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FOR POLITICAL AND ECONOMIC REALISM

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## The Planners and the Civil Service

By JOHN MITCHELL

The usefulness to the powerful interests which at present, directly or indirectly, control the policy of every government in the world, of the misconception, which they have assiduously encouraged among the public, that Social Credit is exclusively or mainly a scheme of monetary reform, can be assessed in the light of the July 15 issue of P.E.P.'s journal *Planning*, which deals with the Civil Service. This discusses deliberate action to shift the centre of gravity of politics in this country, which ought to be in the constituencies, from Parliament where it is at present (even if the policy of M.P.s is made in Party headquarters) to the Civil Service. The fundamentals of Social Credit are concerned in this attack on the political machinery of this country, because they are rooted in the relation of the individual to the group and the correct principles of association, upon an exact knowledge of which is founded the definition of Social Credit as "the belief inherent in society that in association people can get what they want," a definition which embraces much more than a monetary and economic technique. It is in this wider field that the attack upon society is developing in its main assault, and consequently the guidance which Social Credit can give to the public in this field is of even greater immediate importance than that it offers to the expert in monetary technique.

In discussing the present state of affairs P.E.P. says: —  
"Under our Parliamentary democracy the machinery of central government is a complex affair. It is an amalgam of Parliament, Ministers, and the Civil Service. It is artificial to regard any of these in isolation; they act and react on each other. Ministers tend to do and to be what Parliament wants: civil servants to do, and to be, what Ministers want. *Equally there is an influence in the reverse direction.*" [My italics.]

It is in this actual political field, just briefly described, that Social Crediters and Planners meet, as it were, head on. Whereas the Planners are doing their utmost to increase the "influence in the reverse direction," Social Credit strategy is directed not only to increasing the influence of what Parliament wants, but to making Parliament want what the people want. *Planning* for July 15 is quite clear on where P.E.P. and the Planners stand on this question of policy. It refers to the "long-overdue change-over from an agenda of public business determined by external pressures to one determined by the facts and needs of the situation: to an agenda based upon thorough intelligence, careful forecasting and continuous analysis of the problems affecting

the particular branch of government and of the best ways of meeting them within the limits of general policy decided by Ministers and approved by Parliament." What is being advocated by P.E.P. therefore is nothing less than a complete inversion of democracy, the term 'Planning' being a convenient euphemism for centralisation of policy; and under cover of reorganisation of *administration* to which the (to many people attractive) word 'planning' ostensibly is intended to refer, the centre of gravity of political action is to be shifted from Parliament to the Administration. What may be the place of political parties, whose programmes so far have determined policy, in this new order is not indicated, but we are told that "It [P.E.P.] leaves for a later statement the political and ministerial elements in the problem." But the present "statement assumes a general determination to have maximum efficiency in government, a Parliament less ruled by its dislike of bureaucracy, and Ministers determined to do at the right time the things required by the situation: it discusses what seem to be the main weaknesses of the Civil Service and how they might be corrected." What meaning is to be attached to this extremely ambiguous sentence?

There is only one sound test of an efficient *democratic* government, and that is whether it produces the results the people want. But it is clear that that is not to be the test of an efficient Planners' government. So that whether government is efficient or not cannot be decided without knowing whether it is intended to serve the people or the Planners. If the former, Parliament will be ruled by what the people want, and whether it is "less ruled by dislike of bureaucracy" will depend upon how popular bureaucracy is with the public. As for Ministers, "the things required by the situation" will be determined by what they are told by Parliament the people want, and that they will be required to do. In a democracy government *is* governed by what the people want; it is not governed by what some person or group conveniently assumes the people want. *Planning* alleges that the "brave, wise people crave more and more planning and leadership." This is of course a downright lie. The people want the freedom to plan their own lives. The Planners want to plan their lives for them, because they want power. But this is so obviously not what the people want that they have to disguise their real intentions under a maze of deceptive phraseology, half-truths and deliberate untruths. *Planning* even has the effrontery to assert that: "it is simply not true that Parliamentary democracy precludes planning,"

Planning means more government and interference with the lives of the people, so of course it is not surprising that one of the main weaknesses which P.E.P. should find in the Civil Service is that in it: "we have an unimaginative government machine whose chiefs are still obsessed by the Spencerian concept that there is something inherently wicked and dangerous in government and that the least government is the best government." P.E.P. is working to achieve a socialist state, and therefore: "It would be useless to expect men who have grown to maturity or old age in the tradition of the 19th century Civil Service to adapt themselves to the outlook and methods required by 20th century war and reconstruction." As the Civil Service in future, if the Planners have their way, is to serve the Planners and not the people of England, for that reason it must be reorganised. Sanctions are required to carry this job through, and the necessary dynamic to forge them lies close at hand. The Civil Service, greatly swollen in order to cope with the work, is already being used for purposes for which it is not functionally suited, and the results to the public are muddle, waste, inefficiency and frustration. The public is resentful of this bureaucracy. Here is the public opinion which, deftly handled, can be focussed into a demand for something which it thinks it wants instead of what it really wants and thus give the Planners the sanctions for doing what *they* want to do, in very much the same way as the Bolsheviks in Russia used the peasants' demand that the big landed estates should be split up and distributed among them as a sanction to enslave them by concentrating the ownership of all land in one proprietor—the State.

The whole of the P.E.P. case falls down because it is based on wrong premises, upon a wrong conception of the function and purpose of government and the Civil Service. The real causes of economic depression and war are ignored by P.E.P. They are not to be removed by centralising control of policy in the Government, and if they were removed there would be less and less government and less and less need of a Civil Service.

As soon as the bureaucracy of the Planners is firmly established in power public opinion will constitute a perpetual threat to it unless it is sterilised at birth, and therefore all *initiative* in matters of policy must be alienated from the electorate. So we find *Planning* urging that "Government must take responsibility for detecting and dealing with problems before they become chronic or acute" and in this matter "The crux is foresight. It is almost useless nowadays, in war or even in peace, to rely on an administrative machine which is only enabled to appreciate the seriousness of many major difficulties after they have begun to affect thousands or millions of people. It is possible, and essential, to detect and define problems and to decide how to tackle them long before their existence attracts much public notice. In these circumstances the assumption that in the interests of democracy we should let each problem run riot until enough people suffer sufficiently to insist upon something being done about it is indefensible." The Planners' plan is to act first and forestall the public's discovery that it isn't getting what it wants.

The "obscurantist myth" that "least government is the best government" must be exorcised and we must "establish clearly that government has just as proper a function in safeguarding and developing the collective inheritance and the social and economic welfare of the nation as in preserving

and assisting to enrich the individual liberties of its citizens. . . . Ministers must be plainly told by the nation through Parliament that the job of the Civil Service henceforth will include the first as well as the second of these functions, and that it is expected to adjust itself accordingly. . . ." The nation "must"! !

"Modern Government" we are told is "increasingly an affair of determining the right priorities in the broadest sense, of educating public opinion to those priorities, and of adjusting organisation and methods to see that they are given the fullest and most rapid effect." In a democracy the public would determine their prior wants.

No doubt the various mushroom organisations for testing "public opinion" which have grown up lately will be useful in making it easier to nip in the bud any attempt by the public to initiate policy.

Political parties will not suffice in future for sterilising democracy. Policy must be made and controlled elsewhere than in the Party Caucus, therefore, there is "a case for creating an organisation at the centre for the planning and co-ordination of general policy with all that that involves." This has already started: "It is also true that under the extreme pressure of war, and of failures that could have been avoided, a sort of organisation to perform the function now in question is growing up round the Cabinet Secretariat." But, "It is very imperfectly recognised that the formulation and co-ordination of policy at the centre in itself demands a highly skilled permanent staff for research, checking and reconciling the information received from the Departments, preparation of forecasts, and the drafting of appreciation and plans."

Since the birth of the Planning idea and P.E.P. (whose first chairman was a director of the Bank of England) at the height of the Economic Depression in 1931 which was deliberately brought about by International Finance, the Planners have worked hard, not to remove the causes of war and poverty, but to exploit the situation resulting from them. Their objective is to centralise in the "State" control of all policy and the administration of activities of the whole nation.

It is not a proper function of the Civil Service to undertake "the safeguarding and developing of the collective inheritance and the social and economic welfare of the nation," as recommended by P.E.P. The collective inheritance is the result not of the activities of the State, but of the exercise of the free initiative and enterprise of individuals. Social welfare is the sum total of the welfare of individuals, which is dependent on economic welfare. Economic welfare is dependent upon the quality and quantity of production and its distribution, which are functions not of the Civil Service, but respectively of producers using initiative and enterprise and of the financial system.

The people of this country do not want their lives planned for them; they want to be able to work for themselves, not for the Planners. This involves a completely different conception of the function of government and the Civil Service from that upon which P.E.P. bases its criticism and proposals, less and less government, a reversal of the trend towards larger and larger organisations, and that the control and *initiation* of policy should be exclusively in the hands of the electorate.

## Social Credit Board Report for 1940

Part I of the Social Credit Board Report for 1940 reviewed briefly the critical events of the war and described the activities of the Board. Part II of the Report, dealing with the extension of the Interim Programme, appeared in instalments in "The Social Crediter" of June 14, June 19 and July 26. The following extract from Part III is reprinted from "Today and Tomorrow" of June 12.

M. Francois Coty, the French scent magnate, published a series of articles in his paper *Figaro* dealing with the International Money Power's activities in the sphere of international politics. In the concluding article these prophetic words appeared on April 18, 1932:

"The fall of the Czarist Empire, the enslavement of Russia by Bolshevism, were the work of Jacob Schiff, the glory of his reign. The immense wealth of Russia, the 160 million slaves subjected to hard labour, form the fruits of victory. Those continuing the dynasty, Felix Warburg and Otto Kahn, no less ambitious, are to-day dreaming of a further conquest; France and her Colonial Empire. For this a new war is needed. Their sinister intervention is making itself felt in every diplomatic conversation, in every coalition that is suggested for the approaching conflict. The fateful glow already gleaming across the Rhine frontier is their work. . . ."

There is a mass of evidence which shows beyond any reasonable possibility of doubt that the International Money Power is engaged in a deliberate attempt to enslave the world under a totalitarian order similar to that already established in Bolshevik Russia.

The natural reaction to the suggestion that there is a close connection between the International Money Power and Bolshevism is incredulity. This is excusable because the idea has been very carefully fostered that the so-called Communist regime of Russia was the result of a revolution by the people for the people. It has been hitched on to "democracy," whereas nothing is further from the truth.

As we shall see, the goal of the Bolshevik hierarchy and the objective of the International Money Power are identical—and there is plenty of evidence to show that the former was established by the latter.

After the last war Germany was more completely in the grip of the Money Power than any other country. It is significant that the conditions of poverty, unemploy-

ment and economic restrictions which were imposed on the German people continued to increase in intensity until in desperation they permitted the well organised and well financed National Socialist Party to seize power, divest them of their democratic rights and clamp down on them a totalitarian dictatorship. However, immediately the National Socialist regime was firmly established, the financial barriers to development were removed and Germany began building a war machine of unprecedented proportions.

During the crucial pre-war years the totalitarian countries—National Socialist Germany, the Union of Soviet Socialist Republics and Fascist Italy—continued to establish vast war machines. The internal and external financial facilities were made available to enable them to do so. However, because of the stringent financial conditions imposed upon them, the democratic countries continued to drift along without making adequate preparation to meet the growing threat of totalitarian aggression. Well financed propaganda in favour of socialist and communist doctrines, and of defeatist pacifism assisted the pursuit of this policy. These facts should indicate the very definite policy of the International Money Power.

It was inevitable that the clash between the conflicting social philosophies of totalitarianism and democracy should eventually find expression in military action and it was inevitable that the British Empire, as the bulwark of democracy, should be the focus of the assault by the totalitarian powers. Therefore the alignment of nations at the outbreak of war was no accident.

Bearing in mind that on *prima facie* evidence the ultimate objective of the International Money Power is the destruction of all national sovereignty, of democracy in general, and of the British Empire in particular, it should be evident that its support of the Nazi regime and the present war were essential to its plans.

### International Bolshevism

The following is an extract from the introduction to The Statutes of the Com-

munist International:

. . . . "The Communist International guides and organises the world-wide revolutionary movement of the proletariat. . . for the institution of the world-wide dictatorship of the proletariat, for the creation of a *World Federation of Soviet Socialist Republics*. . . ."

Corroboration that a policy in line with this was being deliberately pursued from a very different quarter is provided by the following extract from an address given by Professor Arnold Toynbee, of the Institute of International Affairs, to the Fourth Annual Conference of Institutions for the Scientific Study of International Relations on June 8-10, 1931, at Copenhagen, Denmark:

"In the spirit of determination which happily animates us, we shall have no inclination to under-estimate the strength of the political force which we are striving to overcome. What is this force? *If we are frank with ourselves, we shall admit that we are engaged on a deliberate and sustained and concentrated effort to impose limitations upon the sovereignty and the independence of the fifty or sixty local sovereign independent States which at present partition the habitable surface of the earth* and divide the political allegiance of mankind. The surest sign, to my mind, that this fetish of local national sovereignty is our intended victim is the emphasis with which all our statesmen and our publicists protest with one accord, and over and over again, at every step forward which we take, that whatever changes we may make in the international situation, the sacred principle of local sovereignty will be maintained inviolable. This, I repeat, is a sure sign that at each of those steps forward, the principle of local sovereignty is really being encroached upon and its sphere of action reduced and its power for evil restricted. It is just because we are really attacking the principle of local sovereignty, that we keep on protesting our loyalty to it so loudly. The harder we press our attack upon the idol, the more pains we take to

keep its priests and devotees in a fool's paradise—lapped in a false sense of security which will inhibit them from taking up arms in their idol's defence. ....

"And what is the magic which gives local sovereignty its power? It is powerful, I think, because it has inherited the prestige and the prerogatives of the mediaeval Western Church, which were transferred at the close of the Middle Ages, from the whole to the parts, from the great society of Western Christendom to each of that society's 'successor States,' represented now by the fifty or sixty sovereign independent States of the 'post-War' world. .... In plain terms, we have to re-transfer the prestige and the prerogatives of sovereignty from the fifty or sixty fragments of contemporary society—to the whole of contemporary society—from the local national states by which sovereignty has been usurped, with disastrous consequences, for half a millenium, to some institution embodying our society as a whole.

"In the world as it is to-day, this institution can hardly be a universal Church. It is more likely to be something like a League of Nations. I will not prophesy. *I will merely repeat that we are at present working, discreetly but with all our might, to wrest this mysterious political force called sovereignty out of the clutches of the local national states of the world. And all the time we are denying with our lips what we are doing with our hands, because to impugn the sovereignty of the local national states of the world is still a heresy for which a statesman or a publicist can be—perhaps not quite burnt at the stake, but certainly ostracised and discredited. The dragon of local sovereignty can still use its teeth and claws when it is brought to bay. Nevertheless, I believe that the monster is doomed to perish by our sword. The fifty or sixty local states of the world will no doubt survive as administrative conveniences. But sooner or later sovereignty will depart from them. Sovereignty will cease, in fact if not in name, to be a local affair.*"\*

Immediately after the outbreak of war an obviously well-organised and well-financed propaganda campaign to win support for the idea of an international federation of nations was unleashed concurrently in Great Britain, Canada, Australia and the U.S.A.—rapidly spreading to other democratic nations and in partic-

ular to the British nations.

Anybody who has attempted to publicise a new idea is aware of the tremendous obstacles of prejudice and unreasoning opposition which have to be overcome. Yet within the space of a few weeks the propaganda for International Federal Union was sweeping through the democratic countries in waves.

The chief exponents of the scheme were Clarence Kirshman Streit, previously connected with the *New York Times*, whose *Union Now* became the standard text-book on the subject, and James P. Warburg who wrote a strong plea for International Federal Union in *Peace in our Time*. The basic proposals in both these books and in all the propaganda for International Federal Union conform to a uniform pattern.

In passing it might be mentioned as bearing closely on the connections of the advocates-in-chief of Union Now that while British Ambassador to the United States during the last war, that great patriot, Sir Cecil Spring Rice wrote to Sir Valentine Chirol on November 13, 1914:—

"The situation here is much the same as far as our position goes with the American public. Dernberg and his crew are continually at work, and the German Jewish Bankers are toiling in a solid phalanx to compass our destruction. One by one they are getting hold of the principal New York papers, and I was told to-day that the *New York Times* which had a courageous Jew at its head who had manfully stood by the Allies, has been practically acquired by Kuhn, Loeb and Company and Schiff; the special protégé of the Emperor, Warburg, nearly related to Kuhn, Loeb and Schiff, and a brother of the well-known Warburg of Hamburg, the associate of Ballin, is a member of the Federal Reserve Board or rather THE member."

• • •

The basic proposals for International Federal Union may be summarised as follows:—

(1) The nations entering into union would establish a central governing authority.

(2) This central authority would have control over: (a) finance, (b) the armed forces, (c) rights of citizenship, (d) international relations.

(3) The nations entering into the union would surrender their sovereignty in these matters to the central authority.

This would mean that by its control

over finance and consequently over the monetary systems of all the nations in the union, the central authority would have control over every aspect of the economic lives of the peoples concerned.

As all the nations in the union would be disarmed and the central authority would have control of the armed forces, it would not only be able to impose any conditions it wanted on the people, but it could ENFORCE its dictates.

And as it is specifically suggested that any attempt to change the constitution of the Union would be a treasonable offence, a concept of citizenship with which the unfortunate victims of the Nazi and Bolshevik regimes are familiar.

The adoption of the foregoing proposals would, at one blow, divest the people of every vestige of effective sovereign power. The basic of democracy is the sovereignty of the people; therefore, with the destruction of popular sovereignty, democracy would cease to exist.

The advocates of Union Now, are all agreed that in the first instance the nations of the British Empire, the U.S.A. and certain other democracies should form the initial union—the British Empire having minority representation on the central governing body.

If carried into effect it would mean the destruction of the British Empire as a Commonwealth of sovereign and free nations. In its place we would have an international authority vested with the constitutional power to control finance, the armed forces and the rights of citizenship. With this power the central authority will have little difficulty in establishing the World Totalitarian State which is the objective of the International Money Power.

This bold attempt to establish a universal regime on the Bolshevik model of a federation under which all power is concentrated in the ruling group, is being publicised by means of most appealing propaganda, which suggests that it is the only way for the democratic nations to pool their armed forces and their resources to safeguard themselves against future threats of totalitarian aggression. The tragedy is that many well meaning and loyal persons are being misled into supporting this dangerous and treasonable bid for world dictatorship by the International Money Power.

It is our considered opinion that no greater threat to democracy, Christianity and the British Empire exists, because it is a danger of which the people are, as yet, unaware.

\*The full text of this passage from Professor Toynbee's speech will be found in *The Social Crediter* of October 21, 1939, p.p. 7-8. The italics are the Social Credit Board's.

## THE "COMPENSATED PRICE"

The following letter appeared in "The Times" of August 6:—

Sir,—Some months ago I suggested in your columns that if the Government would absorb costs due to the war in the first stage, as they must in the last, they would enormously reduce the cost of the war, equitably distribute the burden over the entire community, stabilise prices, wages, cost of living, &c., and—most important of all—make inflation impossible.

I have since that date had many opportunities of discussing this with the Treasury, the Committee on National Expenditure, and several times in House of Commons debates. I do not know that there has been a single argument advanced against my proposition, and I doubt if there can be. On the contrary, the Chancellor in his last Budget speech—no doubt after many battles with his advisers—acknowledged its logic and adopted the principle suggested. He is failing however to carry out his policy and this is due no doubt to the mental inertia of officials, who must needs continue in their old ways until some superior force compels a change. The matter is so serious that I want to put before the country a few glaring examples of the financial fallacies of the Treasury.

Freights have been increased by, say, 100 per cent. The Government insist upon this being paid by the importer, who charges the total—plus his profit on the total—to the Government. Import duties are charged on goods which are resold to the Government at a price which includes the duty. The Chancellor has seen the light on this issue and has taken powers in the Finance Bill to remove all these duties. The price of coal has to be increased by perhaps 10d per ton. This will increase the cost of steel by not less than 2s 6d per ton. Steel has to bear increased freights, &c., &c., necessitating some time ago a levy of £3 2s 6d. The Government pay it all in the finished product plus considerable profit.

One could go on, but this is enough to show that, by endeavouring to avoid paying, the Government pay in the end a very much higher amount. If they pay, in the first stage, every increase due to the war then it is the final cost, and there is no excuse for any increase of prices or wages. By delaying the payment they add enormously to prices by commissions, profits, &c., but worse still they are wasting many hours in totally unnecessary work. As things are, when the price of steel or coal is increased, it is impossible to avoid upsetting the entire price structure of industry.

Yours, &c., ALFRED EDWARDS.  
House of Commons.

## Question in Parliament

The following extract is from "Hansard" of July 24:—

SYDMOUTH DOUGLAS SOCIAL CREDIT ASSOCIATION.

Commander Locker-Lampson asked the Home Secretary whether his attention has been drawn to the activities of the Sydmouth Douglas Social Credit Association, as these are calculated to impair the war effort; and what steps he is taking to deal with this association?

Mr. H. Morrison: My attention has been drawn to an anti-Semitic circular recently issued by the association referred to. It would, I think, on my present information, be exaggerating the influence of this obscure body to suggest that its activities could have any effect on the war effort, but I shall keep it under observation.

Commander Locker-Lampson: Are not the documents which I sent to the right hon. Gentleman anti-Government and pro-Hitler?

Mr. Morrison: It is not necessarily an offence for a document to be anti-Government. Otherwise, from time to time we should be in trouble with parts of the House of Commons. On the last point, I am not satisfied that it is necessarily so, but I will keep it under observation.

Commander Locker-Lampson: Are not their statements actually libels?

Mr. Morrison: I am not sure that that is a matter for me.

Colonel Sandeman Allen: Does not this involve a great waste of paper at a time of paper shortage?

The Sidmouth Douglas Social Credit Association is, like all similar Associations, completely autonomous. The document to which reference is made was of course sent out on the authority of the local Committee, and was not, and did not necessarily require to be, submitted to the Secretariat before publication.

Commander Oliver Locker-Lampson, who is the Conservative member for the Handsworth division of Birmingham, was born in 1881 and served on many fronts during the European war. He was appointed Russian representative at the Ministry of Information

in 1918, and since then has held various Parliamentary Private Secretaryships. He is a director of several companies including the Eagle Star Insurance Company Limited (City of London Board).

Commander Locker-Lampson is prominently associated with the New Zionist movement. On July 22 he was one of the speakers at a Jabotinsky Memorial meeting, at the Anglo-Palestinian Club at which Mr. Clement Davies, K.C., M.P., presided. Other speakers were Messrs. Robert Briscoe, T.D., A. Abrahams and N. Levin. In the course of his speech Commander Locker-Lampson advocated the formation of a Jewish Army to fight with the Allies.

Then, he said, they would deserve their goal, which he envisaged as 5,000,000 Jews in Palestine and Transjordan.

Commander Locker-Lampson also spoke at a recent conference of the Federation of Polish Jews.

## PRICE CONTROL

Dear Sir,

I am collecting material relating to government price control—the technique by which it is operated and the reactions of the public, both as individuals and as groups. I should be grateful to your readers for any information they can supply that has a bearing on this subject.

Yours faithfully,

W. WILSON.

4, Lawrence Street, London, N.W. 7;  
August 9, 1941.

## GENERAL WAVELL

In *Outposts of War* Gordon Young, the author, notes that just before the war General Keitel, Chief of the German General Staff, wrote of Wavell:

In the British Army to-day there is only one good general, but he is incomparably good. The others have no proper conception of the direction of mechanised warfare, but this officer from 1928 onwards has studied the subject, and he may well prove the dominating personality of any war within the next five years.

## THE SOCIAL CREDITER

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## From Week to Week

"The Soviet Government had repeatedly complained about Russian news being published from Riga, and asked why a Correspondent was not sent to Moscow to see for himself, and the answer was always Censorship. So my arrival was in the nature of a prospecting tour. Before I had been there five minutes, the Soviet Government started quarrelling with me. For I wrote that [Anthony] Eden had passed through streets lined with drab and silent crowds. A little Jewish censor came along and said these words must come out.

"The censorship, and that means the whole machine for controlling the home and muzzling the foreign Press, was entirely staffed by Jews. There seemed not to be a single non-Jewish official in the whole outfit, and they were just the same Jews you meet in New York, Berlin, Vienna, and Prague—well-manicured, well-fed, dressed with a touch of the dandy.

"...I asked myself, where were the Russians? The answer seemed to be that they were in the drab silent crowds which I had seen but which must not be heard of.

"I broke away from Central Moscow and the beaten tourist tracks and went looking for the real Moscow. I found it. Streets long out of repair, tumble-down houses, ill clad people with expressionless faces."

— DOUGLAS REED in *Insanity Fair*.

'Hm'!

"Nobody is asking the loyal Amer-

ican to join the British Empire. King George VI would mean no more to him than the governor of Montana does to a Hoosier. We need have no qualms about British domination. In a Union Congress 130,000,000 Americans would outvote, two to one, the 70,000,000 Britons, Irish, Australians, South Africans, New Zealanders, Canadians."

—*The Case for Union Now* in the *Readers' Digest*.

Waal, Waal, Waal!

Who do you think is going to Washington to return Mr. Hopkins's visit to Stalin? Our old friend Litvinoff (Wallach-Meyer-Finkelstein).

Litvinoff was arrested in Paris in 1908 in connection with the robbery of 250,000 roubles in Tiflis in the preceding year.

Found chalked on a Totnes motor lorry:

Vy Vurry? Ve Vill Vin anyway.

Vell, Vell!

— *Dundee Courier*.

### "INCREDIBLE MUDDLE MISMANAGEMENT AND HARDSHIP."

Extract from "*The Courier and Advertiser*," August 6, 1941:—

"These are the words of Mr. J. Henderson Stewart, M.P., when he visited Cupar on Saturday and heard firsthand from his constituents the egg story.

"The East Fife member is working.

"How many M.P.s know from day to day what their constituents are thinking?

"Your M.P. should know what you are thinking.

"How many know how the various schemes are working—how they affect their constituents?

"How many M.P.s keep direct touch with their constituents, to know their problems—their difficulties? To get their ideas. Constituents have valuable suggestions.

"If your M.P. doesn't keep close in touch you should keep in touch with your M.P.

"You should put your problems before your M.P.s—write them.

"Is it business troubles? Is it A.R.P. shortcomings; is it firewatch failures?

"Is your constituency getting fair play?

"Is it areas made dangerous by inflammable materials?

"Is it food? Is it coal?

"Is it wasteful extravagance?"

"Write your M.P.s at the House of Commons. They are the servants of the people—they represent you in Parliament. Or they don't."

### LONDON SOCIAL CREDITERS

A small meeting of London Social Crediters has been arranged for Saturday, August 23 at 2-30 p.m., at the Plane Tree, Great Russell Street. Dr. Tudor Jones is expected to address the meeting.

### The Next Step

The new leaflet

### Taxation is Robbery

will be a valuable instrument in the fight against the strangling of our war-effort by bureaucracy.

Send your order now:

Prices:

£1 for 1,000; 12/6 for 500;  
3/- for 100; 1/9 for 50  
(Postage Extra)

Obtainable from:

K.R.P. PUBLICATIONS LIMITED,  
49, PRINCE ALFRED ROAD,  
LIVERPOOL, 15.

## Britain and the U.S.S.R.

By H.R.P.

Soviet Russia has for some time now been very much in the forefront of the news. Circumstances, or what appears superficially to be a blunder on Hitler's part, have forced this country and the U.S.S.R. to fight a common enemy. The involved nature of the political situation can do with some clarification, especially as some people on account of recent occurrences seem suddenly to have shed their previous dislike and suspicion of Bolshevism.

Speculation on reasons for the extension of the Second World War towards the East is premature owing to the suppression by all Governments of vital information bearing on the question. Certain general statements can, however, be made. The attack on Russia in itself is circumstantial evidence, although direct evidence is not lacking, that Hitler and the German High Command knew quite well the rôle Russia was scheduled to play. The military might of Russia was to be built up and saved up for a march into Europe from the East, at a time when both Germany and Britain were nearing exhaustion. The object of such an invasion of Europe is described in some quarters as "to assist in the framing of the peace terms."

From a purely military point of view, the German High Command would have to weigh the chances of attacking first Britain and then dealing with the Soviet, or, forestalling the latter, securing the rear and facing both Britain and the U.S.A. afterwards. It must be assumed that Hitler and his staffs are persuaded that Germany can win the war. Their decision to attack Russia and so ensure war on only one major front at a time was correct only on this assumption. The decision has, of course, upset the Jew-inspired plan of breaking Europe and particularly Britain and her democratic institutions. It was surprising how many people, on hearing the news of the German attack, said something had 'gone wrong with the works,' without being able to explain how or even what 'the works' were. They felt instinctively that what was happening was not in accord with what had gone before.

Probably Hitler still thinks of himself as vice-roy of a Europe under planned Kuhn, Loeb and Company

world domination. By attacking Stalin he was merely eliminating a rival. Hitler may not have realised that actually he delivered a sock on the jaw to one who was cast as part umpire and part international policeman. No wonder such flagrant violation of the Queensbury rules caused a flutter in certain dove-cotes. What must be stressed is that *politically* the U.S.S.R. stands to us now exactly where she stood a year ago.

Militarily we are now allies and should work together. It is however an over-simplification of the situation to imagine that for this reason the two countries must march in step in other respects. The public as a whole see this, hence the anxious and often hasty disavowal of sympathy with the Bolshevik creed, on the part of politicians and others, who had already had a hand in introducing or supporting totalitarian rules and regulations. The Russians and ourselves are a different people racially and historically, with a tradition almost poles apart; but there is no reason why we should not fight together in a common cause and still have an abhorrence for each other's institutions and mode of living.

Many people affect a great admiration for Soviet Russia. Invariably that admiration is based on the material achievements and the industrial developments in Russia, which, while undeniable, are not remarkable and need not particularly excite admiration, having regard to the ease with which production can be expanded in modern conditions, once expansion is the accepted policy. Furthermore, it is just as well to remind readers that whereas Britain had to build up its industry from the start, Soviet Russia was able to adopt the vast resources of the power age ready made. At a time when pioneering and initiative is systematically discouraged everywhere but in Russia, the vast difference may not be fully or readily appreciated.

Granting the most extravagant claims concerning the perfection of the Russian machine, we must not allow ourselves to be blinded to the policy the Soviet Government has pursued, i.e. the use to which the machine is put. A socialist is not made admirable just by holding a beautifully finished Thompson gun. To use an example of Major Douglas's,

a roller-bearing is a very efficient instrument to reduce friction in some part of a machine but as an engine to generate heat it is most inefficient. There must be no confusion of thought on this point, particularly as the organs of "popular" opinion seem to go out of their way to cause such confusion.

The great difference between democratic and totalitarian aims is one that has been described in various forms and at great length in these pages. The latter is regimentation, a rigid order imposed by some person or persons mysteriously above the rest of mankind, a worship of the abstract, the subordination of men to some abstraction, a fostering of an adolescent mentality, e.g. hero worship, in the individual and a grandmotherly treatment of the people as though they were children, and the rulers divine in their wisdom.

Democracy looks at life in a diametrically opposed way. It asserts the sovereignty of the individual, demands personal responsibility, encourages initiative and individuality, accepts reality as a fact, is set on a policy of ever widening the freedom of action of the individual, recognises the inherent greatness and goodness of Man. Readers of this journal should know well by now what is the fundamental difference: what Democracy stands for and what Bolshevism is.

It is not for us to say what the individual Russian wants or what he is fighting for. Russians may like to be regimented. Evidently a large section of the German people accept it as desirable and pleasant. But there is no doubt at all that we know we want to live our lives in our own way, with the minimum of interference, and are fighting the Nazis because we see in Nazism a threat to our freedom. In the same way we shall turn against any other forces, internal as well as external that threaten to regiment us. We know in our hearts that progress and what little happiness is ours to snatch is possible only if we possess freedom of action.

We can salute our Russian allies and admire the stubborn resistance they are putting up without any sentimental rubbish about Bolshevism, and without wishing to emulate such of their institutions as are abhorrent to our character.

Parliament**Third Day's Debate on Production**

THE DAILY WORKER:

AMOUNT OF COAL IN STOCK

JULY 24.

Oral Answers (41 columns)

"DAILY WORKER."

*Mr. G. Strauss* asked the Home Secretary whether, in view of recent declarations made by the Communist party in support of the war effort, he is prepared to revoke his Order under the Defence Regulations prohibiting the publication of the *Daily Worker*?

*Mr. H. Morrison*: No, Sir. At this critical period of the war, when extra effort is called for from all of us so that everything possible may be done to assist our Russian ally, the Government would not feel justified in relaxing a safeguard against a newspaper which systematically fomented opposition to the war effort. If the British Communist party are now prepared to aid our Russian ally by giving to the war effort assistance which they previously were not willing to give to their own country, I welcome this change so far as it goes, and I hope it may lead to their accepting the principle that the aims of every party or faction ought to be subordinated to the common purpose of Britain and her Allies to defeat the Hitler regime. In view, however, of the changes in the professions of the leaders of the party, it would be premature and rash to treat the latest of these sudden conversions as proof of a lasting change of heart.

*Mr. Strauss*: Arising out of that reply, as the paper was suppressed because the right hon. Gentleman held the view that it was damaging the war effort, and in view of the changed conditions and the declared policy of the leaders of the party that they are now anxious to support the war effort and to increase production as much as possible, is it not illogical in such circumstances to continue the ban?

*Mr. Morrison*: One of the reasons for the suppression of the newspaper was that I came to the conclusion that the party and the newspaper had no fundamental loyalty to the British war effort. I am not yet satisfied that they have such loyalty, and until I am so satisfied, I do not propose to alter this decision.

[For a report of a question on Sidmouth Douglas Social Credit Association, with comment, see page 5.]

NATIONAL FINANCE.

TREASURY DEPOSIT RECEIPTS.

*Mr. De la Bère* asked the Chancellor of the Exchequer (1) the total amount of Treasury deposit receipts outstanding at June 30, 1941; the amount that have been converted into long-term investments by the banks and the securities into which they have been converted and the interest paid thereon;

(2) whether, in view of the many hundreds of millions of Treasury deposit receipts that have been converted by the banks into long-term securities carrying interest at  $2\frac{1}{2}$  or 3 per cent., he will confer with the banking interests concerned with a view to a reduction in interest being made in this connection; and whether he has estimated the amount by which income tax could be reduced if the interest which was permitted was not to exceed 1 per cent?

*The Financial Secretary to the Treasury (Captain Crookshank)*: The amount of Treasury deposit receipts outstanding on June 30, 1941, was £519,000,000. The amount converted was £142,000,000, and the securities into which they were converted were National War Bonds carrying  $2\frac{1}{2}$  per cent. interest and Savings Bonds carrying 3 per cent. As stated in the reply given to my hon. Friend on May 7, my right hon. Friend sees no reason to make any change in the existing arrangements. With reference to the last part of Question No. 50, no precise estimate can be given.

*Mr. De la Bère*: Is my right hon. Friend aware that the result of this conversion is to put a burden on the taxpayer in perpetuity? Why is it that they have to bear this burden if it is a part of interest in the banks which is really costless credit and is not subscribed for by the banks?

Written Answers (11 columns)

BROADCASTING (RUSSIA).

*Mr. G. Strauss* asked the Secretary of State for Foreign Affairs whether he will state the names of those appointed by his Department to advise the British Broadcasting Corporation on propaganda to the Union of Soviet Socialist Republics?

*Mr. Law*: The British Broadcasting Corporation are not conducting any propaganda to the Soviet Union.

JULY 29.

Oral Answers.

(34 columns)

COAL INDUSTRY

*Mr. Culverwell* asked the Secretary for Mines whether he is satisfied that all public utility undertakings will have enough coal with which to carry on during the next six weeks?

*Mr. Grenfell*: I cannot give an absolute guarantee that all public utility undertakings can be supplied with coal enough for the next six weeks. The average amount of coal in stock by public utility undertakings, gas, electricity, and water, runs to about six weeks' supply at the summer rate of consumption, but these stocks are not evenly distributed and there are a number of them which do not hold a fortnight's stock at the present time. There has been a marked increase in the rate of stocking by public utilities—notably gas works—in the past few weeks.

*Mr. Culverwell*: Is not the Minister aware that some of these public utilities have only a few days' supply, and will he not take drastic action to save them from having to close down?

*Mr. Grenfell*: This situation has unfortunately, been in existence for many months throughout last winter, but no undertaking of any kind has stopped for want of coal since the beginning of the war.

TRADE AND COMMERCE.

COTTON TEXTILE EXPORTS TO UNITED STATES.

*Mr. Stokes* asked the President of the Board of Trade, on what grounds it has been decided to be necessary to continue the export of cotton goods and textiles to the United States of America where there is already a sufficiency of clothing?

*Mr. Harcourt Johnstone (Secretary, Department of Overseas Trade)*: Our need for dollars is very great, and it is essential that we should make the fullest



use we can of the export capacity which we still possess, without interfering with essential home requirements.

*Mr. Stokes:* Will the hon. Gentleman say how he reconciles this statement with President Roosevelt's advice to his countrymen to "cut out the dollar sign and forget the financial nonsense," and will he also say why he has considered it advisable to export clothing from this country, where we have too little, to America, where they have too much?

*Mr. Johnstone:* I do not think those points call for a reply. Whatever my hon. Friend may say, the Treasury's need for dollars is still very great, and if the United States wish to buy clothes which we can manufacture and which are superfluous to our bare requirements, there is no reason why they should not be exported.

*Mr. Shinwell:* Is it not the case that we are producing manufactured goods out of raw materials supplied by the United States of America? Is that why?

*Mr. Johnstone:* No, Sir.

*Mr. Shinwell:* Are we not producing cotton goods from American cotton?

*Mr. Johnstone:* No, Sir.

## SUPPLY

Considered in Committee:

### MINISTRY OF SUPPLY

#### PRODUCTION (101 columns)

[Opening the third day's debate on War Production (already once postponed) Mr. Churchill made a speech which in *Hansard* occupies 26 columns and which it unnecessary to summarise here as it received wide publicity in the daily press. *Sir John Wardlaw-Milne* (Kidderminster) said of it:

We have heard to-day from the Prime Minister a most interesting and comprehensive speech dealing with the whole of our scheme of production of the munitions of war as the Government see it from the point of view of what the Prime Minister considers is the extent of the effort of the country harnessed to win the war. I have no quarrel at all with that speech. I have no doubt it will be of great benefit if, indeed, any false impression has gone about in other countries as to the determination of everyone in this country to secure the defeat of Hitler. But my right hon. Friend will, I am sure, forgive me if I say that to some of us it seemed that he did not deal with the questions raised in the Debate some three weeks ago. In one of his sentences indeed he said that the criticisms made then were matters of detail. Well, they may be matters of detail, but they are very essential matters, attention to which make for total production, and while I do not in the least quarrel with the Prime Minister's statement regarding the tremendous effort which is now being made, I am bound to say that some of us feel that

the criticisms made have not yet received an answer...

Points from some of these criticisms, and Mr. Bevin's reply to them are given below.]

*Mr. John Wilmot* (Kennington): . . . Letters to the Press and and speakers in this House show the enormous and endless difficulties with which the managements have to contend. Every item they produce, besides being in short supply, is, so to speak, wrapped up in a whole series of papers. A study should be made of how to cut out some of the clogging, time-wasting demands of the octopus and hide-bound bureaucracy which is living on the fat of the land, or as much as they can get, and producing nothing. . . .

*Sir Percy Harris* (Bethnal Green, S.W.): . . . There is no alternative Prime Minister. He has no rival. It was very different in the last war. I was a Member of Parliament for at least two years in the last war. Both our war-time Prime Ministers then had half-a-dozen rivals for the post. When Mr. Asquith was Prime Minister I remember the lobbying and the canvassing of names that went on, and even when the right hon. Member for Carnarvon Boroughs (Mr. Lloyd George) was Prime Minister there were always in the public mind the names of three or four men who could have filled his place if the need arose. There was, of course, Mr. Asquith himself, there was another ex-Prime Minister then sitting in the House, Mr. Balfour, there was Mr. Bonar Law and, of course, the present holder of the office.

The present Prime Minister reigns supreme, and no one who wants to win the war wishes to disparage his efforts or to suggest that he is, in any way, lacking in those gifts so necessary to guide the country in these difficult times. But I think he would be the first to agree that no one has a monopoly of wisdom . . .

*Sir John Wardlaw-Milne* (Kidderminster): . . . But a remark of the Prime Minister's with which I especially want to deal was his reference to an estimate I made in this House that the country as a whole was not working at more than 75 per cent. of our total possibilities of production. That statement was not made three weeks ago for the first time. I made it in this House on May 22, and again on June 10 of this year, and at that time it was not challenged at all. With the permission of the Committee I would like to repeat the words I used on June 10. I said:—

" . . . if I had to guess what was the figure of efficiency of our effort to-day, I would not

put it higher than 75 per cent. of the full possibilities of the nation."—[OFFICIAL REPORT, June 10, 1941; col. 132, Vol. 372.]

I never for a moment suggested that any one branch of engineering or one particular factory was not working to full capacity. Of course there are cases of that kind. I know some factories which could not produce another 5 per cent. or even 2 per cent. output, but I would not like the Committee to think for one moment that I vary in the least from the conviction I held and expressed on June 10. Taking our total effort, we are still short of what we can do, and the great advantage of these Debates will be if, as a result of them, the nation is brought to realise that we must get that extra production. Since I made that speech I have had many hundreds of contacts, both personally and by correspondence with people of all kinds and also with many Members of this House, and at any rate I am entitled to say this, that among all those with whom I have had contact about this matter there was only one case—and that very guardedly—in which I was not confirmed in my estimate. Many have suggested that I was over-optimistic. . . .

There is one point, however, upon which I must dwell for a moment. The Prime Minister referred to it again—in fact, it was one of the main points of his speech. It relates to the desire in some parts of the House and among a great number of people outside to see the appointment of a Ministry of Munitions. When I spoke here a few weeks ago I dealt with that point rather guardedly. I referred to the necessity for co-ordination to avoid the difficulties which exist—and everyone knows they exist—between Government Departments and between the Departments and various factories, and I came to the conclusion that there seemed then no other way out of the difficulty except by the appointment of a Ministry of Munitions. I was well aware of the fact that a complete change-over of this kind at this stage of the war was a matter which would have to be very carefully considered. There is no doubt that it would be apt to hold up the machine, perhaps only for a few days but even possibly for weeks. I have therefore been considering since then whether there is not another measure which could be put forward as a constructive proposal to enable the Government to deal with the various difficulties which I and other Members have enumerated to-day and on the previous occasion.

It seems to me that there is an alteration which might be tried. The Minister of Labour has made certain alterations in the Area Boards. I agree with the last speaker that these changes have not gone far enough to make any radical alteration in the present procedure. These Area Boards, or Regional Boards, as they are now called, are still mainly advisory. In that capacity I do not think we will get very much further help from them. I suggest that the Government might consider giving real power to these Regional Boards to act in their areas under one Minister in Whitehall—I do not care what you call him—a Minister of Munitions or a present member of the War Cabinet free from Departmental work and in control of the Production Executive. What we want is not advice but action in the regions . . . .

. . . . What we want to stop is the present system by which problems are referred back from the area to each Department of the Government independently, from the Ministry of Supply representative to the Ministry of Supply, from the Admiralty representative to the Admiralty, and thus delay decisions and hold up output. If the Government feel that a Ministry of Munitions means too complete an upset at the present stage of the war, I suggest that they should make these Area Boards very much stronger than they are at present and give them power to control production within their areas and to refer directly to one Minister where there is a necessity to settle some question of policy. I am deeply concerned at the inadequacy of the present area organisations and I think a policy of decentralisation on some such lines is the only possible alternative to a Ministry of Munitions. . . .

Mr. Shinwell (Seaham): . . . . It occurs to me, and I recall what the Prime Minister said during his speech, that the Government are relying too much on the flow of munitions from the United States. If so, it is a grave blunder. I listened with great interest to the statements of our American friends on this side. Their optimism does credit to their intentions and sincerity, but we cannot expect the industries of the United States to repair the deficiencies of our own factories. That is asking from them more than they are capable of giving. Moreover, should America be embroiled in war with Japan, it is doubtful whether we can expect to receive a flow of munitions on the present scale. Therefore, to say that there is a vast improvement on the position a year ago, and that we are gradually bringing

the nation to full production, is not enough. . . .

. . . . I agree with the hon. Member for Kidderminster (Sir J. Wardlaw-Milne) that it may not be right to introduce a proposal of this kind now, but some modified proposal might be acceptable. I have no desire to abolish the Ministries of Supply, Aircraft Production or Labour, but I want these Departments to work to a common pattern, to eliminate all competition and to abolish all overlapping in production. The Ministry of Supply will never be a successful organisation until there has been a substantial transfer of the functions of other Departments to that Ministry. There is undoubtedly too much overlapping, and I will provide an example. The Ministry of Supply and the Ministry of Aircraft Production both manufacture machines, although of different types. The Ministry of Supply and the Admiralty both manufacture explosives and shells, as well as ammunition for certain guns, while the Ministry of Supply manufactures some shells for ex-naval guns now in the coastal defences. The Ministry of Aircraft Production manufactures bomb cases, although the Ministry of Supply does the filling and supplies the fuses. The Ministry of Supply manufactures all small arms and ammunition. Surely this constitutes a *prima facie* case for more unified organisation? . . . .

Commander Bower (Cleveland): I think the resumption of this Debate to-day will prove to be extremely valuable because I cannot help feeling that my right hon. Friend the Prime Minister had a wrong impression of the amount of interest which was being taken in the question of production, not only in this House but throughout the country. Parliament, Press and people have been taking a very lively interest in the matter, and I feel that during the last Debate the Committee was not altogether treated with that regard and courtesy which it deserves. After all, at the present time, when so many of our liberties have been surrendered, it is all the more important that the Executive should value the critical and informative function which Parliament is expected to exercise. I cannot help feeling that my right hon. Friend, had he consulted his Sancho Panza, his Parliamentary Private Secretary, might have had a conversation something like this:

“How sayest thou so?” quoth Don Quixote; “Dost thou not hear the horses neigh, the trumpets sound, and the beat of drum?” “I hear nothing else,” said Sancho,

“than a great bleating of many sheep.”

When my right hon. Friend said it would be open to us to take up the quarrel, I think he was making a great mistake. As the hon. Member for Seaham (Mr. Shinwell) said, there is no quarrel here; we are all on the same line; we want to get our production up to its very maximum. Again to-day, my hon. Friend the Member for Kidderminster (Sir J. Wardlaw-Milne) said that he considered that our production was below what it might be. I think every hon. Member who represents an industrial constituency must come to that conclusion. Without going into figures or percentages, there is no doubt that we could do more, and I cannot see that it can do us any harm to let that fact be known in Australia, the United States, or anywhere else. It must be admitted that in the United States there are doubtless certain people and newspapers who are always prepared to take any damaging statements out of their context and use them against us. No Member of Parliament is unfamiliar with that type of procedure, but I do not think much harm is done by it and I think that any harm that is done will be much more than counterbalanced by the guidance and instruction which the Government will receive from hon. Members when such criticisms are made.

I do not want to refer at any length to deficiencies in our production, but there is one point I would like to bring to the attention of my right hon. Friend the Minister of Labour. Owing to the Essential Work and other Orders, it is true to say that, broadly speaking, no employer is master in his own business to-day. That may or may not be a good thing, and I do not propose to argue it now; what I say is that somebody must be master and there must be some form of discipline and control. After studying matters in my own constituency, my view is that the control of the management has been in a large measure vitiated, and nothing has been put in its place. That is unhealthy, and I am quite convinced that in many instances that in itself causes a loss of production.

There is another small point to which I want to refer. My attention has been drawn to one or two instances where civil servants performing extremely useful jobs, in which they have got to know all the details very thoroughly, and in which those working with them have got to know and like them, have suddenly been promoted and removed to another sphere of action for which they have been much less suited. I suggest

that in such cases, without depriving the civil servants of the extra emoluments which arise from their promotion, they might easily be retained in the same jobs where they would probably be much more useful in the war effort than they would be in new and unaccustomed jobs.

Lastly, I wish to refer to the question of anti-aircraft guns, which the hon. Member for Seaham touched upon a few moments ago. I had personal experience of this. There is no secret in the matter. Last autumn the Navy were extremely short of anti-aircraft guns and I understood that was because they were wanted for the Army. But a few months later the Prime Minister stated openly in this House that the Army were short of anti-aircraft guns, and this was after nearly two years of war. I think that state of affairs was very regrettable indeed. I only mention it because Crete was a very great shock to us, particularly when some of the facts became known and we found out how very acute the shortage was in spite of all the time for preparation. I cannot believe the Government are satisfied with a state of affairs like that. I believe that if they are criticised for such deficiencies and resent this criticism, it is the duty of Parliament to say they resent such resentments. There is no hostility to this Government at all. All Parliament wants to do is to exercise its proper functions of guidance. I wish to associate myself with all those hon. Members, and there are many of them, who have said they intend to go on criticising in a friendly way, so long as they find something which should be criticised.

*Mr. Lawson (Chester-le-Street):* . . . . I have proposed that there should be somebody in a region directly responsible and free to act with authority in place of relying upon a committee [the Regional Committee on Production]. . . . They get plenty of circulars. That is the trouble. Instead of someone with authority being appointed to act, so many circulars are sent from Department after Department that if all are to be read there will be no work done. I do not mind saying that if I read all the circulars I get on Civil Defence matters, I should get no work done, and I may tell those who write them that I do not read half of them. We shall only cut down the issue of circulars by putting in charge someone who is really responsible.

I do not think the Prime Minister has heard the last of this question of a Ministry of Production, in spite of the

explanation he has given to-day. It is the old question of the Ministry of Munitions over again, and I think he will have to answer the case in a much more effective fashion than he has done to-day, and also meet the point that we are now in a situation where we have not the incentive of private profit-making on the one hand, or the wholesale nationalisation of factories on the other. I think that is a point which will call for an effective answer before very long. . . .

*Mr. Bevin:* . . . . I would like to deal now with the question of the Ministry of Production. I cannot, of course, add anything to the statement of policy outlined by my right hon. Friend the Prime Minister to-day, but I should like to make a few observations from my own personal experiences. I doubt very much—and I will place it no higher than that—whether there is any half-way house between the present form of organisation and a complete Ministry of Munitions. It is no use constantly trying to find a compromise. The task always is—and I say it as coming new to Government, although, I hope, unbiased—to keep responsibility down. I have done a little organisation in my time, and I would utter this word of warning. It is so easy to pass the responsibility up. If you create organism upon organism, there is a tendency for the responsibility to be passed upwards into a bottleneck instead of being held down to the circumference. We have been working with the Regional Boards, and we have been trying to carry out principles of devolution, I admit not with complete success. There are many industrialists in the Committee who have carried through great mergers, and I suggest that there is not one of them who, in his experience of mergers, has been able to level out everything in less than four or five years. Whenever I took a society into my large union, I always allowed three or four years before I could get the whole thing smoothed out and working properly. When you get to government, and it is a question of creating a complete organism, merging and reshaping so many things, it is not easy to keep the sense of responsibility down to the circumference. I urge that the matter be considered in that light. . . .

If I might summarise, I would put the matter in a few simple words. I conceived it my duty to keep the following objectives in mind: the complete organisation of labour for the service of the State; transference of labour on a

short-term policy to meet immediate needs; building-up of reserves by registration and otherwise for a long-term policy. I would say to the hon. Member for Kidderminster that I want to have more than a 25 per cent. capacity in the kitty all the time, so that when the last emergencies have to be met, there is a last reserve of production to carry them through. Therefore, I want to keep that registration in reserve, in advance of the defence and productive plans, so as to avoid waiting for supplies. I want to establish such conditions of employment as will give a sense of justice, remove grievances and prevent disputes, I want to prevent labour turnover, and to provide the most effective methods of transfer, to establish arbitration for the settlement of differences, and to devise such conditions as will preserve the morale of our people and see this conflict through. . . .

### ECHO FROM 1933

A correspondent sends the following quotations from the *Staffordshire Sentinel* of June 27, 1933, reporting an address given at the Stoke-on-Trent Rotary Club:—

"It is apparently our accepted practice to be wise after the event, e.g. An Economic Embargo is suggested against Japan at this late date when Colonel Knox is to-day quoted by the *Birmingham Post* as saying that he 'guessed' that Japan had built up a war reserve of oil sufficient for 14 to 16 months naval and military requirements!

"Or perhaps there is a deliberation about this, devilish deliberation, lest the war should be over too soon for Americans to relish." . . . .

"I do not seriously compete as a prophet, but I do venture to prophesy that if the world recovers for the time being from the present depression, so that there is a period of modified prosperity—it cannot be anything but modified—that period under the most favourable circumstances cannot last for more than five years; and, unless a miracle intervenes it will be terminated by another world war."

### BRIAREUS

The ripeness or unripeness of the occasion must ever be well weighed; and generally it is good to commit the beginnings of all great actions to Argus with his hundred eyes, and the ends to Briareus with his hundred hands: first to watch and then to speed.—BACON.

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c/o **The Social Credit Secretariat,**  
49 Prince Alfred Road, Liverpool, 15.

I enclose the sum of £ : : , as a donation towards the Social Credit Expansion Fund, to be expended by the Administrators at the Sole Discretion of Major C. H. Douglas.

Name .....

Address .....

(Cheques and Postal Orders should be crossed and made payable to the SOCIAL CREDIT EXPANSION FUND.)

Name.....

Address.....

**TO THE DIRECTOR OF REVENUE,  
THE SOCIAL CREDIT SECRETARIAT,  
49, PRINCE ALFRED ROAD, LIVERPOOL, 15.**

I wish to support Social Credit Policy as defined in the terms of association of and pursued by The Social Credit Secretariat under the Advisory Chairmanship of Major C. H. Douglas.

I will, until further notice, contribute

£ : : , { per month,  
per quarter,  
per year,

towards the funds of the Social Credit Secretariat.

Signature.....

I herewith enclose the sum of £ : : , as a donation towards the above mentioned funds.

Signature.....

(Cheques and Postal Orders should be crossed and made payable to the SOCIAL CREDIT SECRETARIAT.)

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