The Brief for the Prosecution

By C. H. DOUGLAS.

PART II. CHAPTER IV.*

When Karl Marx (Mordecai), in his Message to the First International in 1870, observed, “The English are incapable of making a Socialist revolution, therefore foreigners must make it for them,” he placed on the record a statement of high historical and practical value.

Whatever the ultimate result may be, it is a simple statement of fact that social disturbance, economic and industrial distress in Great Britain can in almost every case be traced to alien influence. The native English, in particular, have their own methods of dealing with a distasteful situation, as anyone intimately conversant with the tragic-comic breakdown of the alien billeting system in 1939 can testify. But revolution is not one of them. The immense stability underlying race homogeneity is the main factor in this characteristic, a sense of proportion contributes its quota, and a curious corruprtibility, which is always ready to accept an immediate benefit rather than persist in a long-term vision, helps to make the way of the social incendiary one of successive disappointment.

But this latter feature has taken on a new aspect in the present century. Social revolution has itself become a profession in place of being a religion, paying, in its higher branches, and subject to compliance with a code, high dividends both material and social. The effect of this has been to create, primarily in London, but to a less extent in all the larger towns, what can only be described as an alien culture, in the main bureaucratic, but linked with mechanical industry by the Trades Union official. This culture also has its own type of Art. It is not an exaggeration to state that if the whole population outside these circles were to cease work, the social revolutionaries of the Fabian and other varieties would starve to death in a month, while on the other hand the disappearance of the socialists and bureaucrats would hardly be noticed except with general relief.

Yet it is beyond argument that the bushy and somewhat foreign mannered tail wags the rather bewildered British dog even if contributing little to his sustenance. The indigenous culture is one of tolerance combined with a strong desire to mind one’s own business directly, rather than by pooling processes. Once given access to the sanctions of the state, an alien culture can be imposed on such a national temperament with comparative ease. Whether it can be maintained is another question, but it has been demonstrated that the centralised state, once achieved, is difficult and costly to dislodge.

Without carrying the German conception of Blut und Boden to the absurd lengths characteristic of its protagonists, only the type of mind which has absorbed the abstractions of Bloomsbury would dispute the large element of truth which it embodies. A nation is amongst other factors a culture, and while a culture probably contains many components which do not derive from the soil, it is certain that no culture which is not rooted in the soil and racially related to it has the character of permanence. The astonishing resistance of nationalism to the massed forces of international finance, cartelism and Freemasonry seems to have put this question beyond further argument, and the chameleon-like element in Jewish behaviour no doubt has its explanation in the Diaspora.

If this conception be accepted as broadly representing reality, then the efforts of the foreigners mentioned by Marx, and their employees in various gainful occupations in this country, take on a somewhat different and more sinister aspect. We have not to deal with a mere propagandist venture to introduce the latest improvements into administrative machinery, which might conceivably be well-intentioned, even if demonstrably wrongheaded. The spiritual life of the country and the nation, which is its culture, is being subjected to a deadly attack. There can be no peace until one side or the other is defeated.

No civilisation is tolerable which suppresses agitation from within its own borders against an existing condition, however mistaken that agitation may be. But no civilisation can survive which will permit members of an alien culture to settle within its borders in order to make the exploitation of grievances real or fancied into a highly lucrative profession. It is remarkable that the British Dominions overseas are in the highest degree sensitive to any suggestion of interference from the official British Government in London, while tolerating barely concealed attempts to impose, via specially trained representatives of the London School of Economics working in conjunction with the Central Banks, a comprehensive tyranny entirely foreign in its origin and character.

It is not difficult to apprehend that naturalisation laws have a vital bearing on this matter, and that naturalisation laws are affected not merely quantitively but essentially by the relation of the culture of the immigrant to that of the country of his choice. Apart from a few points on the seaboard, for instance, the culture of the North American Continent in the seventeenth century was that of the North American Indian.

Immigration has wiped out that culture, not wholly or
even principally through frontier massacre, but by the sheer
incompatibility of the indigenous culture with that of the im-
migrant. The immigrant himself was in the main a variant of
the general European culture although of differing national
stocks, and a culture with recognisable European features
was characteristic of the United States until the last quarter
of the nineteenth century, as it is in Canada to-day. A
consideration of the history of American expansion lends a
grimly humorous aspect to the solicitude for India now so
prevalent in the United States.

The immigration and the culture which is being forced
up on Great Britain by every device of propaganda and covert
political, social, and economic pressure is not fundamentally
European, is not accompanied by immigration of European
stock, and is as incommensurable with the native culture as was
European culture with that of the North American Indian.
It is just arguable, and it is very loudly argued, that a small
influx of foreign strains can be absorbed without great dis-
advantage. But it must be small, and it is essential that it
should be absorbed. Our alien population is not small, (its
dimensions are systematically falsified), it is increasing, and
it is not being absorbed. In spite of strenuous denials it is
certain that the dominating influence in the State at this
time is alien in culture, whatever the particular passport of its
protagonists may be.

behind Revolution, is one of the most conservative enquiries
into the subject, remarks “There is a greater amount of arti-
ficiality in revolution than is believed. This is not so
to be imputed to the Jews. It is not certain that they form
its most numerous elements, but, thanks to their racial quali-
ties, they are the strategists and directors of the movement,
from which they, almost alone, derive advantage” (p. 239).
That is to say, it is only important to the powers behind
revolution that there should be unrest; given unrest, control
of publicity, propaganda, and educational facilities, it can be
invariably directed to the advantage of the unseen manip-
ulators.

It is clear that such organisations as the Royal Institute
of International Affairs have no antagonisms with P.E.P.;
and P.E.P., derives ostensibly from the Fabian Society. Its
first Chairman was Sir Basil Blackett, of the Bank of
England.” The Royal Institute of International Affairs is
the successor to the shadowy “delegates” and “experts”
to the Paris Conference of 1919. At this Conference, Paul
Warburg of the Federal Reserve Board headed the U.S.A.
delegates, and Max Warburg, his brother, of Warburg Bank,
Hamburg, represented Germany. In May, 1919, the “experts”
met and decided to form an international institute, and in
1923 this institute was given Chatham House, in St.
James Square. The subscribers to it, amongst others, were Thomas
Lamont of J. P. Morgan & Co. (£2,000), Sir Abe Bailey, the
South African gold millionaire, Sir Otto Beit, the Carnegie
Trust, Imperial Chemical Industries, the Bank “of England,”
Prudential Insurance Company, N. M. Rothschild & Sons,
Schoeders, Rockefeller Foundation (£8,000 per annum),
Reuters News, etc.

Anyone who has contemplated the changes of front of
the Communist movement must be satisfied that it is an ex-
tension of international financial intrigue although quite
possibly its dupes would react violently to the suggestion.
According to the Melbourne (Australia) Herald, “Com-
munists in Latin America no longer attack Dollar Diplomacy
or British Imperialism” (1/11/44). It will be remembered
that Viscount Snowden, whose chief concern was that the
rich were not poor rather than that the poor should be rich
and that England should be ruled by minor revenue officials,
remarked that the Bank “of England” was the greatest moral
force in the world. “It would be a naive student of British
politics who would suppose that an obscure Excise official
could rise to the Chancellorship of the Exchequer and a
Viscounty, and his wife be appointed a Governor of the most
powerful propaganda organ in the world, the “B,” B.C., if
their views were regarded as a menace to the power of “the
City,” or their policies incompatible with those of the powers
in command of patronage.

The position is admittedly one of great difficulty. It was
recognised by William Cobbett probably one of the greatest
Englishmen of the past three hundred years. His general
contention, implicit or explicit in all his writings, is just
as true to-day as it was a hundred years ago. Almost any
social and economic system is as or rapidly becomes tolerable
if it is homogeneous and indigenous. The old saying “Let fools
for forms of Government contest. That which is just
administered is best” is profoundly untrue as it reads, but it
does contain an element of potential truth—that the system
will rapidly be modified if it is native. In 1290 Edward I
expelled the Jews from England, and twenty years afterwards
suppressed the Knights Templars, the direct ancestors of
Freemasonry. It is significant that the Laws of England
which are regarded as ‘good law’ to the present day unless
specifically abrogated date from Edward I.

The modern British individual in the main has a totally
false idea of the intelligence of his ancestors at that date.
Seven hundred years is but a moment in the life of a race,
and the inspection of documents relating to the management
of either England or Scotland in the time of Edward I will
convince anyone that we have perhaps not learnt so much of
real consequence as we have forgotten. But it is certain
that we are faced with a situation which was threatening
England with disaster then, and it ought to be obvious that
the first step to take is to restrict drastically alien immigration,
and to make naturalisation a rare and exceptional concession.

The next step is to submit to a mental cold bath on the
meaning of ‘hospitality.’ We are the laughing-stock of large
numbers of our ‘guests’ and of all of their recent hosts. For
the last few years our ‘guests’ have been ordering our dinner,
and telling us that plain living, watered beer and hard work
are good for us, though not for them. A new note has crept
into the discussion. The frenzied appeals to save the victims
of Hitler’s tyranny are giving place to scarcely concealed
threats. Unless we mould our foreign and domestic policy
as instructed, we are going to regret it. The import of, for
instance, an article in the American Mercury of March, 1944,
which remarks that “London must be made aware that Pales-
tine is not a purely domestic question. The United States of
America endorsed the Balfour Declaration, and would share
the breaching of faith... Other countries have interests in the
Grand Central’ of the world. Britain [sic] does not have the
only or the last [my emphasis] word in the Palestinian situa-
tion,” is obvious. (In passing, it may be noticed that the
geographical and strategic position of Palestine is being
stressed as a reason why, say, Madagascar will not be accepted
as a substitute national home for Jewry.) Mr. Emmanuel
Celler, Democratic Congressman for New York, informs us that the release of Sir Oswald Mosley from prison, to which he had been committed without trial, is not within our competence. The suggestion is that the internments under Regulation 18B were made under alien orders.

The memory of most of us goes back to the period of the “war of nerves” of 1936-39, and the part played in it by the Sudeten Germans and racial minorities in general.

History is full of examples of the suicidal folly of allowing unassimilated minorities of any description to attain substantial influence. Whether it is too late to deal with the matter comprehensively on the principles, if not by the exact methods, of Edward I, is a large question. But that it has to be dealt with if we are to avoid the fate of Poland, does not admit of argument.

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**THE AUSTRALIAN REFERENDUM**

At the foot of page 3 on August 26, *The Times* published a message from Canberra giving the voting figures in the Referendum of August 19. For convenience, these are placed in tabular form below:

<table>
<thead>
<tr>
<th></th>
<th>For the proposals</th>
<th>Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>677,348</td>
<td>823,256</td>
</tr>
<tr>
<td>Victoria</td>
<td>538,800</td>
<td>559,185</td>
</tr>
<tr>
<td>Queensland</td>
<td>181,203</td>
<td>319,576</td>
</tr>
<tr>
<td>South Australia</td>
<td>179,557</td>
<td>173,634</td>
</tr>
<tr>
<td>Western Australia</td>
<td>117,322</td>
<td>112,533</td>
</tr>
<tr>
<td>Tasmania</td>
<td>48,520</td>
<td>78,450</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>1,742,750</strong></td>
<td><strong>2,066,634</strong></td>
</tr>
</tbody>
</table>

The Majority against the proposals was 323,884. Of the States, four were against and two were for. To secure adoption of the proposals, it was required that at least four States should favour them as well as an absolute majority of voters. *The Times* states that of 140,800 service votes “thus far counted,” there was a majority for the proposals of 4,600.

After giving the ‘lead’ to the ‘free press’ in advance of the result that this would arise from the addiction of ‘the political animal’ to party politics, *The Times* of August 21 was constrained to report the opinion of Australian newspapers of both sides that “an analysis of the voting shows how completely it cut across party lines.”

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**Achtung!**

“... the unreliability [to whom?] of a method [Referendum] which, on paper, appears as a safeguard of ... the sovereignty of the people has again been demonstrated. It may, perhaps, provide a timely example for those European countries where the nature of the constitution by which the people are to govern remains still in doubt.”

—*The Economist*, August 26, 1944.

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**PLANNING THE EARTH** (Continued from page 5)

Centralised. Rain is decentralised water, charged with oxygen. To the extent that it is retained in the soil where it falls, plant and animal and human life becomes possible. Where plant growth is established the rain enters the soil gently, the soil, being broken up by roots into a crumbly texture, and containing a good deal of absorbent organic matter, retains both air and water, and any surplus of water supplies the underground reservoirs where porous rock is present and oozes out steadily in springs, which maintain a relatively even flow all the year round, as do the rivers into which they flow.

With the destruction of plant growth by the clear-felling of forests, over-grazing, over-cropping, or the destruction of soil organisms by the use of chemical fertilisers, or other forms of management imposed upon the modern farmer by centralised forces, the conditions for life cease. The rain runs off the surface, carrying the soil particles with it. The underground water level sinks. The flow of springs becomes irregular. Floods and droughts characterise the river system. Soil which has taken centuries to grow is swept away in a few years, silt ing up the river beds (thus causing floods) and eventually finding its way into the sea. Deprived of its binding organic matter, the soil on the plains crumbles into dust and is blown away on the winds.

Thus we have to realise that floods, such as those on the Mississippi and the Yellow River, droughts, dust storms, dust bowls and deserts, such as those of North China, Libya and Arabia, are largely man-made, albeit hitherto probably for the most part unconsciously so, and not ‘acts of God’ as commonly supposed. The unconscious stage, however, is now over. Without centralised control over human beings such massive interference with nature on a large scale is impossible, but the vast sanction involved in the control of these natural forces, particularly water, has not escaped the notice of our Planners.

It has been noted that the rain falls upon the just and the unjust, but such an arrangement is not regarded as fair by our Planners, who would prefer that the rain should be gathered into one place, and then ‘delegated’ under strict control through sluices to the people in strict proportion to the ‘justice’ of their claim, as determined by an impartial Committee. In case this should be thought far-fetched, the following quotation from *The Rape of the Earth, a World Survey of Soil Erosion* by G. V. Jacks and R. O. Whyte, p. 289, will illustrate my point:

“The Russian plan is magnificent in conception... It consists in bringing the principal rivers and water resources of the Soviet Union into one interlocking system under complete human control... Flood and drought will be disciplinary measures which Man, and not Nature, will exercise on those who do not toe the line.”

According to Elliot Smith’s *Human History*, the first centralised State arose on the banks of the Nile on a basis of water control. It is symbolised for us by the vast slave-built pyramids, slave-built pyramids of its rulers. An attempt, it seems, is being made to return to that system under the ironical name of ‘progress.’ It is not enough to believe that our Planners, and the American Planners, have not yet reached this stage; since they are obviously travelling the same path as the Russians, and we shall be fools indeed if we allow them to gain control of the first necessity of life.

*(To be continued).*
From Week to Week

Our Candid Press—“Mr. Churchill in Italy. War may end sooner than we hoped.” —The Scotsman, August 22, 1944.

The chief dealers in Government Surplus are Messrs. Cohen & Armstrong. Armstrong adds a pleasing touch of local colour.

The defeat of the Australian Referendum is a severe snub to the International Planners and Plotters and in particular, their chief local representative Dr. Evatt. Entirely apart from more sinister objectives, it is only necessary to look at a map of Australia, which is a continent rather than an island, to realise the infatuated nonsense which would place the administration of say Perth and Fremantle under a Legislature which frames the shackles of North Queensland. But in fact the objective was to take the first step to the handing over of Australia to a World Government. C’est le premier pas qui coûte, and the first step has faltered badly. We hope Dr. Evatt will retire into well-merited obscurity; but these people don’t.

The News Review, which is published by Odhams Press, owned by Julius Salter Elias, otherwise first Lord Southwood, states in its issue of August 17 “Secret of this success [return of the Social Credit Government of Alberta] is that Social Credit is no longer emphasised by the Party. Admitting this, Provincial Treasurer Solon Low said ‘True, but we have a darned good Government.”

I commend this statement to the attention of Mr. Solon Low, and will see that any remarks he cares to make about it are brought to the attention of the News Review.

The International-Finance Socialist press has evidently agreed on a policy of explaining that Social Credit Governments are not really Social Crediters but are returned to power because they are good governments. This suits us quite well, and will explain the considerable increase in the number of Social Credit Governments under various names which we anticipate in the next few years.

We leave to the controlled press the task of explaining why they oppose them.

What with two “Alleluias” a day, and the Jacobin Anthem, The Marseillaise played twice over at “B.”B.C. communiques, our Clarence, who always wants to be in the movement, doesn’t know whether to concentrate on Hebrew Black Magic, or Yiddish.

The rumour that units of the British Army took part in the invasion of the Continent has been confirmed by one of our readers who listens to the broadcasts from Germany. The Germans seem to take the British Army quite seriously. Unlike the “B.”B.C. they haven’t got a Presidential Election to think about.

“ILLEGAL CONVERSION”

The following letter appeared in the Dundee Courier of August 23, 1944. The point raised goes to the root of the relations of the Government and the individual, and it is suggested that every reader write to his M.P. requesting that the authority of Mr. Dalton, or any Minister or Official, to dispose of property which has been wholly or partly paid for by taxation, should be subject to the grant by each individual of authority to dispose of his interest in the property:

Surplus Government Stores Disposal

Sir,—As, unfortunately, only a small minority of those affected by the debates in the House of Commons read the official report of them in Hansard, may I draw your readers’ attention to a matter of primary importance contained in the issue of July 25, in which the following dialogue occurs:—

Dr. Russell Thomas (Southampton)—Can the right hon. gentleman (Minister for Economic Warfare) give an assurance that he will not give to Europe what is required here?

Mr. Dalton—I do not think that is the way to approach it.

Dr. Thomas—Why not?

Mr. Dalton—Because there are moral duties which we owe to those of our Allies who have had a much harder war than we have.

Dr. Thomas—Charity begins at home.

Mr. Dalton—No, charity does not begin at home, unless your home is large enough to contain all your friends. If my hon. friend does not see that, I do not think it is worth my while to spend more time upon it.

One of the moral duties which may reasonably be expected from Ministers of the Crown is to refrain from the illegal conversion of other people’s property, and, in particular, the property of those people they are supposed to represent. Government surplus, conservatively estimated to have cost £2000,000,000, has been paid for from two sources—taxation, paid by individuals, and money created out of nothing by the banks (“Banks create the means of payment out of nothing”—Encyclopaedia Britannica.)

The surplus stores belong to the people who paid for them, the taxpayer and/or the banks. In the latter case, it must be assumed that the banks own the prescriptive right to all the money they create out of nothing.

May I suggest, therefore, that before Mr. Dalton gives full reign to the charitable instincts so characteristic of his party, a clear and public decision should be reached as to the ownership of the property he is so anxious to give away?

—I am, &c., C. H. Douglas.

August 21, 1944.
PLANNING THE EARTH (I)

By GEOFFREY DOBBS.

Now that the Tennessee Valley Authority has been held up in Parliament (by Mr. Ellis Smith, on May 11, 1944) as an example to be followed in this country, it may be as well for us to look at the main outlines of this project.

As with so large a proportion of the matters with which Parliament is concerning itself during war time, this was first brought to light here, well before the war, by Political and Economic Planning (P.E.P.), which published an issue of its broadsheet Planning (No. 76) devoted to the Tennessee Valley Authority as long ago as June 2, 1936. The account is useful, for it claims to have been “carefully checked with the aid of those interested on both sides of the Atlantic.” Clearly those interested on this side are associated with P.E.P., and on the other side with President Roosevelt, on whose proposal the authority was created.

“It is to be hoped,” says the broadsheet, “that the experience gained will not be lost in Whitehall, nor in Delhi and other capitals within and outside the Empire.” Since the matter goes down to the terms of our existence on the surface of this planet, it is important that the fundamentals, rather than the local details, should be correctly appreciated.

Briefly, the conditions in the Tennessee Valley area in 1933 are depicted as follows:—the region is four-fifths the size of England, with ample rainfall, with every variety of country, soil and mineral wealth, sparsely populated (the Valley itself holds only 2,000,000 people). The soil is eroding rapidly, washing down into the rivers, which in turn suffer seasonal floods and droughts, and the whole area is poverty-stricken and depressed, losing its young men to the towns, and becoming a burden on the more prosperous parts of the country. Since this was the picture also presented by other areas all over the world, and since it is incontestable that the physical destruction of the soil was brought about by mismanagement, including over-felling of timber, over-grazing of grasslands, and over-cropping of arable, without adequate return, there are but two general assumptions as to its cause, upon which anyone setting out to improve matters can proceed.

The first rests upon the reasonable belief that large numbers of people living on the land all over the world would not simultaneously behave in this suicidal way unless they had been subjected to some very powerful interfering force tending to induce them so to act. Any attempt at rectification would therefore have to start with the identifying of this force, which at the time in question was not very far to seek, and with counteracting it. Agricultural communities all over the world were complaining of debt and of the operation of a money system which made the progressive growth of debt to the issuers inevitable. The first appearance of a Social Credit Government in North America a few months before the issue of Planning (No. 76), can scarcely have escaped the notice of “those interested on both sides of the Atlantic,” although the questions thus raised in clamant form, and then undergoing urgent discussion everywhere, are not noticed in their broadsheet, which nevertheless claims to be a “fairly balanced statement” and finds room on its front page for the following sentences:

Operating in a part of the United States which has been made a byword for backwardness through the notorious “monkey trial” at Dayton, Tennessee, and the more recent repeated trials of the Scottsboro negroes, the Authority has evidently had an uphill job, and its achievements are all the more remarkable when viewed against this setting. They show what a group of men with trained minds and a social outlook can do when given adequate resources and freed from some of the more onerous of current restrictions on development in the interests of the community.

This picture of a noble élite struggling with the inherent depravity of human nature which has not yet been cured by ‘progress’ clearly indicates that the Tennessee Valley Authority and its sponsors are working upon the second assumption, namely that the trouble is due to the free operation of ‘private enterprise,’ and hence that it must be the nature of human beings in general, unless curbed by the socially minded élite, to destroy the soil and their own livelihood with it. This assumption has only to be stated to be disproved. On Christian grounds it is heretical and leads logically to Satanism. Biologically, it is ridiculous, and makes the survival of the human race inexplicable. Historically, it is inaccurate, and ignores the fact that the man-made deserts of the world have all been created by the great empires in which the mass of mankind has been centrally controlled by an oligarchy. Politically, it is the essential basic assumption of totalitarianism.

Just what the farmers of Tennessee, or indeed the rest of us, could do with adequate resources and freedom from restrictions is not enquired into. To allow them such opportunities would clearly be unthinkible. The greed, selfishness, and obstinate stupidity of all who live upon the land, as compared with the enlightened selflessness of the better paid administrative grades is, of course, axiomatic, and has been made a byword” by someone or other. I have not, however, seen it suggested that it is the gluttony of sparse rural populations which has denuded the earth. Nor does their presumed greed for money adequately explain their poverty, or the fact that their primary wants are satisfied quite frequently without money at all.”

“Grainger County, which is purely rural, … may be cited as an example of the rest. In 1932 the State and Federal Governments sent tax money into the County 91,000 dollars in excess of the revenue collected there. … To the U.S.A, administration such countries are a debit.”

The cure for this shocking state of financial parasitism was to create the Tennessee Valley Authority, and provide it, up to July 1, 1936, with 110,000,000 dollars. The Plan, we understand, was a success. Readers will be staggered to hear that there was more money about in Tennessee, which proves, of course, the necessity for Planning. Furthermore, even in June 1935, the Authority employed over 16,000 persons, and, believe it or not, Unemployment was actually lower! We do not, however, hear about anyone being a debit to the administration.

Clearly then, as for war, so for other forms of Planning, when the money is needed it is forthcoming. Since the Authority is cited by our own Planners as an example to be followed, it is important for us to note how they started in Tennessee. It is significant that they began with the control of water.

Water, being a liquid, is an easily centralised essential of life; and yet one of the first conditions on which we live upon this earth is that it should be to a large extent de-
ALBERTA PROTEST AGAINST WORLD MONEY PLAN

The following is the text of a letter addressed to the Right Hon. W. L. Mackenzie King, Prime Minister of Canada, by the Hon. E. C. Manning, Premier of Alberta, on the eve of the Bretton Woods Conference:

Edmonton.
June 23, 1944.

My dear Prime Minister:

International Monetary Arrangements

In announcing to the House of Commons, on April 21 last, that agreement had been reached among the experts of the United Nations regarding post-war international monetary arrangements, you said:

"In announcing this agreement on the principles which should govern the constitution and operation of an international monetary fund, I should like to make quite clear that what has been achieved is an agreement among experts. No government is in any way committed to this document or to the views of its experts. The statement is made public at this time in order that there may be public knowledge of the progress which has been made and informed discussion of the proposals before governments proceed further."

I assume that by this statement you were extending to all sections of the nation an invitation to examine the proposals in question, as the Federal Government had no desire to commit this country to any such arrangement unless it had the approval of the people. Accordingly the Government of Alberta has given careful consideration to the official document issued under the title: 'Joint Statement by Experts on the Establishment of an International Monetary Fund.'

The Government of Alberta is alarmed by the grave and dangerous implications of these proposals, and protests in the strongest terms possible against their adoption by this country. The grounds upon which this protest is based are set forth below:

1. The proposals embodied in the 'Joint Statement by Experts on the Establishment of an International Monetary Fund' are in a form likely to be incomprehensible to the layman in financial matters, and consequently their real nature is in danger of being obscured.

2. For all practical purposes the general scheme submitted would result in the creation of an International Monetary Authority exercising control over foreign exchanges, national monetary systems and economic policy of all member countries. It would constitute an international economic dictatorship, wielding power superior to any national government, and beyond the control of any electorate.

3. The main features of the general scheme are:

(a) The establishment of an International Monetary Fund for the settlement of trade balances and other foreign exchange dealings.

(b) Each country would be apportioned a quota to be subscribed partly in gold and partly in its currency which would be pegged at a fixed rate of exchange in relation to gold and with currencies of other countries.

(c) The Fund would be controlled nominally by a Board consisting of 'representatives' of each of the member countries. However, it would appear that the actual power of control would be vested in the Executive Committee, to consist of at least nine members and to include the 'representatives' of the five countries with the biggest quotas. On both the Board and the Executive Committee, voting power would be related to the quota of the country that each member represents.

(d) Member countries would be required to agree:

i.-to maintain a fixed parity in the price of gold in terms of their currencies, within the margins prescribed by the controllers of the Fund;

ii.-not to allow exchange transactions in currencies except at the parity rates laid down; and

iii.-not to impose restrictions on payment for current international transactions with other member countries, not to engage in 'any discriminatory currency arrangements or multiple currency practices' without the consent of the controllers of the Fund.

(e) Under various other provisions a member country whose quota becomes 'scarce,' i.e., considerably depleted, becomes subject to the conditions dictated by the controlling Board and Executive Committee for dealing with its plight.

4. Though not specifically stated, it is implied in the provisions of the general scheme that the volume of currency of each member country is to be related to the volume of gold in its Central Bank and its quota in the International Fund. This feature automatically arises from the fixed exchange rates based on an arbitrary universal price for gold as the governing factor in international trade, and the prohibition of any internal monetary arrangements for the purpose of insulating the national economy from conditions existing in other countries, on the grounds that it would be discriminatory or rank as a multiple currency system.

5. Thus, on examination of the proposals, it becomes evident that, notwithstanding past experience, all the vicious, restrictive and disruptive features of the system known as the gold standard are to be re-introduced with the resulting havoc and appalling consequences which attended its adoption after the last war. Moreover, it is being suggested that member nations should be shackled to this disastrous system under centralised international control which would be destructive of their national sovereignty.

6. Furthermore it is plain that the result of the proposed scheme would be the continuation of the existing financial system into the post-war period. The implications of this are so far-reaching and pregnant with disaster on a catastrophic scale that they are deserving of the most serious consideration.

7. It is no longer a matter of theory but a fact based upon the incontrovertible evidence of actual experience that the present financial system is fundamentally defective in failing to distribute a sufficient volume of purchasing power to enable the people to buy at economic prices the goods available for consumption.

8. Following the last war the disastrous consequences of this defective feature brought our civilization to the verge of disaster by its shattering effect on the economies of all
nations. Because of the chronic shortage of purchasing power, the people of each country found it impossible to buy the goods for sale on their own markets. Manufacturers and other producers were driven to savage, cut-throat competition in their efforts to sell their products. In their attempts to cut costs in order to reduce prices to compete with each other, they were forced to reduce wages to a minimum. This, in turn, resulted in the further curtailment of purchasing power. Being unable to sell the goods being produced, they were forced to curtail production on the one hand, and turn to foreign markets on the other hand. Curtailment of production led to unemployment, which further curtailed purchasing power, thus aggravating the situation. The attempts to force their products into foreign markets led to retaliation from those countries, for, being likewise faced with an internal shortage of purchasing power, they naturally resisted the products of other countries entering their home markets to compete with their own products. This led to the imposition of tariffs and embargoes, currency manipulations and various devices for keeping out the goods of other countries and stimulating their own exports.

9. The natural development of these conditions was a national and world-wide state of 'poverty amidst plenty,' economic stress, unemployment and social unrest, with growing friction developing between nations. Revolution and war are the inevitable outcome of such a state of affairs.

10. The situation was aggravated by the arbitrary limitation of money supply by central banks with the acquiescence of governments acting upon the advice of experts representative of the interests who, in the final analysis, were responsible for the operation of the disastrous financial system in universal operation. The limitation of money supply, the chronic shortage of purchasing power created by the system and the centralised control of the financial structure automatically led to the rise of vast monopolies, combines and cartels controlled, in the final analysis, by those controlling the financial structure.

11. It is fundamental to democracy that absolute sovereign power is vested in the electorate. 'Government in accordance with the will of the people' is otherwise impossible. It is an incontestible fact that the general conditions of poverty, unemployment and economic stress obtained by the people of Canada from successive governments during the two decades preceding the war were not in accordance with the will of the people.' Therefore democracy was rendered inoperative, and effective sovereignty was not exercised by the people. Thus a _prima facie_ case, based on factual evidence, exists that, as shown above, the operation of the monetary system under centralised control was the instrument for imposing on the people an economic policy contrary to their will and, in effect, superseded the authority of the constitutional government. Contrary to the constitution, and in violation of the status and the rights of the electorate, effective sovereignty had been usurped by those controlling the financial system.

12. It is an essential feature of the Statement by the anonymous experts which is the subject of this submission, that the international monetary arrangements advocated for the post-war years shall be based upon the existing financial system. Whereas at the present time it is within the constitutional competence of the Canadian nation to make any changes in its monetary system and financial structure, the ramifications of the general scheme outlined in the Statement of the experts would preclude, and is plainly intended to preclude, the exercise of this sovereign power by the people of any nation. Effective power of control over monetary matters would be vested in the International Authority envisaged under the scheme.

13. It is evident that the pegging of exchange rates between currencies on a gold basis will in no way affect the defective features of the monetary system. The deficiency of purchasing power which existed before the war will recur when the economies of all countries are re-adjusted to peace time production. Unless action is taken to deal with the disastrous effects which this will have on those economies, conditions of mass poverty, mass unemployment, restricted production and all the other evils resulting from a deficiency of purchasing power, will develop automatically. The savage internal competition favoring large corporations, monopolies and combines at the expense of small independent concerns, and a repetition of the old savage struggle for foreign markets will be the natural outcome.

14. In the ensuing scramble the countries that are most highly industrialised and/or have the lowest wage scales will be able to produce at the lowest cost and oustall other countries in the open world markets. Any such country, being a creditor nation and having command of the bulk of the world's gold stock would be able to force other countries—particularly debtor countries—into a position in which their quotas of the international fund would become exhausted, and they would have to borrow from it, both to meet the internal stress of their own economies, and to deal with their positions in the international markets. If such a country had, in addition, the largest quota and exercised the greatest voting power—and, by virtue of its creditor position, could influence the voting power of others—it would completely dominate the situation. Under present conditions that is the position which would be occupied by the United States of America under the scheme, but this would not mean that the people of the United States would either benefit materially or exercise any control. In the final analysis it will be the individuals who control the gold and the debt instruments who would wield the real power. The vast stock of gold in the U.S.A. is held by the Treasury for the private Federal Reserve Banks, and these in turn constitute a highly centralised monopoly controlled by a relatively small group of international financiers, who, for all practical purposes, exercise a dominating control over the entire economy of the country, in both its national and international aspects.

15. Furthermore this group of international financiers, with their world-wide ramifications, already dominate the international financial structure, and through it most national monetary systems. When it is borne in mind the power of control which is concentric with the control of finance, it would be surprising if the proposals in the Joint Statement of the Experts of countries did not originate from that source. Moreover, it is certain that the 'representatives' of countries who would comprise the Board and Executive Committee in control of the proposed International Monetary Fund would be nominees of the same powerful group of international financiers and would be most unlikely to be representative of any other interests.

16. The Right Hon. Ramsay Macdonald, who later became Prime Minister of Great Britain, wrote in 1924:
Nor is the growing importance of American finance in international trade an assuring event. One of the things that can be asumed as a certain consequence of the war is that finance is to hold a more important grip on international industry than hitherto, and that in their own interest communities must protect themselves as far as possible against an impious international financial trust.

In any event, it is quite clear that this country will have to watch not only Lombard Street, but Lombard Street and Wall Street.

... For finance can command the sluices of every stream that runs to turn the wheels of industry, and can put fetters upon the feet of every Government that is in existence.

17. However, great as the power of the dominant group of international financiers was during the years which followed the last war—a power gained as a result of using the situation created by that conflict to serve their ends—it would be nothing in comparison to the absolute domination that they would exercise under the scheme being proposed in the experts' statement. The latter would constitute a virtual world economic dictatorship which would, by a natural process, resolve into a tyranny unparalleled in human history.

18. It is evident that, in itself, such an arrangement could not survive the stress it would create. The people of all nations, in sheer desperation, would revolt and force their national governments to break away from it. It is therefore being proposed, under the pretext of creating an international system of collective security, that armed forces of overwhelming strength should be placed at the disposal of an international authority to maintain international peace. That this is the intention is plainly indicated by the mass of propaganda being put forward to win support for a post-war international police force under centralised control. The connection of this proposal with the scheme for international monetary control is brought out very clearly in the following quotation from an article by Ludwig von Mises in The Voice of Austria (published in New York) for August, 1941:

'... If there is any hope at all that foreign capital can be procured for the post-war reconstruction of Europe then a new legal system for the safeguarding of these investments and loans is essential. No country which stubbornly wishes to maintain its full sovereignty in this field can expect to attract foreign capital.

The new covenant of the League of Nations will therefore have to include a rigid limitation on the sovereign rights of every nation, which intends to borrow abroad or to obtain foreign investments. Unilateral measures which affect the essentials of the contractual obligations, the currency system, taxation and other important matters have to be rendered unlawful. The debtor countries should not have any rights, which are denied to private debtors. No country should have the right to inflict 'harm on foreign investors.

All these provisions will have to be efficiently enforced by international tribunals and by sanctions which the League must apply with a greater measure of success than in the past. Without some kind of international police power such a plan could not be carried out. Coercive measures are indispensable in order to make reluctant debtor countries pay.

Of course, this is equivalent to a very rigid limitation on national sovereignty. But there is no other way to make international capital transfers possible again. The nations involved will have to choose between the renunciation of the aid of foreign capital or this abandonment of their unlimited sovereign powers. They will have to renounce a good deal of their sovereignty for the benefit of foreign capital but for the benefit of their own economic reconstruction.

The following quotation from a British United Press dispatch from London (England) dated April 7, 1943, provides further evidence of the general scheme, for it must be borne in mind that control of the finances of the international police force will carry with it control of those forces:

'John Maynard Keynes, economic adviser to the treasury who reportedly drew up most of the programme, said such a union could be used to finance a 'super-national' police force, aid in post-war rehabilitation and relief and provide for building 'ever-normal granaries' throughout the world.'

It should be plain that the adoption of the measures advocated by the anonymous experts in their statement regarding the establishment of an international monetary fund, or any similar proposals for centralised international monetary control, would destroy our national sovereignty and the democratic constitution upon which it is based and place the Canadian people at the mercy of an international financial junta wielding overwhelming power over their lives. It is our conviction that if the proposed international monetary arrangement is adopted our nation will emerge victorious from the war only to be faced by crushing defeat in becoming economic slaves under a world totalitarian power.

On behalf of the Government of Alberta, I beg you to give this matter the full and immediate consideration it demands. In order that the issues involved should be brought to the attention of the people of Canada, who are the constitutionally supreme authority that alone can properly pass judgment on the policy involved, I am releasing this communication to the press.

Yours very truly, (signed) Ernest C. Manning PREMIER.

Rt. Hon. W. L. Mackenzie King, Prime Minister of Canada, Ottawa, Ontario.

The Candour Shortage

'To the list of shortages facing the technical Press of this country... could usefully be added an artificially created shortage—the scarcity of news concerning at least one important British industry... Columns and columns in the British shipping Press have been devoted to the wonderful achievements of American shipbuilders: the use of this material has to a large extent been forced upon British editors because of the non-release of news items and stories dealing with the activities of British yards. ...' — Mr. Charles Bichlall, Director and General Manager, Journal of Commerce, in a letter to The Times, August 21, 1944.