

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 12. No. 2.

Registered at G.P.O. as a Newspaper
Postage (home and abroad) 1d.

SATURDAY, MARCH 18, 1944.

6d. Weekly.

MODERN SCIENCE (XX)

There have been universities continuously in Europe since the foundations of Salerno, Paris and Oxford, the three universities which appear on Rashdall's map* with no date beside their names. Before the close of the fifteenth century, Reggio, Vicenza, Palencia, Vercelli, Arezzo, Treviso, and Grenoble had been and gone, and others have gone in later times. The conception of a university is not an ancient conception. There was no university for Archimedes. It is important that the circumstances in which the idea originated, took root and grew should be disclosed. Yet it is all but impossible to get at them. They seem to be locked in an inaccessible casket, although they are what historians exist specially to reveal and make plain; to disclose, yet never do disclose. There is nothing more confusing, and, perhaps, dangerous and destructive of any hope of grasping the immense forces which are involved, than the notion that an ecclesiastical motive—even a Christian motive,—led to the development. The concept of a university is Jewish rather than Christian, and the very word 'university,' applied to the school of arts and theology at Paris in 1215, long after she "had completed the circle of her studies"† first gained general currency in Germany where *universitas* was the word for a corporate town among juriconsults. "The thirteenth century embraces within its limits an eminently eventful era in European history. It was an age of turbulence and confusion, of revolution and contention, wherein, amid the strife of elements, it is often difficult to discern the tendencies for good that were undoubtedly at work... To this century the University of Cambridge traces back its first recorded recognition as a *legally constituted body*, [my italics] and refers the foundation of its most ancient college."‡

Rashdall is similarly definite-elusive concerning Oxford.** "... the school must have originated—probably at the time of some ecclesiastical confusion—in a migration from one of the great archetypal universities... In ascribing the origin of Oxford to an academic migration I am at least ascribing it to a *vera causa*, which is known to have produced the universities of Reggio, Vicenza, Vercelli, Padua, Leipzig, and other permanent universities..." Rashdall is criticised by his editors for associating "certain ominous events which have gone far to fulfil an astrological prediction" mentioned by John of Salisbury in 1167 with an expulsion of foreign scholars from France. It was an issue between Becket and Henry II whether or not such migrations (to or from France) should be restricted. This is the period in which Innocent III, the institutor of the Inquisition, was

*RASHDALL: *Mediaeval Universities*, Powicke and Emden, 1936.

†MULLINGER: *History of Cambridge from the Earliest Times to the Royal Injunctions of 1535*.

‡*Idem*.

**RASHDALL: *Mediaeval Universities*.

pitted as his successors after him, against his ward, Frederick II, 'the world's wonder' (*stupor mundi*), 'the first of the moderns,' who acquired in his own court of Sicily "a Moslem view of Christianity as well as a Christian view of Islam, and the unhappy result of this double system of instruction was a view, exceptional in that age of faith, that all religions were impostures."* It was at Salerno that Frederick employed a staff of Jewish scholars to translate into Latin Arabic works in Greek on mathematics and medicine. The knowledge of the time was oriental (Arabic and Hindu), and the Jews were the chief disseminators and centralisers of it. The Medical School at Bologna was founded by Jews from Spain. "The founding of the University of Bagdad [*circa* 800 A.D.] was signalised by the translation of Ptolemy's *Almagest*, the works of Euclid, Hippocrates and others into Arabic by Jewish scholars."†

It has been the fashion to particularise this time as a "turning point of history." History truly has no turning points. Truth and a straight line have certain properties in common. You cannot bend a straight line. It has been the fashion of the Liberals to represent the antagonism of some Popes as antagonism to particular ideas, and the foundations of the same and other Popes to favouritism of other particular ideas. What the historians do not uncover, in their treatment of the universities at least, is the nature of the absurd conflict which is even now receiving perhaps its last contribution, futile and inane, from—the Association of University Teachers, which aspires, it seems, to emulate the British Medical Association, as the salesmen of the universities, in the same ignominious and unenviable sense their medical trade-unionist confreres have been salesmen of the profession of medicine. Just as you cannot bend a straight line, so too you cannot hold it straight. All you can possibly do is to be the silent witness of its rectitude and obedient to its direction. As the determination to bend the pursuit of knowledge to a hidden, secret, over-riding purpose is ultimately destructive of knowledge, so over-great solicitude is in vain.

(To be continued.)

TUDOR JONES.

They Had To!

In a newspaper article dealing with the preparation of the special currency used by Allied forces in invaded territory, Alexander Dilke says:—

"It is an interesting comment on the world situation that America [the United States of America] with the greater part of the world's bullion, had to go to Canada for gold coins since a special Act should have been necessary to enable any of her gold reserve to be minted."

*H. G. WELLS.

†HOGBEN.

Points from Parliament

House of Commons: March 7, 1944.

CENTRAL STATISTICAL ORGANISATION

Mr. Molson asked the Chancellor of the Exchequer whether he will give an assurance that the Central Statistical Office, which is now collecting a very wide range of statistics relating to the financial and economic activities of the country, will be retained as a permanent institution after the war.

Sir J. Anderson: Yes, Sir. It is intended that a central statistical organisation in some form shall be part of the permanent machinery of Government after the war.

House of Commons: March 9, 1944.

PUBLIC HEALTH: MEDICAL MANPOWER

Dr. Russell Thomas asked the Minister of Health the number of doctors who are now serving in the armed forces of the Crown and in full-time employment in the Civil Defence services and any other service created during the national emergency.

Mr. Willink: It would not be in the national interest to state the number of doctors serving in the Forces. The number employed full-time in the Civil Defence Services, the Emergency Medical Service and in other services created during the present war is about 1,100.

Dr. Thomas: In view of the fact that this figure is already known, that there are 30,000 doctors in all the services who will be seeking work when the war is over; and in view, too, of the fact that the right hon. and learned Gentleman suggests giving financial help to train more, is it his intention to have at call an army of potential cheap medical labour which will be economically forced to work a National Health Service, whether it likes it or not?

Mr. Willink: This matter is to be debated at an early date.

Dr. Thomas: As this seriously affects a certain section of the community, may I give notice that I intend to raise the matter on the Motion for the Adjournment?

EDUCATION BILL

Considered in Committee

CLAUSE 16.—(*Constitution of managers and governors and conduct of county schools and auxiliary schools.*)

Mr. Lindsay: I beg to move, in page 14, line 25, to leave out from "government," to "the," in line 28, and to insert:

"which are in general conformity to model articles set out in a Schedule to this Act and are approved by."

... In this Clause there are these words:

"and such articles shall, in particular, determine the function to be exercised in relation to the school by the local education authority, the body of governors and the head teacher respectively."

Previously, my right hon. Friend, in his Second Reading speech, said that elaborate provision had been made for instruments and articles of government, and he went on to quote Sub-section (5) of the Clause, which says:

"the Minister shall have regard to the manner in which the school has been conducted theretofore."

... We are asking the Board to produce model articles either in a Schedule or to lie on the Table, and only in the last resort that there shall be some White Paper, though I personally do not want that. I want to see them produced by the President in a Schedule.

I cannot for the life of me see why he has not adopted the conclusions of that Fleming Report. There are no less than 38 paragraphs of the Fleming Report devoted to this question of school governance, and anyone conversant with English education knows perfectly well that many schools will, unless there is a legal safeguard, be levelled down and degraded. I say levelled down and degraded because the essence of the school is its individuality. The individuality is very much tied up with the kind of points which we wish to see in the model articles. What are these points? They are freedom to choose the headmaster, the right of access by the headmaster to the governing body—[*Interruption*]...

This is a first class issue. I am in favour of free secondary education, but I want to say this: there is a great deal of humbug going on at this time. Sooner or later there will come a clash. Anybody who says to me that the children attending the 450 odd unreorganised departments in London, with some 40,000 children, are attending the same type of school as the grammar schools which have existed for many years, with a sixth form producing classical and other scholars who have gone on to Oxford and Cambridge for the last 200 years, is talking nonsense. The two things have no relation to each other. Yet in this comprehensive way we say that these are all secondary schools. I want to level up. It is not the task of the reformer to cut down a good and growing thing. There is no point or value in it. There is a danger that without these safeguards, we may lose this freedom. I remember a distinguished headmaster saying, "I see the encroachments on our powers and independence year by year, and I see what has been lost." There is not the most wide distribution of classes in the grammar schools of this country. I agree to the abolition of fees. But fees are a symbol to some extent of freedom, so is endowment money; and if you abolish fees I want a *quid pro quo*. The *quid pro quo* is the governing body and articles which lay down in far closer definition the points which my right hon. Friend has referred to in his Second Reading speech and his speech on the White Paper.

... In London to-day there are four different types of school—independent, direct, grant-aided, and maintained—and there is a great variety of instruments of government, which I have been trying recently to analyse. Take a school like Dulwich College, take a school like St. Dunstan's, and then take, whatever it is to be called, a re-organised senior or modern school. We want to be certain that in drawing up the articles of government you will not take the worst examples. My right hon. Friend may say, "If you put down model articles, you may get the lowest common factor." I do not think that that is necessarily the case...

Professor Gruffydd: Judging from some speeches and a large number of the interruptions, I should say that the main concern of the Committee seems to be the dignity and the feelings of the local education authority, and not the education of the child. May I try to bring back the Committee to a sense of reality in this matter and to say again what I have said before, that, in the first, second and third place,

(Continued on page 8)

PARTY POLITICAL ACTION

A WARNING TO AUSTRALIA

Mr. Barclay Smith has published in Australia the following letter to him from Mr. L. D. BYRNE. Publication of the leaflet to which reference is made is promised separately.

Legislative Building,
Edmonton, Alberta,
October 13, 1943.

Dear Mr. Barclay-Smith,

Dr. Streeter's letter in *The New Era* of August 20 raises an issue which is fundamental to the future of the Social Credit Movement at this critical stage in the Battle for Freedom.

Dr. Streeter argues that "if we could convince the majority that a Social Credit Party could deliver plenty to all instead of scarcity to the many, the Party would win; and then success would depend upon the wisdom of the leader and the loyalty, honesty, and industry of the elected S.C. representatives."

This plea for party political action is based on a series of hypotheses for which there are absolutely no valid grounds:

"If we could convince a majority..."

IF the leader (*i.e.*, *Der Fuehrer* or *Il Duce*) had wisdom.

IF the elected representatives were "loyal" (to whom?)

IF the elected representatives were honest.

IF the elected representatives were industrious.

It is suggested that the process of "convincing the majority" must start by creating a further political division, and automatically mobilising all the resources of the other "parties," plus those of the financial powers, against Social Credit. Such a proposition is so obviously absurd it does not require any detailed examination.

However, conceding that by some miracle a majority of "Social Credit" party members were elected, and all the other improbable qualifications mentioned by Dr. Streeter were met, what hope would the Government have of bringing about the necessary changes in face of the organised opposition, sabotage, misrepresentation and actual violence which would be invoked by the money powers?

Moreover, the electorate would be little better than a disorganised mob which could be easily stampeded, and would constitute fertile ground for disruptive tactics of "the enemy."

Dr. Streeter states, with a refreshing touch of realism: "The money monopoly is not going down without fighting to the last ditch... It is perfectly controlled and disciplined; it can mould 'public opinion'; and it is therefore ALMOST unbeatable."

That being the case, why set about defeating it by methods which are doomed to failure from the outset? Apart from any other consideration, it is not reasonable to expect to establish a genuine democracy by means which violate its basic principles.

Dr. Streeter quotes Alberta in support of his contentions. He is overlooking the fact that Social Credit emerged as a political action AFTER the electorate had been organised for

pressure politics. It was only when the Government and opposition parties had flouted the demands of the highly organised non-partisan movement, that the groups formed themselves in an organisation to run their own candidates.

Moreover, it was because there was a strong organisation of electors in the hundreds of groups scattered all over the Province that the early storms were weathered.

In short, it was a unique combination of circumstances peculiar to the Alberta situation which resulted in the breakthrough here—and it would be foolish to imagine that the money-monopoly has not learnt its lesson.

As a matter of fact, the "party" taint which the Social Credit movement has got as a result of being forced into partisan political action in Alberta constitutes its greatest handicap in the rest of Canada.

We have to recognise that no course of action designed to defeat the money monopoly and to provide a basis for establishing a Social Credit economy has the slightest hope of success unless it:

(1) Cuts across all political parties and UNITES the people in organised action to assert their indisputable sovereignty.

(2) Establishes an effective and continuous control of representatives by their electors.

(3) Mobilises sanctions of overwhelming strength on the side of the electorate.

Such a course of non-partisan action is outlined in the accompanying draft leaflet designed for action in Canada. Subject to minor modifications, it would be equally applicable to Australia.

Yours, etc.,

L. D. BYRNE.

"The Times" Relents?

The following paragraphs appeared in THE TIMES of March 10, 1944:—

THE MEDICAL POLICY ASSOCIATION

"MISLEADING STATEMENTS" ON ITS AIMS

"Dr. Basil Steele, honorary secretary of the Medical Policy Association, writes:—

"The attention of the Medical Policy Association (London) has been drawn to the grossly misleading statements made in Parliament, and reported in *The Times* on February 24, as to the views and aims of the association.

"Stated briefly, the objective of the association is to preserve freedom for doctors and individuals and one of its main aims has been to awaken the medical profession to the fact that it is threatened with a form of centralised control, authoritarian or totalitarian in character, which implies servitude for both doctor and patient. Its policy is not, and never has been, anti-semitic.

"The bulletin referred to (if the original one) was the first of a series and discussed the origins of the threat to freedom. Those which followed dealt with the developments of medical politics as distinct from their origins.

"Surely, Sir, things have come to a pretty pass if those who are contending for the freedom of an old and noble profession and of its individual members can be maligned in such a manner."

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: *Home and abroad, post free:*
One year 30/-; Six months 15/-; Three months 7s. 6d.
 Offices: (Editorial and Business) 49, PRINCE ALFRED ROAD,
 LIVERPOOL, 15, Telephone: Wavertree 435.

Vol. 12. No. 2.

Saturday, March 18, 1944.

FROM WEEK TO WEEK

"It has always required a huge police machine to hold the Russians down, and the present one is the biggest the world has ever seen."

—MAX EASTMAN, the ex-Socialist, who lived two years in Russia.

"Dr. Levinstein said he was sure that the various powerful interests which controlled the processes from coal or oil to the finished product would be broad and tolerant in their views." — *Times* Report.

There, there, Clarence, didn't we tell you to trust the kind gentleman?

You may have noticed that anything which reduces the freedom of the individual, taxes him still more, and increases the number of his bureaucratic masters, is "progressive," "modern," "forward-looking" and "in accordance with the determination of the people." But if it aims at increasing his initiative, allowing him to control his own destiny, and to make a maximum use of scientific progress without having it forced upon him, it is "anti-Semitic," "bigoted," "feudal" and "reactionary" or just plain Fascist (not Guild or National Socialist, oh dear me, no. We never mention 'em.).

There is more than a grain of truth in the remark "What fools we martels be." But are we really such fools as these people think we are?

Professor Corkey, who wrote a completely unsound attack on Social Credit some years ago and has since been made Minister of Education in Northern Ireland, has been dismissed from his post. The Labour M.P.s are furious and are preparing a Vote of Censure on the Government. Odd how these Labour M.P.s support anyone who defends international finance, isn't it?

You still don't know what the war's about, Clarence? Then listen to this:—

"There is in practice an ever-lessening difference between the State Capitalism of Britain [sic] (and even that of Germany) and the peace-time State Socialism of the Soviet Union... There is, further, a fundamental similarity between the federal plans for liberated Europe, including Germany, and those outlined by Soviet economists."— *The*

New Russian Policy in Europe in the *Sunday Express*, March 5, 1944.

Don't overlook the gem—*liberated* Europe.

We are convinced that Mr. Nathaniel Gubbins, of the *Sunday Express*, is riding a hot scent in his "Bottle of Britain" joke. Why are whisky, brandy, etc. called "spirits"? How is it that when the Devil is unleashed, as at present, "alcohol" is the first target of attack? How is it that in the "Old Testament" (whose?) we find a continuous condemnation of wine ("Wine is a mocker, strong drink is raging")? Yet the first recorded miracle of the New Testament is the turning of water into wine. How is it that the most dangerous native-born alien, Alfred Moritz Mond, first Baron Melchett, asked the Government in 1914 to impose complete prohibition, stressing 'the stimulating [sic] effect such an act of renunciation would have on our Allies' (Imperial Russia and France)?

We don't know the answer to these, and many similar questions which might be asked on the subject, but we have no doubt that there is an answer, and that it goes very much deeper than a mere prejudice.

Earl de la Warr, a "Labour" peer, has been in Edmonton, Alberta, recently to address a *private* meeting of the Canadian Institute of International Affairs ("Chatham House"). As its Secretary Dr. Arnold Toynbee, now being kept at Oxford at the expense of the taxpayer, remarked, "We are working *secretly*... to undermine the sovereignty of our respective nations." Or Provinces?

Baron Bruntisfield (born Warrender) is the latest parliamentarian to pass on the "experts'" alleged criticisms of Social Credit to a suffering public. Speaking for "the Government" in the House of Lords on March 8 this Minister disclosed that *some* "practical economists and experienced administrators"—the qualifications are not uninteresting—have described the "Social Credit Scheme" "in language more robust than that which one would naturally expect in those quarters." That is as it may be. We have long realised that what others than Lord Bruntisfield do not expect from "those quarters" is a clear statement of where we are wrong, and the reason why such a statement is not forthcoming is that it cannot be formulated—hence the "robustness." When you can't argue, blaspheme.

AUSTRALIAN PARLIAMENTARY POWERS

According to *The Times*, the Australian Government has decided to add three new clauses to the Referendum Bill: (1) Ensuring that in the exercise of its 14 new powers Parliament shall, as a constitutional right, have full opportunity of supervising the exercise by the Executive of its delegated legislative powers; (2) guaranteeing freedom of speech and expression against their impairment by the Parliaments of the Commonwealth or states; and (3) extending the existing guarantee of religious freedom, contained in section 116 of the Constitution, to the legislation of states as well as of the Commonwealth. It is proposed that these new clauses, like the 14 proposed new powers, shall operate for five years after the war.

The Melchetts

"In my opinion there is no fundamental difference between 'Rationalisation' as sponsored by Lord Melchett and Sir Herbert Samuel and 'Nationalisation' as sponsored by the Socialist Party, and I believe that the propaganda in regard to them comes from the same source. They are both of them policies for reducing the individual to an impotent unit in an overwhelmingly powerful mechanism."

— C. H. DOUGLAS in *Warning Democracy*, p. 146.

In the years immediately after the first World War which had proved so strikingly the soundness of the doctrine of the Inevitability of the Trend Towards Ever Greater Economic Units, the Liberal Party, whose leader was generally acclaimed as the "man who won the war," appeared to have reached a position of impregnability. But the ring of stalwarts round the Welsh Wizard was beginning to thin out. When in 1923 the Marquess of Reading was appointed Viceroy of India, his colleague, Sir Alfred Mond observed: "It means the end of Lloyd George. Directly Reading's calming influence is withdrawn from him, his power will decline."*

In a remarkably short time the "man who won the war" was made into a figure of fun, but everybody, including *Punch*, continued to take Sir Alfred seriously. When Mond fell out with his party chief over the latter's (too blatantly) socialistic Land Proposals, and joined the Conservatives, *Punch's* comment took the shape of a cartoon depicting Sir Alfred, in the tights of a trapeze artiste, flying through the air to be caught by a brother trapezist in the person of (Honest) Stanley Baldwin. The caption read: 'The Catch of the Year.'

As a Conservative, Sir Alfred continued with fervour to advocate his 'Liberal' policy of merging industries, and during the twenties he remained the High Priest of the Gospel of Rationalisation, the Rightist version of what the Leftists during the thirties were to label 'Planning.' This is not the place to ascertain the exact extent of the British industrial area submerged as a result of the combined operations of the Cartel-Labourite Axis, but we observe in passing that the Prophet of Planning, Mr. Israel Moses Sieff, was, like Melchett, a Merger, a Jew, and a Zionist.

When the editors of Nuttall's Dictionary wanted an authentic definition of the word 'rationalisation' they wrote to Mond, who was believed to have coined the term, and who had done more than any other to give it wide currency. Bearing in mind Douglas's statement to the effect that "the enormous increase in sabotage of all descriptions which is the outstanding feature of contemporary industry is due to the blind effort to equate purchasing-power to production without altering the principles of price-fixing,"† Mond's definition, which was accepted as final, is enlightening: "Rationalisation is the application of scientific organisation of industry by the unification of the processes of production and distribution with the object of approximating supply to demand." Those who desire to know the real motive behind Rationalisation—the economic embodiment of the idea that the 'fittest' must survive—should consult *Industry*

and Politics, a volume which contains some characteristic speeches of Mond. On p. 233 we are told "that the first German Cartels were created under the pressure of a constant danger of overproduction" (my emphasis). On p. 232: "The creation of amalgamations and cartels, both in the United States and Germany, is not so much the outcome of the spontaneous meeting of manufacturers, not so much the result of Boards of Directors wishing to immolate themselves on the altar of production, or of industrialists wishing to bury the hatchet. It is very largely the work of financiers and bankers. The Steel Trust was formed by Messrs. Morgan, and it was a brilliant financial operation"... "In Germany too, the big amalgamations, particularly in the time since the deflation, are the direct result of the influence of the great German banks." Sir Alfred never tired of pointing out that one of the chief advantages of the cartel-system is a stable price system, and the greatly increased economy of production. The industrialists who listened to Sir Alfred's impassioned plea for Reconstruction and Stabilisation were mostly sufficiently 'production-minded' not to notice the obvious fact that a 'stable price level' is a most effective method of preventing the public from benefiting from the ever increasing output of goods which is a result of improvement of process. Strangely enough the contention (p. 236) that one of the greatest advantages of a combination of this kind, particularly if it has international implications as well, ought to be "the complete exchange of technical inventions and improvements" is the very one Lord McGowan advances to the Press (January 7, 1944) on the occasion of the Civil Complaint filed against Imperial Chemical Industries and their U.S. colleagues, the American Dupont Corporation and the Remington Arms Company,* when he says that their Anglo-American policy "stands on two legs. The first is a patents and processes agreement, under which the two companies make known to each other the fruits of their respective large research organisations in defined fields of chemical science, and cross-licence to one another, for use in defined countries, of patents arising therefrom." Perhaps we may end the list of advantages of the cartel system advanced by Sir Alfred by quoting his dictum on p. 227: "Amalgamation is the way in which the transfer of Labour from the obsolete to the new modern factories can be dealt with," a dictum which receives proper significance when it is recalled that the Ministry of Mr. Ernest Bevin, who has his own way of dealing with this particular problem, a way which is at times more than half way to Moscow, is at present housed at the London headquarters of Imperial Chemical Industries, to the formation of which we now must devote a few lines.

By the middle of the twenties Mond, who now appeared in the House of Commons as the arch-enemy of Socialism in general and Snowden—whose great admiration for the Bank of 'England' as a moral force has become proverbial—in particular, perceived that rationalisation was already strengthening the chemical manufacturers in Germany.† It was as Government director of the British Dyes Corporation that he in 1926 went to the Continent 'to meet the leaders of the German chemical industry,' thinking that "it

*That these firms are "continuously engaged in a conspiracy and combination in restraint of trade and commerce, in chemical products and arms, including war-material and ammunition in the United States, and with foreign nations."

†HECTOR BOLITHO: *Alfred Mond, First Lord Melchett*.

*HECTOR BOLITHO: *Alfred Mond, First Lord Melchett*, p. 250.

†C. H. DOUGLAS: *Credit-Power and Democracy*, p. 7.

would be an advantage to the British industry to make an agreement with the Germans in regard to dyes, in return for certain rights and knowledge of the process of extracting oil from coal.”* Having completed his business with the Germans, Sir Alfred sent his son Henry to London to contact Lord Ashfield, Chairman of British Dyestuff Corporation while he himself proceeded to New York to confer ‘with the Americans’ and Sir Harry McGowan who had also repaired thither. It was during their return to England in the Aquitania that the two future leaders of the I.C.I. “planned the rationalisation of assets which amounted to almost £100,000,000.”†

The agreement with Lord Ashfield, of the British Dyes, and Sir Max Muspratt, of the United Alkali Company was signed on their return. On the Board of Directors they were joined by Rufus Isaacs, first Marquess of Reading. (“I want men like Reading, Colwyn, Weir, for my directors,” said Mond) Sir Joseph Stamp, and the Hon. Henry Mond. In an article which he contributed to the *Spectator*, Mond, now Lord Melchett of Melchett Court, said in November, 1927:

“In order to give effect to the purpose of having a common labour policy throughout all our works and for all our 40,000 workers a Central Labour Department has been established with a member of the Board [Henry Mond] as its chief. Secondly, we have established a complete system of Works Council... a Central Works Council in London, over which, as Chairman of the Company, I shall preside.”

Lord Melchett organised the Melchett-Turner Conference which was another attempt at bringing the ‘Masters’ and ‘Men’ together. Of the Masters can be mentioned Lord Weir, Lord Ashfield, Lord Hirst: “We realise that industrial reconstruction can be undertaken only in conjunction with... those entitled and empowered to speak for *organised Labour*”‡ (my italics).

Speaking at Harvard University Melchett declared that “the High purpose of the [Melchett-Turner] Conference could not be more amply illustrated than by the fact that the first credited resolution published to the world was a joint memorandum on the Gold Reserve and its relation with industry *i.e.*, the issue of that memorandum had a definite result in the policy... [of] greater elasticity when the bank note issue and the Treasury issue were amalgamated this year.” (p. 316.)

In 1928 Melchett, who so long had deplored that the unique anthracite mines of South Wales should suffer “because they were scattered among several small owners,” effected the Amalgamated Anthracite Collieries, with himself as Chairman. In this way Melchett, who during a period was member for Swansea, and whose son, Henry Mond, during the first World War had served in the regiment commanded by Sir Ivor Phillips, whose A.D.C. was Captain Gwilym Lloyd George, the present Minister of Fuel, achieved the control of 85 per cent. of the Welsh anthracite mines. The year before, Melchett (*Industry and Politics*, p. 199) “had invited two of the leading directors of the Rhenish Westphalian Coal Syndicate to come across and inform me of the coal selling syndicates in Germany.” The Rhenish

Westphalian controls more than 70 per cent. of the total coal output in Germany. Since 1919 there has been “statutory requirement” in Germany for coal-producers to form themselves into selling syndicates. Such selling syndicates, Lord Melchett hoped, “would not only control output and stabilise prices but would lead to the amalgamation of mines and groups of mines” (p. 201). But should such amalgamation “prove tardy” it could “be accelerated by the functioning of a Board of Commissioners who had inducements in the way of cheap credit and other facilities.”

In the same year of 1928 Mond Nickel Co. was sunk in the merger of International Nickel Company of Canada, a Dominion with which Brunner-Mond had done business for half a century.

In his later years Lord Melchett, who had begun his political career as Treasurer of the Free Trade Association, abandoned Free Trade in the Old Liberal sense and advocated Imperial Economic Unity. He formed the Empire Economic Union with himself as President, Lord Lloyd as Chairman, and F. C. Goodenough as Treasurer; Mr. Amery, Sir Harry Goschen, Sir Hugo Hirst, Sir Felix Pole and the Hon. Henry Mond were members of the Committee.

“It seems that just as Sir Harry McGowan was his natural ally in rationalisation, so his ideas of Empire Economic Unity were made fruitful with a man like Lord Beaverbrook who made them tangible and powerful through his newspapers.”*

Lord Beaverbrook, like Lord Melchett, had taken an active hand in the game of rationalising Canadian industries. There is nothing like Cement. The Ottawa Conference, whose agenda are so easily traceable to Imperial Economic Unity propaganda, was a further attempt to solve the problem of equating purchasing-power to production without touching the question of price-fixing.

In 1929, the year of the onset of the Economic Blizzard, Melchett told delegates to the Congress of the British Empire Chambers of Commerce: “The writing is on the wall... the great American Economic Unit which exists to-day will be followed by the European Economic Unit in no too distant time, and the great plea M. Briand launched the other day was the first official step in that direction.”

M. Briand was a high-grade Grand Orient freemason. In 1929 he proposed at Geneva to turn the League of Nations into the government of a United States of Europe: he hoped to realise in a twelvemonth (*The Morning Post*: “the idea of creating a United States of Europe in a twelvemonth took away the breath of most delegates”) what Continental Masons had dreamed about and worked for since the French Revolution. But neither Briand, nor Lord Melchett, who died in 1930, were to see the day when another “seer of visions and dreamer of dreams”—as Ben Tillet, the Socialist, admiringly called Mond the Monopolist—was to effect in a twelvemonth the Economic European Unit known as the Hitlerite New Order.

It is of course far too early to attempt even an outline of the history of the part played by I.C.I. during the vital years before the present phase of the war and during the war itself, particularly as the Civil Suit filed against I.C.I. and its American associates the du Ponts de Nemours is

*HECTOR BOLITHO: *Alfred Mond, First Lord Melchett.*

†*Idem.*

‡*Idem.*

*HECTOR BOLITHO: *Alfred Mond, First Lord Melchett.*

still pending. We can, however, note that the process of international rationalisation—world cartelisation—went hand in hand with an ever closer co-operation between 'National' Trust and 'National' Government. Lord Strabolgi referred the House of Lords (July 15, 1943) to the findings of the Nye Committee. According to these, a hydrogenation cartel "was formed of which Standard Oil was a partner, and Dupont, I.G. and I.C.I. were members. . . This cartel obliged the British, German and American companies to share each other's technical discoveries. . . Standard Oil discovered how to make synthetic rubber, and dutifully handed over their secret to their German and Italian partners; but after America's entry into the war, Standard Oil, when requested to do so by the American Government, refused to disclose its process to the American Government, because of its agreement with I.G., and it was prosecuted and fined." That is also *chose jugée*?

Lord Strabolgi further claims the American Department of Justice to have stated that as late as 1938 there was established under joint I.C.I. and I.G. control the Grafford Chemical Company of Manchester. In the same year Lord McGowan attended Hitler's Nuremberg rally. The *Observer* of January 23, comments: "It was inevitable, but particularly unfortunate that such a man should, in the period preceding the war, have paid some attention to National Socialism. . . his brief earlier approval of the Nazi's domestic activities provided his political opponents, in this country and in America, with a weapon, if not a worthy one, in their attacks on the cartel system" . . . "The close association that existed before the war between I.C.I. and the German colossus *I.G. Farbenindustrie A.G.* (one of the sponsors of National Socialism) and the allegations of cartel agreements which favoured the German and hindered the Allied war efforts have provided Lord McGowan with the subject for two speeches in the House of Lords."

There is an interesting side-light on the *Observer's* acknowledgement that the German Dye Trust helped Hitler into power in Herr Kurt Ludecke's book *I knew Hitler*. Herr Ludecke is a German intellectual of independent means who in the early period of the Nazi movement travelled the world as a self-appointed, and apparently sincere, Ambassador of the Nazi Evangelism. On Hitler's accession to Power he was chosen to plan and supervise a Nazi Foreign Propaganda department, and while engaged in preparing his plans he was approached by a representative of the I.G. Farben who offered to support his department financially provided he followed certain lines laid down by the Trust. He refused point blank, and was shortly after arrested and sent into a concentration camp by his beloved 'Leader.'

As an example of the intimate connection between Trust and Government department can be mentioned Sir Andrew Duncan's statement that no fewer than sixty-one of the holders of senior posts in the Ministry of Supply alone have been loaned to the Government for the duration by I.C.I. In his speech from the chair of the sixteenth ordinary general meeting of I.C.I. on May 1943 Lord McGowan said:—

"From the early days of the war the Government has drawn heavily on our executive and senior staff to fill administrative and technical posts of great importance; many of our leading technicians and scientists have also been seconded for service with the United States, Canada, Austra-

lia and Africa to assist in their war production; specialists from I.C.I. have also been called upon to carry out missions to Russia, China, Central Asia, Malta and elsewhere. In all, 2,500 of our staff, foremen and technicians have been placed at the disposal of Britain and the Allied Nations for these purposes."

In view of the admittedly great claims the Government is making on the personnel of the I.C.I. it is all the more remarkable that this combine—in common with Lever Brothers, Marks and Spencer's and Woolworth's—should be in a position to declare their readiness to re-engage *all* their employees now serving His Majesty's Government in one capacity or another. In his Glasgow speech (February 24)—a stirring apologia for the greatest of our trusts—Lord McGowan, himself a Glaswegian, informed his 'business' audience that the Government who during the present war has entrusted the I.C.I. with the production of certain secret weapons invented outside their firm, had asked the combine to help them after the war in maintaining 'full employment.' The speech, which received the publicity generally only accorded Ministerial statements, and which must have caused an especial interest in Glasgow itself where a case was just then being tried against some 'Nationalist' youths who had identified the 'drift south' with the activities of the I.C.I. and consequently in protest thrown a number of bombs into the board room of the Glasgow establishment of I.C.I., was at the same time a defence of 'private enterprise' as exemplified in the actions of directors of trusts. But this was too much, even for *The Times* which published the following interesting passage in its leading article on February 2, 1944:—"There is a good deal of sheer unreality in the controversy between 'private enterprise' and 'public control'. . . The size of such organisations [as the I.C.I.] and the essential character of the services they render to the community have in fact raised them to a position in which the term 'private enterprise' is somewhat misleading, and brings them virtually into the category of the public corporation."

As socially progressive as his father and grandfather—the German born Dr. Ludwig Mond who had founded and built up the greatest Alkali works in the world in partnership with T. E. Brunner, and who was the moving spirit in the launching of the organisation of the British Chemists—and possessing an ancestral flair for the unorthodox orthodoxy, the second Lord Melchett has embraced Monetary Reform. His writings on that subject have everything that will endure them to the members of the Economic Reform Club. In *Modern Money* he writes (p. 122):

"An aristocracy has grown up within the past century of families and firms with traditions of commerce and industrial integrity, with reputations for the high quality of their products, who are trusted by their workmen for whom they are responsible, and who generally play a considerable and valuable part in local affairs. While all these factors have a relative importance there is no doubt that they must be submerged in the long run in the wider public interest of re-organisation and rationalisation."

Lord Melchett, who enjoyed a 'non-religious' education but has now officially returned to the faith of his fathers, is Director of I.C.I., International Nickel Company of Canada and Barclay's Bank.

B. J.

PARLIAMENT

EDUCATION BILL

(Continued from page 2)

what we are concerned with is the education and well-being of the child in the school. I agree with my hon. Friend the Member for Kilmarnock (Mr. Lindsay), that these discussions are shots fired in a war for the secondary schools of England and Wales. It has been suggested by the hon. Member for Aberavon (Mr. Cove) that we are trying to institute a new kind of snobbishness, but what we are trying to do is precisely the opposite. We are trying to put an end to the terrible gap which still exists in this country—and will exist even under the provisions of this Bill between the free county secondary school and the public school, with its immense tradition and prestige. I want to close that gap not by pulling down the prestige and esteem of the public school, but by raising the prestige of the free county school to the same level. Clauses 15 to 19 go to the very root of the philosophy of education and if the provisions in these Clauses prove unsatisfactory, the whole intricate mass of this Bill will have lost a good deal of the reason for its existence.

I am surprised that it has not been noticed in this Debate that the Bill gives a new definition to the word "secondary," altogether a new meaning in the history of education. Before the Bill was brought forward this term was generally confined to schools of the grammar school type, providing education and preparing for the professions and for the university; schools which aimed at what is called a liberal education, whether that ideal was reached or not. It was precisely that aspect of education which captured the imagination of the poorer parents of this country who wanted their children to get on. These parents did not actually in the past think very much of what we now call senior-school education or modern education and not very much of technical education. It was, in quality, precisely the type of education which was being given in the public schools of England and Wales that the parents wished to see their own children enjoy. That might have been wrong and it might have been snobbish or very ill-advised, but their ambition was that their children should have the same education as the children of the rich, to have the same opportunities, tasting the rare and refreshing fruit of office and privilege which the other classes had. Therefore, the cry "Secondary education for all" became a slogan in this country, and now this Bill is going to try to implement and to satisfy that cry by giving a secondary education to all children over 11 plus years of age.

The right hon. Gentleman is going to do that, I am afraid, merely by using the word "secondary" in a new connotation and not by creating a really new system of secondary education. The secondary schools of England and Wales in future will not only be secondary schools of the grammar school type, but they will also contain all the residue, the children who fail to pass the examinations to go into the grammar school, the children in the modern and technical schools, which necessarily must, if education is to be compulsory, contain a large proportion of the unteachable, who must by law go to these so-called "secondary" schools. All these are going to be called secondary schools, there is going to be no distinction between the county modern and the county grammar school. How then are the county free grammar schools going to compete with the Public Schools under those conditions?

*(To be continued)*PROGRAMME FOR THE
THIRD WORLD WAR

by

C. H. DOUGLAS

This work, which has appeared serially in *The Social Crediter*, is now published in one cover,

Price 2/- (Postage extra)

BOOKS TO READ

By C. H. Douglas:—

Economic Democracy	(edition exhausted)
Social Credit.....	3/6
The Monopoly of Credit.....	(reprinting)
Credit Power and Democracy.....	(edition exhausted)
Warning Democracy.....	(edition exhausted)
The Big Idea.....	2/6
The "Land for the (Chosen) People" Racket.....	2/-
The Tragedy of Human Effort.....	7d.
The Policy of a Philosophy.....	7d.
Reconstruction	6d.
The Use of Money.....	6d.
Social Credit Principles.....	1½d.

ALSO

The Bankers of London by Percy Arnold.....	4/6
Aberhart: Manning.....	9d.
Southampton Chamber of Commerce: Report of Economic Crisis Committee.....	9d.
The Planners and Bureaucracy by Elizabeth Edwards.....	8d.
Hitler's Policy is a Jewish Policy by Borge Jensen and P. R. Masson.....	6d.
Democratic Victory or the Slave State? by L. D. Byrne.....	4d.
How Alberta is Fighting Finance.....	4d.
The Dangers Inherent in the Proposed Schemes for International Money Units by R. Gaudin...4d. ea.; 3/6 doz.	
The Beveridge Plot	3d.
Large versus Small Scale Electrical Production: The Grid by W. A. Barratt.....	3d.
Lectures and Studies Section: Syllabus.....	3d.
The Voters' Policy as applied to the Beveridge Report (Bristol Voters' Policy Association leaflet)	2d.
World Review; The Jeffrey Professor of Political Economy, Etc., (containing Financing of a Long- Term Production Cycle, reprinted from <i>The Social Crediter</i> of November 28, 1942.)	1d.
Cross-section of Bristol discusses Work (Bristol Voters' Policy Association leaflet).....	1d.
The Representative's Job	1d.

(Please allow for postage when remitting).

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