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Programme For the Third World War (XV)

By C. H. DOUGLAS

Through the courtesy of a correspondent, I have received an extract from an article by Mr. Harold Laski which was published in *The New Statesman* of June 5, 1943.

So far as my mental digestion will permit, I endeavour to read the views of people with whom I disagree. But my position in regard to the weekly journal in question is that of the deaf old lady whose nephew wished to introduce his friend Schnozzlewitt to her. After many efforts, with and without her trumpet, the old lady said sadly, "It's no good, Johnny; I'm getting deafer every day. It just sounds like Schnozzlewitt to me."

I gather that the article is entitled *1848 and Ourselves* and the extract I have received is as follows:—

"... The main issue the Left has to decide is when it will co-ordinate its forces for the victory that is its historic right. It can build forthwith a full understanding with the leaders of the Soviet Union and its people; in that event it gives to the revolution a creative power against which the forces of reaction will hurl themselves in vain. Or it can wait to make its treaty of friendship until the gangsters of Berlin, Rome and Tokyo are finally overwhelmed. In that event the Left accepts the risk of losing the favourable moment and giving its enemies the chance of consolidating their strength anew... If in the light of an experience so massive" (that is, from the 1848 revolutions, the reasons for the failure of which Laski had explained) "our leaders do not act while there is still time, we can be sure only of two things; there will be a third world war in our own generation, and the Left will find new leaders more apt to its opportunity... This is the one moment in time when Man the Rebel could become Man the Creator. To let that moment pass unused is a betrayal that will never be forgiven by posterity."

For the reason I have indicated, I am unable to state what further pearls of wisdom Professor Laski has embodied on this occasion, but both the title and the quotation are perhaps worth attention, not so much as news, but as exhibits.

Until recently, most Jews have repudiated any historic continuity in revolution, and any specific relationship between Jews, as such, and the French, German, and Russian Revolutions. Professor Laski appears to have discarded this attitude. "The Left" has an "historic right" to "victory." "It" can do thus and such, "concluding arrangements with Foreign Powers," and the result will be this and that. We have the familiar suggestion of an intangible collectivity

which will have its way "in war, or under threat of war."

To understand how it is possible for a Professor of Political Economy in an English University to write in the style of a Hyde Park ranter, it is, I think, necessary to realise his background and its implications.

Professor Laski is a Manchester Jew, I should imagine of the third generation, although of this, I am not sure. Three generations would take us back to the revolutions of 1848 to which he refers, and it is probable that the arrival in this country of his progenitors was not unconnected with the failure he laments.

Now, Manchester has a very important place in English, and indeed world, history. At the beginning of the nineteenth century it was the focus of probably the largest body of rich and for this reason powerful Jews not merely in Great Britain, but anywhere outside Holland and Germany. It was also, whether by coincidence or not, the focus both of the industrial revolution, the factory or Gentile Ghetto, and of labour rioting, of which Peterloo is the best remembered incident. While its slums, as Mr. Austin Hopkinson has pointed out, were perhaps the worst in the country, its better suburbs, such as Cheetham Hill and the nearby fringe of Cheshire, were dominated by mansions amongst the owners of which it was difficult to find an English name, and easier to be understood in German or Yiddish than in the local tongue. Contemporaneously, the "Manchester School" (Free Trade, Ricardian Economics, the Iron Law of Wages, etc.) dominated English politics, and Sir Robert Peel, himself a manufacturer, on the one hand sponsored the repeal of the Corn Laws, thus inaugurating the decay of British agriculture, and on the other introduced for the first time in these islands, the police system.

In 1844 the Bank Charter Act centralised credit in the Bank of "England" (even at that date it is impossible to identify the ownership of it) and based credit on gold, the main holders of gold being, of course, the Rothschilds, with their bullion brokers, the Samuels. The similarity between the strategy of the Bank Charter Act of 1844 in relation to the wave of revolution in 1848, and the Bank Notes and Currency Act of 1928 in relation to the "economic blizzard" of 1929, is too obvious to require more than mention.

Meanwhile, the physical aspect of the Manchester district, from the slopes of Lyme on the South, on which the fallow deer had grazed for a thousand years, to "proud Preston" fifty miles North, was transformed from a region of outstanding beauty and agricultural fertility to a desolation of black coal refuse, foetid streams, and ugly, endless rows of gloomy tenements, miscalled cottages. No war ever devastated a smiling countryside so thoroughly and for so long—as the textile industries and their ancillary trades

devastated south Lancashire. The spinning jenny and the power loom are the original mould of mass production (production with the soul taken out of it) and for some reason which is difficult to explain, the Jew has always been attracted to the finance of mass production, especially of clothes and clothing materials.

The internal effect of this was to drive the agricultural population into the towns, to shift the political balance of power to the manufacturer-exporter (thus elevating the Bill of Exchange to the position of a major political weapon) and to re-orientate completely the economic policy of the country from autarky to mercantilism. Most of the great fortunes amassed in Manchester in the nineteenth century, apart from purely financial manipulation, were "made" in dark little offices employing half a dozen clerks at starvation wages, by German and other Jews who never even saw the materials, other than as "samples," in which they were dealing, and whose function was to separate the maker and the user.

Against this state of affairs there was, in essence, only one defence—the Tory Party.

Under a facade of what is now called Tory democracy, men such as Lord George Bentinck paved the way to the long leadership of Benjamin Disraeli. It is sufficient to say that the Tory Party not only failed to secure a revival of agriculture but succeeded in establishing itself firmly in the minds of the general public as the party of reaction, high taxes, dear food, and war.

It would take us too far from Professor Laski to trace the influence of "Manchester" on the amazing Crimean War against Imperial Russia—the beginning of the attack which terminated in the murders of the Bolshevik Revolution—, on the American Civil War and its relation to Egypt, and on every major feature of nineteenth century policy. England became the head office of every plotter in Europe—and "Manchester" provided a great deal of the funds they required. The point I am concerned to make at this time is simply this—that probably at no time in history has a body of immigrants come into an established country and obtained so much power and so effectively dispossessed the natives, as did the Jews in England between the time of William of Orange and the emergence of Joseph Chamberlain as a tariff reformer. In that situation, "Manchester" was central. And it is profoundly important to enquire why there appears to be something which leads Professor Laski to fear that the "victory which is its historic right" is being filched from what we will agree with him to call "the Left."

Before passing to this, we may note the fact that Manchester's leading newspaper probably had a larger circulation amongst the "Left" in every country, and particularly in the United States, than any similar periodical, and that the sedulously-propagated idea that "What Manchester thinks to-day, the world will think to-morrow" was taken with surprising seriousness by its admirers.

To be continued.

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The Planners and Bureaucracy

by

ELIZABETH EDWARDS

Price: 8d.

Points from Parliament

House of Commons: July 1, 1943.

SECOND CHAMBER

Mr. A. Edwards asked the Prime Minister whether the Government contemplate legislation to establish a Second Chamber in our Parliamentary system more in keeping with the spirit of the times?

The Prime Minister: No, Sir. I stand upon the Parliament Act, including its Preamble, but I have no legislative aspirations in this sphere at the present time.

MINISTRY OF INFORMATION (NATURALISED BRITISH SUBJECTS)

Captain Cunningham-Reid asked the Minister of Information what are the usual conditions governing the employment of naturalised British subjects in the Ministry of Information?

Mr. Bracken: The conditions are those applying generally in the Civil Service.

House of Commons: July 6, 1943.

PAINT AND VARNISH INDUSTRY (MAN-POWER)

Major Gates asked the Prime Minister whether he is aware that the Ministry of Labour and National Service, by calling up and directing employees of small firms of the paint and varnish industry, is in effect nullifying the agreement reached by the Ministry of Supply and the Board of Trade not to concentrate this industry; and whether he will take the necessary steps to stop this practice and to ensure that there is complete co-ordination between Government Departments on questions of Government policy affecting this industry.

The Prime Minister: If this Question were put to the Minister of Labour and National Service, he would, no doubt, after due notice, be able to give a suitable reply.

MONOPOLIES AND CARTELS

Mr. Bellenger asked the President of the Board of Trade what steps he has taken to satisfy himself that the public interest is not prejudiced by the operations of international cartels in which British firms are concerned?

[*Mr. Liddall and Major Lyons* also asked questions on this subject. *Mr. Dalton's* reply was to all three.]

Mr. Dalton: My attention has been drawn to the proceedings mentioned, and His Majesty's Ambassador at Washington has been asked, at my request, to furnish particulars of the charges made. As my hon. Friend the Member for Lincoln (*Mr. Liddall*) will appreciate, a considerable safeguard for consumers in this country is afforded by our existing arrangements for price control. I would also refer my hon. Friends to the reply I gave on March 23 last to a Question by my hon. Friend the Member for Stoke (*Mr. Ellis Smith*).

Continued on page 7.

Cross-Section of Bristol Discusses Work*

Twenty men and women met in a Bristol hotel room and answered questions about post-war employment. In age and occupation they were a representative cross-section of the life of the city.

The youngest was a 17-years-old architectural pupil, the eldest an insurance man between 50 and 55. There were three shopkeepers, a railwayman, a policeman, and a woman Civil Servant among them. About half were between 40 and 50 years old, six or seven were about 30 years of age, and there was a sprinkling of younger people.

Organisers were the Bristol Voters' Policy Association, an off-shoot of the Bristol Ratepayers' League, and the object of the meeting, explained by Mr. N. Corradine, the Director, was to find out what views a cross-section of voters held about post-war employment.

"Only if people confine themselves to saying what they want for themselves, and not what they think others ought to want or do, can agreement and united action become possible," he said.

The Voters' Policy Association's technical adviser then put a series of questions to people at the meeting. Here are some extracts from the discussion, and the conclusions reached.

Chairman: Do you want work?

Shopkeeper, aged 50: What do you mean by work?

Chairman: Wyld's Dictionary says: "Any form of physical or intellectual activity engaged in for the purpose of accomplishing a desired end."

Shopkeeper: Yes.

Young Architect's Clerk: Yes, definitely.

Chairman: I mean quite apart from pay. If your money income would be the same whether you worked or not, would you work?

Elderly Insurance Man: Everyone ought to work.

Chairman: Yes, but would you?

Insurance Man: Of course, you can't live without work.

War Reserve P.C.: A tramp can.

Others: Some people do.

Chairman: The point is—do you yourself want to?

Insurance Man: Yes!

Woman Civil Servant: After six months' unemployment you're ready to do any sort of work. I must say, though, that women work a lot harder than men.

Chairman: Well, are you all agreed that you want to work, quite apart from pay?

Everyone indicated assent.

Chairman: Now, we defined work as "activity for a purpose." The next question is, "Whose purpose?" Who is to decide to what "end" your work shall be directed—you or someone else?

Shopkeeper: Myself, of course.

Working Man: We don't want to be exploited.

Tall Man at Back: I want to work for the community's purpose.

Chairman: I'm afraid I can't follow that up; it would take too long to agree on what the community is, or whether it can have a purpose. The question is: "Your purpose, or someone else's, whether the someone else is a small employer, a remote director or a State official." If you say you want to leave it to someone else we can then go on to ask "To whom?"

Several: No, our own!

War Reserve P.C.: A lot of people have no idea what they are asking for.

Elderly Insurance Man: Very few men have a chance of deciding the purpose of their work. I wanted to be a doctor, but never had the chance. If I had enough money I would give up my job to-morrow. As it is, I'll stick it, but I want a better chance for the younger generation.

Chairman: Thank you. Now you are all agreed on this point? Would anyone prefer to leave the purpose of his work to someone else to decide?

There was no answer.

It was agreed that everyone present wanted to be free to choose the sort of work they should do; and if they accepted employment by someone else, to be free to leave it without suffering extreme penalties of poverty and compulsory idleness, hitherto the fate of the unemployed.

It was agreed, also, that employers wanted freedom to discharge employees without having at the same time to inflict ruinous economic penalties on them.

The continued suppression of these freedoms after the war was not viewed with favour by anyone.

About half of those present wanted to work for themselves, the others were ready to accept employment by others.

Some of the prevalent confusion about 'employment' and 'leisure' cleared up by further questions, which showed that leisure—the use of one's own time and energies—would be used partly for purposeful activity by all those present, while employment—the use of one's time and energies by someone else—might also include idleness as well as work, for a good or bad, useful or useless purpose.

The difference between employment and leisure is therefore not that one is work and the other idleness: it lies in the control of purpose.

The issue has been much confused by the fact that unemployment has hitherto been distinguished from leisure by extreme poverty or financial stress, and exclusion from most useful or satisfying activities.

The meeting's conclusion was that if the policy of "full employment," advocated unanimously by men of power and influence in every country of the world means the maximum control by a minority of the purpose of human endeavour, and the minimum number of people at leisure, or working for themselves,

THEN IT IS THE DIRECT OPPOSITE OF WHAT THE VOTERS WANT.

* Reprinted from the *Bristol Evening World*, June 24, 1943.

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Saturday, July 17, 1943.

Mr. Manning's Cabinet

The two new members chosen by Mr. E. C. Manning, Premier of Alberta, to complete his Cabinet, are Mr. A. J. Hooke, chairman of the Social Credit Board, who becomes Provincial Secretary in place of Mr. Manning, and Mr. E. C. Gerhart, formerly Whip of the Social Credit Party, who succeeds Mr. Lucien Maynard as Minister of Municipal Affairs. Mr. Maynard becomes Attorney-General, a portfolio held by the late Premier since 1937, and Mr. Solon E. Low takes on the portfolio of Education in addition to that of Provincial Treasurer.

The vacancy on the Social Credit Board caused by Mr. Hooke's resignation will not be filled, but a new chairman will be appointed by the Lieutenant-Governor in Council from the remaining members of the Board, Messrs. A. V. Bourcier, N. B. James, F. M. Baker, and R. E. Ansley.

To an interviewer from the *Edmonton Journal* Mr. Manning is reported to have said:—

"It is our intention to continue unrelentingly the fight for the essential monetary reform which is absolutely necessary if the people of Canada are to enjoy economic security and freedom which is rightfully theirs.

"While we are carrying on the fight for monetary reform, we are determined to give the people of this province the best possible administration in our power—a sound honest government—and to administer their affairs in accordance with their will as expressed in the mandate of 1935 and again in 1940."

RURAL COUNCILS ON THEIR HERITAGE

According to *The Times* of July 7, the Rural District Councils Associations of England and Wales, in a memorandum just issued, reply to some recent suggestions that in any post-war reorganisation of local government R.D.C.s should virtually be abolished. The report, signed by Sir Percy Hurd, M.P. (president), Mr. E. P. Everest (chairman of the Executive Council), and other officers, states:—

The countryside contains some of the most stable and balanced human elements the nation possesses. R.D.C.s are prepared to tackle their future problems vigorously and efficiently. Given the scope and the powers they will fill a worthy place in the post-war era of local government. Rural England and Wales offer to the leaders of this land their services as accredited partners; but they are not prepared

to be engulfed or consigned to servility. They will defend to the last their treasured heritage, and will dedicate all their electoral and other constitutional powers to this end."

Other leading points in the memorandum are:—The fundamental basis of local government in this country must continue to be democratic. But many of the schemes recently propounded gravely threaten the essentials of democracy so far as rural England is concerned. If the type of "all-purpose authority" now suggested were set up the operation of democratic local government in rural England would be killed for ever. Any attempt to make the county the unit of all local government would flagrantly violate principles already conceded. Rural district councils must be entrusted with a reasonably wide and comprehensive range of duties.

BUREAUCRACY IN AUSTRALIA

An article in the *Sydney Sun* shows the lengths to which bureaucracy has reached in Australia. Since the war began, 1,303 statutory rules, involving thousands of regulations, sub-regulations, orders and by-laws have been promulgated.

"In the same period, Federal, State and Local Government employees have increased by nearly 100,000. They were 418,341 in 1939, and last October (latest figure available) 514,800.

"These figures exclude the forces and the 500,000 mentioned by the Prime Minister (Mr. Curtin) as switched from peace to war work in factories."

In 1937, 120 Statutory Rules were promulgated; in 1939, 183 (100 after war broke out in September); in 1940, 296; in 1941, 327; in 1942, 557; and in 1943, up to the beginning of March, 23. Under these rules, thousands of sub-regulations by-laws, orders and directions are made. The Prices Commission, for instance, has issued 920 price orders.

PRECEDENT

"The leading idea of his [Diocletian's] system was an absolute centralisation, the suppression of all local political life, of every vestige of ancient liberties: in one word, Autocracy. Diocletian is the founder of the Byzantine régime. It was indeed no very considerable change. The reformer did but consecrate by appropriate institutions the tendencies of the situation and usages which were already established. Such a system had the same results that it always has: the centralising organ was developed at the expense of the body which it was supposed to direct: the fiscal system at the expense of general prosperity; and management at the expense of energy. The Empire was soon a prey to the malady of its government; the time was to come when it died of it."—ABBE DUCHESNE: *The Early History of the Christian Church*, vol. II, chapter 1.

An extended article in *The Tablet* examines the relations between the Poles and the Soviet Union. It is stated that only a few days after the dissolution of the Comintern Wanda Wasilewska's Union of Polish Patriots opened its first general assembly in Moscow and some of the Polish newspapers have been speculating whether this is not simply the first of a series of such bodies intended to have their headquarters in Moscow and to replace the various branches of the Comintern.

"Co-Incidental" Post-War Plans

An address broadcast by the late Mr. WILLIAM ABERHART, Premier of Alberta, in April, 1943.

The *New York Times*, one of the leading newspapers of the United States, is not given generally to alarmist propaganda, but in the issue of Sunday, March 14 last, its leading editorial was devoted to warning the American people of the grave situation which lies ahead. The article is so direct and potent, and it applies to Canadian affairs so fittingly, that I think I should use it as a basis of our discussion on this occasion.

The editorial opens with this striking statement. I quote:

"The United Nations are engaged in a global war to stop the aggression of the totalitarian States, which have embarked on a career of conquest to impose their system on the world and organise it in their own image. The totalitarian States will be defeated; but it has often happened in the past, that the ideas of the vanquished have conquered the conquerors. And something like an ideological totalitarian conquest is even now under way within the democracies which are pledged to the destruction of totalitarianism."

Now I put it to you, fellow-Canadians: When a leading newspaper like the *New York Times* finds it necessary to warn us of the menace of being overcome by the very things that we are fighting, the situation must be getting mighty serious.

I am appalled at the apparent indifference to the question of what is going to happen after this war which is to be found on every side to-day. No doubt you have had the same experience as I have. The other day I was talking to a prominent business man from the East. As the conversation drifted along, we came to the problems of the Post-War period. When I expressed my concern about what may happen after this war is over, my friend said: "Tut, tut, Mr. Premier. What's the use of worrying about it?" "Well," I continued, "What about this great unemployment problem? What about the possible depression that may come, and what about our colossal debt?" "Oh," said he, with a smile, "I've quit worrying. As the enormous debt matures it will just be renewed with more debt until the whole thing becomes so big we will not need to worry about it. We all know that, so why bother! Let it pile up as they like. I'm not worrying."

Now that is the kind of irresponsibility which is growing on every side and which, in the past, has caused some of the greatest disasters in human affairs. I am opposed—definitely opposed—to that kind of attitude. We must not think that we can escape the consequences of our fool-hardy actions by simply ignoring what is happening—ostrich-like hiding our heads in the sand, thinking that because we can see no danger, there can be nothing to worry about.

What do such persons imagine is going to happen after the war, when all these problems come tumbling down upon their heads—problems to which they have given no thought?

Have we lost all sense of reason and balance? The truth of the matter is, too many people are refusing to face facts as they are. They seem content to live from day to day, hanging on hopefully to the meagre measure of security they have, while our brave fighting forces on the battle-fronts of the world are shedding their life-blood to make the world of to-morrow a better place in which to live; and at the same time the strangest movements are on foot on the

home-front to establish a system similar to the one against which we are fighting so vigorously.

Surely it is evident that simply because totalitarian measures are labelled by a different name, is no guarantee that their regimental and autocratic characteristics have been entirely removed.

People must be careful not to give their support unconsciously to Hitler's philosophy, masquerading under a different name.

We must learn at once, that with every new control which is introduced, with every restriction which is placed on individual freedom, with every step which is suggested or taken towards centralising more power in some State or financial institution; we are steadily advancing towards a National Socialist or Totalitarian State. Surely every true Canadian can see that there is grave danger in centralisation of power, and every safety in decentralisation—the British ideal of individual freedom.

I was rather delighted to read this warning in the *New York Times*. Here's another paragraph from the same editorial. Listen carefully, please:

"The fundamental basis of totalitarianism is an exaltation of the State, which takes command of the individual from the cradle to the grave. It starts out as a welfare State which takes care of all essential needs of the individual; it schools him, provides him with work, supports him in sickness and distress, takes care of him in old age. Very soon the individual becomes completely dependent on the State, which as a result acquires complete power over him. Philosophers and ideologists arise to extol the excellence and the beauty of such a State. And as a final step, there arise some tough-fisted ruffians and fanatics, who, seeing the vast power acquired by the State over an acquiescent—because dependent—populace, start out to seize the State for themselves, and to command the State in the name of a single 'party' consisting of themselves."

What the editorial does not point out is that these power-maniacs, who reach out to grab control of the Supreme State, and to impose a dictatorship on their fellowmen, are the very ones who are largely responsible for this rapid drift towards totalitarianism, which so many of our people are carelessly allowing to go on without protest.

Neither does the editorial call our attention to the fact that the men responsible for this audacious and dangerous conspiracy to enslave mankind, are using the financial system as the chief weapon to gain their ends, and they actually comprise a small gang of arch-conspirators who constitute the Money Power of the land.

I have a few more sentences to read from this *New York Times* editorial yet. I am confident that you will be impressed by them. Listen:

"... This development must be kept in mind in studying the implications of the Post-War plans, worked out by the National Resources Planning Board presented to Congress by President Roosevelt."

"The reports of the N.R.P.B. are presented to the American public as the 'American Beveridge Plan.'" (Now I hope that you are listening closely as I read on.) "But quite aside from the fact that the Beveridge Plan itself is an imitation of Bismark's State Insurance System which laid the foundations for the German Welfare State that ended in Naziism, the N.R.P.B. plans to go far beyond it. They

provide not only for Compulsory Insurance under State control, but also for a larger government participation in private industry and for a share in business management by labour. The first envisages that mixed economy which long flourished in Germany, in which the State enters more and more into the domain of private enterprise and in time begins to swallow it, with the result that both management and labour become more and more dependent upon the State. The second provision obviously derives from the former shop councils of Bolshevik industry. But the drafters of this particular plan may not have been told that these councils, in so far as management is concerned, have been abolished and that authority and disciplinary power of management are more absolute in Russia to-day than in any other country."

Now, ladies and gentlemen, that editorial in the *New York Times* of March 14 raises some tremendously important questions for us in Canada. Are we to fall asleep or slyly remain indifferent to these strange warnings and the outlandish proposals offered to people who love democracy and individual freedom?

You will recall that in a previous broadcast in which I dealt with Compulsory State Insurance and the Beveridge Plan, I pointed out that this scheme which is being offered to us as the basis of a Post War Order was originated in Germany under the iron rule of Bismark, the father of modern Nazis, and was described by him as a device to throw a golden chain around the necks of the workers to enslave them thoroughly for the State.

Does it not strike you as very, very strange that after more than three years of war, first, we have the Beveridge Plan presented to us. Then a few days later, supposedly independent of Sir William's activities, we are offered the Marsh proposals for Canada which by a curious coincidence are almost identical in its main features. Then a few days later the American people are offered the plan referred to by the *New York Times*, which is believed to be identical in its main features with the Beveridge and the Marsh plans?

But, ladies and gentlemen, the coincidence does not end there. Oh, dear no! Last year the Prime Minister of Canada outlined to the Labour Congress the main features of his policies for so-called social security. These included Compulsory Contributory State Insurance, for unemployment, for sickness, and for old age. And, in addition, he spoke of joint management committees for industry, representative of the State, the Employers, and the Workers.

About the same time a number of Conservatives met at Port Hope, where they roundly denounced the drift towards National Socialism, and then adopted a social security programme which was based upon these same Compulsory Contributory State Insurance schemes, together with the establishment of joint management of industry. And now the N.R.P.B. (National Resources Planning Board) has produced an identical plan for the United States.

Can you not see, ladies and gentlemen, that there is manipulation behind the scenes? Do we not all realise that these schemes are but devices for fastening upon us more and more State control over individual liberty until we all become the mere creatures of State Bureaucracy? Is this not clear to you? Then what do you intend to do about it?

There is one more paragraph in the *New York Times*

editorial that I would like you to hear. Are you ready? I quote:

"It is an axiom of political economy that liberty depends on ability to choose one's work and one's employer. When all jobs are controlled by one agency, that agency will dominate all workers. Control over every job and the livelihood of every individual is the basis of the power of the Nazis in Germany, the Fascists in Italy, the New Bureaucrats in Japan, and the Bolsheviks in Russia." (I am still quoting from the *New York Times*).

"Ironically enough all these schemes are advanced in the name of 'liberalism' which at one time was supposed to fight against usurpation of power by the State over the individual. Now 'liberalism' has executed a complete turn-about and fights for the extension of State activities to every phase of life."

The article concludes with these two sentences: "... It might be well to know in advance which way they are leading us. Otherwise we might wake up some day and find that we are the dependent and powerless subjects of a Totalitarian State, run by our own brand of 'New Bureaucrats.'"

What do you think of that? I have been warning you along this line for some time. I claim that true as this blunt and timely warning by the *New York Times* may be in regard to the United States, it applies with even greater force and fitness to the trend in Canada.

Surely, then, it is high time for every loyal, red-blooded Canadian to arouse himself to this grave threat on the home-front coming from the forces of National Socialist Totalitarianism which are working so clademstinely to accomplish our undoing, so that when we win the war we shall already have lost the peace.

Every last one of us must shake ourselves out of our smug complacency, thinking that nothing can happen. Listen, men and women, it is already happening, and we must stop it at all costs.

Reformers

"Men reform a thing by removing the reality from it, and then do not know what to do with the unreality that is left. Thus they would reform religious institutions by removing the religion. They do not seem to see that to take away the creed and leave the servants of the creed is simply to go on paying the servants for nothing."

— G. K. CHESTERTON in *Generally Speaking*.

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By C. H. DOUGLAS

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Parliament

(Continued from page 2.)

Mr. Bellenger: When my right hon. Friend has the report from our Ambassador in Washington on the charges that have been made, will he cause an inquiry to be held in this country as to the British Company, I.C.I., against whom the allegations are being made?

Mr. Dalton: I think that it would be better for us first to get the facts from the Ambassador's report. But, since my hon. Friends have raised the matter of I.C.I., I think I should tell the House that I saw Lord McGowan and Lord Melchett yesterday, and that they repeated the denial already made by Lord McGowan of the allegations against I.C.I., and in particular of the serious allegation that they had been trading with the enemy. They placed themselves entirely at the disposal of His Majesty's Government.

Mr. Bellenger: In view of that serious allegation, of trading with the enemy, does my right hon. Friend not think that something more is required than a mere denial by two directors of the company?

Mr. Dalton: I think we had better wait until we get the facts.

NATIONAL DEBT

Sir W. Smithers asked the Chancellor of the Exchequer the total amount of Government loans at the latest convenient date?

Sir K. Wood: The net total of the National Debt at June 30, 1943, after deduction of Victory Bonds, etc., purchased by the National Debt Commissioners but not yet cancelled was approximately £17,722,564,000.

House of Lords: July 7, 1943.

AGRICULTURAL EQUIPMENT

Lord Cranworth rose to call the attention of His Majesty's Government to the progressive deterioration of the capital equipment of agricultural land; and to ask what steps it is proposed to take to deal with the matter. The noble Lord said: . . . I do not think that those who do not live and work in the country have any idea of what we owe to the farm worker. He has been working throughout the summer for seventy hours a week day in and day out, and for that extra time which he has worked he has in many cases received almost no extra remuneration at all; the work which he has done has been to a great extent due to his patriotism. Whatever it has been due to, however, it is obvious that cultivation has been improved, production has been increased, and land drainage has been improved also.

There is, unfortunately, a reverse side to that picture of agricultural production. We are cashing out the fertility of the soil. The extent to which that is being done varies in different parts of the country and according to soil, climate and other conditions, but I do not think that anyone would deny that we are cashing out that fertility. There is, in fact, a capital levy on the land, and the effects of that capital levy will have to be met. I know that it is inevitable, and even desirable; and with due care—and by "due care" I mean more care than has hitherto been used—there is no reason why, during the war, production should

not be not merely maintained but even increased. But the bill will have to be met, and it will have to be met by those who are responsible for the maintenance of the land and who, for lack of a better name, we call the owners, whether they be the Government, in the form of county councils, whether they be big corporations, or whether they be big or small landowners. It is on them that this capital levy will fall, and it is they who will have to foot the bill.

When, however, we turn to the capital equipment of the land—and by that I mean mainly cottages, farm buildings, farm houses, and also the smaller equipment such as gates, drains and so on—we find a very much sadder picture and a very much graver situation, because those assets are deteriorating, and deteriorating rapidly. I do not wish to exaggerate, and I know that conditions vary in different parts of the country. It is not possible to generalise about these things. Perhaps one of our mistakes in the past has been to generalise too much about agriculture, and to think that what is good for one part must necessarily be good for the other. But there is no doubt that the farm equipment is deteriorating. It has been deteriorating for a very long time—for at least twenty years—and the main cause of that deterioration has been the financial inability of the landowner to do the work. Of course, there have been bad landowners, and they should be heartily reprobated, but in the main the reason has been lack of financial ability. It has been calculated that the return on agricultural land in this country prior to the war was 1½ per cent. I do not quite know how that was calculated: it must be a difficult calculation in view of the incidence of the Death Duties. But, more to the point I think, is the fact that from many estates, big and small (and possibly more so in the case of the small estates), there has not been sufficient money coming in to provide enough to keep the manor house, the cottages, the farm buildings, and the farm equipment in maintenance condition, let alone provide that improvement which is the natural corollary of good farming.

Since the war began this sad process has been largely, and quickly, accelerated. In the first place, the landowner is one of the few people who is not only not better off to meet the increased cost of living but is in fact much worse off than he was before. The rates are almost entirely static and Income Tax, as your Lordships know, has been steeply raised. If he were unable to do it before he is still less able to do it now. And the cost of building has gone up. I do not know what it may be elsewhere, but in my part of the country 100 per cent. would not be an unreasonable figure for the difference. That is only a small side of the picture. The worst side—or a worse side—is this, that you cannot get it done. If you had all the money in the world you cannot get it done: there are no builders. In the first place, of course, you have to get a licence to obtain the materials. I dare say some of your Lordships saw a letter by General Guy Dawnay in *The Times* some little while ago, in which he explained how it took almost innumerable forms and six months to get the materials. Well, I am sure many of your Lordships are aware that that is no exaggeration. My surprise is that he was fortunate enough to get them so quickly. But the fact of the matter is that, with the best will in the world, you simply cannot get these repairs done. This winter and spring we had some terrible gales. Hundreds of thousands of tiles were blown off, roofs were lifted, and even walls were knocked down.

Those repairs have not been completed yet. Gates, in my part of the world, are almost non-existent. . . .

Now this position is continuing, so far as I can see, and it will not be any better when these new cottages of which we have heard so much really begin to be erected. There will be then even less chance of doing these repairs. And I may suggest—again I say “in some parts”—that in some parts of the country this is already beginning to have an effect on the war effort. You cannot expect agricultural workers to work with such a good heart when the rain is coming through their roofs, and you cannot expect cows to give the same amount of milk when they stand in wet and unsanitary houses. It has become an increasingly dangerous and difficult position. In some parts of the country the only way in which you can get repairs done is by persuading your war agricultural committee to issue an order to do them. Then when you fail to carry it out, as you are bound to do, you persuade them to step in and carry it out by default. Well, something is done then. But it is a very dangerous precedent for the owner who adopts that proceeding, although he may be well advised to do so. Some of your Lordships may say, “Well, this is war. That you must accept, and you must wait until the war is over to put these repairs into operation.” There will be no possibility of the landowner, as at present situated, putting these repairs into operation after the war, for the reason that he will have no money. I would draw your Lordships’ attention to this fact.

When a landowner does his repairs on maintenance they go into his maintenance account, and on that money so expended, and rightly expended, he is charged no Income Tax. But if he is unable to do the repairs, and therefore does not spend that money, Income Tax and Supertax are chargeable on the work that he should have done and has been unable to do. Furthermore, unlike other people, he is unable to lay any money by. If you are a firm and pay Supertax, as most firms do, you are enabled, or reputedly enabled, to earmark 20 per cent. of E.P.T. to be expended in replacement of buildings when the war is over. The landowner pays no E.P.T., so he cannot earmark any sum whereby those buildings may be repaired when the war is over. . . .

What I wish to make a plea for is a national asset. The standing capital equipment of farms is a national asset. In 1925 it was estimated to be worth £815,000,000, which had fallen in 1931 to £654,000,000. These figures back up the statement I made regarding the progressive deterioration. But the replacement value to-day would be infinitely more than either of these figures. Figures do not mean very much, but I would say this, that there are tens of thousands of farms in this country where the value of buildings, cottages, and standing equipment is worth much more than the land—nay, the value of the buildings alone is worth more than the land and equipment together. Let me just give a typical instance—an arable farm of 250 acres with six cottages. These six cottages would cost at least £3,600 to build, the farmhouse at least £1,500, the farm buildings at least £2,000, and the rest of the equipment at least £400, making a total of £7,500. The farm with the farm buildings at the present enhanced prices to-day would be sold at somewhere between £5,000 and £6,000. That is a conservative statement. I believe I have placed the price of the farm too high and the replacement value of the buildings too

low. I suggest that these are assets we cannot afford to have ruined.

(The conclusion of Lord Cranworth’s speech will appear in the next issue of THE SOCIAL CREDITER.)

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