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FOR POLITICAL AND ECONOMIC REALISM

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The "Land for the (Chosen) People" Racket (III)

by C. H. DOUGLAS

When the land-"owner" has paid say 25 per cent. Estate Duty, which at twenty years tenure represents (if paid at once without interest) the capitalised value of *about half the income for the whole of the period of tenure*, Schedule A Income Tax *which represents the other half*, Schedule B which, probably represents about three times the *genuine* profits which can be made by *working*, as distinct from speculating in, the land, he can consider where to get the "Tithe" somewhat facetiously paid to Queen Anne's Bounty. Tithe is of course simply a Financier's tax, with only the most tenuous connection with the Church. Instead of being a tenth of the *produce* it is more generally about a quarter of the assessment, whether there are any earnings or no. And there is Land Tax, the incidence of which is so erratic that no one could, or is intended to, understand it. We have thus brought our "owner" to the point where he is paying about thirty shillings a year nationalised rent on property worth £1, doing his own repairs, paying his own insurance, and having no recourse to a landlord, as his own tenants have to him. That is to say, the "owner" renders service to the State, gets no return, and pays for it. We can come to his "mineral rights" which have now been acquired by the "State" at about one third of their estimated value.

Valuable minerals are not widespread, even in these islands which were unusually rich in them until we gave most of them away. The consequences of this were two-fold; mineral owners were few in number, and so politically weak; and the largest of them was the Ecclesiastical Commissioners who paid no Estate Duties; and owing to the immense quantity of mineral obtainable from a small area, individual owners gave the illusion of being "rich," more especially as most of them were abysmally ignorant of the idea that they were living on capital in the most literal and wasteful way it is possible to conceive.

Now, it is of course possible to reduce any discussion about the rules, conventions, and practices either of society, business, or even a game, to a mere brawl, by introducing the word "ought." While I am not able to see, myself, just exactly what "the People" and more particularly the Chosen People, did to produce the coal deposits under these islands, these comments have nothing whatever to do with the word "ought." It is not merely possible, it is easy, to raise the standard of living of the legitimate population of these islands to a point considerably exceeding that of any Socialist State; but that has nothing to do with "the minerals ought to belong to the Nation," or the results of the expro-

priation of mineral owners, which, to make the matter clear at once, have been to mortgage them to the international Jew, *via* the various forms of Debt.

To understand the main lines of the position, if we take the pithead price of coal at a token price of £1 per ton, the miner gets about 18/6 of this sum, the colliery proprietor gets about 1/4 and the royalty owner gets about twopence. It is clear at once that the royalty *has no ascertainable effect whatever on either the ultimate selling price of coal, or the miner's wages.*

The object of the fantastic misrepresentation in regard to taxation on minerals has been neither to benefit the public which now gets much worse coal at a much higher price, or the miner, who would scoff at an increase of twopence per ton in coal mined, in any one of the dozen mining disputes of the last ten years. The object was to destroy the principle of property in relation to individuals, centralise it, and transfer it abroad.

As I have mentioned elsewhere, it was freely stated in Washington in 1919 that a bribe of £10,000 was paid to a certain witness before one of the well-known commissions on the Coal Industry to recommend the nationalisation of coal. I feel sure the £10,000 will appear in the bill, if not recognisably.

Coal royalties while obviously and indisputably payments in respect of capital, and taxed on that basis in Death Duties, were again taxed as income. They were again taxed by coyly worded bribes to further attack, such as Mineral Rights Duty, Miners' Welfare Levy, *etc.* At which point, we come to the interlocking with surface "ownership," and it may be becoming clear that whoever "owns" the land, the Big Idea in regard to it is that it shall be rented from the World Debt Holders.

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To be continued.

Points from Parliament

House of Commons: December 8

MINISTRY OF INFORMATION SPEAKERS (POLITICAL ISSUES)

Mr. Pearson asked the Minister of Information whether he is aware that speakers supplied by the Ministry, who address either public meetings or meetings arranged by various organisations, have been advised that they cannot speak on post-war reconstruction; and does he intend to raise this ban upon speakers engaged by the Ministry?

Mr. Bracken: In deferment to the wishes of this House speakers on behalf of the Ministry of Information have been

discouraged from dealing with political issues that are still in controversy. Most reconstruction questions inevitably raise such issues. For this reason Ministry speakers are requested to avoid the subject of post-war reconstruction except in so far as it is covered by declared Government policy. I see no reason to alter this rule.

House of Commons: December 9

PALESTINE

Chemicals (Importation)

Mr. Henderson Stewart asked the Secretary of State for the Colonies whether he is aware of the resentment felt by independent British importers of chemicals into Palestine at the recent order imposed by the Palestine Government requiring all importers to send shipping documents through Imperial Chemical Industries (Levant), Limited; why has this advantage been given to this firm; and whether he will reconsider the present position, in view of the damage likely to be caused in this way to the business of other importers?

Colonel Stanley: The purpose of the Order to which my hon. Friend refers was to ensure that sufficient, and not more than sufficient, chemicals are imported into Palestine. At this stage in the war the trade in scarce commodities must be controlled and in very technical matters of this kind Governments cannot exercise control without expert advice and assistance. In its original form the Order was admittedly open to the objection that it might enforce the disclosure of trade secrets to rival firms, and modifications have been introduced, which will, it is hoped, remove this objection. It will be understood that I.C.I. (Levant) are not sole importers but only sole consignees of these goods.

POLICE FORCES (AMALGAMATION PROPOSALS)

Earl Winterton asked the Home Secretary whether he can now make a statement as to his intentions in the matter of the amalgamation of police forces?

Mr. H. Morrison: With Mr. Speaker's permission, I will make a statement at the end of Questions.

Later:

Mr. Morrison: I am glad to have an opportunity of informing the House of the proposals which I have made for the amalgamation of police forces under the powers conferred upon me by the Defence Regulations. In accordance with the undertaking which I gave during the Debate on October 14, I have forwarded details of the proposals to the police authorities concerned, and until I have considered their views I am not in a position to take any final decisions. The proposals which I have communicated to them are as follow:—

That in Kent, where, in addition to the county force, there are nine separate borough forces, all these forces should be amalgamated with the county force.

That in Surrey the borough forces of Guildford and Reigate should be amalgamated with the county force:

That the Isle of Wight county force and the Winchester borough force should be amalgamated with Hampshire county force:

That the borough force of Salisbury should be amalgamated with Wiltshire county force and the borough force of Penzance with Cornwall county force:

That in Sussex all the forces should be amalgamated, so that the two county forces of East and West Sussex and those of the county boroughs of Brighton, Eastbourne and Hastings and the borough of Hove will form one force.

In the course of the Debate I said that I did not propose to interfere with the larger, substantial police forces, and that if I did I would make a special announcement to the House. Except in Sussex, each of the forces to be amalgamated with the county force has an authorised regular strength of considerably less than 100. In the case of Sussex more substantial forces are involved. The two county forces have each an establishment of over 300, and Brighton of over 200. The military importance of Sussex needs no emphasis, and it is clearly desirable from the point of view of military operations that there should be one police force for the whole area, more particularly in view of the fact that at present responsibility for this important part of the south coast is divided between no less than six forces. Despite the fact that three substantial forces are involved, I am of opinion that, subject to any representations which the police authorities may put before me, I ought to proceed with the scheme. Before doing so, however, I think it right, in accordance with the spirit of the undertaking which I gave, that the House should be informed of this proposal....

Mr. Clynes: Does my right hon. Friend's statement mean that until final decisions are reached there will be further consultations with interested parties?

Mr. Morrison: Yes. Arrangements have already been made for the Home Office to meet police authorities, and that is actually proceeding.

Captain Peter Macdonald: Before a final decision is

Continued on page 8.

"SPES ALBIONIS"

For four centuries after their expulsion in 1290, England for all practical purposes was entirely free of the Jews. Their place in finance had been supplied to some extent by Italians (Lombards) and the Dutch. By one means or another the country "managed" (the process labelled by those who both condemn and envy its exponents, as "muddling through"), as Britain has always had a way of doing. The period under review did, however, evolve to a great extent what we term the Anglo-Saxon type or mentality, and without any alien assistance, except perhaps from Italy. And it did culminate in one of the greatest epochs in human culture—the England of the Tudors.

Gradually during the later sixteenth and seventeenth centuries, "Christianised" Jew refugees from the Spanish and Portuguese Inquisition, known as Marannos, began to accumulate in the City of London. How much influence they had in "events" in the reign of Charles I, and to what extent, if any, they financed the Roundheads, is not easy to determine. That they would be bitter opponents of any revival of Roman Catholicism in England or anywhere else, is obvious. Organised agitation for their re-admission began in 1648. The proximity of revolution and civil strife seems always to have had an agitating effect on the Jews. A dispossessed (as they believed) minority, when party strife disturbs the settled order, whether world or national, they are to be observed immediately manoeuvring for position

and the occupation of temporarily vacant seats, and adding to the general tenseness of the situation.

The Reformation in England was a comparatively orderly and constitutional affair. Even in Elizabeth's days it still allowed of a United Front against Judaism. But as the Sectaries grew and increased during the early part of the Seventeenth Century, and with them the study of the Bible, particularly the Old Testament, interest in Judaism increased in the country. This was particularly so under the Protectorate. The times were generally regarded as apocalyptic, and agitation, begun in the middle of the century in Amsterdam, no doubt under Jewish pressure, by Joanna Cartright, an expelled English Baptist living in Amsterdam, was sufficiently influential and intense as to deserve a reply from the British Parliament. This in part took the form of An Agreement of the People, an act that reserved religious freedom to those only "who should profess faith in God through Jesus Christ"—a not unrealistic distinction!

But there was "pressure" of other kinds than mere agitation. About this time a book appeared, *Spes Israelis*, by Rabbi Menasseh ben Israel, a noted Jewish writer and theologian on the Continent. This dealt mainly with the urgent need—Jewish needs are always urgent—for the Jews to return to England in order to fulfil the prophecy in Daniel XII. 7, to be dispersed to *all* lands before their final redemption. The case appeared thin, but its putting was sufficiently telling, or the pressure behind it, to elicit an official rebuttal from the English Parliament.

Nothing daunted, Menasseh came to London in 1655 and presented a petition framed on his book in person to Cromwell. The Protector, according to Mr. Roth,* was more than favourable. To what extent he was already beholden to the Jews for finance the author does not state. But the Protectorate had always been in close touch with the Netherlands and Amsterdam, the then world-centre of Jewry and finance, as also of Continental Protestant resistance. In any case, Oliver's heart had long been set on foreign trade and Empire development, and the part the Jews had played in the case of Spain and Portugal and Holland was obvious. As Mr. Roth puts it, there was nothing in his (Cromwell's) eyes to choose religiously between Jews and Papists, and everything as concerned with finance and foreign trade and useful international connections. With their habitual interlocking propensities the Jews held the key to this last.

The Protector put Menasseh's petition before his Council without delay, thinking to have it agreed to out of hand, much as the Chancellor of the Exchequer expects his important and far-reaching measures to be hurried through Parliament to-day. But the Council demurred at the haste, and asked for time to get outside opinion. Pending this, a tense atmosphere developed, as it is apt to do when Jewish interests are impeded in any way. Wild rumours began to circulate. The Jews had made an offer to buy St. Pauls! Searching enquiries were being conducted in the Eastern counties as to the Protector's genealogy, to ascertain if he might not be the promised Messiah!

This was the state of affairs when the Conference met at Whitehall. No decision could be reached. The ecclesiastics boggled over the religious aspect, and the merchants over the economic, and finally Cromwell disbanded them, saying that he and his Council must decide the matter. Menasseh and his following were jubilant. Ignorant of the strength of English public opinion, they expected a decision

in their favour, at once. But nothing was done about it, except that those Jews already established were permitted to worship unmolested.

Pressure, however, persisted, and finally on November 13, 1685, by a new order in Council, Edward I's Order of July 18, 1290 was reversed, after four centuries in which the Jew had had neither part nor lot in English history. Within five years of that date, James II had fallen irrevocably at the battle of the Boyne, where France and Catholicism were both defeated. As Trevelyan says: "In 1690 Ireland was the pivot of the European crisis. The fate of Britain depended on the Irish Campaign, and that of Europe on Britain." James's French forces were defeated largely by William's continental mercenaries, financed, according to Mr. Roth, "free of interest" by the Jew Antonio Lopez Suasso, of the Hague. From now on England was not to lack the "sinews of war"—on a rather less disinterested basis. "The Glorious Revolution," says Mr. Roth, "had... sent to England a handful of Army contractors—a characteristic occupation of the higher economic strata of Continental Jewry." Harley, the Whig Prime Minister, was accused of conducting English foreign affairs for the benefit of the Jews instead of the English—just as New Yorkers complain of their city's affairs to-day. One Solomon da Medina was the principal contractor for Marlborough. It was popularly said he slipped the great Churchill £5,000 a year for the bread contract alone. "A Jew and a G-n-I" sang the crowd, "both joined a Trade. The Jew was a Baker. The G-n-I sold the Bread."

The historical canvas has grown bigger and more complex by a lot than that of Plantagenet England. But it is not to be supposed that the Jews, now firmly re-established where they wanted to be, in a position to develop their "*Spes Israelis*," had changed their ingrained habits. Commercialism (the Industrial Revolution) under the Whigs, after the founding of the Bank of England in 1694, developed its financial counterpart to the spread of the Anglo-Saxon race all over the world, in a network of financial indebtedness centering in London.

Over all this side of the business Mr. Roth keeps a discreet silence. It is, so to speak, too contemporary; whereas the England of the Plantagenets is "history," past and done with and therefore of merely academic interest. Things are very different nowadays, he would imply; human nature, and particularly Jewish human nature is not what it used to be. But is that so? Individually the Jew presents an unchanging front. And if individually the same, then collectively so—the same policy and the same effects. I feel the only difference between the Thirteenth and the Twentieth Centuries is a difference of scale; one of degree, not kind, and that the smaller scale and simpler environment is the one to study profitably, applying the rules there learned to the more complex occasion.

Certain it is that taxation embroils Governments and rulers with their people; plants a gulf between them; makes Governments defend "the system," and those who operate it, *against* the people, as Edward I and his Council discovered. So divided (disintegrated), nations cannot move towards cultural integration; cannot express themselves, and like individual neurasthenics, present to the world a divided front, incapable either of resistance or co-operation.

What, one might ask, is the *Spes Albionis*? Could not someone write a counter-blast to Menasseh ben Israel's celebrated treatise? Or has it, perhaps, been written? N.F.W.

*CECIL ROTH: *History of the Jews in England*.

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Saturday, December 26, 1942.

FROM WEEK TO WEEK

The Archbishop of Canterbury is getting all het up about the alleged atrocities being committed against the Jews by "Hitler."

The Jews themselves say that there are only fifteen million of their race in the World. Of those, about five million are in the United States, and a large proportion of the rest in England and the "B."B.C.

Thirty million Russians were murdered or died as the outcome of the Jewish Bolshevik revolution. If the Archbishop of Canterbury got hot and bothered about them, it escaped our notice.

The United States elections have gone decisively against Socialism, Communism and the New Deal. The vote for Socialism and Communism has been cut in half as compared with the last elections.

The failure of, and bitter enmity to, the bureaucracy-New Deal policy of Mr. Roosevelt is the best news that has come out of America for a long time, and will have world wide repercussions, not least in this country. The red light is up for the Planners, and it is to be hoped that they will receive the rough treatment which they are obviously going to get in the United States.

"This victory of a *minority*—and a Puritan one at that—had rankled the more with the mass of Englishmen subjected to it [Cromwell's Government] because the iron grasp had not seized them at a blow, but only after repeated attempts to free themselves from the stranglehold. . . . All the native amenity and comfortable air of England had been poisoned; all the common habits of Englishmen, their recreations, their intimate domestic life had been outraged."

—H. BELLOC: *The Last Rally.*

When Charles II brought the nightmare to an end, ten ringleaders were hanged on successive days. Not enough. Don't forget.

Look out, boys. The Ogpu-Gestapo is going round in comfortable cars to see that you haven't enlarged your hen-house. (Ministry of Works and Planning Dept.)

Mr. John Dugdale, M.P., thinks that platoon-commanders, who instruct their men on 'current affairs' and

"who may be very intelligent men" but for all that are "ignorant of the basis of the current affairs which they have to teach," should be qualified by a 'course of instruction' on current affairs, reconstruction, the Beveridge Report and all.

This will enable them to regurgitate it to their soldiers in a nicely standardised fashion unsullied by any original or realistic outlook.

Lord Wedgwood on generosity:—

"Do let us realise that it is an enormous and generous act on the part of America at a time when security, especially security for private enterprise, is extremely low. . . . You have a state of affairs coming at the end of the war when we shall be in a far more real sense than ever before all 'members one of another,' all starving, and transactions such as we are envisaging to-day [relief measures for Europe] will have to be transactions between Governments supported by the overriding financial unity of the trading world. It will not be the Bank for International Settlements; the conquering Powers will have their financial organisation so arranged that they will control expenditure and at the same time control the production of the country to which the expenditure goes. It will not be so much Socialism as a super-national Socialism, and we, I hope, will be tied close enough to America to co-operate with it in this great work."

"Truth" in Commas

LITTLE ERNEST'S *ALTER EGO*

If someone were to tell Sir Ernest Benn that Major Douglas is the *alter ego* of Sir William Beveridge, he would fail to experience any acute sense of surprise; for, "apart from the three hundred pages of statistical detail and bureaucratic reorganisation of which Sir William's Report is composed, the basic idea is the discredited Social Credit of the elusive Major Douglas." (—*Truth*, December 11, 1942.)

Drink Up

Quaff a Beveridge to the dawn
When every soul will be in pawn,
Pledged in gold (redeemed in dross)
And Three Brass Balls replace the Cross.

—EXCALIBUR.

Thoughts from a Note-book

That great affection bestowed upon one in infancy does not *always* engender a sweet and gentle disposition, *e.g.*:—

Jonathan Swift (never known to laugh, and his smiles. . . .
"Seldom he smiles, and smiles in such a sort,
As if he mock'd himself, and scorn'd his spirit
That could be moved to smile at anything."

vide SIR WALTER SCOTT:)

His nurse "stole away her charge, out of mere affection, and carried him to Whitehaven, where he resided three years; for his health was so delicate, that rather than hazard a second voyage [from Dublin] his mother chose to fix his residence for a time with the female who had given such a singular proof of her attachment."

JUGGLING WITH DYNAMITE

by L. D. BYRNE

A commentary on the Slaght-Ilsley debate in the Canadian House of Commons on July 15, 1942.

1

The debate precipitated in Parliament by Mr. Slaght's suggestion that the Federal Government issue \$1,200 million additional "national currency" has been widely publicised, and, incidentally, it has some important lessons for Social Crediters and others.

According to Mr. Slaght's own testimony it was the first occasion upon which he had entered into a discussion of financial matters in the House of Commons. It was natural, therefore, that he should be unaware of the tricks of the game when it came to the issue involved being carefully side-tracked by the Minister of Finance.

The real issue raised by Mr. Slaght was not technical; he did not pose as an expert in financial matters. He very properly approached his subject from a common-sense angle—raising in a more specific form a question which many of his constituents and tens of thousands of people across Canada are asking.

After showing that during two and a half years of war, the Government had borrowed some two and a half billion dollars at interest, and that during the current fiscal year the Government would have to borrow nearly two billion dollars more, Mr. Slaght pointed out that the Government could issue the necessary money, instead of issuing interest bearing bonds to the banks and allowing them, in turn, to issue the money. He stressed that there was no fundamental difference between a bond and a dollar bill. Both are "promises-to-pay," backed by the credit of the nation, and if the Government could issue the one it could equally well issue the other.

He then proceeded to show that as most of the money obtained from the sale of bonds was provided either directly or indirectly by the chartered banks, it constituted the creation of new money. Consequently if this was not considered inflationary, then it could not be inflationary for the Government, instead of the banks, to issue the same amount of money. Therefore, he urged that the Government issue at least \$1,200,000,000 of the money required during the fiscal year to make good the deficit between expenditure and revenue from taxation, thereby saving the nation from going into debt to the banking corporations to at least that extent.

That presented a nasty poser for the Minister of Finance to handle, for its sheer common-sense could not be swept aside very easily. The only manner in which that honourable gentleman could meet the situation was by resorting to an old trick. This is to quickly change the ground of the discussion by raising technical arguments about which those present know little. And it should be noted that Mr. Ilsley did not wait to reply to the debate but hurriedly intervened immediately after Mr. Slaght had resumed his seat. The ignorance of most Members on the subject of money, and their subservience to Party, ensured that the heterodoxy of a Government back-bencher, for all the prestige he enjoyed among his colleagues, would be swamped in the mêlée which followed.

However, in his anxiety to squash Mr. Slaght, the

Minister of Finance had to place on record an indictment of himself which he will regret.

2

Mr. Ilsley made some very interesting admissions in the course of his reply. In the first place it seems plain that he is committed to a policy of maintaining the present financial system. No other inference could be drawn from his outburst that he would walk out if Parliament supported ideas like those of Mr. Slaght.

The second interesting admission was to the effect that he is aware of the hopeless inadequacy of his so-called price-ceiling—a scheme which emanated from the fertile brain of Bernard M. Baruch and has some unpleasant implications which have yet to be appreciated in this country.

However, the matter that should concern us is the ease with which Mr. Ilsley was able to palm off a pathetically futile counter-argument on an ignorant House of Commons.

The crux of the Minister's case was that if the Government were to issue \$1,200,000,000 national currency, to finance war expenditures, the money would become deposits in the chartered banks. This would provide the banks with a cash basis for issuing up to twelve billion dollars new money in the form of financial credit, thereby creating a tremendous inflation.

It will be observed that Mr. Ilsley was quick to take advantage of the loose use of the term "national currency" by Mr. Slaght, when it was obvious from the context in which it was used that the latter meant "money."

In effect Mr. Ilsley argued that the Government dare not issue \$1,200,000,000, because, *under existing legislation*, the banks had the real control and could, if they wished, utilise their credit-creating powers to cause inflation and ruin the national war effort. In fact he inferred that they would do so.

The only conclusion which can be drawn from this curious argument is that the Government is not prepared to alter the rules of the money game as it is played at present. And the rules are carefully designed not to permit the Government to issue the nation's money nor to control monetary policy.

3

Had there been any desire on the part of the Government to restore to Parliament the sovereign right to control the issue of money (which the Prime Minister in one of his moments of oratorical exuberance described as its most sacred responsibility), there would have been no difficulty in carrying it out in one of several ways. And, no doubt, at least one of these would occur to its advisers, (who now seem so supinely helpless to do anything about the matter,) were they confronted with the alternative of either getting the job done or being dismissed as incompetent.

For the benefit of those interested in the technical aspects of the matter, here are two very obvious methods by which the Government could gain the necessary control and use this to issue the money required to finance the war effort without piling up huge interest-bearing debts to the banks:

(1) By an amendment of the Bank Act, the Chartered Banks would be prohibited from holding any bond or other security except as agents for the Bank of Canada, and would

be required to maintain against all deposits an equivalent amount of cash, or in lieu thereof, National Credit Certificates issued by the Bank of Canada. Banks would obtain such credit certificates against existing deposits by (a) surrendering to the Bank of Canada any securities held by them, which would be thereupon cancelled; and (b) transferring their interest in all mortgages, liens and other securities to the Bank of Canada for whom they would act as agents in all future transactions. An appropriate allocation of National Credit Certificates would be made to provide for unsecured overdrafts. Banks could obtain cash for credit certificates as required, and would be authorised to make an equitable charge for their services.

Under such an arrangement Mr. Slaght's suggestion would present no difficulty, because the Government would be virtually the issuing authority for all money.

(2) Alternatively, without amending the Bank Act, the Government could pass an Order in Council under the War Measures Act requiring banks to make loans, on equitable terms, to firms having war contracts, against reasonable security to ensure that such contracts will be carried out satisfactorily. The Banks would be provided, by the Bank of Canada, with a cash reserve of 10 per cent. against all such loans. On delivery of the goods to the Government department concerned, the firms in question would not be paid, but would obtain a receipt authorising the banks to cancel their loans and the cash reserves would be reduced accordingly. The effect would be the same as the Government issuing the money.

In both instances surplus purchasing power would be withdrawn by an equitable system of taxation. However, two factors are involved. In the first place a proper system of accounting would have to be established so that the national monetary authority would know at all times the total price value of the consumer goods coming on the market and the corresponding purchasing power available to buy them. Secondly, appropriate arrangements should be made for ensuring that all purchasing power which is withdrawn from individuals by means of taxation will be returned to them after the war.

4

The real lesson brought out by the debate is that the necessary reforms in our monetary system will not be achieved by any process of reasoned discussion in Parliament. The majority of Members are ignorant on the money question to a greater or lesser degree. So-called Government policy on financial matters is decided within the frame of reference laid down by those interests to whom the Department of Finance looks for assistance in obtaining the necessary revenue. Those interests are implacably determined that the present monetary system shall be maintained and, as they have done in the past, to provide the monetary facilities to finance the war on terms which will ensure that Finance will emerge from it immeasurably more powerful.

It is childish to suppose that the Super-Government behind all Governments—International Finance—would permit any subservient elected government to change the monetary system simply as a result of debate in Parliament. And it is equally childish to imagine that under the present party system Parliament would be likely to force such a change. The pressure on private Members works the other way—and this, coupled with their ignorance on monetary matters and their relative importance to the perilous situation

we face, ensures that the majority can be relied upon to support so-called Government policy.

The only manner in which the average Member of Parliament can be brought to his senses is by such strong pressure from his constituents that his position as their representative is threatened, and he has the alternative either of obeying his electors, thereby winning their support, or of flouting them and being turned out.

However, it should be obvious that if it is a hopeless proposition to win over some two hundred M.P.'s by reasoned argument to a realisation of the urgent need for certain specific reforms in our monetary system, it is fantastic to suppose that four or five million electors can be aroused more easily to the need for such action. The argument and confusion displayed in Parliament would be re-enacted on a much larger scale throughout the country.

The only basis upon which the electorate can be united is in a demand for *results*. The vast majority of people are, in point of fact, already united in regard to the results they want and, as the sovereign authority, they should not be concerned about the monetary and other highly technical methods by which those results can be obtained. That should be the responsibility of the experts entrusted with the job. Party politics, with the conflicting methods advocated by each party—such as nationalisation of industry, tariffs, *etc.*—is but a device to keep the people divided against themselves, thus ensuring that whatever *party* is elected the Real Government is not changed.

Major Douglas has provided the key to the present impasse by stressing that the first step to be taken is to establish a proper relationship between elected representatives and their constituents. This involves a re-birth of political democracy, the initiative for which must come from the people.

In short the people must organise themselves into the equivalent of a Union of Electors so that they can state in definite terms the results they want and obtain obedience to their wishes. That is the task which must be tackled if cataclysmic disaster is to be averted, and the time left to us for taking effective action is perilously short.

—Reprinted from "Today and Tomorrow."

Paint Industry Concentration

Extract from the "Oil and Colour Trade Journal," December 4, 1942:—

In this issue we publish a long article by Mr. H. Todd Thornbery (chairman of the Paint Federation Concentration Committee) in which he sets out very fully the events which led up to the Government's decision to concentrate the industry. We are glad Mr. Thornbery has written this retrospect, because often opinions are formed and statements made without full knowledge of a subject which would not be formed or made if all circumstances were known. For that reason we have for some time pressed for the full story to be told.

It must be admitted by all, whether they now hold "A", "B" or "C" licences, that the Concentration Committee (and the chairman particularly) had an invidious task. Whatever the result, they were bound to receive a few bricks and now that 300 firms are faced with the danger of having to close their factories at the end of this month,

the "bricks" are not few in number.

Mr. Thornbery stresses the fact that the Federation did *not* seek concentration; even the Board of Trade at one time did not think concentration was necessary, but a census of production showed that 89 per cent. of the paint produced was made by about 200 firms, and that 300 firms were producing the remaining 11 per cent. Further, it was contended that the surplus productive capacity of the 200 firms was ample to deal with that 11 per cent. "This," says Mr. Thornbery, "is an argument of the Government Departments to which it is impossible to find an answer if we are prepared to face facts and act in the national interests." It should be admitted by everyone that Mr. Thornbery's Committee had a very difficult question to answer, and, without full knowledge of the census, one cannot criticise the decision, particularly, as Mr. Thornbery points out, the figures supplied by manufacturers to the Federation appeared mainly to support the Government's statement.

However, it could not be expected that 300 firms would quietly accept the position, nor have they done so. Last Monday a deputation from "C" licence holders was introduced to Capt. Waterhouse, Parliamentary Secretary to the Board of Trade, by Major Proctor, M.P., who has taken a great interest in this matter. The case of the "C" firms was put forward by Mr. Richard Jackson, managing director of Silexine, Limited, and he had the support of Mr. R. Gaudin, of Graphite Products, Limited, Mr. C. R. Averill of C. R. Averill, Limited, and Mr. Alan Clark, also a director of Silexine, Limited.

Mr. Jackson said the essence of concentration was to amalgamate firms not fully occupied, but that, he said, was not true of the paint industry, because they had never been so fully occupied, and many were working overtime in excess of 52 hours weekly. It has been stressed, he said, that the concentrated firms would be allowed to retain their selling organisations, but it was his contention that, as Government business would be allocated only to nucleus firms, then the retention of a selling organisation of a concentrated firm who had done Government business in the past would be a "farce." He also contended that the P.1 and P.2 forms on which decisions were made were loosely worded; the period on which they were based was unfair to the small men, being the first quarter of the year, a bad one for the small man who is more affected by seasonal trade than a large firm.

Our Parliamentary correspondent, in reporting this meeting with the Board of Trade, at which nearly twenty Members of Parliament were present, says the deputation were probably satisfied, for the moment, with a promise of the extension of the period of continuance of the concentrated firms, while it is understood, he says, there was also an undertaking to investigate individual cases. The Members of Parliament present, we are told, were not in any way satisfied with the statements by the Government departmental officials. In the meantime, says our correspondent, Major Proctor, to avoid adverse action while the Board of Trade is considering the matter, is postponing for another week the motion standing in his name and in those of his colleagues.

As this issue was going to press, the concentrated firms were holding a meeting at the Holborn Restaurant, London, to consider the further action.

The concentration of the industry was brought before the House of Commons again last week when Mr. Denman

asked a question in regard to Leeds. His question was to the Minister of Supply, and he wanted to know whether paint and varnish manufacturers of Leeds, "who are well occupied on war contracts and whose premises would provide no useful storage space," he said, might be assured of licences to continue in production in all cases in which the Minister was satisfied that no economy in labour, material, cost or transport, outweighing the advantages of dispersal, ease and rapidity of delivery and the efficiency that results from long-established relations between consumers and producers working in close proximity, would be gained by compulsorily closing them down.

Sir Andrew Duncan replied that he understood the whole question of the concentration of the paint and varnish industry was under reconsideration by the President of the Board of Trade, on consultation with the industry itself and the Ministry of Labour and National Service. He would arrange for Mr. Denman to be kept informed.

Another aspect of the matter has been raised in a letter we have received this week from one who signs himself "Concentration Victim." He points out that in his reply to a question in the House of Commons, Capt. Waterhouse, Parliamentary Secretary to the Board of Trade, said the labour released by the concentration of the paint industry could be absorbed by other industries. (See *O. & C.T.J.*, November 27, 1942, p. 771). Our correspondent therefore says: "This may be reassuring to the unskilled workers, but what of the black-coat fraternity, especially those with executive positions and qualifications? Are they too, to become factory workers at £3-£4 per week? If so, are they to be compensated for the pecuniary loss due to an enforced change of employment?"

That raises another point which needs an answer. A compensation scheme is being worked out now, and no doubt it will be found that the calls will be many and varied. What, for instance, is to happen where a concentrated firm agreed to make good the loss of income when an employee joined the Forces?

Without doubt Mr. Todd Thornbery tackled a big job when he undertook the chairmanship of the Concentration Committee; he has shown in his article the many influences which affected the issue, and he deserves full credit for stepping into a position that few would care to hold.

After the above notes had been written it was officially announced that there would be a postponement of the operation of the Order where it would mean no further raw materials for "C" licence firms after December 31 next. We understand that the postponement will not be for less than two months.

The number of copies of the daily *Report* of the House of Commons Debates subscribed to in 1939 was 630, 855 in 1941 and 1,100 in 1942.

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London Social Credit Group

The Lunch hour meetings at the Plane Tree Restaurant will be discontinued in the New Year. The Group will shortly be notified of other arrangements.

PARLIAMENT

Continued from page 2

reached in these amalgamations, will the right hon. Gentleman give special consideration to the position of the Isle of Wight, in view of the fact that in this case two separate county forces are to be amalgamated, each with their own separate organisations and forces? This is essential, in view of the geographical situation of the Isle of Wight and its importance in the defence of the country.

Mr. Morrison: Yes, I will take that fully into account. The fact that the Isle of Wight is an island leads to arguments both ways. But it is an area of importance, and I think it is important that it should be tied up with a big force. I will, however, certainly give consideration to the point the hon. and gallant Gentleman has mentioned.

Sir William Wayland: Are we to understand that this is only a war-time measure?

Mr. Morrison: Yes, it is taken under the Defence Regulations.

Sir I. Albery: When the right hon. Gentleman explains the position to the police authorities I hope it will be made clear to them that his proposals have not received final approval in the House and that negotiations with him will in no way be interfered with?

Mr. Morrison: I shall conduct these negotiations as a responsible Minister. Indeed, the Defence Regulation under which I am acting is already in force, but naturally I am the servant of the House, and I must conduct myself as the Minister responsible for the Department and carrying all the responsibility.

Sir A. Knox: Is the right hon. Gentleman taking any other action?

Mr. Morrison: At the moment this is all I am doing, but it does not necessarily preclude me from proceeding elsewhere if and when I am convinced that military considerations require it.

Sir Adam Maitland: Has the right hon. Gentleman had consultations with the Association of Municipal Corporations—I understand that he promised that that would be done—and has he had any objections to the proposals? Is it perfectly clear to the House that the measures are purely for the duration of the war?

Mr. Morrison: Yes, there were consultations, not only with the Association of Municipal Corporations, which I think I saw twice, but with the County Councils Association and the Association of Non-County Boroughs. The Association of Municipal Corporations and the Association of Non-County Boroughs objected to the Defence Regulation. On the last point which the hon. Gentleman mentioned, the action is taken under a Defence Regulation, which lapses at the end of the war, but obviously I cannot prejudice the action of any Government at the time which may wish to bring in legislation to continue it.

Sir A. Maitland: Has the right hon. Gentleman consulted the Association of Municipal Corporations with regard to his proposal?

Mr. Morrison: If the hon. Gentleman means this particular proposal, no, and I gave no such undertaking. The undertaking that I gave was to consult the police authorities concerned, and that I am doing.

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