a peace that passeth nearly all understanding. 'Commercials' have to slink away into back streets.

"We in the West are not bereft of human instincts. We have sent our sons into the Army and Navy. We affected a courageous bearing when we saw them go; and we have faltered as we fingered the buff letters that come from the Admiralty or War Office lest the slip enclosed should begin: 'We regret to inform you that....'"

"But these young Jews now among us have taught us to laugh at danger and death. They still can keep their heads and civilian suits, while all about them are losing theirs. They pay their way with inspiring disdain of wealth...."

"They will pay as much as 10gns. a week for a cottage that we ingrates would have scorned at 10s. Is that a lesson in meekness and toleration? Or isn't it?"

PENZANCE FINANCE

The chairman of the Finance Committee of Penzance Town Council said recently that the borough had had to borrow hundreds and thousands of pounds to pay the current expenses of receiving evacuees and that interest would have to be paid on this money. He added that when the ratepayers had the bill for interest they would be frightened.

The reception areas are taxing their hospitality and their accommodation to the utmost to receive the thousands of evacuees that are being sent, and they are straining both public funds and private means to pay for their keep. To expect the ratepayers to pay interest on large sums of money that have to be borrowed pending repayment by the Government is beyond all reason.

EDEN PRESSES WINSTON

"Foremost advocate among British politicians of swift and ruthless action against the Italians was War Secretary Robert Anthony Eden.

"Back to his old League of Nations form, he contacted Premier Churchill the moment Italy attacked Greece and begged earnestly for action on the new Mediterranean Front.

"It was Eden who persuaded the Prime Minister to open up large-scale hostilities against the invading Italians.

"His success set his supporters agi-

tating behind the scenes for their champion's transference to the Foreign Office, but Viscount Halifax showed no sign of quitting."

— "News Review," November 14, 1940.

CHANGE OF FRONT

As direct control of individuals by law (regulation, restriction and order) steadily increases, consequently, in the view of those to whom it is a first necessity that 'people should be controlled,' control by money becomes superfluous. We may therefore expect a more realistic use of the financial system, a use nearer its proper object of reflecting the physical credit that in fact exists, but inverted to benefit the State instead of the individuals who in association compose the state. Dissociated from the effective control of sanctions by the people, such a relaxation of financial stringency would do little good to the individual, and would confuse the issue for those who have recognised the misuse of the money system.

Both tendencies can be seen quite clearly. The drive for union with America, Europe and/or the 'Democracies,' is an effort to remove the control of sanctions as far as possible from the individual. And on the other hand, reference to money in the national press is far less orthodox than it used to be. Douglas Jay, for instance, City Editor of the *Daily Herald*, wrote on November 13:

"Sir Kingsley Wood was asked in Parliament yesterday whether he was aware that 'deposits in the Joint Stock Banks had increased by over £300 millions since the outbreak of war' and whether, as this money was created by the banks without cost and lent to the Treasury at interest, he would see that any further issue of new money was made 'on the authority and to the benefit of the Treasury.'

"Attempting to evade this question, the Chancellor first replied that two-thirds of the menace occurred before Treasury deposit receipts came into existence.

"This is, of course, quite irrelevant. Banks can as easily create credit by buying War Bonds or Treasury Bills as by lending on deposit receipts.

"If the total of deposits increases new ones must have been created.

"Sir Kingsley tried to get rid of this in a supplementary reply by saying that the banks had 'extra liquid funds arising from the increase in customers'

deposits.'

"But from where does Sir Kingsley think the customers got these deposits?"

"And has he never read the McMillan Committee's explanation of this matter?"

"Sir Kingsley should take this matter more seriously.

"It is, of course, inevitable that some new money shall be needed to pay for the war.

"What is wrong is that private concerns should earn interest for lending what has been created at virtually no cost to themselves."

Effort to alter the financial system to help instead of hinder the war effort is admirable; but equally vital is the preservation of the effective freedom of the individual from imposed planning. Both are necessary; neither is complete without the other.

AMERICAN CREDITS

"... the question of credits to the Allies, forbidden by the Johnson and Neutrality Acts, has been left undiscussed—perhaps not very wisely—until the new President was chosen. To many people, it would be an act of sharp practice suddenly, now that Mr. Roosevelt has been re-elected, to call for the right to raise loans in the United States. The decision must be America's and, in the nature of the present growing Anglo-American co-operation, the initiative, too [*sic*]. Actually the first bastion of isolationist finance has been surrendered in a way which reflects the movement of opinion among American realists. The Export and Import Bank Act, passed as a result of the Havana Conference, to develop the resources, stabilise the economies and market the products of the Western Hemisphere, permits credits throughout the Americas, including Canada, and expressly overrides previous legislation—though, again expressly, with no intention of permitting loans forbidden by the Neutrality Act. The proper path for future developments is surely clear here, credits to belligerent Powers, as such, will remain outlawed, but credits to Powers, whether belligerent or not, to aid the prosperity or protection of the Western Hemisphere, may be allowed. Britain asks no more from the United States than the assistance which the United States may deem necessary for her own defence."

— From "The Economist," November 9, 1940.

EYE ON PARLIAMENT

The following passages are taken from the House of Commons Official Report (Editor, P. Cornelius), known as 'Hansard'. The date and occasion of the words are given above each section, and the speakers' names by the side. The number of columns occupied by the printed report of each section cited is also given. Lack of space imposes a severe limitation on the selection of matter for reproduction.

November 7.

Adjournment—LOSS OF H.M.S.

GLORIOUS (21 columns).

Mr. Stokes (Ipswich): I have given notice of my intention to raise certain matters concerning the sinking of H.M.S. "Glorious" in June last, with her two attendant destroyers. I am not raising this point in order to use it as a stick wherewith to beat Ministers or naval officers, but because I regard it as a matter of duty to the House and particularly to many relatives of the people who lost their lives in that accident and survivors, some of whom have provided me with facts and information. What I am doing may not commend itself to the First Lord but, as a good Parliamentarian, he would agree that higher considerations than the conscience of Ministers must control our actions otherwise it would be impossible to criticise anyone with whom one was on friendly relations. As I understand it, as a junior Member of the House, our duty is when public opinion is disturbed, to investigate what has happened, and, if the reasons for the disturbance of public opinion are groundless, public opinion becomes at once reassured. If, on the other hand, there are grounds for disturbance, it is right that we and the public should know that proper action has been taken. This process may be inconvenient for Ministers, but I am sure the First Lord will be the first to recognise that while Ministers naturally get the praise when things go well, they have to put up with the disagreeables when they occur. . . .

I will endeavour to say nothing which would be of use to the enemy. So far as I know the "Glorious" was engaged in the relief of Narvik. I appreciate that it was a delicate and difficult operation and that secrecy was essential, but there are certain questions I want to put to the First Lord. The first is whether he is entirely satisfied that the proper instructions and the best that could have been devised were issued to the ship? Second, I understand that while at first it was rumoured that the ship was sunk by the "Gneisenau" and "Scharnhorst," I gather from other

sources that that was not the case. It appears that cruisers of the "Hipper" class were engaged, and if that is so they must have been absent from their base seven days to come in as they did. Did the Admiralty know the movements of those ships, or was the Intelligence once again at fault? Third, the Grand Fleet under Admiral Sir Charles Forbes was within 800 miles of the incident. Did the admirals know generally of the movement of the ship and were his dispositions, even if he did not, such that he could give aid if the ship met disaster? Fourth, when and at what hour did the "Glorious" sink, and were any signals received by the Admiral of the Grand Fleet or other high naval officers, and, if so, what action was taken? Fifth, has the court of inquiry, which presumably was fully mindful of the accident to the "Courageous," reported that an escort of two destroyers was sufficient for the "Glorious," engaged as she was on that particular operation. If two destroyers were insufficient why were not extra precautions taken to look after her? . . .

I am putting the questions, and I will leave the First Lord to decide whether he can answer them. I am not doing any harm to the country or our cause by asking the questions. I am no authority on naval matters, and I do not press for answers to anything which the First Lord considers it not advisable to give in the interests of the country.

Another question I wish to ask is whether the Operations Division and other appropriate divisions of the Admiralty were informed fully by the Chief of Naval Staff of the movement of the ship? Was the Air Marshal commanding the Coastal Command told? I have been told he was not. Was the Vice-Admiral in charge of submarines told? I am told not. Was the admiral commanding aircraft carriers told? I assume that the court must have gone into these points. . . .

From the three vessels that went down apparently there were only 39 survivors. Is it true, as was stated in the Press—I have cuttings of interviews with survivors—that 1,000 and more men were on rafts for three nights and two days? I know the ship was out of

touch, but it is said they did not see or hear anybody in that time, and what survivors there were were picked up by a Norwegian steamer. I ask whether they had been searched for. . . .

There is a point with regard to the privileges of Members of this House to which I must refer in view of the rather Gestapo methods of the Minister of Labour this afternoon. I learned the names of one or two of the survivors, and got in touch with one of the officers and I was astonished to learn from him that he had had instructions—well, here is the telegram he sent me:

"Regret unable to see you. Admiralty instructions."

It seems to me very wrong that that should be the case. I would not have raised the point but for the fact that the Minister of Labour has taken the same line, and I am against the Gestapo, whether they are members of my party or not. I strongly resent having received that telegram. . . .

If I am asked to furnish the name, I must ask the First Lord whether I can have an absolute and definite assurance that the person concerned will not get into trouble, because unless he gives me that assurance I cannot accede to his request. . . .

There are one or two other matters which have caused uneasiness in the public mind with regard to the Naval Staff. It began with the "Courageous," where it appears that something was very much amiss. We were told there was to be a court of inquiry or court-martial. I want to ask what was the result of that court of inquiry. Then there was the case of the "Royal Oak"—profoundly disturbing. It was with great amazement that the public learned that a submarine had penetrated the important base of Scapa. There, again, regrettably, 800 men were drowned, mostly clogged with oil, with other units of the Fleet not far off. It seems inconceivable that something was not wrong with the Admiralty or the Naval Staff, and I should like to know what disciplinary action was taken. Then we had the shocks of Norway. The German Navy took incredible risks in circumstances which were extremely

favourable to us and got away with it. On 11th April the Prime Minister said in this House:

All German ships in the Skaggerak and the Kattegat will be sunk, and by night, all ships will be sunk, as opportunity serves."—[OFFICIAL REPORT, 11th April, 1940; col. 748, Vol. 359.]

They were not, and the fact that Norway was a disaster led to the fall of the last Government. The First Lord became Prime Minister, but the Naval Staff remained unchanged. Then there was the inconclusive action at Oran. Whatever one's personal view may be of that particular incident, it enabled the escape of the "Strasbourg" and the retention by France of a large number of her smaller craft and her light cruisers, of which we shall probably hear more. Then there was the Dakar fiasco, which we all regret. Next came the passage of the French cruisers through the Straits of Gibraltar. A rumour has reached me that the Admiral-in-charge at Gibraltar has not even got steam up. If that is so, I should like to know what disciplinary action has been taken. I would remind the House that all this while the Naval Staff remained unchanged, and apparently it is to go on. Finally, there was the loss of the "Empress of Britain" and our other mercantile shipping losses. I am not going to say much about them, but in talking to men of the Mercantile Marine I gather that some of them criticise our present convoy policy, and I should like to ask the First Lord whether he is satisfied that the policy adopted is the right one. Is it not possible that perhaps we are a little too much afraid of bombs from the air? . . .

I have not a word to say against what I would call, though the expression may be un-Parliamentary, "the guts of the business," because there are no finer naval men anywhere in the world than ours, but it is on the administration and planning side that I feel there is something which requires a certain amount of explaining. I would remind the First Lord that if I have raised the question of the Navy Staff that does not mean that one does not recognise the tremendous devotion to duty of those officers, and, of course, of the First Lord himself. . . .

Commander Bower (Cleveland): . . . I have just come back from three months at sea, engaged on convoy work. Before that I was naval liaison officer to the Commander-in-Chief of the R.A.F. Coastal Command, in constant touch with Operations Staff at the Admiralty

—almost daily touch. I would like to confirm everything said by the hon. Member who has just spoken. In the course of my duty, I came into touch with the Admiralty and, in the early part of June, I was approached by a number of officers on the Operations Staff at the Admiralty. I do not mean silly young officers, but officers who were, for the most part, between the ages of 40 and 50, holding responsible positions. I can assure the House that, at that time, there was grave disquiet not only about the episode which we are now discussing but about the whole conduct of naval operations in Norway from the point of view of the higher command.

Naturally I feel very diffident at raising these matters in the House, but I can assure hon. Members that I shall in no way disclose anything which may be of assistance to the enemy. Five months have now elapsed since this not inconsiderable disaster took place. Considerations of secrecy are no longer operative, except for one reason, and that is to conceal the deficiencies of high officers. The officers to whom I have already referred . . . gave me a definite request that I should raise the matter on the Floor of the House of Commons. . . . I refused at once. I said: that it would be quite indefensible for me, as an officer serving on the naval staff, to use information which I got in the course of my duties in order to bring up such matters in this House. . . . I told them I could not do it, but, I added: "There is one thing I can do. As a Member of Parliament I have the privilege and constitutional right of access to every Minister of the Crown." I think hon. Members agree with me that I have that right. I said: "I will see the First Lord of the Admiralty."

It happened that the First Lord was fully occupied. As a matter of fact, he was at Bordeaux. I myself in those strenuous days of evacuation from Dunkirk and after was fully occupied with my naval duties. I could not see the First Lord, but I wrote him a letter in which I pointed out the grave concern which was felt among many responsible members of the naval staff at the conduct of the operations in Norway and in connection with the loss of the "Glorious." The fact was that the evacuation of Narvik was considered, for reasons hitherto undisclosed, of such a secret nature that none but the higher officers were informed that it was to take place. Naturally an operation of

that sort would, in normal circumstances, involve the closest co-operation between the staffs of the Admiralty, the R.A.F. Coastal Command, Vice-Admiral Commanding Submarines and other high officers. Such co-operation never took place. I can give my personal word for that. I was myself on duty at the Coastal Command at the time. We knew nothing about it. I have no time to go into details, but the fact is that this ship was sunk and those lives were lost and even such highly placed officers as the Director of Operations at the Admiralty knew nothing about it.

Mr. Alexander: What was it that the Director of Operations knew nothing about?

Commander Bower: I am prepared to tell the First Lord that the Director of Operations was not informed, according to what he told me, at the time fully, as to what was happening in connection with the evacuation of Narvik. Certain it is that the Operations Staff at the Coastal Command R.A.F. of which I was a member, did not know. Certain it is that all the junior members of the Operations Staff at the Admiralty, whose duty it would have been to provide the plans, did not know either. . . .

I wrote this letter to the First Lord. Far from realising that I had acted with discretion and with forbearance in raising the matter privately he sent for me and told me he took the greatest exception to the letter for various reasons. I protested. I said that as a Member of Parliament I had an absolute, not a relative, privilege to write him such a letter, whether I was a serving officer or not. He contested that. He said it was not so. He argued for a while. He then became very friendly. He said: "This has put me in a very difficult position, vis-à-vis the Sea Lords." I asked him why, and he then admitted that he had shown my letter to the First Sea Lord. I do not think that was a very proper proceeding to show a letter from a Member of Parliament, writing in his capacity as an M.P., to a Minister. He then said, "Look here, this has put me in a very awkward position. Naturally, these fellows do not like having you at coastal command with access to the Admiralty. Will you accept another appointment?" I replied, "Certainly."

He said, "I would like you to accept an appointment at sea," and I replied, "Certainly, only too delighted." The House will remember that we were faced

with imminent invasion. To cut a long story short, he offered me an appointment. Acting on his description of that appointment, which description subsequently turned out to be what I can only describe as a false prospectus, I accepted. He asked me whether I would go to do an anti-submarine course and I said, "Yes." I went down there. When I got there I found a lot of my old naval friends who, when they heard that I had been appointed to this position said, "What on earth are you doing there? It is a most inferior command." I replied, "The First Lord has promised me that the new command will be every bit as good as my last appointment," but I was a little anxious about the matter.

I then came back to the Admiralty, where I found exactly the same thing. In the Anti-Submarine Department of the Admiralty the officers said, "Why are you going to a command of this description? These corvettes are to be commanded by lieutenants R.N.R. and R.N.V.R." This information upset me. I had another interview with the First Lord, when he again assured me that he had my interests at heart and that I was in no way being victimised. Not until I got to my command, and was safely away doing 10 days at sea and three days in harbour did I discover that what the First Lord said was entirely wrong and what my friends said in the Navy was entirely right. In other words, a Member of Parliament was victimised for expressing certain opinions, which in my view he had a perfect right to express, about the conduct of those operations. . . .

I have no personal grievance, because at all times I was free to come back to my Parliamentary duties, which I have now done. The point is that there was, and is still, on the naval staff, and throughout the Navy, a feeling of grave disquiet as to the conduct of those operations. One of the people much criticised in the Navy has gone, the late Commander-in-Chief of the Home Fleet. I will say nothing about him, but at the present moment there is definite disquiet about the Board of Admiralty as a whole. I dislike saying this, but after all I expressed it privately to the First Lord, and all I got was victimisation. There is grave disquiet in regard to the Board of Admiralty collectively and especially about the First Sea Lord. . . .

I have referred to a personal episode

that would normally have been raised by me as a matter of privilege. In present times, I hope the House will agree with me, that would be undesirable, but at the same time I want to have placed on record in the OFFICIAL REPORT of this House what has happened and the reply of the right hon. Gentleman if he has one. Also, I propose to take certain steps and inform you, Mr. Speaker, and the Prime Minister of what has happened. From the point of view of Members of this House who are serving in the Armed Forces, I want to read out something which the right hon. Gentleman the First Lord of the Admiralty wrote to me. This is the issue between us, and this is what I contest. He says:

"It is true that any Member of Parliament has, on the question of privilege, the right to approach a Minister, but it is also true, as I have already explained to you, that a Minister then has the right to judge the merits of the subject of the approach."

Put into plain language, that simply means that the right hon. Gentleman the First Lord of the Admiralty contends that any member who is serving in the Armed Forces has the right to write to him, but that having done so he has a right to victimise him as if he were not a Member of Parliament. I cannot let that pass, and that is why to-day I have mentioned what may appear to be a personal matter. To return to the main subject of this Debate, it is no use the First Lord of the Admiralty getting up and saying that there has been and is no disquiet in the Admiralty. I am not the only officer who has been made the subject of these Gestapo methods. I would say this in conclusion: We in this country are not fighting against Hitler in order to set up the First Lord of the Admiralty as a little pinchback Himmler with a tinpot Gestapo.

Mr. Alexander: . . . Unless Members of Parliament who also desire to serve their country in the position of officers in the fighting services can use proper discretion in such matters, then it is absolutely essential that they should revert to their Parliamentary duties, or alternatively retain their status as an officer and give up their Parliamentary duties.

On the question of victimisation I submit that there never was any. But that I should not be allowed to show a long letter full of charges against the Naval Staff, to the head of the naval side of the Admiralty, is unthinkable. . . .

I regret that he [Commander

Bower] has taken the line which he has taken on that matter, and has decided that he is better able to serve his country as a Member of Parliament than as a serving naval officer. The suggestion made in his speech that I had been guilty of Gestapo methods or had issued to him a false prospectus of what he could expect in his new appointment, was entirely without foundation. My only regret, in view of his speech is that, instead of giving him the opportunity which I did, of serving his country in a sea command, I did not ask him at once to revert to the ordinary duties of a Member of Parliament.

Commander Bower: Why does the right hon. Gentleman so despise the ordinary duties of a Member of Parliament? We are ordinary Members of Parliament first, and serving officers second.

Mr. Alexander: The hon. and gallant Member has experience in the two capacities. His experience as a Member of Parliament is, I think, not so long as his experience as a naval officer. . . .

I hope that, although the hon. Member for Ipswich may think probably that, as he seemed to prophesy, I have evaded his enquiries, he will also remember that our first, and our only duty, it seems to me, at the moment, is to concentrate upon beating a very ruthless and very vicious enemy. If I thought that by answering in detail the questions which the hon. Member had put to me I could better help to win this war, I would have no hesitation at all, believe me. If the hon. Member considers he has not been given sufficiently courteous treatment, all I would say is that a number of Members of the House would testify that where they have been anxious about certain aspects of the naval conduct of this war, they have not hesitated to come and speak to me personally, and I do not think that any Member who has come to me—with the possible exception of the personal service question raised by the hon. and gallant Member for Cleveland—has had any reason to complain about the way his approaches have been met. If I can be of any assistance to Members of this honourable House in satisfying their anxieties or in giving information which would be helpful to them in changing or improving Admiralty policy, I am always at their service.

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"THE HOPE OF A NEW WORLD"

Under this title in the *Listener* of October 24, appeared the fifth of a series of articles headed *Social Justice*. It is by the Archbishop of York, whose views are summarised as follows:—

Christian citizens must mould society to establish the "nearest practicable approximation to justice," and the most potent moral influence to this end is "the whole structure of society, and especially the economic structure." Unemployment is the worst feature of our society, and social justice demands deliverance of the mass of the people from "the nightmare of insecurity." Society also contains the seeds of war, but though industrialists desire peace, the system works towards rivalry and conflict. Working for profit is not legitimate, and is bound up with love of power. The root of the trouble is that we have deserted the natural order which is that production exists for the consumer, and hence society should be devised to secure the predominant interests of the consumer. This does not mean that State Socialism or Communism is the ideal, for these ignore the need of men for free play of the personality in the art of production.

Nevertheless the State must plan our economic life to meet all essential needs, though this planning must allow the greatest freedom and personal initiative. The true basis for our just society is to be found in the economic laws of the Bible, which deny power to individuals, or groups, to exploit others. The worst abuses of landowning and company share owning are to be restrained by law, though the injustice of death duties on agricultural land is admitted.

Labour should have a control in industrial management by the device of directors appointed through the govern-

ment, and the new profession of Industrial Management. Profits should be limited by allocating part of them to various schemes of an insurance nature, such as against wages and dividends for bad times, repayment of invested capital and so forth.

The Archbishop then suggests that if we are to act we must act now. He therefore advocates the extension of the present war-time control of industry to peace time, though in a modified form, and thinks that there should be family allowances, to begin with the third child.

Social Crediters will be in profound disagreement with these proposals but the last two paragraphs contain an astonishing declaration. The actual words of the Archbishop have been used though the writer has taken the liberty of inverting the order of the paragraphs:

"I offer these proposals not as dogmas but as matters for discussion and as indications of a spirit rather than as a definite policy. *It may be that there are other and better ways of attaining our object.* But our object is clear; it is to reverse that reversal of the natural order which is characteristic of our phase of civilisation; the natural order is that *consumption should control production and production should control finance.* And this must be done in the way that will secure both freedom and order, both initiative and security, and may promote *the only real progress which is the development of the personality in fellowship.*"

"There is one... necessary change. No scheme of publicly organised production can be satisfactory apart from national control of credit. . . . it cannot be justified in modern conditions that the banks, even the Bank of England, should, in order to meet national needs, create credit which carries interest to

themselves. The State *must resume the right to control the issue and cancellation of every kind of money.* Till that is done, a body within the community will control what is vital to the needs of the community; and that is a false principle."

This declaration of principles is beyond question the most important pronouncement made by a 'leading' public man since the war began. Indeed it is in the writer's opinion the first and only independent profession of our true war aims. It is not the voice of a committee nor the echo of a caucus, but the personal views of a churchman whose office and influence are of the first importance.

Social Crediters who truly understand Douglas's approach will not overlook the technical proposals embodied in the article. The public has its choice; either the practical proposals which do *not* implement the policy stated so unexceptionably; or unspecified technical means which *do*.

We are very curious, however, about other aspects of this remarkable article, because we know the secret forces everywhere at work. We know their cunning, their supreme ability to use the idealistic approach for their own ends. We are therefore uneasy.

We can say, however, that the Archbishop of York has not given expression to his objective without careful study. He knows what he is saying. Does he know that his proposals embody a policy the direct opposite of his expressed policy? Whether he does or not, the public, encouraged to hear a policy with which they can agree from so eminent a Churchman, must be assisted to dissociate it from his schemes.

T. R.

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OUR BRITISH EMPIRE

By N. F. W.

Mr. Stephen Leacock has done a really good piece of work in producing his book* just at the present juncture, on a subject that we have all been assiduously taught to regard as *démodé*; as superannuated and bygone as the bustle.

It contains all the essential statistics and facts, and not too many, well co-ordinated as one would expect from so experienced an author; and the whole subject freshly, and even affectionately dealt with. "I write this book," says Mr. Leacock in his Preface, "in the hope that it may be of service in the present hour. It is a presentation of the British Empire, not for the pageant of its history, but for its worth to the world. The Empire is united not by force but by goodwill. It means co-operation not compulsion. In it we live as free men."

The point that is brought out most strongly is the natural quality of the growth and development of that entity that we call the British Commonwealth of Nations, its unplanned, instinctive evolution, "The organic union of its structure," as the author puts it.

The history is broad and brief, and perhaps of necessity superficial. It probes no depths; but as far as it goes it is a fair presentation, and a sufficiently sound and honest piece of work to be well above the term propaganda, and to be regarded as a handy textbook upon a subject of the highest importance to the welfare of civilisation. On the whole it is a human and kindly picture that is presented, and not without understanding.

To the students of the Social Credit philosophy, however, the omissions of a book of this kind are difficult to understand, even to forgive. For an economist to discourse upon a world-wide phenomenon like the British Empire without a single direct reference to the forces of International Finance seems to us to be a triumph either of blind-spottedness or else devilry. The story of Faust with Mephistophiles left out; and to those who can recognise the Devil, about as intelligible.

Though one would be sorry to believe it, it is, of course possible that the public is not yet ready for a stronger dose than this of the truth. Poor

Desdemona protested that the way to teach babes was in easy stages; but this advice can hardly be applicable when there is a boa-constrictor coiled round the infant. Is the world still so young? It would be a sad conclusion to come to, that Douglas was too strong meat for it?

If Mr. Leacock had left his story without comment, to speak for itself, with a certain modest conviction which it undoubtedly has, one might have regarded him as a master of restraint and deep and subtle propaganda. Indeed the book in that form would come very near to mild perfection.

But he has not done that. Here and there through its pages, and then in its final chapter, this middle-aged jester-economist displays himself for what he really is, a clever, grown-up boy; with his sophisticated solution of the present cosmic convulsion discovered in emmigration of the Anglo-Saxon and Nordic Europeans to the British Dominions, associated with a return to the Gold Standard in a sort of homeopathic dilution.

"What is needed is to reintroduce the Gold Standard. The world is full of misunderstanding on this . . . we can cut the gold content down to what we like . . . the true principle is to make money redeemable in gold and redeem as long as you have the gold and stop when you haven't." (Just think it over!)

"Still more can be done with the reorganisation of credit. We are here losing a potential asset of great magnitude. We all borrow money separately, when we ought to borrow it together—not all of our borrowed money but some of it, some for each, pledged by all. Debtors are like rods in bundles; get enough of them and they won't break."

That reads rather like a necromancer's formula, or a quotation from the Higher Catechism. It is hard to realise that it emanates from the University of a city situated on the direct trunk line to Alberta, and twenty-one years after the publication of *Economic Democracy*.

It seems rather a low trick, so to speak, to quote a man when he is down, in the printed page and at your mercy. But it is useful as showing what a refusal to look beneath the surface of things can accomplish for a clever man's judgment and wisdom. As Bacon sagely

said, "A stream rises no higher than its source."

And this about emmigration: "The broad basis of migration as I see it, lies thus. It must aim first and foremost at bringing British people. . . . But for continental Europe we should go slow, and for some areas, shut out their people as we would the bubonic plague." That, from a writer on the British Empire who for 243 pages has not once mentioned directly or indirectly the Jewish problem!

Either there is, or there is not, a philosophic basis for the Anglo-Saxon culture—a culture of which Mr. Leacock seems genuinely appreciative. If there is, then there is no simple problem, always excepting the dire necessity that has been thrust on us of beating our military enemies, so urgent as that of Jewish penetration.

The Jew is a master of mental suggestion; the sacrosanct inviolability of the Financial System is largely an idea of his creation, and now the same inviolability is to be extended to the Jew himself. If through fear of injury to his academic reputation a political economist refuses squarely, or even partially, to face the question of debt and credit-creation, he forfeits his right to be regarded as a scientist with any knowledge of practical value to impart. At best he must be content to be an amiable, and with luck, readable dispenser of figures and statistics. It is at its peril that this civilisation turns a blind eye upon the implication of Jewish philosophy.

But it would be a pity if these quotations were to prejudice or put off the possible reader of this book. One could have quoted much else that was to other points than the economic or philosophic. The book serves its purpose well, if we ignore its finale. The recommendation is strongly to read it.

It instinctively gives a Dominion angle to the argument of Empire that is enlightening and generous—for no one can deny that enough has been done in the name of the mother-country, and even by her, to have alienated all her offspring. There must be much on both sides that the other does not know in what the author calls "this vast and varied picture of island and mainland."

He continues: "Through it all runs

*Our *British Empire* by Stephen Leacock: John Lane.

peace and decency, free speech and fair play . . . Nor does it rest in force . . . The armed forces of the Empire, apart from the naval protection of seaports, are too insignificant to hold it against the numbered millions of its inhabitants without the goodwill that everywhere joins British rule and native life. It is well to lay stress on this aspect of the British Empire. It is necessary to get rid of the taint of that anti-imperialism which was for so long the reverse side of British expansion, and which followed like a cloud each "forward" movement and bred disunion within the Empire itself. It is getting to be little more than a memory now . . . how bitter were the feelings of many people fifty years ago, to what appeared to them the unwarranted aggression of British rule, its intrusion where it had no right, its seeming association with capitalism, and the exploitation of unoffending partners . . . Such sentiments were especially prevalent in the Dominions. Their own struggle to-

wards self-government lent bias to their view . . . In the days when it seemed that the manifest destiny of the Empire was peaceful dissolution, an undoubted factor in the situation was this implied contrast of British rapacity and rugged colonial honesty." The City of London please note!

"All that is gone, far away now. The last clouds of it are drifting away on the blast of war. It is only useful to recall it so that we may the better understand the good fortune of our history. Bygone danger enhances present security. No one doubts now the significance of membership of the British Commonwealth."

That is interesting and well said, but its practical significance, hidden from Mr. Leacock by his blind spot, is in the fact that the British Empire is ceasing to be a "host"; the parasitical irritant which by means of the debt system enslaved the nineteenth century world to the City of London, is rapidly

passing across the Atlantic, taking with it its piratical control of the essential fluid of expanding life, credit, and fastening on to Mr. Leacock's continent where, unless some radical step is taken, it will continue to pursue the old game under a new name, to the general woe.

And Mr. Leacock is so "controlled," in the jargon of occultism, so under the influence of mental suggestion, that he has to pretend not to see! Is the common man of the North American Continent in general equally subject to this hypnosis? Time, perhaps not a very long time, will tell. And in the meantime let us study to build up our Empire-mindedness—for it is indeed a contest of wits, of mind, that is raging to-day. Against the Forces of Darkness—the "evil things" that the late Neville Chamberlain saw more plainly than most—there is no weapon but light; sound information. In that lies the value of Mr. Leacock's book.
November 12, 1940.

CUMBERLAND COMMENT

"Aye, that way's t' main road, a mile or more on. You come fra' t' Fox Farm? Yes, it's a right o' way, that is. Leastways to me . . . Chap ower t' Fox Farm, he took it three year sin'. He tried it on wi' me. I were coming fra' Whitehaven and left the bus up yonder—latish it was, and dusk—and when I got down a bit I saw him coming along. 'Hi,' says he, 'where are you going?' 'What's that to you?' says I, and he says, 'You ain't no right to be here—' 'Well,' says I, 'my farm's at Calder and this is my way to t' road—' and I walked past him, wishing him good-night. He ain't bothered me since, learnt our ways, likely.

"Forty-six acres and I work it all myself, do pretty fair if they'd let me. Government? Yes, a chap comes along fra London or such. He found me in t' field, thinnin' turnips. He says as how I must do this and that—y' know us farmers wont be drove, and we're not so good to lead. He was uppish with his orders, and in the end I straighted up, 'young man,' says I, 'what d'you know o' farming? I judge you twenty-four years of age and I reckon you'd be a gey sight better doin' summat else than tellin' me how to work my farm.' A bit after I heard he had 'listed in the Navy, not a bad sort really, y' know.

"A lot they know about Cumber-

land land! It ain't fit much for ploughing over round about—I always do a bit, an acre or so for beast-feed, but now I've got to plough five acre. I took t' chap over yonder and showed him: 'Take a look at that field,' says I. 'How many load o' oats d' say I'd carry if I plough and seed it?' 'Ten,' he says. 'No, I'd get fifteen, I give y' that. But same field, last year, gave fifteen load o' hay first cutting; then I did nowt but put a bit o' dung on't and got another nine load, second crop. Now,' says I, 'tell me this, which gives most feed to t' beasts, fifteen load of oats or twenty-four load of hay?' He couldna' answer that but told me what they said I'd got to do fra' London.

"And what's to do wi' oats now t' mill's gone? My father, he used to send a cartload o' oats to be crushed for beasts once a week, fetchin' 'em back at one journey. see? Now mill's gone and what oats I grow I reckon t' sell and buy cake, but ye can't get that now. Big farms have a petrol engine for crushing, but I've got no money for that. so what good are oats these days, to me?

"Y're right, t' folk i' Parliament shou'd see to 't, but once Government's done a thing like that it takes summat t' shift it, see? Us farmers ain't fools; if we saw feed getting short, we'd grow it, what d' you think?"

RATIONING CLOTHES IN GERMANY

An article in *The Times* of November 1 on present conditions in Germany describes the rationing system of clothes:

"For the war year just past the clothing cards had 100 'points.' Of these a dress knocked off 40 at one stroke, a man's suit 60, and overcoat 80, a pair of stockings six to eight, and 20 metres of darning wool cancelled out one point. The card must also serve for footwear and the soling of old shoes, for bed sheets, and towels. . . .

"The purchase of shoes is subject also to another 'formality.' The petitioner must make a petition in writing to the local authorities and testify that he has no more than one pair. An indefinite period elapses before the appeal is granted, and during the interval the petitioner must be prepared for a visit by the house inspector to verify the state of his wardrobe. If the visit shows him or her to have several suits, dresses, sets of underwear, or anything more than a good Nazi should have, some of it may be taken away and no compensation given. As nobody knows what the limit is, most of the citizens go as long as possible before taking the risk of asking for new shoes; and this is popularly believed to be the real object of the Nazi shoe and wardrobe inspection system."

LETTER TO THE EDITOR

Sir,

EXPLOITABILITY

The recent editorial (November 9) under the above heading, by T.J., "asks for it" in the way of comment.

It appears to me there is only one angle from which to question the utilization of space in a paper such as *The Social Crediter*, and that is: Does it do any good? Or, setting our standard less exactingly: Is nothing the worse for its having appeared?

I have to register that the article in question doesn't appear to me to pass even the second standard, and I would like to hope that, on mature reflection (I know well the conditions under which we all work to-day), the writer of it would come to agree with me.

It would be very foolish to start a controversy regarding the official policy of the Christian Science Church. While not a member of it, I know a certain amount about it, and I am aware of the circumstances which prompted T. J.'s article. However, not having made any research in the matter I am not in a position to either agree with, or refute any of his generalities regarding the reactions of the individual churches to the Social Credit Movement; which strikes me off-hand as altogether too self-conscious. But I can't help wondering whether his conclusions on this head were arrived at inductively, by what T.J. would agree was the only proper and scientific (we needn't employ inverted commas) method, or whether they are not a little ardent. My actual experience completely refutes them in every single particular—though, of course, one swallow does not make a summer.

Nor am I—to follow T.J.'s line of argument—in a position to assert that any human organisation of the dimension of the Christian Science Church is entirely above exploitation. I cannot see how it can be at this stage of mental development. But the point upon which I am in a position to take up T.J., and on which I intend to, is in his implication that the Christian Science Church in particular is not equipped by its founder, Mary Baker Eddy, to withstand the Dark Forces of mental exploitation. On that point Mrs. Eddy's writings are more explicit than perhaps any existing, not excepting Douglas.

If a sufficient number of authenti-

cated facts warrant it, there may be a case against the Christian Science Church on the head of Federal Union as a particular objective. I don't believe it, but I am not entering any controversy. Even if there were, I gravely question the value of raising the issue in *The Social Crediter*. But in any case it is a difference of opinion that might well have been left to events to decide, had not T.J. felt impelled to find the origin of the Christian Science Church's exploitability in its philosophy.

There is one obvious preliminary essential to obtaining proof of such a construction, that is a patient and thorough study of Mary Baker Eddy's writings. Judging from what he writes I can state quite positively that T.J. has been denied the opportunity for this, whether through lack of time or lack of genuine inclination, is quite beside the point. And as an inevitable consequence, a pen that one is accustomed to find so penetrating, perpetrates (I do regret to have to say it, albeit without, I hope, the faintest heat) nonsense.

For the reason that the article becomes so personal on this point, it is a little difficult to deal with it and avoid the pitfall of becoming so too. Personality breeds personality, to the detriment of advancement and science. But I can say that I have studied Mrs. Eddy's writings, quite dispassionately as textbooks, almost daily for a considerable number of years now, and that I am able to report that my personal exploitability, in Lord Tankerville's just meaning of the word, is less, not more on that account; and, as would-be scientists, results are all we have to go by.

I hope your contributor will take my strictures in the spirit in which they are made. As a Social Crediter I cannot help feeling there is a certain amount of reputation at stake.

Yours etc.,

NORMAN F. WEBB.

Hollybrook, Randalstown,
November 13, 1940.

T. J. writes:—

If Mr. Norman Webb is, as he asserts, aware of the circumstances which prompted my article, what is he complaining about? The circumstances were, and are, (1) the

attention which is being paid by Christian Scientists to Lord Lothian's advocacy of a 'new world order' coupled with (2) propagandist dissemination of the news that Mrs. Eddy predicted the reunion of Great Britain and America and favoured it. Lord Lothian is a Christian Scientist.

It is, in my opinion, one of the main reasons for the existence of *The Social Crediter* to point out the places where the opposition is active, and, if possible, to equip Social Crediters to meet the opposition effectively in those places. When the positions available to the opposition are shrinking, each new one occupied deserves attention.

But, contrary to his assertion, Mr. Norman Webb is unsure of the circumstances. This gives him the opportunity to assume the circumstances to be different from what they are and to argue that such circumstances could not arise from the philosophy or personality of Mrs. Eddy. The answer is that if it is true that Mrs. Eddy predicted Anglo-American Reunion and favoured it, the circumstances arise from the philosophy and personality of Mrs. Eddy, and if she didn't they don't. It is alleged that she did. On this point my information is based on direct evidence and is not circumstantial.

My experience is that one cannot overturn any body of ideas worthy of being called 'a System' from inside—one has to go outside. Daily absorption in the logic and metaphysics inseparable from literary presentation is not a good preparation for getting outside a system elaborated by the use of these. Social Credit is the policy of a philosophy. Every philosophy has its policy; indeed, its policy is really the only significant thing about it. Policy can be judged inductively, through its results, better than deductively through examination of the logical presentation of the view of reality in the light of which it is elaborated. Never in the whole history of thought has a view of reality been fully and successfully formulated. Yet policies have been successfully elaborated and pursued.

Since Mr. Webb has permitted himself a number of irrelevancies, may I be permitted something which may appear to be an irrelevancy? Douglas, who has said that Social Credit is the Policy of a Philosophy, has not provided us with a system. In this Social Credit is like one of the sciences (and unlike 'Science') not one of which has a formulated metaphysics. The metaphysics of a science may be said to be the Universe itself. Douglas's avoidance of a formulated metaphysics does not, in my opinion, justify our picking over the rag-bags of past or present concepts of the nature of reality to make a patchwork. Though unformulated, his concept of reality (and ours) may surpass all earlier concepts. I believe it does, and I believe the Social Credit emphasis on policy is one of the things which helps it to do so. The idea that we must on no account put a pin through past and present intellectual pretensions lest we may wish foolishly and incorrectly to attach them to ourselves is a highly mischievous notion. It is here, in my opinion, that not merely the reputation (which is what?) of the Social Credit movement but its integrity is, if not at stake, at any rate vitally concerned.

PITY THE POOR CIVILIANS (II)

By B. M. PALMER

Our special correspondent of *The Times* continued his (her?) article on the conditions among evacuees, on the following day, November 6. Bearing in mind the facts we have already perceived, that among the basic characteristics of *The Times's* Socialist policy are insecurity for the individual and gratitude for benefits received, it is not surprising that the remedies he suggested go little further than compulsion and sacrifice.

"Some people have filled their houses at a price, with unofficial refugees. Still more are arming themselves with doctors' certificates stating that their health is too poor to permit of their taking in evacuated people."

Are these doctors, whom *The Times* implies to be so ready to provide false certificates, typical of those throughout the country? If so what sort of medical attention can we expect in the influenza epidemic which has been promised us? And is the life of an "unofficial" refugee less valuable than that of a Government protégé?

To continue: "To deal with this disinclination to house refugees compulsory billeting is under consideration. It could only be *successful* [my italics] if in the hands of independent officers immune from local influence. It is doubtful, however, if it is a wise solution. The lot of those so billeted may be most painful. You can force open the closed door, but you cannot compel a kindly reception for those billeted by order."

Successful. What does it mean? Certainly not successful for the unwilling lodging-house keeper, or the wretched, unwanted refugee. No. The use of that word is one of the glimpses of the unconscious which we sometimes have. I have said before that this writer appears to be sincere, but he has certainly accepted the Socialist policy. For if *compulsion* is successful it can only be from the point of view of those who are *imposing* the compulsion, not those who are suffering from it.

Poor special correspondent! He dimly realises that in the case of compulsory billeting being "successful" from the government's point of view both billetees and billeters will be miserable, and wonders why. The answer is easy. Hasn't he heard it before?

You can't make people "good" by Act of Parliament.

Nor can we make them clean and attractive.

Another Socialist paper, the *Daily Herald*, published a similar article on November 5, under the title *Evacuees Prefer Bombs to Snobs*. It was written by Clifford Webb, the *Daily Herald* reporter for Maidenhead. According to him the refugees were returning to their London homes. Men, women and children had been sleeping on mattresses on the floor of a church hall, neither a cheery nor a comfortable building.

"I couldn't stand these conditions any longer," said one of the women. "There were twenty-seven of us sleeping here last night. There are no proper facilities [did she say that?] for putting people up, and I don't like the idea of being fed under Poor Law supervision."

This, of course, is the fault of the Snobs of Maidenhead, not of the Ministry of Health. Notice another aspect of Socialist technique—the attempt to set one class against another—divide and rule.

The Times writes for one circle, the *Daily Herald* for another. They both say the same thing, seasoned with different degrees of sobstuff, according to taste. They say that the better off must be made to pay by giving up their comfort, freedom and security, allowing their premises to be commandeered, because there is not enough money to go round, or to build suitable camps.

This is what people are *told*. Do they believe it? Many of them do. They will continue to believe it as long as they can be made to think that we are fighting the war with money, and not with raw materials, inherited knowledge of how to do things, and man power. The lies disseminated by Spitfire Fund Propaganda are pretty potent at present. They may be, and, to a certain extent, are being combated.

But what we need is a spirit that will not submit to compulsion, the spirit that will endure a struggle for the protection of personal liberty.

For just think it over. What sort of people are pleasing the Ministry of Health? Submissive people, who are

amenable to regimentation. How it grieved the heart of the socialists in the government that the evacuation of London could not be made compulsory! How they are sending round officials to persuade the people to go! According to the *Evening Standard* of November 12 the family is going to keep together. The mother prefers to look after her children herself, and is not prepared to leave her husband to fend for himself in London. Typical replies were, "Oh well, when the bombing becomes really bad we'll think about it," "If it goes on very much longer," or "If it gets a lot worse."

No word, of course, about the women's reluctance to be placed as guests with unwilling hosts, or endure all the discomforts of life in a church hall or community centre.

The Government's scheme has had the effect of keeping those with more courage, initiative and independence in London; I feel it is a pity that some of these descendants of the full-blooded cockneys do not go down to the country to the sort of place described by the *Daily Herald* and express their opinion of the accommodation prepared for them. If they were at all like their fathers they would soon qualify for a night in jail where at least they would be sure of having a room to themselves.

For in the end there is only one thing that will save us. Our refusal to be regimented.

November 13, 1940.

'JUSTICE'

Mrs. Doreen Emily Jones, 42-year-old mother of 10 children and wife of an unemployed labourer, was sent to jail for three months at Hendon for receiving a shillings-worth of stolen coal.

The coal, it was alleged, had been taken by a boy, aged ten, from a bombed house.

Mrs. Jones in the witness box, said: "The boy brought me seven or ten pounds of coal in a sack. I asked him if it had been stolen from a bombed house, and he said they were pieces he had found lying on the path."

NEVILLE CHAMBERLAIN

The greatest achievement of Neville Chamberlain was that, in his own person and by his individual courage and tenacity of purpose, he secured peace from September, 1938 until the outbreak of war in September, 1939.

Sir Nevile Henderson, former British Ambassador in Berlin, speaking at Ipswich on November 18, said: "I think the one person who regretted Munich more than anyone else was Hitler. He thought he had missed his opportunity and, if I may say so, I think he did."

Mr. Chamberlain, he said, was a man of great personal and moral courage, and he determined to do his utmost, regardless of himself, to try to bring Europe back to a negotiated agreement and the rectification of past errors. There were a lot of errors to be rectified but nobody had had the guts to try it. It was a single handed effort on the part of a man who was nearly seventy.

Sir Nevile Henderson added: "I do not know whether the critics of Mr. Chamberlain realised then or now that on September 28, 1938, we did not have a Spitfire. We had one or two experimental Hurricanes, and we had exactly seven modern anti-aircraft guns for the defence of London out of the 400 estimated then as the minimum necessary. Germany could have dropped 2,000 bombs a day on London, and we could have given no reply...."

"I would like to ask any of Mr. Chamberlain's critics, realising what cards he held in his hand, what they could have done either to avert or delay the war," said Sir Nevile. Mr. Chamberlain failed in his immediate objective, but to the end of his life he did not think that he had one twinge of conscience.

CHANNEL FOR NEW LOANS

In the *Sunday Times* of November 17, Mr. Norman Crump, the City Editor, gives an account of the procedure with regard to new loans given by the banks:

"The character of the new loans is to-day of greater interest. . . . But instead of relying on the normal pre-war sources of new capital, reinforced perhaps by their own guarantee, they [the Ministries of Supply and Aircraft Production] are making use of the banks.

"The procedure, which perhaps is not known quite widely enough, is that a manufacturer engaged on war work applies for additional finance first to his local bank manager. In most cases the finance will be readily forthcoming, but if the manager has any doubt he refers the application to his Advance Department at head office in the normal way.

"Special sections of the Ministries concerned are in continuous contact with the Advance Departments of all the leading banks. They can at once link up any application for a loan with the contract for which the new finance is required. Equally they make it their business to 'vet' the applicant firm from the standpoint of its ability to manage its financial affairs, just as other sections of the Ministry have already vetted the firm's technical ability.

"In this way a banker's doubts can often be resolved. But this procedure also raises another very important point, namely, the capacity of each firm's management. The basic rule is that no factory or machine-tool must be allowed to stand idle. Therefore if the management is inefficient, it must be strengthened.

"Obviously this is a delicate matter, but war needs must come first. In the last resort, the Ministry has power to requisition machine-tools or factories—that is, to oust the old management altogether. The better and usual course is either for the Ministry to introduce its own representative or to invite the lending bank to do so. The presence of a new 'watch-dog' of this kind helps to ensure financial stability...."

"Next the Ministries are relying entirely on the banks for the provision of the necessary finance. This is an *ad hoc* expedient, for it is not normally a bank's job to provide a customer with more than a certain amount of working capital. From the more general aspect it means that the war industries are obtaining much of their new capital not from accumulated savings, but from expansion of bank credit."

"This is probably inevitable, for the pre-war private sources of capital have largely dried up, and many of the sub-contractors in munitions production are too small to warrant public capital issues, even if the Treasury consented. Yet it means that the expansion of credit due to the war goes beyond any direct expansion due to the excess of Government expenditure over tax revenue and borrowing."

MACHINE TOOLS

"... Thus we began to realise that in mechanised warfare the first line of defence is the machine-tool industry. And still we do not see it clearly. We find ourselves thinking of it in terms of producing armaments rapidly. That is not all. Beyond that is the problem of matching the man power of the totalitarian nations. Consider it. The labor supply of Germany and Italy combined is fifty-six million persons, and if you add that of Austria, Czechoslovakia and Poland, it becomes eighty millions, against a labor supply in the United States of hardly more than sixty million persons at the extreme. And this is to say nothing of the labor supply of France, Holland and Belgium, provided Germany could command it. In a very important brochure on this subject entitled *The Great Reliance For National Defense*, the Farrel-Birmingham Co., Inc., calculates that with total employment in the United States we might find 2.6 million man-hours a week, against 3.6 million man-hours a week for the totalitarian Powers certainly, and the possibility of 4.8 millions.

"... There is a biology of machines, and it is a neglected study. Machines beget machines. The industry which makes not only the lathe you see at work in the factory but also the lathe that makes the lathe is called the machine-tool industry.

"... In Europe, in Asia, in this country, for either war or preparedness, the machine-tool industry, or, as we like to say, the mechanical race, now is expanding much faster than the human race. When the world returns to peace, its machine power will be prodigiously greater than ever before. —What then? If the problem before was a surplus of manufactured goods and a want of markets in which to sell them, what will it be the next phase?"

—From a leader in "*The Saturday Evening Post*," October 5, 1940.

BELFAST D.S.C. GROUP

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ANNOUNCEMENTS AND MEETINGS

Will advertisers please note that the latest time for accepting copy for this column is 12 noon Monday for Saturday's issue.

BIRMINGHAM and District Social Crediters will find friends over tea and light refreshments at Prince's Cafe, Temple Street, on Friday evenings, from 6 p.m., in the King's Room.

BLACKBURN Social Credit Association: Weekly meetings every Tuesday evening at 7-30 p.m. at the Friends Meeting House, King Street, Blackburn. All enquiries to 168, Shear Brow, Blackburn.

BRADFORD United Democrats. Enquiries to R. J. Northin, 11, Centre Street, Bradford.

DERBY and District—THE SOCIAL CREDITER is obtainable from Morley's, Newsagents and Tobacconists, Market Hall.

LIVERPOOL Social Credit Association: Meets regularly on the first and third Sundays in the month. Time 2-30 p.m. Enquiries to Secretary: Miss J. E. Taylor, 11, Nook Rise, Liverpool 15.

LONDON LIAISON GROUP. Enquiries to Mrs. Palmer, 35, Birchwood Avenue, Sidcup, Kent.

NEWCASTLE and GATESHEAD Social Credit Association. It is important that all Social Crediters on Tyneside should maintain contact. Write Hon. Secretary, R. Thomsson, 108 Wordsworth Street, Gateshead.

PORTSMOUTH D.S.C. Group: Enquiries to 115, Essex Road, Milton; or 50, Ripley Grove, Copnor.

SOUTHAMPTON Group: Secretary C. Daish, 19, Merridale Road, Bitterne, Southampton.

WOLVERHAMPTON: Will all Social Crediters, old and new, keep in contact by writing E. EVANS, 15 Links Road, Penn, Wolverhampton.

The Social Crediter

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Books to Read

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- Economic Democracy
(edition exhausted)
- Social Credit 3/6
- Credit Power and Democracy ... 3/6
- The Monopoly of Credit 3/6
- Warning Democracy
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- The Tragedy of Human Effort ... 6d.
- The Use of Money 6d.
- Approach to Reality 3d.
- Money and the Price System ... 3d.
- Nature of Democracy 2d.
- Social Credit Principles 1d.
- Tyranny 1d.
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- “This ‘American’ Business” 3d. each
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MISCELLANEOUS

H.E. and family are spending Christmas in Eskdale, Cumberland (no jazz, no bombs), and would greatly enjoy the company of other Social Crediters. For addresses of inns write to E. M. E., Fernbank, Seascale, Cumberland.

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**TO THE DIRECTOR OF REVENUE,
THE SOCIAL CREDIT SECRETARIAT,
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