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FOR POLITICAL AND ECONOMIC REALISM

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WHAT 'CAPITAL LEVY' MEANS TO YOU

Certain newspapers, of which the 'Labour' *Daily Herald* is a typical example, are busy working up a campaign designed to force upon the country acceptance of the imposition of a levy, or tax, upon capital. Alleged, or presumed by well-intentioned persons whose grasp of economics is insufficient to protect them from exploitation, to be aimed at the big capitalist, such a measure is aimed not at the big capitalist at all but at the independent trader and the middle classes generally. These classes do not share even the illusory expectation of some vague betterment resulting from the exceptional measures which are being pushed forward under cover of the war, and if their attention can be gained, they may be instrumental in averting a social catastrophe towards which they are marching in uneasy company with the 'workers' themselves.

To dispel the illusions entertained concerning the true nature of a capital levy, who would pay it, and the immunity of the big capitalist from its effects, the following chapter from Douglas's *Credit Power and Democracy* is reprinted without alteration. It was written in 1920, a textual testimony to the permanent value of its author's analysis of the real causes from which the world war now developing has grown, which must be reversed if mankind is to emerge in possession of a workable order of society:—

Chapter VII of "Credit Power and Democracy":
by C. H. DOUGLAS.

Another of the clichés to which the official Labour organisations have committed themselves is that which goes by the name of the Capital Levy, in its various forms. It is so superficially familiar to everyone interested in these matters that no extended description of it is necessary; with variations it may be described as a graduated and ostensibly non-recurring tax on the money-value of individual property, real and personal, such value being estimated, not by its earning power, but on some basis such as market price or expert estimation.

At first sight such a levy is an attractive expedient to a party concerned with the flagrant disparity in worldly circumstances to which "Capitalism" has at the moment brought us. If we can believe that there is a fixed amount of wealth in the world, and we see, as we do, that some have the good things of life while many have hardly the necessaries, it would appear an easy path to greater "justice" to take some of the "wealth" off the fortunate ones, even though you do not directly give it to the remainder. Let us examine the project more closely, therefore.

The law recognises two main classes of capital: "real"—i.e., land, houses, etc.; and "personal"—i.e., stocks and shares, cash, etc., which latter are ultimately claims to some sort of "real" property. That is to say, ultimately all property of any kind or description is a claim on realty. Now, imagine all money values above, say, £5,000 held by individuals to be subjected to a capital levy. What actually

happens? The levy, remember, is on individuals by the "State." The State has no concrete use for realty; it does not, broadly speaking, administer productive undertakings; consequently what it requires is a transfer of credit which it can apply, say, to the reduction of the National Debt, which in itself is an agency for distributing purchasing-power.

Now, however steeply you graduate a tax it must leave some men "richer" than others. Remembering this, consider the course of events when the tax is collected. The owner of land has to sell to "raise" the money for the tax. *Who buys that land?* Similarly, the owner of stocks and money parts with these. *Who gets them?* There are two answers.

If the titles to the land or shares are thrown on the market together there will be a slump in "values" which will affect not only those who are taxed but those who are not taxed, in so far as they have any possessions other than money. At first sight this seems a desirable result, but on further consideration, it will be seen that as the National Debt is a money-debt, not a "realty" debt, such a slump in values *increases the real weight of the debt*, because it requires a larger transfer of property at the lower price to liquidate a unit quantity of it. Since, as we have agreed, this transfer of actual property cannot be to the State *in propria persona*, it must be from persons with less money to persons with more money; and the greater the fall in values, the greater would be this transfer of real wealth from the less rich to the more rich. That is one possible answer.

But there is a modification of this process possible. In order to avoid the fall in values that the liquidation of large blocks of securities would entail, the banks would be besieged for overdrafts with which to meet the calls of the levy. Which class of applicants would receive preference in this scramble for credit-issue? Undoubtedly those whose prospect of repayment seemed to rest on the surest foundation; and, unless the previous arguments have failed of their purpose, it will be plain that *whatever costs may be incurred by a producer who controls a market can be recouped by him in prices from the consumer*. Consequently, the banks would extend credit most readily to those whose power of price-making gave assurance of their ability to collect the levy, in so far as it affected them, from the public, together with the bank's interest on the loan. Such persons would not only not have to part with any property, but would probably be found in a position of commanding advantage from which to acquire the property thrown on the market by their less fortunate neighbours—a result which, though differing slightly in method, results in the same conclusion as in the previous case: that instead of such a levy being a transfer from the rich to the poor, it becomes a transfer from the consumer to the price-maker and the credit-issuer.

This is another way of stating the theorem on which stress has previously been laid in these pages. Under the existing economic arrangements, industry cannot be carried on unless the price of an article includes all the costs—i.e., dispensations of purchasing-power—which have been incurred during its production. If a cost is not included in the price, then the price-maker becomes poorer, and eventually goes out of business. *You cannot tax a capitalist-producer effectively, because his existence as a producer depends on his ability to pass on any expense incurred to the consumer*. And it will be admitted by any unprejudiced observer that no excessive reluctance to avail himself of this privilege is noticeable in the behaviour of the average entrepreneur.

It is, however, possible to attack the Capital Levy on more general grounds also, if it be realised that the situation with which we are faced is only accentuated by and not fundamentally due to the destruction of war. If the economic system under which we are working is a sound system, then it is a flagrant "injustice" that such persons as do well out of it should be penalised; and if it is unsound, as it is, then the Labour Party, which clearly regards itself as the sole political concessionaire of justice, should be too high-minded to believe that an unjust system is improved by working it unjustly.

The capitalist system is tottering to its fall, but, like the Bolshevik Government, which (according to official communiqués) began to totter at its birth, and continued to totter until it has infected half the world with its congenital instability, it may carry on for a long while, if its opponents obligingly demonstrate at short intervals their inability to supplant it by something better.

Side by side with evidences of a spreading sense of public discouragement, born of the 'immobilising' agencies at work—examples of which will instantly occur to anyone—is concrete evidence of increasing respect for the cogency of the Social Credit case. This is naturally most noticeable in quarters where morale is highest and a sense of personal responsibility strongest. Readers are asked to make plans and preparations for making the best possible use of the opening provided by Major Douglas's Chapter in relation to present circumstances.

What 'Capital Levy' Means to You

is being reprinted as a leaflet.

Prices: 1/6 for 50; 2/6 for 100; 11/- for 500; £1 for 1,000.

Obtainable from

K.R.P. PUBLICATIONS LTD.,
12, LORD STREET, LIVERPOOL, 2.

UNDER ANOTHER NAME

By B. M. PALMER.

A recent leading article in *The Times* (Parents and Children) advised us to send to the Parents' Association for a leaflet entitled "Civics—a call to parents, and especially to parents with children not yet grown up." To do this costs seven pence halfpenny, including postage, for a three leaf folder. It might, of course, have been worth it to those interested in selling the ideas contained therein. They probably make a handsome profit, in addition to securing a wide field for their propaganda.

The folder sets out to answer two questions said to be of importance to the parents of young children.

(a) How are we to win physical and political security for our children

and for future generations, now that we see more clearly than ever that the world has not abolished war and may possibly, whatever our efforts, never succeed in doing so?

(b) How are we to teach our children to fight more successfully against the innate tendencies towards barbarism which recent history has revealed so clearly in the human mind, and thereby achieve a civilisation far more just, public spirited and high minded than ours has recently been?

It seems that the writers of the folder accept the doctrine of original sin—a further search for the religion or philosophy that lies behind their policy discovered these statements in

section 9 and the appendix.

"Recent history has made it clear that the Christian tradition is the rock on which European civilisation is built and that the departure from it inevitably means a return towards barbarism. But the very fact that there has been some such departure shows that we must try to state the Christian aim in a new way, so that it may seem to our children more intelligible, more practical and more in keeping with the whole of life...."

"Sooner or later, inevitably, children reach an age at which difficulties of details arise about dogma. Parents have been through the same difficulties, and have disposed of them by construc-

tive thought or by ignoring them as insoluble or as relatively unimportant. Whatever steps we may take to help our children through these difficulties, we can at any rate assure them that the best Christians have been through similar experiences but have nevertheless remained faithful to Christ as their supreme guide, and to Christ's command:—"Thou shalt love the Lord thy God with all thy heart and with all thy soul and with all thy mind and with all thy strength, and thy neighbour as thyself"—and to the well-established tradition that loving your neighbour means working for him." [My italics]. The sting is in the tail.

All through the pamphlet we get the same ideas—original sin, "our own selfish nature"; and "working for the good of the world," "work done for backward races," "creating the greatest civilisation ever seen in history," "achieving much in the world for others," and finally this: "We are the people who must put things right."

Blessed are the poor in spirit.

A glance at the 42 members of the General Council of the Parents' Association is interesting; among them are:—

Dr. Rabbi Israel Mattink.

Lord Melchett.

Col. H. L. Nathan, M.P. (Hon. Legal Adviser).

The Marchioness of Reading.

Sir William Rothenstein.

Are these people Christians? It would be interesting to hear their reasons for being on the General Council.

At this point someone I know exclaimed "Why do you have to criticise everyone? Of course they may not be Christians, but they are enlightened people, and they will support anything they know to be good."

"What is good?"

My companion is so exasperated by this question that she refuses to go on with the conversation, and I am left to ponder over the terrible difficulties that arise from the incorrect use of abstract words.

But if the participants in a common enterprise have not agreed together as to what is good, how can they act together for a common objective?

To quote from H.E.'s article of December 28:

"In the jungle Good and Evil have a simple outline, to kill or to be killed,

and it is out of his contact with other men that this jungle-good has become enlarged, the focus of this enlargement being co-operation for a common purpose. To give this purpose precision and to bring it towards fruition has been the endeavour of the see-ers among men, of whom few have reached the formidable realism of that statement which strikes at the roots and fulfilment of man's aims, 'The Kingdom of God is within you.' Good is not to be found otherwise than by your own fulfilment of your own aspirations, and the nature of man is such that therein also lies the fulfilment of the common purpose."

That is the meaning of good from the Christian standpoint. It means the immanent sovereignty of the individual, the dethronement of abstractionism, "the issue which is posed by the Doctrine of the Incarnation."

But Judaism does not accept the sovereignty of the individual. It accepts the rule of law, a Kingdom which is outside the individual and away from his control. Basil Henriques writes in his book *The Indiscretions of a Warden* that he believes passionately in Judaism, the love of God for man, the love of man for God, and in the Law.

If we refer again to our pamphlet on civics we shall find that the religion that lies behind it is not Christianity at all, whatever it may be called. If it were real Christianity we should not find those names on the general council. How can those who dare to say "We are the people who must put things right" believe that the Kingdom of God is to be found within each one of us? Their idea of Good is a preconceived idea of their own, and that is why they imagine that their duty is "to work for the Good of the world."

It is nothing of the sort. Heaven help the children brought up on these lines.

The religion set forth in this pamphlet is one acceptable to the Jews, who have denied Christianity in reality, but have no objection to accepting their own policy under its name. Note the phrase tacked on to Christ's advice to love your neighbour: "the well established tradition that loving your neighbour means working for him." In the appendix we find that "living for others" includes social reforms, health and unemployment insurance, old age pensions, etc.—all the paraphernalia of social planning; never for one instant are we

reminded that service is perfect freedom. Love entails impersonality, not "putting things right" in the sense used in the pamphlet.

By such means are well-meaning people, who think that good intentions are enough, led astray to support policies the very opposite of democratic under the impression that they are "doing good."

But it is not what a man intends it is what he accomplishes that counts. January 2, 1941.

TO LONDONERS

War conditions permitting, there will be a lunch-hour reunion on Thursday, January 16. Meet at the Cocoa Tree Tea rooms, 21, Palace Street, Westminster, at 1 p.m. punctually.

EDEN AT THE FOREIGN OFFICE

"That the British Foreign Office will shortly attempt once more to swing Comrade Stalin away from the Axis is regarded as a certainty now that Anthony Eden has supplanted Lord Halifax.

"If he could do that, he would rank as a certain future Prime Minister—probably the next one after Winston.

"Mr. Eden has not lost sight of that.

"A few hours after his appointment he had a long discussion with Soviet Ambassador Ivan Maisky.

"Official bulletins about the meeting carefully called it 'friendly.'

"Of course it was. Mr. Maisky, bland, courteous and ever-smiling, has a friendly manner.

"But he has never been more than a servant of the Kremlin, and that is where Soviet foreign policy is moulded.

"Lord Halifax's appointment as Ambassador in Washington followed a dramatic meeting between him and Mr. Churchill. Said the Prime Minister: 'Edward, it is your duty to accept the post.'

"His Lordship argued no more after that appeal. 'I'll go,' he said."

—*"News Review,"* January 2, 1941.

FRANK LLOYD WRIGHT: Architect

His Majesty King George has conferred the King's medal for Architecture on Frank Lloyd Wright, the American son of a Welsh mother and a Yorkshire father. As holder of the Sir George Watson Chair of the Sulgrave Manor Board, Lloyd Wright gave four lectures before the Royal Institute of British Architects in May, 1939. The text of the lectures attracted the attention of English Social Crediters. It has been published, with an account of discussion which followed, by Messrs. Lund, Humphries and Co., Ltd., of 12, Bedford Square, under the title "An Organic Architecture." The following are extracts, by no means exhaustive, from this account:—

"I believe the time is here when Beauty must make sense and make superior sense with individuality undiminished, not only for our own day but for all time.

"Civilisation, chiefly a money matter, approaches its inevitable end."

"So here I stand before you preaching *organic* architecture; declaring organic architecture to be the modern ideal and the teaching so much needed if we are to see the whole of life, and to now serve the whole of life, holding no 'traditions' essential to the great TRADITION. When this deeper concept enters the mind it all means this—that imposition upon our life of what we have come to call the '57 Varieties' is dead wrong; that classicism, and all *ism*, is really imposition upon life itself by way of previous education.

"Seriously . . . going back again into the nature of this thing that I would champion, getting back to the minority report—the 'Declaration of Independence,' we may now ask, independence of what? Well, let me say again, independence of all imposition from without, from whatever sources not in touch with life; independence of Classicism—new or old—and of any devotion to the 'Classics' so called, independence of further crucifixion of life by current commercialised or academic standards and, more than that, a rejection of all imposition whatsoever upon life; . . . I am declaring resolute independence of any academic aesthetic, as such, whatsoever—however and wherever hallowed.

"Now, looking back at the old Order it come to this . . . does it not . . . that instead of going to the fountain-head for inspiration, instead of going to the nature-principle by way of our trust in life and love of life, going there for inspiration and for knowledge, where have we been going? Going to the armchairs of universities, going to their hallowed musty books, going to the

famous armchair men who were tutored by armchair men, themselves famous offsprings of the armchair. We have been getting mere instruction and dubious formation in this vicarious left handed way until the whole social fabric educated as it is far beyond its capacity, is unable to bear up, longer, under the strain of Reality. . . ."

"Education is not even on speaking terms with true culture at the present time."

"You may see that it is quite a 'job,' this one the young in spirit have on hand; quite a work they now have to do. Some fight this: to clear away our dead-past, by clear thinking to make way for direct and honest building out of what ground we have to what light there is. No, it is all not so simple, nor is it too difficult. But it cannot be done by the architect alone while our social structure is in the same senseless chaotic state. But our spirits are still alive in this rubbish heap professional aestheticism has left to us. The old order passes and the new, meantime, is groping, growing and hoping to find some way through the heap to something more integral and consistent with the laws of nature; the love of human nature square with human life."

"I urge you to be a little less self-consciously educated and conservative, to be a little more liberally reasonable, and all of you—every architect included—should—daily for seven minutes if possible—do a little more serious and a little deeper thinking on the subject of what constitutes organic character in economics, in statesmanship, in architecture, yes and why not in salesmanship?"

"Nations have run out of ideas because the individuals composing them have none."

"I am speaking of this new movement, tonight, as the ideal of a life organic, of buildings as organic, of an

economic system truly organic."

"But under this thing that I have been talking to you about, a man soon gains a sense of the whole and a feeling of complete responsibility as a unit in the whole develops in him, not to be pigeon-holed. The only way he can 'uneducate' himself is by going to work with this new sense growing up in him, getting out to work somewhere where life is actual, not theoretical. In that way, holding to the larger view, he will be likely to forget everything he was taught because what he was taught just would not work."

"Really there is no good reason why a Democracy should not have, and be free to will and to possess the best. Is not democracy the highest form of aristocracy that the world has ever seen—the aristocracy of the man, the individual, his qualities as a man making him the aristocrat?"

"All that we ask is action, more action and then some more action."

[Of Broadacre City]:

"In education to-day what have we—actually—to help realisation of Broadacre City? Well, our own country is filled—and, this is incidental to my topic Broadacres, although it may not seem to be—with young but helpless collarites all walking the streets, looking for a job and not knowing a job when they see it unless it happens to be one of those particular perquisites of education such as selling bonds or stocks or being made agents for selling something somehow, somewhere or becoming an acceptable son-in-law. It has never occurred to these young men, scholars and gentlemen at that, to go back to their own countryside, or to go out to the old farms, to go again, enlightened now, to native ground to make life there so beautiful as they might, making their land and buildings and way of life there homely and surpassingly lovely. Were they so minded that

would mean the beginning of the actual building of Broadacre City if they would qualify. There in the beauty of vernal countryside to-day they might so easily have on liberal terms anything a great city has to give them except the gregarious pressures of humanity upon humanity, and such excesses of the herd instinct as are there inevitable. But tragic as it all is, we must face the fact that even the United States of America now no longer own its own ground. Its ground has gone into the hands of brokers, banks, insurance companies and other money-lending institutions of our country, until to-day to find any true popular ownership of ground is rare indeed...."

"Soon however we come up against the fact that it is useless to attempt to free humanity by way of architecture (organic) so long as humanity itself is unorganic, therefore in gaol. So long as nothing else—social—is free, the social mind being essentially in darkness and the economic system knowing only the profit system, nothing of the nature of money, we were faced with one tremendous obstacle after another. Who knew the nature of money? No one seemed to know. Was that ever taught in school? It seemed to have been accepted as an abstraction even by kind old Karl Marx. And we found that we must have ground free in the sense that Henry George predicted free ground—I am not speaking of the single tax—and we found that we must have not only free ground but free money, that is money not taxed by interest but money only as a free medium of exchange, and as ground would be free to those who could and would use it. Then we ran against another dark-place iniquity, lurking there: the ideas by way of which society lives, moves and has its being, all become speculative commodities. A little further on we began to realise that everything we had to live on—this, remember, was during the 1929-1935 depression—was some form of *speculative* commodity. We found that life itself with us had practically become a speculative commodity; yes the matter had gone down so far as that. Of course, having everything in life down on the level of speculative commodity, you would naturally enough have a nation of gamblers; and you would have gambling not only as the principal money-getting device but the great romance of being of a whole people. And that is what the capitalist system

(call it capitalist but it isn't really) became in America. It is very largely so to-day, perhaps not knowing how to become essentially capitalistic or probably now unable to become so.

A questioner referred to the idea of Broadacre City with its acre a head and contended that England would be ruined as a playground for those who live in the towns and take their holidays enjoying the country. He said, "there is no better man than the cockney soldier and no one who can bear hardship with greater fortitude and cheerfulness." He thought this was due to "a battleship existence through living in crowded quarters... I think," he said, "that we should have people who will go back to the land and live on farms, making everything for themselves. It means that the women will have to work from morning to night, but they can do it easily if their minds are not on other things. The men will have to work all day as well, and they will not be able to afford to buy newspapers or have a radio or anything of that kind. Provided they are willing to do without those things they can live in the country."

Mr. Lloyd Wright replied:—

"Is that drudge-a-day life the beau ideal, then, of modern civilisation—the battleship existence of which you speak? If it is then I think the speaker perfectly right, and suggest that the more we can compress our people the better...."

"The existence the speaker describes is however, to me, a negation of life rather than any affirmation of it. I deplore the circumstances in which such lives must be spent. It is just that kind of thing that the modern movement and life itself go up against. It is true that human life may be satisfied or habituated under pressures to adapt itself to whatever circumstances even the bombing of women and children as modern warfare. But is life to end there?...."

"I feel, however, to be humane we must stand for the philosophy of freedom rather than for any philosophy of battleship sacrifice whatever, because what has the fighting Cockney soldier achieved in life, so far, by his fighting except *the need for more Cockney soldiers?*

"What worth having has civilisation to show gained from the human sacrifices?"

Another questioner:—

"... These individuals may be happy on their acres, but they will have to co-operate among themselves."

Mr. Lloyd Wright:—

"Yes they will—why not?"

The questioner:—

"But having got the people where you want them."

Mr. Lloyd Wright:—

"Not, sir, where *I* want them, but where *they* want to be...."

[To another questioner:—]

"... The result of our education is the folly which does not wish to see change nor allow for it as a law of growth. So the young man of to-day is helpless. Knowing nothing of the changing life of organic growth, spiritual or material—he is a parasite not born a parasite, perhaps, but if he is not so born he is made one to breed one...."

"I know little about politics. I confess I respect politicians not at all. But as an Architect studying structure I find it deplorable that no sense of structure as something organic exists to-day in their minds to make them statesmen so as to help save the life of world. And I am certain if that sense of structure does not get into action among you soon where will civilisation be found? At an end."

"All of our culture has been this poor second-hand attempt to, on the left or on the right, escape from the actualities of existence by way of taste-created fashionable *illusions*. Spurious education has confirmed the fashionable illusions from generation to generation, confirmed them by book, by order and by reward. Economically, as architecturally, nearly everything with which we started to build the democracy of our United States—like our inherited cultural lag—was a feudal hangover, some unsuitable hangover from feudal times...."

"What prevents this realisation and the cultural utilisation of science in creating a better to-morrow to-day? What prevents true statesmen (architects of the social order) arising among us at a time like this? Why are the peoples the world over at the mercy of

(continued on page 11).

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Saturday, January 11, 1941.

HORACE

Horace must have been equal to giving good advice even to a Social Crediter, for didn't he say: "Pay no heed to the words of any Minister?" (*Nullius addictus jurare in verba ministri.*) And here we are listening with all ears to the words of ministers all the time! If it isn't Mr. Churchill, it's Mr. Bevin; and if it isn't Mr. Bevin, it's Mr. Churchill!

And now along comes Captain Oliver Lyttelton to find us almost hoping we haven't got to pay no heed to his words. For if we haven't been too exclusively attentive to the words of his Prime colleague, and perhaps to Mr. Morrison's 'friend,' Mr. Eden, (nice friend for him to have), Captain Lyttelton's words are the first uttered by a Minister of the Crown which show any real appreciation of the world we are living in. Captain Lyttelton is President of the Board of Trade, and, in the early hours of last Sunday morning, he broadcast to Canada and the United States the sort of statement of which a copy should be hung up, together with *Hansard* in every air-raid shelter in the country. Such a proceeding might make it easy for the Ministry of Health to keep less innocent 'printed matter' at bay, and it would certainly keep the public amused.

Captain Lyttelton has discovered that there is, and has been for a long time, a positive acceleration in the rate of wealth production, and that this is not connected in any way with the activities of either Lord (Sacrifice) Stamp or Mr. (Sacrificed) British Workman: it is due to neither to money nor to manual work; but is due to improvements in process.

According to one account (a very short one: no newspaper now has much room for mere news), Captain Lyttelton

said:

ONE NEW
INVENTION CAN
P A Y
for all the
Waste of this war.

"Few have yet realised," Captain Lyttelton is reported to have told Edmonton (and New York), "that the power of the modern world to reproduce wealth has enormously accelerated since 1900, since 1930, since 1935. I once made a calculation which seemed to show [Ministerial caution] that all the losses in money of all the belligerents in the last war had been made up by the development of one process—flotation—in the mining industry, a process which has put at the disposal of mankind undreamed of reserves, both of precious metals and industrial metals."

Lest its readers might think that this is too uncommonly like a let-down for high finance with *its* flotations, the newspaper from which these bare details of what Captain Lyttelton said to Edmonton (and New York), Canada and the United States: explained that 'flotation' was a technical term, "describing the process of extracting metal from the ore."

'Hm!

Now it isn't true that 'one new invention can pay for all the waste of this war,' although it is true that even the ravages of war can be repaired with a fraction of the 'sacrifice' and 'blood and sweat and toil' (Mr. Churchill's words) required to repair them a few years ago. And this ease increases year by year, and will go on increasing so long as human invention is fertile. It is also true that the only 'benefit' appreciable by the ordinary citizen arising from this fact, is the 'benefit' of having to

fight bigger and bigger wars in every generation. And the reason for that is that the citizens of the world do not ridicule the suggestion, constantly arising from its 'leaders,' the Stalins, Hitlers, Mussolinis, Roosevelts, Churchills, Morrisons, Pollitts, etc., etc., etc., that this, or anything like this, is the appropriate, let alone the desired outcome of an acceleration in the rate of productivity to which no Stalin, no Hitler, no Churchill ever lifted a finger to contribute. Presumably Captain Lyttelton is closer to reality. Here's strength to his elbow—for he'll have to do some shoving if his brighter perceptions are to eventuate in any material assistance to the bewildered peoples of this earth.

AFTER THE WAR

"Those who talk of conducting international trade by barter as a normal method, or of conducting it with fiat money such as the reichmark, having a value assigned to it by the government, must have forgotten nearly all the history there is.

"The point we are arriving at is simple. This gold, though we paid too much for it and though the handling of it has involved the Government in a stupid riddle, is nevertheless a very great economic asset. When the war is over and the mind of the world inclines to the problem of restoring peaceful trade, the very first want of all will be for a kind of money that everybody can trust. No fiat money can be trusted. The word of no government can be trusted.

"But if there were then one country—and it could only be this country—with gold currency resting not upon the engraved word but upon gold itself, the money of that one country would be the paramount money of the world.* All values in the world would be priced in that money; all banking in the world would be related to it. What that would be worth to the United States in terms of exchange and banking profits and in the trade that would be bound to gravitate to the one system of sound money, might be a billion dollars a year. And the only way Hitler could keep his own people from trading their reichsmarks for American dollars would be to shoot them."

— "Saturday Evening Post,"
November 16, 1940.

*The world does not need 'paramount money': it needs escape from 'paramount money.'
— Ed.

SOCIAL CREDIT IN MANITOBA

Miss Salome Halldorson, the only Social Credit M.L.A. remaining in the Manitoba Legislature, moved an amendment expressing lack of confidence in the Bracken administration during the debate on the Speech from the Throne. The amendment was defeated but Miss Halldorson was unsuccessful in obtaining a recorded vote. The actual strength of the coalition government is therefore still unknown.

During her speech, Miss Halldorson attacked the formation of the coalition government, discussing each of the five points which formed the basis of the coalition. The Sirois Report particularly was carefully examined. In the course of her speech she said:—

... For four years our group has been co-operating with the party in power. Now we have a coalition of all parties, and for reasons, some of which have already been made public, I have declined to join the coalition. . . .

I have consistently opposed orthodox monetary policies. I have a deep conviction, that there is within these policies no solution to the problems that surround us. It seems to me apparent that the majority of the House members in this coalition are definitely wedded to monetary orthodoxy which entails a philosophy of life that is outworn, being based on a scarcity which no longer exists, and with which I do not agree.

Therefore, I would not be honest with myself or with the people that I represent if I did not leave myself free to give insistent expression here in this Legislature as well as elsewhere, to the ideas and reforms that I consider initially necessary for the defence of all that we hold most dear. Inside the coalition there is supposed to be tolerance and co-operation between those of differing view points. If the speech of the Hon. member from Iberville and his unwarranted ridicule of Social Credit is an example of that tolerance, I am more pleased than ever to be standing outside the coalition, on my Social Credit principles.

Further, Social Credit is not a monetary technique. It is a way of life, as far removed from the totalitarian philosophy, which now threatens us, as freedom is from slavery. It means the liberation of the individual from the economic bondage that is now hedging him in closer and closer. It is a true democracy, extended to the economic sphere. All liberty-loving people, when they understand our philosophy will support it.

Some of our Hon. members will of course be excused on the grounds of their professed inability to understand. Orthodox Monetary policies, instead of freeing the individual, are on the other hand gradually enslaving him by taxing

away his already insufficient buying-power, thereby restricting production, and threatening to bankrupt his government as well as his business by an ever-increasing burden of debt. This definitely limits the freedom of the individual. Standing as I do for the utmost freedom of the individual, I see no gain for my policies in joining a coalition in which the vast majority adhere to these policies.

The Icelandic race, to which I have the honour to belong, has always been liberty loving. I need hardly affirm my loyalty, in the colossal struggle in which the world is engaged, to the Nations fighting to uphold democracy as against totalitarianism. The instinct for democracy in the Icelandic people, generated by 1,000 years of Parliament impels me to fight for true democracy. . . . I am proud of Iceland, and hope to merit the title of true daughter of the Icelandic race. I am no less proud to be a citizen of the British Empire.

In the last few days the Hon. members of this House have outdone one another in their professions of loyalty to the British Empire. At the same time, they all seem to have their faces turned in the direction of orthodox monetary policy. Now there is a large and growing number of people who, after deep study, maintain that orthodox financial policy is designed to serve finance, which is international and owes allegiance to no country. And further, they maintain that those who control its policy plan to break up the British Empire as the last stronghold of democracy, even if we win this war. Would it not be wise for the members of this House to reconsider whither the policies they pursue are leading? Would this not be wise, in view of these expressed convictions of able and serious thinkers and students of monetary theory in various parts of the Empire? (Orage, Douglas, Kitson, Soddy, Prof. Irvine, Barclay Smith, etc.) The economic policy of Canada is designed to help

Great Britain and humanity in the fight for freedom. But may it not be true, that the policy of orthodox finance is retarding this help that is so vitally necessary. Would it then be disloyal to oppose these policies, and patriotic to uphold them?

In the history of the British Empire, great statesmen have not always followed the beaten path. They have on the contrary at great moments of their career, had the vision to see when change was necessary, and the courage to institute the change.

The Hon. member from Portage, Mr. Sexsmith, admitted that the fundamental policies of Liberals and Conservatives were essentially the same. We knew this before, but are glad to have it publicly admitted. Now because they are the same, the Conservatives made no sacrifice of principle by joining the coalition. With Social Credit, it is different. We repudiate the financial control that is depriving the people of their economic freedom. You cannot serve both God and Mammon. You cannot serve humanity (i.e. God's children) and serve finance. You cannot serve Great Britain and her fight for freedom of humanity and serve finance, which knows no country.

Social Credit or true democracy stands for decentralisation of power and of ownership. The opposite extreme of decentralisation is totalitarianism, the monster against which the British Empire is fighting. Somewhere between the two extremes is the chaotic condition in which we flounder to-day under democracies in name and form, but with more or less hidden though overpowering control by financial vested interests. And almost everywhere the trend seems to be towards more and more centralised control. The war is used as a screen behind which to centralise, even when not necessary.

It is dangerous, too, to assume that the moment the war is over, this centralised control is going to vanish into thin air. Is this not an objective

on the part of finance, which is more easily attained during war? If we are not awake to this danger, it may become permanent. And if we acquiesce in it, we are betraying the very principles for which we are fighting.

Allow me to quote our only lady member of the House of Commons, Dorise W. Nielsen. She says, "Democracy is a living thing. If you seek to bind and chain democracy, if you seek to keep it for a while without letting it live, and without permitting it to exercise itself, democracy will wither; it will die."

Now I come to the coalition government in Manitoba. It may very well be that on some future day the people will adopt a system of non-party government. Doubtless it has its advantages, but I maintain that the formation of this coalition, under present circumstances, was an undemocratic move. The change was made by the few, not by the many. This is my main reason for staying out. Under the principles essential to democracy, the people formulate a policy, and the government, as servants of the people, carry out that policy. Here, a group of representatives have got together, formed a coalition without the approval of the people, for no very definite reason, have themselves formulated a policy, and are now about to enact legislation on that policy. Is this democratic?

Now I propose to deal briefly with each of the five points in the coalition platform: They are:

(1) Maximum co-operation with the Dominion's war effort.

I have only one word to say about this. We are all willing and anxious to give the fullest co-operation to the Dominion's war effort and always were and hence there was no need of a coalition to secure something that was already secured. This is no less, but conceivably even more true of the members outside the coalition.

(2) The implementation of the Sirois Report as an indispensable item in the war effort.

Now I am prepared to admit that I have not made a sufficient study of this voluminous report to make any authoritative statements on it at first hand. But judging by what I have read of it, and by what has been written about it, I know I cannot give unconditional support to this second plank in the coalition platform.

There is no doubt that there is a

chronic shortage of buying power in the hands of the people. No mere shifting of the burdens and revenues as between Dominion and provinces, is going to make up the shortage. It would be a mere rationing of scarcity. A change of rider, without the necessary fodder, will not feed the hungry horse. It is not political reorganisation, but an adjustment in financial policy that will bring the desired results.

It was the debt situation that led to the Sirois Report.

In Manitoba the municipalities find themselves unable to borrow without guarantees. Have the provinces now reached a stage where they cannot borrow without a Dominion guarantee? In other words, are the recommendations in the Sirois Report, where a suggestion is made that our provincial debts be assumed by the Dominion and a certain measure of control be exercised over future provincial borrowings, are not these recommendations the old Loan Council idea in a different guise?

The recommendations will no doubt greatly benefit the bond-holders, as is evidenced by the loud demand for their implementation by certain elements of the creditor class. The net result would be to give creditors greater security for their debt. The bond-holders would now have a mortgage on the whole Dominion instead of on a province. I consider the whole trend a dangerous move in the direction of centralised financial control.

It is proposed that the Dominion government administer certain forms of relief. I do not consider that such relief could be more satisfactorily administered by the government that is farthest removed from the people. The farther away the administrative body is, the more abuses are likely to creep in. It will be absentee management, which is never very satisfactory. For example Agricultural Aid was administered direct from the Dominion, notably in Saskatchewan, and there were many complaints of inequality and sometimes sheer wastefulness that would probably not have arisen under provincial administration. The implementation of the Sirois Report is referred to as an indispensable item in the war effort. Would it be true that those who dictate the financial policy of Canada have demanded the implementation of the Sirois Report and the consolidating of their loan security as a prelude to granting further credit loans for the further credit prosecution of the war?

Does this explain the sudden haste in calling for its implementation? And do the Hon. members of this Legislature realise that the Government of Canada has full power, instead of borrowing it, to create this credit in the name of the people of Canada and on the basis of the resources of the country?

Here is something that would be far more indispensable to the war effort than the implementation of the Sirois Report. Is the National war effort to be forever restricted by the dictation and limitations of finance, or are we prepared to face up to the fact that the limit of our material aid in the defence of democracy is determined only by the extent of our national resources, and the applied skill and genius of the citizens of Canada?

The full utilisation of our resources will depend upon the adoption of a policy of debt-free money, and the equation of the quantity of money with the physical volume of production.

I should like to draw attention here to an amendment introduced on November 13 by the Hon. J. H. Blackmore. It is as follows:

"And this House further regrets the failure of the government to adopt a monetary policy that would permit a maximum war effort without either increasing debt or reducing the standards of living below that necessary for maintaining maximum efficiency;

"Furthermore this House is of the opinion that a continuation of the present financial policy will further destroy the precious liberties so essential to, and recognised as being inherent in a true democracy."

It may be argued that the implementation of the Report will aid the war effort by providing for the well-being of the people and thus strengthening morale. But there is no doubt that there is a chronic shortage of buying power in the hands of the people. No mere shifting of burdens and revenues as between provinces and Dominion is going to make up the shortage. It would be merely a rationing of scarcity.

In the post-war period, if the problems facing the people of Manitoba and the other provinces were not settled satisfactorily by the Dominion authorities, the province would find out that they had given up certain rights under which they could have applied remedies, but that they were gone for-

ever. And so, to the extent that any surrender of provincial autonomy is recommended by the Sirois Report, I must on principle oppose the implementation of the Report. The British ideal is to grant self-government to all parts of the Empire. This surrender of provincial autonomy would, it seems to me, run counter to that ideal.

(3) A fair deal for those engaged in agriculture by the adoption of rational policies which will afford to our producers at least some margin of compensation for their products, over and above the cost of production.

With this objective I am in hearty accord. My point of disagreement is that I do not believe that under present monetary policies this objective will ever be reached or can ever be reached. As an indication of the truth of this assertion let me point out that the Hon. Prime Minister has for 18 or 19 years devoted all his admitted cleverness and sincerity to the solution of the problem of the farmer. And where is the farmer to-day? Hampered on all sides by quotas and regulations. As a clipping I came across puts it:

"The pioneer farmer didn't have to possess an education, as he wasn't always filling out blanks for the government."

The Hon. the First Minister has been attacking the branches but not the root of the problem. And as a present palliative, I would support his policy.

(4) The provision, as far as it lies within the powers of this Legislature, that the sacrifice which war and economic crisis brings to our citizens, shall be distributed as equitably as possible between all classes, and not be left entirely where they fall.

With this objective I am in accord. But I can hardly reconcile these sentiments with the defeat of a certain resolution in this Legislature last April. I refer to the resolutions recommending to the Dominion government the issue of debt-free money for the purpose of financing the war. It was designed to relieve this generation and future generations of the burden of debt piled up during the war. The majority of the Hon. members of this House voted against the resolution, thereby refusing to register any protest against the imposition upon the people of this burden of debt, which if continued will enslave them forever. I interpret this action as unwillingness, perhaps due to lack of understanding, on the part of the majority of this

House, to interfere with at least one monopoly—in our opinion the most dangerous one we have to cope with, namely the money monopoly. Can we really talk about equality of sacrifice, and let this policy continue unhindered?

References have been made in this House to the economic crisis we shall doubtless have to face after the war. One Honourable member said that every man, woman and child would be impoverished after the war. This would be true under the present money system, but does not need to be if we adjust it. Naturally, in time of war, in so far as natural resources and man power are destroyed by war, every country will be poorer. But under a Social Credit economy reconstruction could and would proceed on the basis that everything physically possible would be made financially possible, and the increased mechanisation developed during the war would in the post-war period be used to the fullest extent for peacetime production.

When the war ends, most of those employed in munition factories and army services will find themselves, under the present monetary policy, jobless and insecure. Are we going to hand them a relief voucher, derived from the taxation of those who still hold jobs? What will the Sirois Report do about that? How will it help men and women who have been squeezed out of industries that have been stepped up to operate without them?

The only solution I can see is to give them a dividend that is theirs by right, derived from nationally issued debt-free money, which as purchasing power, will call for the greater production which will in time absorb them into employment.

(Quotation from *Liberty*, November 30):

"If we are to lift democracy from a place of cool intellectual acceptance to a place of passionate devotion, it must be because democracy has itself revived these ideals. It must not only assure to each his political liberties, but assure as well—not as a charity but as an inalienable right—a certain minimum of food and clothes and decent shelter, of protection against uncertain old age, protection against injury and unemployment. It must give us the assurance of the advantages of education for all, so that there may be no sharp disparity anywhere between the opportunities of one and the opportunities of another. It must do these things through the stimulation and the co-operation of its

own people. The people must will to do them.

"When against the frustrated dream of a world dominion we can set the assurance of a safe and generous and free life for all, then democracy has something to offer that can again stir men's hearts and make it a cause for which they are ready to die." . . .

(5) The disposition of Manitoba problems in the provincial sphere and the advocacy of Manitoba's interests in the Federal sphere during the war and post-war periods.

With this I agree, of course. I have often been told by members of this Legislature that the monetary problem does not concern us as a provincial Legislature. If we are to advocate Manitoba's interests in the Federal sphere, I hope we shall now hear the coalition members advocating saner money policies, that will enable them to realise the objectives outlined in their platform.

Now in conclusion I wish to sum up my arguments as follows:

I am opposed to the undemocratic way in which this coalition government has been formed. And while agreeing with the objectives expressed in four of the five points in the proposed platform, I do not believe these objectives can be achieved to any satisfactory extent under the monetary policies to which the majority of the members of the coalition adhere.

And so, I wish to move:

The House regrets the formation of a coalition or non-partisan government without adequate reason therefore and declares that such action is subversive of the constitutional principles of representative and responsible government.

Motion Lost.

(Report from "Today and Tomorrow," December 5, 1940.)

BOOKS ON SOCIAL CREDIT

Reference to the advertisement on the back page of this journal will show that several books by Major Douglas and others are at present unobtainable.

The latest additions to their number are *Social Credit*, *The Monopoly of Credit* and the *Southampton Chamber of Commerce Report*, supplies of which have ceased owing to enemy action of various kinds. The stoppage is only temporary and as soon as the books are again available the fact will be announced.

THE JEWS: "FEDERATORS OF NATIONS"

There has been published in Canada the following extract from a book published in Paris in 1936, "Geneve contre la Paix," by the Comte de Saint-Aulaire, French Ambassador in London after the war of 1914—18.

The passages recount statements made by "a great New York Jewish banker in a Budapest café, just after the Jew Bela-Kuhn had drenched Hungary in Christian blood." It is surmised by the Women's Anti-Communist League of Montreal, which has given publicity to the extracts, that the bank mentioned in the text is "most probably that of Kuhn, Loeb and Co., of New York, with which were associated Jacob H. Schiff, Otto H. Kahn, Paul Warburg and Felix Warburg":—

This situation explains how Bela Kuhn's secret allies had remained in Budapest after his defeat, and how it was that they were to be found at the tables of international missions. Some of them were members of these missions, which they no doubt found very handy for the fulfilment of their other mission. They merrily drank Tokay wine with the allies, and with Bela Kuhn too, and when they had drunk more than little children can take, they loosened their tongues. After the armistice a number of Israelite revolutionaries who had been expelled from Hungary returned there in American uniforms. It was their reports to Wilson which inspired the Conseil Suprême regarding the policy in Central Europe. I took note of the proposals, made by one of these. He was my neighbour at the table of one of those international dinners, which are the best school for diplomats, but can also be very dangerous. He had become a director in one of the big banks of New York which had financed the Bolsheviks. But he was not of those bankers, who, as Louis-Philippe said of Casimir Périer, 'are like money box bolted to the ground.' He had a wider horizon, and was fond of discussing most abstract problems. Like a true Oriental, he spoke in pictures, adding long imaginative discussions to his remarks.

The banker who had paved the way for the Bolshevik Revolution was asked how it happens that High Finance could take Bolshevism under its wing, when Bolshevism is opposed to those things on which High Finance depends. The banker, who was one of those in charge of the care of the distressed population, after emptying his glass of Tokay, and drawing at his cigar (a dollar apiece), replied:—

"Those who are surprised at our alliance with the Soviets forget that the people of Israel is the most nationally-minded of all nations, for it is the oldest, the most united and most exclusive nation. They forget that its nationalism

is of the most heroic kind, for it has withstood all forms of terrible persecution, and that it is a pure and spiritual nationalism, which has maintained itself through the centuries without a territory of its own, and in face of every obstacle. It is universal and spiritual like Papacy. But it is centred on the future, instead of on the past, and its Kingdom is here below on earth.

"It is then the salt of the earth... and I will tell you the recipe I learnt in Newfoundland from the curers of fish. Here it is. Too much salt burns the meat up, and too little spoils it. It is the same with the mind and the nations. We make wise use of this recipe, as is right, for salt is the emblem of wisdom. We mix it secretly into the bread of humanity, and apply it in destructive quantity only when we wish to completely remove all traces of a disagreeable past such as the Russia of the Tsars. This should explain to you why Bolshevism is agreeable to us. It is rather a pickling tub in which to destroy, not to preserve.

"But apart from this special instance, and beyond its limits, we hold communion with Marxism in the Internationale, our religion, because it is the instrument of our nationalism, now a weapon of attack, now of defence, both the shield and the sword.

"Marxism, you say, is the bitterest opponent of Capitalism, which is sacred to us. For the simple reason that they are opposite poles, they deliver over to us the two poles of the earth and permit us to be its axis. These two opposites, Bolshevism and ourselves, find ourselves identified in the Internationale. And these two opposites, the doctrines of the two poles of society, meet in their unity of purpose, the renewal from above by the control of wealth and from below by means of revolution.

"For centuries Israel lived apart from the Christians, crowded into ghettos. This was supposed to show

the witnesses of the old faith in deepest humiliation to those who believed in the new, and was said to be a penance for the murder of God made man. It was that, however, which saved us, and which will be the salvation of humanity, through us. In this manner we have preserved our genius and our own special mission. Now we are the true believers. Our mission consists of disseminating the new law and in creating a God, that is, to clarify the conception of God, and making him a reality, when the time arrives. To do this we make the God and Israel synonymous, for Israel has become its own Messiah. Our final triumph will thus facilitate his appearance. That is our New Testament.

"We shall bring reconciliation between kings and prophets, as did David the King-Prophet, who united both in his own person. We are Kings, in order that the prophecies may be fulfilled, and we are Prophets, lest we should cease to be Kings."

Here this King and Prophet paused to drink another glass of Tokay.

A sceptical listener here interrupted:—

"Are you not running a risk of becoming yourselves martyrs to this same Messiah, whose apostles and prophets you claim to be. Though your nationalism be deprived of all exterior forms, it frequently robs other nations of theirs. And even if you do despise riches as means of enjoyment, you do not reject them as a means to power. So how could the triumph of World Revolution, the opponent of Capitalism, prepare the way for the triumph of Israel?"

The banker who had prepared the Bolshevik Revolution answered:—

"I am fully aware that Jerobeam introduced the worship of the Golden Calf to Dan and Bethel. And I know also that in modern times Revolution is the great priestess of this cult, and

the most skilful procurers for its tabernacles. If the Golden Calf still stands erect, its safest pedestal is the gravestone of the Emperors and for two reasons. Firstly because revolution is only a displacement, or transference to other hands, of privileges and wealth. Our Golden Calf is nourished, then, not by the creation of wealth, nor even by its exploitation, but by its mobilisation, the essence of speculation. The more often it changes hands, the more is left behind in ours. We are brokers who accept orders on all exchange businesses, or if you prefer it, publicans who watch every street corner on the globe, taking a percentage on every deal made in 'anonymous and wandering wealth,' whether it be a matter of remittances from one country to another or fluctuations on the exchange. To the calm and monotonous sing-song of prosperity we prefer the exciting sounds of *hausse* and *baisse*, and there is nothing like revolution for producing this, except it be a war, which is also a kind of revolution. Secondly, revolution weakens the nations, and reduces their powers of resistance to outside enterprises.

"The health of our Golden Calf demands that certain nations should be sick, namely those which are not able of themselves to develop. On the other hand, we feel at one with those great modern states such as France, England, U.S.A. and Italy. These have shown us a noble hospitality and we co-operate with them for the development of civilisation. But take as an example pre-war Turkey, the 'sickman,' as it was called by diplomats, which helped to

keep us healthy. From it we received concessions of every description, banks, mines, harbours, railways, etc., in short, its whole economic life was in our care. And we cared so well for it that it died, in Europe, at least.

"Now that the accumulation of wealth has become common, and that we have the fulfilment of our mission in view, we need another sick man. This alone would have been a sufficient reason, apart from higher considerations, for grafting Bolshevism on to Tsarist Russia. Russia is now the sick man of the post war days, and is much more nourishing than the Ottoman Empire. It also does less in its own defence. It is now ready for another feast; soon it will be a corpse, and we shall have nothing left to do but to cut it up. . . ."

At the other end of the table an enfant terrible of the synagogue had been waiting for the moment to put in a word. He called out: "We are looked upon as birds of prey, but in reality, we are rather scavengers!"

"Yes, but you must not forget to add that we are such for the good of humanity only," replied the one professing the new belief. "The dynamic force of our nature employs both destruction and construction, the former however only as a means to further the latter. What were countries such as Turkey of the old days and Russia with their feudal systems? They were like paralysed limbs that hindered the movements of the whole world, or clots of blood that stopped up important blood vessels. By their dissolution we

have once more brought them into the circulation of the whole body. Even if a few drops of blood were spilled in the process, we have no cause to get excited. It is the small price that must be paid for a great act of benevolence.

"Others call us revolutionaries because we wish to preserve ourselves. We put our organisation for revolution and our own preservation to the test through the work of destruction of Bolshevism and through the setting up of the League of Nations, which is also our work. Thus the first is the accelerator and the second the brake of the mechanism of which we are the driving power and the direction.

"And the goal? It is typified by our mission. Israel is a homogenous and synthetic nation, composed of elements which, though living scattered across the world, are welded into one block by the flame of our religion.

"We are a league of nations, which contains in itself all others. That gives us the right to unite the others around us.

"We are accused of being the element of disintegration of those others. That is so only during the melting point of the synthesis, of which ours is the best example. We disintegrate only on the surface, awakening in the interior chemical affinities which were hitherto obscured. We are the smallest common factor of the nations in order to become their greatest common *fédérateur* (i.e., to unite all nations under one rule). Israel is the Microcosmos and the germ of the city of the future."

(continued from page 5).

scheming industrialists and wily politicians? Why do national intrigue and financial plotting come to be accepted as normal statesmanship? Why is it now accepted by civilised nations that women and children may be mass-murdered in their own homes by wholesale mechanical 'improvements' as an accepted form of warfare in modern civilisation? . . . Well . . . economically our so-called capitalist system may need such degradation and worse to keep it going on. That alleged system is of course primarily a matter of money—but, believe it or not, nobody, the 'system' least of all, really understands money. During the late breakdown in the United States—they like to call it a depression there, but it was a breakdown—I do not think any one in our country (or in yours, either) ever heard

during that dreadful time one single enlightened official suggestion as to the why or wherefore of the circumstantial mystery called money, nor listened to any sensible remedy in the circumstances. And this was so simply because 'they' did not understand the nature of the thing—money. . . . Dear beneficent old Karl Marx and noble Henry George did not understand it either; they accepted it as an established abstraction or as something from God. And we have so accepted it. I only mention money as one instance of the lack of any *sense of structure* in economics or society and in this search for organic structure for which I am pleading in architecture."

"I believe human nature still sound and recognise that science has done a grand job well; but well I know that

science cannot save us. . . . Science can give us the tools in the box, mechanical miracles that it has already given us. But of what use to us are miraculous tools until we have mastered the humane, cultural use of them? We do not want to live in a world where the machine has mastered the man; we want to live in a world where man has mastered the machine! At least, or at long last, I have brought you this message; what we call organic architecture is no mere aesthetic nor cult nor fashion but an actual movement based upon a profound idea of a new integrity of human life wherein art, religion and science are one: Form and Function seem as One, of such is Democracy."

Mr. Lloyd Wright lives at Taliesin, Spring Green, Wisconsin.

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