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FOR POLITICAL AND ECONOMIC REALISM

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MODERN SCIENCE (X)

A fair statement of the quantum theory was embodied by the German poet, Goethe, in a verse beginning *Im Anfang war das Wort*, In the beginning was the Word, the opening sentence of St. John's Gospel, a triple association which makes me wonder whether the genuine Gospel does not begin at the sixth verse, the first five verses incorporating a fragment of occult wisdom of, probably, immense significance, of an historical rather than a theological order.† This is, however, not my pidgin, and I mention it only to suggest once more that the 'word-centralisers' are 'in on something big.' They seem to be determined that wherever the Word was in the beginning, it's going to be with them in the end!

The notion of human speech current at the beginning of the nineteenth century was one which left more than elbow-room for bewilderment because a parrot could talk. Parrots cannot talk. What they do is another matter. They don't talk. Since 1920, entirely through the work of the late Sir Henry Head (*Aphasia*, Oxford Medical Publications: a work there is a noticeable tendency to suppress)*, the phenomena of human speech have gained considerably in intelligibility. Until that time, speech was a separate 'faculty,' with a unique organ for its 'production,' which 'scientists' were bent upon defining and locating, instead of its being, as it is, a mere technique devised for ends which it is no derogation to call *political*, a technique which, on its mechanical side requires no special mechanism, while on its *political* side it develops, coordinates, facilitates, adjusts, enlarges, guides, checks and generally subserves a vast array of functions each equipollent with the rest in the highest reaches of human faculty. It employs the whole brain if not the whole man. With all that it entails, it constitutes an effective power acquired by voluntary effort in every case, by effort, and constantly improved by practice. Distinguished by its range and scope from anything possible in the brute creation, it also distinguishes man socially, mentally and politically. It is the means of formulating in symbols independent of man materially and objectively the human 'pass-word' which communicates from man to man and from generation to generation the power to enter at each new door to effective action. It is the vehicle of the cultural policy and one embodiment of the cultural heritage. The other is the actual, objective instrument, the working model of his devices. The

†I am told that the first chapter of this Gospel, in the Vulgate version, was used in mediaeval times as an incantation by necromancers, which suggests that some part of the chapter at least had a special attachment to occult practice or a special interest for occult practitioners.

*See also *Aphasia: an Historical Review*, in *Brain* Vol. XLIII, Pt. IV, p. 390 and *Speech and Cerebral Localization*, in *Brain* Vol. XLVI, Pt. IV, p. 355.

brute has at most the 'tribal ball,' which he hands on intact, unaltered, unmodified, without increase and without diminution except in domestication, in which state he may himself be perverted and robbed of a part of his heritage, to be restored apparently only by reabsorption by the tribe. But in the lifetime of a single human individual, the human cultural heritage, distinct from a purely nurtural heritage, which has assumed relatively and possibly absolutely a small proportion in man, the *knowledge of how to do things*, grows larger by an amount which takes it out of the range of individual mastery completely. Even the community as a whole soon 'forgets' how things *were* done, how the path was sought and how it was found, in complete absorption in current practice. It is a fantastic impossibility for the most able or the most industrious ever to retrace the path of human advancement in knowledge except in bare outline which would scarcely suffice to reconstitute or repair the path to any present accomplishment if it were once destroyed in practice or the meaning of current practices were once erased from his memory. Speech is the necessary concomitant to the continuance of every practical process. It is so welded into the fabric of man's life that it is no wonder it has been accepted as a divine gift, first of all distinguishing endowments. Yet the individual does not possess it at his birth. Christening does not confer it upon him. Confirmation is dependent upon his previous acquisition of it in some form. By some intricate device of symbolisation the meaning of complex abstract associations must be communicated before any human child can say even 'yea' or 'nay' to the simplest symbolic proposition. Tamper with the integrity of this mechanism, and the individual at once becomes a stricken caricature of a sentient purposeful entity, confused, embarrassed, split, isolated and lost. The processes which normally "run through the nervous system like a prairie fire from bush to bush" (Head) are stamped out. The joy and speed of this flame-like progress is of the individual's own making. Let the child be deaf, and he is dumb. An alternative technique may be called into use; but the principles of its construction are the same. There is no necessity, however much there may be convenience in the choice of our mouths and ears for speech. Tennis rackets brandished in the distance would do. A grammar and syntax of movement offers no more inherent difficulty than one of words and phrases. It is as easy to see when the player misses the ball, as to hear when he misses the sound, or to mark when he misses the sense. Yet, taken as a whole, and that whole is the acquirement of some skill in man's highest exercises, taken broad and large, but inclusively, it is a miracle, a marvel.

And, before he goes to school at all, the human child learns to speak, with amazingly few exceptions. That is to say, that, almost without exception the 'educationally

destitute' accomplish without insuperable difficulty a feat which, so long as they live no curriculum of the educators, no test of appointments boards, no predicament of practical life will ever surpass in *inherent* difficulty. And their teachers may be merely 'ignorant' parents, possibly as 'educationally destitute' as themselves. With whatever instruction they receive, all but an insignificant minority of human infants learn to move the muscles of their lips, cheeks, tongue, palate, larynx, chest, with a dexterity, speed and coordinated precision far surpassing anything attempted by the most astonishing billiard-player, dancer or virtuoso; to distinguish minute differences in the procession of sounds they hear which modern electrical methods of recording might register and therefore distinguish but *never could discriminate*. And this marvel has been performed by every generation of men of all races since before the time of recorded history, and has needed no teacher higher than the savage, no form of government to perpetuate and no Board of Education to control.

There are many things the individual desires to know or needs to know which his parents cannot teach him. But when was there a time (until the Board School, the Board of Education and the Brains Trust came on the scene to queer the pitch) when any deficiency there might be could not be repaired by the individual himself if he wished to repair it? The mightiest obstruction between the individual and knowledge of the world in which he lives is the one now being perfected, in the name of science and education. Every item in the modern argument is a fake, and no progress towards extricating ourselves from the morass in which the cultural life of society is bogged can be made unless full consideration is given to the fact that the underlying policy of so-called educational movements, and particularly legislation, is no more 'education' than the underlying policy of agriculture is to ensure the dominance of cows over all other terrestrial species, in limitless pastures safe from the pole-axe.

(To be continued.)

TUDOR JONES.

U.S.S.R. and the Gold Standard

THE ECONOMIST of December 11 has the following:—

"Although representatives of Soviet Russia have taken part in the recent informal talks on post-war currency plans laid in Washington and London, it is not until this week that a semi-official expression of Russian views on the subject has been made. It comes from the leading Soviet economist, Professor Varga, and takes the form of an article contributed to the periodical *War and the Working Class*. Professor Varga's position in the Soviet Union would suggest that his views have behind them a wide measure of official support. As far as may be judged from the cabled summaries of his article, Professor Varga states that Russia, while interested in all steps calculated to hasten the restoration of world economy, is not impressed by the international bank or stabilisation fund proposals of the Keynes and White schemes. His own country, writes Professor Varga, would prefer a return to a world gold standard.

If all the Soviet Union's trade with the rest of the world could be done on the basis of a fixed value gold currency, this would undoubtedly facilitate trade operations.

For Soviet Russia the 'gold standard' has never meant what it means in the context of free and liberal economies.

All that Professor Varga asks is that there should be stability of exchanges, which Russia needs for her foreign trade, and that there should be a fixed world-price of gold, which Russia also needs since she is the second largest gold producer in the world. For Russia, a return to the gold standard would have none of the implications which such a move would have for a country operating a relatively free economy. The fixed external value of the Soviet rouble has at no time maintained a close relation to its internal purchasing power. The problem of maintaining equilibrium with international cost and price structures hardly arises in a wholly planned and socialised economy, where the State undertakes the whole of foreign trade. For that reason the Soviet experts are bound to be profoundly disinterested in the technical devices by which the Keynes and White plans propose to maintain international discipline in matters of currency policy. . . . It is true that in the early years of the revolution an attempt was made to break completely away from a money economy. The printing presses were used consciously as an instrument of indirect taxation, and the old rouble was inflated out of existence. . . . The chervonetz was . . . created as a new monetary unit stabilised in terms of gold. Its introduction synchronised with the concessions to private enterprise embodied in the New Economic Policy. Those concessions were only a temporary pause in the revolutionary process. . . . But whereas NEP was to pass fairly quickly, and make way for the intensified socialisation of the Five Year Plans, the concessions to monetary orthodoxy remained. Soviet Russia has never regarded gold as backing for the currency. . . . Gold reserves were built up in Russia to maintain a fund out of which temporary disequilibria in the balance of external payments could be met. That is still the main role which gold is expected to play in the economy of the U.S.S.R. . . ."

Enemy Aliens in Canada

About 1,200 of the 3,700 enemy aliens who were shipped from Britain to Canada in June 1940 are still retained as dangerous characters, while the remaining 2,500 have now been classified as refugees or friendly enemy aliens. About 1,500 of these have been returned to Britain and about 900 are staying in Canada. They are now under temporary immigration permits from the Department of Immigration, which may be renewed, and they may take jobs under the direction of the National Selective Service. About 100 were allowed to leave the country, to go wherever they wished.

ABERHART MANNING

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THE TASMANIAN SCENE

By JAMES GUTHRIE

The great trouble with the so-called Social Crediters of other days was that they were not Social Crediters—they were Socialists who wanted nationalisation of banking. The cleavage existed from the first. The real Social Crediter believes in the sanctity and the sovereignty of the human being. The Socialist places the "State" as the supreme authority; the individual therefore becomes something to be moulded and altered to suit a pattern designed by the Planners.

The ordinary man looks upon most of the Monetary Reformers as cranks, because he feels instinctively, if vaguely, that life is not as simple as theorists make it out to be: that there are wheels within wheels, and powers of evil which are quite prepared to use any handy weapon. To have all the tragedies of human life placed at the door of the Money System does not square with his immediate experiences and it is his immediate experiences that the ordinary man is interested in. And it is just these immediate experiences that the Monetary Reformer is apt to treat with lofty disdain, much to the irritation of his-victims.

Monetary Reformers have an idea that by pointing out the tragedy of our financial system and suggesting a few remedies that they have done all that is necessary. The financial system is undoubtedly one of the chief means by which the people are controlled, but not the only means. Dr. Evatt's legal system is probably more important at the present time. The supreme fact of importance to-day is that those in power have no intention of giving up that power, and they are not very fussy how they hold it. Our chief and immediate task, therefore, is not to take part in debating societies but to find out where are the strong-posts of resistance in the community, and to help those who are putting up a fight; not to ask others to help us. Our present job is to prevent the enemy from obtaining any further power; this inevitably means preventing any further centralisation of power and any extension of the licence system (licence to live: *i.e.* Socialism).

It is wrong to assume that the enemy has full powers to do what he likes, which is far from being the case. There is much evidence to show that there is a growing power of resistance among various groups. We must encourage this, and so restore the initiative to the people at all cost; without that absolutely nothing can be done.

Launceston is a compact little community, and it has its civic pride developed to a remarkable degree. A few people are putting up a gallant fight to protect their Electricity Undertaking against the State. Alderman W. Clark of Launceston says in a recent letter to me:

"Your parcel of copies of your broadcast entitled *The Village Gas Works* received, for which I thank you. I handed a copy to each Alderman and the Town Clerk, also to a few friends; in fact, I had a few copies typed just before copies arrived.

"It is our intention to have another public meeting in the Albert Hall when we launch our petition for signatures.

"Enclosed is a report of meeting held in Launceston last Friday."

Thus, while in possession of only one pamphlet on *The Village Gas Works* Alderman Clark saw at a glance that he had a high explosive in his hand. This article originally appeared in *The Social Crediter*. I saw its significance and recognised it to be true from my own experience; I broadcast it over the Air, and later had copies roneoed and placed in the hands of every man of importance in our district.

The attempt to centralise the milk industry in Hobart was killed by a little timely assistance given by us to the dairymen, the dairymen's 'representative' having let his own men down badly. The dairymen very gladly paid all costs. The same thing happened in the National Insurance Campaign; all costs were paid, and most of the work was done by those immediately concerned. We supplied the guidance to prevent the issue being side-tracked.

The people will fight on issues they are interested in and understand; nothing will make them fight on any other issue. And to try to force them is merely being stupid. To wait until there is a great national fight along the whole front may mean waiting for years; meanwhile, the enemy is attacking and winning on small fronts. Monetary Reformers are apparently not interested in the loss of these small fronts, which make up, in time, the whole front.

Also, the work of any Government is trimmed and shaped by the resistance of small sections of the people. Many look upon this resistance as negative action, but it is the traditional means by which the people exercise control over the actions of their Government; and it can be very effective. Don't forget, the contour of the hard parts of a country decide the course of the greatest rivers. Don't forget the part England played in this war.

The majority of adults do not understand the financial system and, in my opinion, they never will; but that does not mean that the financial system cannot be altered. The great mistake 'teachers' make when trying to teach is the same mistake our so-called Intelligentsia are always making: that is, they think that the doing of a job is merely a mental exercise involving only the use of the brain. Having been responsible for the teaching of engineers for a good many years, I can say with confidence that the above thesis comes nowhere near the truth.

Social Crediters, just like musicians or mathematicians, are born, not made. What is obvious and simple to one man is not necessarily so to another. A realisation of this fact saves a lot of worry and disappointment. Major Douglas did not create Social Crediters; he organised and retold our mutual experiences in such a manner as to create order where previously there had been chaos. He made sense out of what looked like nonsense, and a few of us grasped the tremendous significance of the picture he presented to us. These few were galvanised into action; they were given power out of all proportion to their numbers. We cannot yet assess the magnitude of the work done, but it is impressive—and our work is only starting.

I have great faith in what one good man can do, provided he knows what to do and how to do it. Douglas, through his Secretariat and *The Social Crediter*, has never failed to supply the necessary information; the tragedy is that so few can recognise the value of the advice offered.

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FROM WEEK TO WEEK

"May I also correct Mr. Crombie's statement that the Soviet Government gave to the peasants the land previously owned by the big landlords? Nothing could be more misleading. The Soviet Government expropriated both the big and the small landowners, and became the sole owner of all the land in the country. The peasants were turned into agricultural wage-earners, who differ from the British agricultural workers in that they are deprived of all bargaining power. . . . In the countries where the means of production are privately owned, you run the risk of allowing a few to possess too much, while in the country where all the means of production are owned by the State, everybody has too little."

—"ANOTHER UKRAINIAN" in *The Scotsman*, December 16.

The Russian agricultural worker is the lowest paid in Europe.

According to a weekly illustrated review, General Franco, the Spanish Fascist leader, is a marano, *i.e.*, a descendant of a Jew who became a nominal Christian to further his political fortunes during the Inquisition. "Franco's policy is a Jewish policy."

It is important to keep quite clearly before the widest public possible that the carefully fostered idea that Communism and Fascism are enemies is simply propaganda emanating from the financial backers of both of them. Communism is more favoured just now, because it appears to go down better with the inexperienced.

This is not, of course, to say that the rank and file of both parties are not bitterly hostile to each other, just as the rank and file of Liberals and Tories were bitterly hostile to each other in mid-Victorian politics. It merely means that the rank and file of both parties will be allowed to fight each other as long as it pleases them, for the amusement of a select body of the thespians.

"There is very little evidence to show that our forefathers" (in the Middle Ages—Ed.) "in the middle ranks of life, desired to set any impassable boundary between class and class. The great barons would probably at any period have shown disinclination to admit new men on terms of equality to their own order; but this disinclination was overborne by the policy of promoting useful servants, and the country knight was always regarded as a member of the noble

class, and his position was continually strengthened by inter-marriage with the baronage. The city magnate again formed a link between the country squire and the tradesman and the yeoman and in position and blood were close akin. Even the villein might by learning a craft set his foot on the ladder of promotion; but the most certain way to rise was furnished by education, and by the law of the land 'every man or woman of what state or condition that he be, shall be free to set their son or daughter to take learning at any school that pleaseth them within the realm.'"

—STUBBS: *Constitutional History of England*, III p. 655.

There is something queer about these Russian "Trials." As in the great Russian "purge" of 1936, not only do the accused Germans not deny their guilt, but they elaborate it. Unless we are much mistaken, we are in danger of having let loose on us a terror beside which Genghis Khan was a mild amateur lawbreaker.

No person shall take for beef or pork above a half-penny, and for mutton or veal above three farthings a pound, avoirdupois weight, and less in those places where they now be sold for less. —ACT OF HENRY VIII, Anno 24 *cap.* 3.

"Freedom is not an empty sound; it is not an abstract idea; it is not a thing that nobody can feel. It means—and it means nothing else,—the full and quiet enjoyment of your own property.

"If you have not this, if this be not well secured to you, you may call yourself what you will, but you are a slave."
 —WILLIAM CORBETT: *A History of the Protestant Reformation*, p. 383.

MILITARY POLICE IN QUEBEC

Correspondents informed the Quebec journal *Vers Demain* that military police had presented themselves rudely at the doors of private houses, often in the middle of the night, and claimed to have the right to make searches and arrests without showing any warrant.

Vers Demain asked M. Gabriel Mercier, a lawyer, of Quebec, to write to the Minister of National Defence at Ottawa to ask for the text of the law under which these officials acted.

The reply received from the Ministry was as follows: "I refer to your letter of August 6, 1943, addressed to the Minister of National Defence, in which you ask for the text of the law giving certain privileges and powers to officials of the Canadian military police in matters concerning searches and the arrest of deserters.

"I regret to have to say that the bulletins published by our headquarters cannot be distributed to others than members of the Canadian Army. It is therefore impossible to comply with your request."

Vers Demain comments: "Hence even your lawyer may not know if the visitors, by day or night, from the Canadian military police, have or have not, the right to break into your household without showing a warrant."

NEWFOUNDLAND

[Mr. Ammon (Camberwell N., Labour), Major Sir Dennis Gunston (Thornbury, Unionist) and Petty Officer A. P. Herbert (Oxford University, Independent) have recently returned from Newfoundland which they visited on a Goodwill Mission from Parliament, and on December 16 they told the house the result of the Mission and put before it suggestions for the preliminary steps towards the restoration of self-government in that country.]

Newfoundland suffered severely in the economic depression of 1929-33 and became financially bankrupt. Great Britain took over her financial debts and sent out a Commission of Government, composed of civil servants, to run the country, thus depriving it of representative government.]

House of Commons: December 16, 1943

Mr. Ammon (Camberwell, North): ... I propose to deal especially with the constitutional position. The difficulty we were up against was that nobody seemed to know quite what he wanted. Everybody had a vague idea—which was a good one—that he wanted to return to some form of self-government, but exactly what it was he did not know, except that he did not want to return to the position which existed just before the Commissioners were appointed...

That they expressed in no uncertain language. There were three or four alternatives which cropped up in discussion. There can be no question of any challenge whatever to the claim for responsible and representative government. The only dispute which might arise is as to how it should be given, and the appropriate time... There was the question of the return to what they call responsible government, and there was the question of the continuance of the Commission Government. Some people had ideas of linking up with Canada, and some people of linking up with the United States; that last suggestion found very few supporters, but it had its genesis in the fact that for the time the island is enjoying unexampled prosperity. That is largely brought about by the United States naval bases and military camps, and other places which they have built. These have brought much money to the Newfoundlanders and plentiful employment: no fewer than 20,000 persons have been engaged therein. These people, forgetting their past history, are beginning to think that if they link up with the United States that sort of thing was going to continue. The Mission were quite clear that they could dismiss that anyway as a serious proposition. Then there is the question of linking up with Canada. There is a large number of people who want that, but an overwhelming number who are against it. I think that the Mission are right—although I may speak with prejudice in saying that—in thinking that that is a matter which can be decided only by Newfoundland, not a matter which can be imposed upon Newfoundland from here in any way. That brings me to the question started by the hon. and gallant Member for Altrincham (Sir E. Grigg) of a system similar to that of Northern Ireland. It was felt that the long distances separating us and a variety of other considerations put that out of the question altogether.

We are left with two issues, either to restore responsible Government or to try to find a middle course and to approach it in status. You cannot isolate the constitutional position

from the economic position, and that is something which I hope the House will keep clearly in mind all through these discussions. Just now Newfoundland is enjoying a period of prosperity such as it has not known since the last war, but the fact that it also enjoyed prosperity during the last war and was afterwards plunged into the depths of misery and poverty should make us very careful how we view the position in this connection. There is more than one factor which has led to that prosperity, but the dominating one consists of the United States air bases and the military encampments that have been built there and also of Canada with its air bases. We cannot ignore the fact that both Iceland and Norway have been out of business as far as fishing is concerned, and that also is bound to have its effect. We find there reasons for Newfoundland's prosperity, but as the possibility of war begins to recede from the far West, so we can see that prosperity will recede, and already the peak of the prosperity period has passed.

Now will begin the period of defection. It is essential that steps be taken as soon as possible to prevent Newfoundland entering the terrible depths of depression at the time when the people had only an allowance of 3d. a day, or not more than 2s. a week at the outside, to assist them over that period. A few of the clergy and priests we met out there told us how acute was the hunger. That factor has to be taken into consideration when we consider the problems concerned with regard to the Constitution. Differing only a trifle as to the period of time for development, the Mission have arrived at the idea that there must be a compromise position for a time between commission government and that of responsible government. They have suggested to the Department that Commissioners should be nominated from this side, and that those from the other side should be elected by a general franchise of the country, so that by that means we could begin to bring them into some knowledge and use of the franchise to which they have been unused for some time.

There is strong criticism of the Commission of Government; nobody can deny that...

[Mr. Ammon went on to detail some of the mistakes of the Commission of Government and also some of the improvements introduced by it. He continued:—]

... In addition to what we propose with regard to the Commission themselves we also suggest that it is not quite in keeping with his position, nor is it fair, that the Governor should continue to be Chairman of the Commission. It places him in an invidious position in that he might seem to take sides, but, after all, he is the King's representative... Therefore we have suggested that there should be a chairman appointed by the Governor after his choice had been agreed to by the members of the new Commission we propose to set up as a half-way house. In addition we suggest that a Treasury official should go out there to advise and that he should have power, up to whatever might be the agreed amount, to consent to expenditure on the spot rather than that every trumpery bit of expenditure should have to be referred back to London in order to obtain assent to it. We also suggest that two or three highly placed civil servants should go out from this country to advise in Newfoundland and that similar civil servants should come over here from Newfoundland in order to obtain a training in this country and so by that means gradually to help to build up a Civil

Service. Those, in broad outline, are the main proposals we suggest with regard to the Commission government themselves. . .

There should be laid down a ten years' scale of economic development, and for that purpose there should be a loan, in agriculture, education, health, roads, transport and other things. That must be backed by a development loan from this side, in order that Newfoundland may be put on her feet. . . My colleagues and I do not accept the view for one moment that Newfoundland cannot give a decent standard of life to an even larger population than she has now if she is given the proper opportunity to develop. . .

Mr. Maxton (Glasgow, Bridgeton): . . . When the hon. Member for North Camberwell was speaking he repeated what has been said again and again by the Government, that it was from the people of Newfoundland that the demand came for the taking away of their democratic assembly. Though that is true it is an awfully unfair statement. This island of hard-working, simple folk came up in 1930-31-32-33-34 against economic difficulties that were facing the world. They were caught in a mess. They had borrowed money in London and in Wall Street and they were being messed about by their creditors. I suppose it would be regarded as immoral advice if I said the right thing for them to have done was what every business man does when he gets into an inextricable financial mess. He takes proceedings in bankruptcy. He says, "there are my assets and there are my debts. Here you are, make the best of it." He pays, perhaps 2s. 6d. in the £, or 6d., or something of that kind. But Newfoundland did not want to do that and the British Government did not want them to do it.

They were not the only country in the world that had this particular problem. Germany had it. No single problem in Germany leading to the rise of Nazi power was more potent than the problem of external debt and the inability to pay the interest. When the great Labour and Socialist International met in Vienna in 1931 to discuss ways and means of helping the German people in their difficulties the one recommendation they could make was to tell them to change their bankers and get better terms for their external loans. In this country in 1931 the Labour Government, of which the hon. Member for North Camberwell was a member, came up against exactly the same thing. They were in difficulties with the bankers both in London and Wall Street, and there were the spokesmen of the Conservative Party on the Opposition Front Bench, and they just simply held up the white flag and surrendered and the National Government came into power. The Newfoundlanders were not the only body of people who found in 1931 or round about that time that it was tremendously difficult for a democracy to keep its head above water. They were ground between the upper and the nether millstones. There were unemployed populations crying for bread on the one hand and bankers calling for their interest and dividends on the other. It was in these circumstances that the political leaders of Newfoundland requested that Newfoundland's Constitution should be suspended.

. . . I am pointing out that when the Newfoundlanders were up against problems that Russia solved by revolution, that Hitler met by a Fascist régime, and that this country met by a National Government, they said "We have thrown in

our hand too. We cannot carry on." It is not fair, in my view, to bring that up as an argument in favour of our being rather leisurely about the restoration of self-government. I have the Statute and the report of the Debate in this House. The House is bound, in honour, to restore self-government to Newfoundland as soon as it has got out of its financial difficulties and is sailing again on an even keel. As I said in a previous Debate, Newfoundland is to-day in a better financial position than is Great Britain. We are getting into debt every month, every week; we are borrowing all over the place. Newfoundland is not only not borrowing but is lending, and lending to His Majesty's Government free of interest. Therefore, I say, the conditions have now been met that make it obligatory upon this House to restore self-government to Newfoundland. . .

Mr. Beverley Baxter (Wood Green): . . . What was the financial crisis that let Newfoundland down. . . It is not a pleasant story. It starts with the Squires Government. The Squires Government did many good things, but they became terribly corrupt. In 1933 Newfoundland owed, all told, about £20,000,000. Of that 26,000,000 dollars were owed to the bankers of New York in gold bonds payable at the gold price. Another 6,000,000 dollars had been loaned by the Canadian banks to help to pay the interest. The Canadian banks charged on that five and even five and a half per cent.—a very heavy rate of interest, indicating that they took a certain risk. The rest was owed here. Newfoundland tried to pay her interest. When she could not, we took the debt over. Her interest charges on her external loans were over £1,000,000 a year. Had she not had to pay that on the year when she went bankrupt, she would have had 3,000,000 dollars surplus in her Treasury to meet the cost of the social services. . . . They would have been able to raise the unemployment dole and so on, and pay for these health services which they wanted to create at that time. We helped Newfoundland out; there is no denying that. We converted the loan to 3½ per cent., and we guaranteed it here. Then we paid back New York and the Canadian banks. The British investor, whose bonds had fallen to 25, had the satisfaction of seeing them rise to 85. Newfoundland owed us £20,000,000 when that conversion started. At the end she still owed us £20,000,000, but New York had enjoyed the rather unusual experience of having had a debt paid by this country for Newfoundland, and the Canadian banks, which had gambled a bit on the loan, got their money back. The British people had secured their investment. Then we decided to turn back the clock, and to bring to our oldest possession the institution of taxation without representation, something which one would have thought we had dropped from the time of the American rebellion.

These were the first three things we promised. We agreed to put Newfoundland on her feet as speedily as possible, secondly to promote the political education of her people, and thirdly to restore the Constitution—which we had never revoked, but merely suspended—as soon as the island was self-supporting again. In that Act itself there is no mention of a request from the Newfoundland people; that is in the Commission's recommendations but not in the Act itself. [*Interruption.*] I am sorry; the Minister says that it is in appendix to the Act. In the actual Clauses it does not appear. The fact is that the Newfoundland Commission of Government have governed as civil servants always

will, honestly, without imagination. To promote the political education of the Newfoundland people is our second pledge. Instead we have deprived the people of their political education. We are pledged to restore the Constitution when Newfoundland is solvent. You have heard that Newfoundland has been lending us money. She has been solvent for nearly three years, she has considerable cash reserves now. But we have decided that we must not honour our pledge to restore her independence—I grant the Minister the point—unless the people ask for it. . . . When Newfoundland owed us money we put in the Commissioners. You have heard how Newfoundland is now paying us money: I should say that we have had on deposit about \$10,000,000. Suppose we cannot pay it when the war is over. Will Newfoundland be entitled to send three Commissioners to Britain and close this House? It sounds absurd, certainly, but the principle is the same. I will not touch on the point about the bases, because that has been dealt with, but I suggest that to give a 99 years' lease to Canada or to the United States on Newfoundland territory without the people of Newfoundland being consulted, is a very dangerous thing. Suppose that when they get self-government they repudiate it. What is the charge that will be made against us by the nations with which we entered into the arrangements in the first place? This is storing up serious trouble.

Earl Winterton: It is just as bad with the West Indies.

Mr. Baxter: Yes. After all, we have bases in Iceland, but Iceland takes them back when the war is over. The Prime Minister of Canada has laid it down that any territorial concessions to other nations by Canada will return to Canada when the war is over. Newfoundland has no voice: Newfoundland is run by the Dominions Office here. Can Newfoundland's High Commissioner raise his voice at the daily conference of High Commissioners in London? He cannot; because he is not allowed to attend. . . . There comes a point in the history of every country of this Empire when self-government comes as a challenge and a command, and in that tradition we should say to Newfoundland, "Now call your leaders together, arrange to govern yourselves, and we will stand by you through bad times and good times, not rating less high your democratic rights than your financial solvency. Govern yourselves, come side by side with us into the future," and let us end our own shame here for having closed a Parliament that had governed for 100 years.

Petty Officer A. P. Herbert (Oxford University): . . . We should announce, I suggested, that, say, two or three years after the war, or from now if you like, that we intended to restore full self-government to Newfoundland unless by a plebiscite one year before that they had chosen some other form of government. But that interim period should not be regarded as another period of autocratic alien rule but should be used by Newfoundland, with such assistance as we can give them, (a) to find out what they want, and (b) to prepare the people for a renewal of political activity, to help the emergence of leaders and the formation of parties and stimulate interest and the like. For that purpose I suggested the formation of a Council of Citizens, appointed by the Governor, from every class and body. There are a great many bodies in Newfoundland—the West Newfoundland Association, the Board of Trade, co-operative societies, and so on, who are already studying the problems of the future. I suggested that they should frame the questions which should be put to the people at the plebiscite and that when they

had finished that part of their task they should get on with the business of political education. The wireless, for example, has not been sufficiently used. In scattered communities in winter-time the only method by which the Government can reach the people is by wireless which should be used for political and, for that matter, for school education. We should send out lecturers to teach people how to take the chair at meetings, to make speeches, to teach the history of their country, the value of local government, and so on, and actively assist a resurgence of political interest and act.

If I may, I should like to go back to the question, what sort of alternatives are there to the original form of government which might be worth discussing? My hon. Friend the Member for North Camberwell (Mr. Ammon) mentioned the possibility that Newfoundland should elect their free Commissioners. That might do as a stop-gap for a short time, but it would not do for long, because the same troubles as there are now would exist. The people do not know what is going on. They cannot go into a Chamber like this and shake their fists at Ministers and ask them what they are doing—for example, about Goose Bay. Whatever we do about electing Commissioners, that difficulty would still remain. In our last Debate on this topic I was attracted by a suggestion by my hon. Friend, the Member for Altrincham (Sir E. Grigg), who, I am sorry to say, is ill. It was that it may be possible to consider the inclusion of Newfoundland in the United Kingdom on lines roughly, but not exactly, similar to Northern Ireland. That again, I believe, has been rather turned aside in high quarters, but I hope that high quarters will consider it because it meets the dilemma, as some call it, of my two main propositions that (1) Newfoundland must govern herself and (2) we must help her financially. . . .

. . . That would be one of the things to be discussed by the Council, which should be presided over or assisted, I suggest, by a big constitutional expert from this country and attended by representatives of the Dominions Office able at any moment to say what was in the minds of the Department. [An Hon Member: "Nominated or elected?"] The Council of Citizens would have to be nominated, because there is no machinery for electing anyone. But that is a detail. Then it is possible that they might say: "We want Dominion status, with two Houses of Parliament and the rest of it," but although they want to have a say in their own affairs, they do not put on Dominion airs. You do not hear the words "Dominion status" at all. So they might think it better to have a single Chamber, as in Ceylon or Jamaica, with elected and appointed Members face to face instead of having a bogus House of Lords which no one ever sees and no one respects. That is another alternative. There are two or three ideas thrown out. When the Council or Convention has discussed all these things and found out the kind of strength that there is in this, that or the other, they can decide what question shall be put to the people at the plebiscite. The question of how soon is one of detail. I suggested, I think, two years after the war.

But all this will be of very small consequence to the Newfoundlanders unless they have some confidence about their economic freedom. . . .

[*The Under-Secretary of State for Dominion Affairs (MR. EMRYS EVANS) made a non-committal reply to the debate.*]

Family Allowances

The following are passages from two letters by Dr. C. G. Dobbs in *The Times Educational Supplement* for November 27 and December 11:—

"An allowance is a money payment made by one individual to another on certain conditions of living, which are not the conditions of a contract of employment freely entered into. It is directed towards controlling the life of the recipient, and is in fact a definite step towards slavery (using the word in the technical rather than the emotional sense). I have never yet met a university teacher, or indeed anyone, who would choose to have his income in conditional rather than unconditional form, although unfortunately the world abounds in people who are anxious to impose conditions upon others.

"The family allowance in particular is intended to encourage the breeding rate of the class of people to whom it is offered. It is a gross insult and an impertinence on the part of those who propose to control and dispense this breeding-bribe. Evidently they suffer from an acute Jehovah-complex, imagining that because they have the disposal of other people's money in their hands they are qualified to control the mode of life and breeding habits of their fellow men. As applied to university teachers below professorial rank it is a double insult, since the rate of pay for the majority of these has been notoriously below the minimum necessary for maintaining a family, as well as the cultural amenities necessary if they are to do their work properly.

"Either the work of a university teacher is worth a livelihood, which is therefore owing, or, if it is not, the universities are remarkably worthless institutions and should be closed."

"My dictionary says to bribe is 'to offer or give reward or price to a person in order to influence his conduct in a particular way.' It is beyond cavil that family allowances are intended to 'influence conduct in a particular way'—namely the production of families, or more shortly, breeding. I submit, therefore, that if the society of which Mrs. Hubback* is vice chairman exists chiefly to support family allowances, it would be less misleading, though certainly also less persuasive, for it to be called the Breeding Bribe Society, rather than the Family Endowment Society.

"To endow is 'to bestow property upon,' and there is no suggestion of conditions about it. Hitherto families have been built up with no small success on the basis of 'with all my worldly goods I thee endow,' and it is because men are becoming less and less able to endow a family that families are ceasing to exist. In future, if Mrs. Hubback and her friends have their way, it will be 'some of my worldly goods, first confiscated by taxation, will be "allowed" to you, in carefully regulated amount, to the extent that you fulfil the State's requirements in the matter of child-bearing.'

"This is no way to treat men and women! and furthermore, it will not work. Few people are susceptible to

*Mrs. Hubback, vice-chairman of the Family Endowment Society, had replied in *The Times Educational Supplement* of December 4 to Dr. Dobbs's first letter.

bribery in such a matter. What is required is the restoration of the free choice provided by an unconditional income adequate to support a family, but capable of being spent in other ways....

"This free choice has got to be restored if we are to survive as a nation, and no system of bullying and bribery can form a substitute for it. If the people then choose to be sterile, no power on earth can save the community which they constitute, but I do not believe for a moment that the rot has gone so far. Finally, the suggestion that it is impracticable to pay salaries comparable in purchasing power to those on which families were reared 50 years ago, though it is practicable to wage the most expensive war in history, does not make sense to me."

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