

# THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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## From Week to Week

Most men have the defects of their qualities, and it is patent that Mr. Churchill is not an exception. But admitting this, and recognising that he is definitely the man for the hour rather than the man for all time, it must be said that he towers above his contemporaries. Both Roosevelt and Stalin had incomparably better hands to play; Roosevelt has succeeded in creating an impression of a spoilt child who won't play at all unless he makes all the rules, gets all the limelight, and decides who's won; Stalin with his everlasting gun salutes and "Orders of the Day," and refusal to leave his 23-course dinners, that of a rude boor who imagines that sheer weight of population will justify his imposition of a crude and reactionary culture on the remainder of the world, and that it is immaterial how much of it he sacrifices in the process.

Whatever the underlying facts of the Greek situation may be, and most of us suspect the quarter from which the trouble originates, Mr. Churchill's handling of it has been masterly, and has no parallel even remotely approaching it in the actions of his "Allies" (God help him!).

The Pope's Broadcast, as reported in English, gives the impression of defective translation or undue condensation; nevertheless, it displays an authentic ring of catholicity, using the word in the non-technical sense, which befits its pretensions. There is nothing new in the challenge to the limitation of the power of the state; but the circumstances in which it is repeated compel attention.

We are not alone in protesting against the misuse of words; and we appeal to the growing number of those who recognise what a deadly menace is contained therein to pillory the word "state" when used in any connection denoting "administration," "management" or "control."

The very essence of "state" (Latin, *status*, condition) is quiescence; and the best state is that which is most quiescent. A "State" which has issued between two and three thousand Orders-in-Council during the last four years can hardly be called quiescent. These Orders-in-Council have the force of law; and law is the framework of the State.

It must be obvious to anyone not bemused by the current manias, that a State merely requires a few massive and generally agreed laws, only changed after the greatest consideration and deliberation. It requires those laws not so much as restrictions, because in one sense all law is restrictive, but as a fulcrum against which the lever of social purpose can react. Administration by law is as fatuous as playing a game by law, which is wholly different from play-

ing a game according to law. We have no doubt whatever that the growing lawlessness which is noticeable everywhere is an unconscious response to the perversion of the state principle. An infinity of laws is precisely equivalent to no law.

This must be what Professor Laski means when he talks about "the historic right to victory" of the Left. Water has "an historic right" to run down hill, and buildings have "an historic right" to decay. People who are competent to obtain useful results from water do not refine on the law of gravity, nor do builders hand over their plans to claimants to the discovery of perpetual motion.

Anything more intrinsically funny than to put a man with the qualifications of Sir Stafford Cripps in charge of Aircraft Production it would be difficult to conceive. Yet, so perverted is the whole conception of government, that it is quite possible that a doctrinaire Communist who doesn't know a planing machine from a plane tree is an essential feature of the situation.

Mr. Norman Thomas, the five times defeated Socialist candidate for the American Presidency, says Socialism is dead in the United States, which is going "fascist." (Any country in which socialism isn't doing too well is "fascist.")

We have always realised that socialism is an export product. Doubtless that is why Mr. Sidney Hillman is over here just now.

The Objective of Bretton Woods. "The proposal of the United States Treasury—the so-called White Plan—... made it very clear that, in the opinion of the American Treasury, the English should cut down their imports and their standard of living, so as to make their suit fit the cloth." *Saturday Evening Post*, October 28, 1944.

The perfect Allies, both in peace and war, as you might say.

We understand that General Eisenhower has for the moment suspended his instructions to the German Trades Unions.

## TEN THOUSAND EVICTED FARMERS

Farmers who have been evicted under the direction of war agricultural committees met in London on December 20, according to *The Times*, and formed the Dispossessed Farmers' and Supporters' Association. Mr. W. M. Bowran (Rickmansworth) said that 10,000 farmers had been dispossessed.

## PARLIAMENT

*House of Lords: December 6, 1944.*

### DEFENCE: POST-WAR ORGANISATION

*Viscount Maugham:* ... You may say that the Germans did start in fourteen years, but you must remember two facts which I think are of great importance. The first is that Germany would never have been able to begin preparing for the present hostilities if it had not been for the stupendous loans made by American and, I regret to say, British financiers to help to put her on her feet. A total sum of fifteen hundred million pounds was lent to her. There was no reason why we should lend that amount of money to Germany. It has, of course, never been repaid, and one result was that she was able to start great industrial efforts very much sooner than would have been possible otherwise. The other fact you must remember is that she could have been stopped if we and other countries had realised the sort of people who were massing themselves against us. In 1934 and in 1935 there would have been no difficulty about France, with some assistance from this country, marching into Germany and putting an end to her efforts to start the present war...

*House of Lords: December 13, 1944.*

### MACHINERY OF GOVERNMENT: FOREIGN OFFICE REFORM

*The Earl of Perth:* ... Now I come to my final and by far the most important subject—the co-ordination at the ministerial level of all activities of the various Government Departments and of the Bank of England likely to affect our foreign policy. The Government Departments which I have specially in mind are the Treasury, the Board of Trade and the Defence Departments. I may have already wearied your Lordships on different occasions by my insistence on this subject, but it is to my mind of such weight that I cannot refrain from again urging that the pre-war organisation was seriously deficient and must be reviewed and strengthened. The more I read and the more I learn of what happened in the period between the two wars, the more I am convinced that the foreign policy of different Secretaries of State was seriously hampered, and sometimes even deflected, by the independent action of Government Departments in matters which impinge deeply on our foreign policy. I will give two particular illustrations. First, the trouble which arose at The Hague Conference on Reparations when the action taken by Mr. Snowden very seriously upset our relationship with France, and confronted Mr. Henderson, the then Foreign Secretary—an admirable Foreign Secretary—with very great difficulties as to how to restore it; second, the private financial assistance accorded to Germany, which undermined the considered policy of Sir Austen Chamberlain and ultimately made it possible for Germany to rearm.

Now I have already suggested the possible remedy for this defective state of affairs—namely, the constitution of some organ analogous to the Committee of Imperial Defence; but if that were not found practicable, we should at least have a Standing Committee of the Cabinet, presided over by the Secretary of State for Foreign Affairs, on which the various Government Departments concerned, including the Fighting Services, should be represented at the Ministerial

level; and, by some method or other, the Bank of England should be included in any such arrangement. There should further be a special Secretariat for this Committee. The staff of the Secretariat might well be drawn from different Government Departments, in particular from the Foreign Office. The noble Viscount previously seemed to display some sympathy with these suggestions, and perhaps he may be able to tell your Lordships whether there is a likelihood of their being adopted by the Government, or at least assure us that progress is being made along these or along similar lines...

*Lord Addison:* ... But anything more damaging than the stock criticism of the Civil Service I cannot imagine. It is altogether wrong. My experience of the Civil Service is that, taking it as a whole, it is composed of highly competent exceedingly trustworthy and thoroughly honest people. This shallow talk about government by bureaucracy has a ricochet effect of discrediting the Civil Service which is most harmful. I believe that a lot of young men who would like to enter the Civil Service and would be very useful in it, may be deterred from entering by this kind of shallow criticism. Although it does not perhaps relate to the subject of the Motion of the noble Earl I once more take the opportunity of voicing my protest against the sort of criticism...

*Lord Vansittart:* My Lords, I venture to offer some observations of a general character about Foreign Office reform. I think indeed I might have offered them before had I not been precluded from attending earlier debates. As it is, what I have to say is very closely linked to the words which fell from the noble Lord, Lord Addison, and I think that if these particular points of a general character are not borne in mind we may find that reforms, both of men and of machinery which are now contemplated, will perhaps fail to bear the anticipated fruit.

When I joined the service over forty years ago the bar of the examination was neither unduly high nor unduly low. Let us say it was fixed at 5 ft. 6 in. If you cleared that you were a certain winner. You could get a place at 5 ft. 5 in. Moreover, the Ambassadors of the day enjoyed great dignity. Though some of them admittedly were men of no peculiarly outstanding attainments yet they were the personal representatives of the King, they were not commented on in the Press—or very rarely—they were never assaulted in Parliament and they were practically all professionals. At that long range I think I can only remember one exception. Moreover, I think my noble and highly distinguished friends, the Earl of Perth and Lord Tyrrell, would probably bear me out when I say that these men had rather more initiative in guiding policy than the extension of the Cabinet system has subsequently allowed to their successors. I think that is a broadly true proposition. In other words, in those days the entry was fairly easy and the attractions, once in, were considerable.

During the intervening period that has undergone a slight change. The bar was put up peg by peg to about 5 ft. 8 in. and simultaneously the number of outside appointments increased very considerably. I remember very well Lord Curzon, whose private secretary I then was, asking me to say frankly what I thought would be the reaction of the Service to the appointment of Lord D'Abernon to Berlin. I said frankly I thought the results to the Service would be disastrous because we had our own men who were very amply equipped to do the job, as Sir Horace Rumbold, Sir Ronald

Lindsay and Sir Eric Phipps afterwards demonstrated. In the same period there was a very marked increase in the evil habit of attacking those who cannot defend themselves. I am the last person in the world to wish to indulge in reminiscences, but I had some experience of that myself on account of my known views as to German intentions. I mention the point merely to say that that has a further tendency to increase the difficulties and reduce the attractions.

During the period of the war some of these tendencies have increased. Nearly all the great posts have been in outside hands—Washington, Madrid, Paris and, at one time, Moscow. At the same time the evil habit to which I alluded just now had not been dropped. On the contrary, there was an instance of it only the other day in another place. I think those who have kept in step and in tune with the march of time must realise that the initiative of modern Ambassadors is severely circumscribed. If that is to be the tendency on the one hand and on the other hand they are to be belaboured in public, that would be the ruin ultimately of any Service.

After the war the bar apparently is not going to be put up peg by peg. It will start somewhere about 5 ft. 10 in. and I think you are going to demand a race of walking encyclopædias who, owing to the very just and legitimate amalgamation of the Service, will be required to take their turn as Vice-Consuls at places like Jeddah, Trondhjem and Pernambuco. Some of these posts may not appear at first blush very attractive. If, into the bargain, you are going to restrict (a) their initiative, (b) put in a number of outsiders over their heads, and (c) attack them in Parliament as well, I think a good number of your walking encyclopædias will exercise their ambulatory powers by walking out on you. They will do that with all the greater alacrity and celerity in that you will have insisted on their jumping and aiming so high. It has been said that every country has the Government it deserves. That, I suppose, is broadly true. I submit that to-day it is perhaps even truer that every country has the public service it deserves. I submit also that this country has, on the whole, been very well served. If you want it better served then I think you will in the future have to treat your public servants somewhat better.

I revert for a moment to the case of Mr. Leeper. I am not going into the merits or demerits of that case. I merely suggest this to your Lordships' minds. The Government defended him, but, on the very morrow, we saw in the Press that Mr. Macmillan had been appointed to go out to Athens, no doubt, as all charitable minds would have thought, to assist him in his difficulties, but as all un-charitable minds would not only have thought but have said, to supersede him, to wipe his eye. Well, fortunately, that was all put right. No harm was done because Field-Marshal Alexander, possibly the most brilliant soldier of this war, was sent out at the same time, and nobody could possibly cavil at that action. On the contrary it is a very welcome one, but I venture to suggest to the Government that if they had sent out Mr. Macmillan alone that would, in effect, in many minds, have undermined and impaired the prestige and utility of our own Ambassador. And then, in due course, what more natural, more just in a way, than to say that the public interest now makes it advisable that he should be transferred or removed. That would pan out as an extremely odd form of defence.

In other words, I think that if you are to get the best

out of the new machinery and the new men, you will, once you have got your new paragons, have to treat them with complete trust and respect. And you will have to allow them not less but a great deal more latitude; and when they have taken it, as I hope they will, why then you will either have to back or sack them. I think it will be very rarely that you will have to resort to the latter alternative. I feel fairly convinced, too, that if you are going to get the best out of them, and the best out of the new machinery—it is all part of one whole—you will also, in the course of time, and not too long a time at that, be driven to reduce these outside appointments to the point where I found them when I entered, in other words to practically nil.

They were at one time, regarded as more or less accidental. I am going to be very frank about them. I think they are no more an accident; I think that they have been tending to become a system. They have been tending to become spare Ministerial appointments. I do not criticise one of the appointments of this kind which have been made during the past quarter of a century that the practice has been growing. On the contrary, in many cases, these appoint-

(Continued on page 7)

## J. G. Milne

Among several tributes to our friend the late J. G. Milne is the following from Mr. W. J. Sim, of Aberdeen:—

There can be no one associated with Social Credit who is not aware that the movement has sustained a heavy loss with the passing of J. G. Milne, and to those who had the privilege of his friendship there remains a sense of deep personal loss. J. G. Milne, was outstanding both in character and service to the cause, and it is not at this sad time that any real assessment of his achievements can be made. Enough now that all may feel grateful that they were privileged to receive from him in such full measure the comradeship he so lavishly dispensed. No man was more worth while knowing. His greeting was like a breeze of caller wind from the hills, his enthusiasm an infection. Forceful; intolerant of shams; ruthless in his denunciation of evil things; fearing no man, and caring nothing for adverse opinion; he brought to his good work a determination that would not be brooked and could not fail to triumph. Maybe his quiet unseen work was his best; but, to most, memory of him will aye swing back to his association with that landmark in Social Credit history—the Birmingham debate between Major Douglas and Hawtrey of the Treasury. His handling of that affair was an inspiration. The key to the character of J. G. Milne lay in his origin. Born in Aberdeenshire, his early training was as a craftsman associated with the great agricultural industry of that shire. His grounding was in reality and he kept in touch with it all his life. Association with the Civil Service, at whose work he spent so much of his life, touched him not. He was the bedrock Scot. The heart of him never left the cold North-East, and his logic and integrity was of its granite. Forty years ago he was a Sergeant in the Gordon Highlanders—a Gay Gordon if ever there was one, and that he remained, though the hell of Festubert was not to be his, but the grim lifelong fight against evil. We'll miss him sorely and missing him will know something of the loss that his family has sustained. On rocks like him are the real homes built. In the tongue of his mother—"He was a graund chiel and a bonnie fechter."

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Saturday, January 6, 1945.

### A Just Judge

In November 1943, Mr. W. H. Hand, an energetic Social Crediter, launched a protest on Electoral Campaign lines on the Australian meat rationing scheme, which in the opinion of the Master Butchers Association was a wasteful and unnecessary restriction on free trading. In January, Mr. Hand was visited by detectives, who searched his house, and then was charged, together with three others, with "an attempt to prevent an efficient prosecution of the war." They were fined amounts varying from £5 to £20, with £10 10s. costs; but Mr. Hand, in addition, was bound over for the period of the war to be of good behaviour, *i.e.*, no more electoral campaigns or social credit.

The others paid their fines, but Mr. Hand appealed. Several weeks later the Federal Attorney-General sent for Mr. Hand, and offered to remit his fine, if he agreed to the bond. Mr. Hand refused. There were four adjournments of the appeal asked for by the Crown. The Solicitor-General sent for Mr. Hand and repeated the offer. Mr. Hand again refused. The appeal was heard the following week, a leading K.C., Sir Henry Manning, appearing for the Crown, and Mr. Hand conducting his own case. The hearing extended to three hours, and the Judge deferred judgement, which he delivered two weeks afterwards and which we give in full. The "historic right of the Left" to victory, as Professor Laski puts it, would appear to have received a severe check at the hand of a just Australian Judge:—

"APPEAL OF WILLIAM HENRY HAND."

"JUDGEMENT DELIVERED BY JUDGE STACEY ON 14th SEPTEMBER, 1944."

"The appeal is allowed and the conviction quashed.

"The charge against the appellant in effect was that he had endeavoured to influence public opinion to prevent the issue of a regulation instituting the rationing of meat.

"His activities ceased on the proclamation of the regulation.

"His methods were not illegal apart from the present charge.

"In my opinion he exercised the right of every citizen in this country, *viz.*, the right of endeavouring by legal means to prevent the passing of a law which he considered undesirable. Further, if there is any evidence at all, which I doubt, there is no evidence which satisfies me that what he did was done in a manner likely to be prejudicial to the efficient prosecution of the war. It is suggested that the fact that the regulation was proclaimed to come into force on the 17th January, 1944, is evidence that meat rationing was necessary before that date for the efficient prose-

cution of the war in view of the statement contained in the preamble.

"This argument does not appeal to me and I cannot think that the regulation was ever intended to cover such a case, otherwise all those who endeavoured to prevent the passing of any law, *e.g.*, conscription amendments, would become liable to prosecution as soon as the law was passed."

### A Rise from Lord Samuel

Viscount Samuel (Sir Herbert Samuel, Postmaster-General at the time of the Marconi Scandal) rose to Lord Templewood's suggestion of a Bill of Rights for individuals in the wary and unobtrusive manner of an old trout inspecting a barbed fly. A noble idea, of course, but wouldn't it really rather work to the advantage of subversive movements?

Such as those in Palestine, for instance.

The anxiety that everything shall be left fluid—that a majority is the only sanction, is noticeable in many quarters just now. Perhaps there never was a time when a majority opinion was so likely to be unreliable.

But the debate on Lord Templewood's motion brought out the essential fact—that it is the sanctions that matter, not the law. In actual fact a majority, in the ballot box sense, is not an ultimate sanction any more than it is a moral

THE SIZE OF CIVIL SERVICE WHICH  
 SUITED THE BANK OF ENGLAND IN  
 1931 WILL SUIT US NOW

REFUSE TO VOTE FOR ANY CANDIDATE  
 WHO DOES NOT PUT THE REDUCTION  
 OF THE CIVIL STAFFS TO 20% BELOW  
 THE 1931 FIGURE as THE FIRST ITEM ON  
 HIS AGENDA

Pay them if necessary: but don't pay them to  
 put Great Britain in irons

THE POWER OF THE BUREAUCRACY  
 MUST BE REDUCED

sanction. Based originally on the "big battalion" theory, it has lost any vestige of that basis by the development of modern weapons, and particularly of modern aircraft on the one hand, and mass propaganda, on the other. One of the first steps to an effective implementation of the crying need for individual inviolability is a critical, and honest, examination of the majority fallacy. In the course of that investigation, it would become evident that what is being investigated is the fundamental ethic of Christianity—that the group only acquires virtue through the individual: that it is the flower which is judged, not the field. It is the root issue, and civilisation stands or falls by it. The Planners should regard the fact that this issue was raised in the House of Lords, and not in the Commons, the child of majorities, as an omen.

## The New Deal

By NORMAN F. WEBB

"Control of power and information are concentric." In the States it is the Left that "has the Speaker's eye," just as it is here and everywhere else to-day. Yet not quite so exclusively perhaps as with us. There are signs across the Atlantic that the Right is finding its voice. Compressions in the *Readers Digest*, even articles in the *Saturday Evening Post*, suggest that Private Enterprise is groping about, rather late in the day, to discover the principles, if any, upon which it operated in the past. It may be a case of "When the devil was sick..."—in fact, it is; nevertheless, it is high time Industrialism, as such, became self-conscious—conscious not only of its bad self, but of its good self, which is being so outrageously traduced at present, by the forces which have captured the agents of public opinion. What we see to-day is the violent reaction from the no less violent action represented by the Industrial Revolution. It is an extreme state of unbalance, largely because the retaliation of the Left has been so overpoweringly bitter and, historically speaking, sudden, as to take its opponents completely off their guard.

Social Crediters try to get the broadest possible view of events. We see the average man acting and reacting, but when left to himself and without too much concerted interference, managing not too badly to maintain a balance between Right and Left. And, in addition, we see the external Forces of the universe acting according to circumstances upon the individual, to push him beyond his natural inclination one way or the other. And we may be perfectly certain that it is these same Forces that pushed the exponent of "raw individualism" of the last century into his worst excesses, that is to-day encouraging the Collectivist in his ideological purges. "Nothing too much," said the wise men of little Greece, and what was true in Attica B.C. is true with us A.D. The Right needs to rise up and correct the present mental balance, and the sooner it does, the less violent will be the inevitable swing the other way.

The process is in many respects far further advanced in the United States than it is with us, and it is therefore only natural the reaction to Reaction should start over there. It is natural, too, that it should begin with an attempt to sum up the active agents of this Force that is throwing everything and everybody so violently to the Left.

What, then, or who, constitute the New Deal? We have been told that Franklin Roosevelt was elected with a mandate "to curb the power of the banks," and "to prime the pumps of Industry" which were sucking dry at that date. Leaving aside the question of who primed Roosevelt, that was the inauguration of the New Deal, which was the avowed mechanism to these ends. The clearest summing up that I have seen to date, and one that represents this awakening of the Right, is to be found in a book, *The Spirit of Enterprise*, by Edgar M. Queeny, published by Scribners in 1943, not, I understand, obtainable over here. It would be straining the point to say that Mr. Queeny was wholly impartial. He is not. But this book is a healthy and human reaction to the intriguing and underhand methods by which the Left always seems to seek to promote ends not in all their features by any means bad.

In its visible origin the New Deal was represented by

a group of men—the Brains Trust—surrounding Roosevelt when he became president. Our equivalent over here, one supposes, would be the Labour Ministers of the National Government—Cripps, Bevin, Morrison, Attlee, Dalton, *etc.*, with Beveridge *et al.* These form a sort of cohort round the Prime Minister in the manner of the Brains Trust, co-operating with him in the conduct of this war which is playing their game so admirably for them. Mr. Queeny gives chief place in the philosophic background of the New Deal to the writer, Thorstein Veblen, whose mantle has descended according to him to Stuart Chase the author of that brilliant précis *The Tyranny of Words*. But it is only reasonable to assume that America also had the equivalent of our Fabian society. Of Veblen Mr. Queeny says: "His humble origin, and his foreign parentage, and a youth spent in a colony of recent immigrants, thwarted any real comprehension of the American mentality." Veblen was a disciple of Marx—as it might be the H. G. Wells of the States—a Wells dyspeptic and without humour. By the date of Roosevelt's accession his "philosophy dominated much of the teaching-staff of Columbia University" (Harold Laski was his pupil there), "spread to Harvard and Yale, and now is felt in universities throughout the land. His admirers and disciples are now planning the future of the nation—indeed, of the world."

Thus the forces of reaction had been consolidating themselves through the depression years following the Wall Street collapse of 1929. The thirties in the States, exactly as with us, were employed in putting shackles on private, de-centralised industry and in building up the Bureaucracy. And concurrently with it, the Banks and Big Business, to control both of which the New Deal had been publicly inaugurated, were steadily consolidating their power. For Socialism, as Douglas has said, is Monopoly—monopoly as a philosophy: essentially exclusive and with controversy as its fundamental condition, since every organism *must* resist absorption by another organism.

The number and complexity of Authorities that had early been set up in the States appears to be something that even war-time England cannot equal. Mr. Queeny's strongest condemnation is reserved for the T.N.E.C.—Temporary National Economic Committee,—which began its deliberation in December, 1938, stigmatised by him as "one of the most shabby attempts to proselytise public opinion ever made by a group in possession of political power." Like all such bodies, upon whose findings large issues depend, its constitution and proceedings were strictly controlled—it would not have seen the light if they could not have been—and naturally its findings were pre-arranged. In this instance these natural tendencies were exaggerated and inflamed by the employment of that "departmental lawlessness" of which Lord Hewart has written. Several New Dealer Economists and Socialists, neither members of the Committee nor examined by it, were designated to make reports on selected subjects, which reports were published as a series of forty-three monographs, which were given the status of "testimony before the Committee." The methods employed have a familiar ring!

This body of literature—over 20,000 pages and 3,300 technical exhibits—represents the basis of the New Deal plans. Its objective was to prove restrictive monopoly on the part of privately-run industry, and—this is new to me—a failure on its part to supply an adequate field of invest-

ment for the public's savings. Since the "low" point of the slump, bank deposits had risen by 23 per cent. due entirely to extravagant Government borrowing and spending, and it was averred that they were finding no outlet because industry was deliberately restricting capital development and consequently public issues. The point is stupid, anyway, and shows clearly the dialectical atmosphere of the whole proceedings, apart from the fact that companies who had had recent public issues—among them du Ponts, who had been on the market for fifty million dollars the previous year, and Mr. Queeny's own firm, the Monsanto Chemical Company, of which he is chairman,—were not even invited to witness. The whole printed proceedings are bound under the title "The Concentration of Economic Power," and the cure indicated, as with us, for this concentration, was to concentrate it still further under the Monopolistic head of Government.

That Mr. Queeny understands his immediate opponents is quite evident. "Let us start with the New Dealers as a group," he says. "They have brilliant, agile minds... Many are sincere and aspire to great things for mankind... But others work silently and with settled purpose, and one wonders if they love the poor as much as they hate the rich. Their emotions control their thoughts and actions. They are impatient of results... The different temperaments of business men and New Dealer accounts for the manner in which each group approaches conclusions... Business men are reconciled to the fact that commercial success is a slow and painful process... They know that progress is often quicker after painstaking proof in pilot plant—the small-scale experiment... The business man knows that large-scale experiment is ruinous and that haste is costly... In contrast, New Dealers, many of whom are under-paid and under-worked professors of law and economics and sociology, have theory as their forte. They deal in the abstractions and unrealities of the academic world... Their scientific investigations consist of discourse among themselves, and the conclusions are drawn in the manner of Plato's dialogues... They appear so fascinated with the solutions resulting from these seances that they are factious and intolerant of criticism... They are unwilling to await small-scale trial of their solutions... They demand national application—and, we have in prospect even world-application."

In a passage that shows considerable insight, Mr. Queeny refers to the New Dealers' immunity from the common fear of inflation—a fear of which he himself partakes. There are those, he says, who "believe that this group" (the New Dealers), "who have a psychopathic hatred of the successful and rich, intend to guide the American economy to the status of an equalitarian state through a short-cut... to avoid inflation by effectively demonetising our economy through an extended and continuing scheme of taxation and rationing... In this case, the rich and middle class would find their lawful money, in excess of that given purchasing power by ration card, valueless... But there will be "C" cards for "jewels, country estates, and custom-built motor cars for those privileged by the new system, just as there is in Russia." (That last is a quotation from Stuart Chase). "It would be logical for this group, who believe that President Roosevelt is but the Kerensky of this revolution, to encourage Government spending to the limit, also the more money spent by Government, the greater the need for a tight and heavy lid of rationing. Otherwise, orthodox inflationary reaction to such

excesses of money would boil over. These radicals may reason also, that if a group gained control of Government, intending to restore a free economy, inflation would be a time-bomb they would leave in the house to bring about its destruction. They may reason that a ruinous inflation, taking place during the conservative regime, would assure their ability to grasp dictatorial power." Let Conservatism in Britain take note of that!

Quite rightly, Mr. Queeny resents the camouflage of the New Dealers. *Planning* he says, "... is an improper synonym when applied to the Planner's purposes. Regulation would be closer than Planning: 'international socialism' would be more so! ... But Planning is too plausible a word. When applied to Government it carries no precise meaning to the average mind. Business plans, everyone plans. Of course Governments should plan. But people should know that New Deal 'planning' means coercive control of his economy; that planned production means planned consumption... They should know that world-planning means world equality, with our standard of living falling to the world average... They should know what equal access to raw materials means. Italy has no oil. Can she send her men to Texas to pump out our oil reserves?" It is obvious Mr. Queeny has no blind or sentimental spots where the Atlantic Charter is concerned!

My first speculation upon reading such a book as this, is to wonder how its author would react to Douglas's *Economic Democracy*. Up to a point Mr. Queeny is obviously sincere, clear sighted, and realistic. Do those qualities in him stop short of where the author of *Economic Democracy* begins? That, I have decided, is the case with ninety-nine per cent. of those who read the book and fail to grasp its significance: their vision—their desire, really—is not far-sighted enough. They cannot grasp the import of *Economic Democracy* because they don't want to, and their instinct, which is harnessed to their desires, warns them off at the very outset. The Edgar M. Queenys of this world belong to the Right, as do the Stuart Chases to the Left. They have not yet found a resting-place between the two ideological, or technical extremes, where Douglas's philosophy raises its light. I may be wrong, but I think he would still dismiss its implications as dangerous, probably "inflationary."

Yet Mr. Queeny shows persistent signs of grace throughout his book—even in his remedial suggestions, where most social critics come to instant disaster. After quoting T. H. Buckle to the effect that the heterodoxy of one generation is often the truism of the next, he suggests that "another truth now dawning is probably that we are in fact our brother's keepers; that there will be collective responsibility for the basic human needs of the human individual... and in one way or another, those to whom God has given health, ambition, ability and willingness to work, will be required to provide for the *idle*, (my emphasis) and indigent and the unfortunate. But it is not necessary to socialise our economy through central economic planning in order to provide adequately for the so-called lower third."

But precisely at this point our author's blind spot comes into play and deflects the natural course of his reasoning. The result is a suggestion of a further tax on industrial activity to meet the above requirement; and from one who has shown clearly in previous chapters his appreciation of the fact that taxation is the spearhead of the Socialist attack on private property! After that, one is

forced to the elementary conclusion that what acceptance of the Social Credit thesis amounts to is a revival, either through illumination or arduous study, or both combined, of the faculty of straight thinking. To lower taxation you must reduce it; and the same applies to prices. Nevertheless, I regard Mr. Queeny and his book as a portent of promise. One could wish there were some such signs in our home skies.

## PARLIAMENT

(Continued from page 3)

ments have been crowned with great success. But not even for the sake of old acquaintance will I say that I consider the system—for it is now a system—to be compatible with the much higher aims which we are setting for the professional Foreign Service. To sum them up they are to get the full fruits of all the improvements that are in the air. I feel sure that if we desire an improved service we must neither beat our servants in public nor cheat them of the higher appointments. All that we can do and should do, if necessity arises, will be to give them notice, and then they will leave—I think this is the consecrated phrase—"to improve themselves." Very likely, I should think, you will find that they will go into politics. If these considerations are borne in mind, I think you will get the full fruits, but if you overlook them I am sure that you will not. I will detain your Lordships no longer.

*The Earl of Onslow:* ... There is another point which I wish to mention. It was referred to by my noble friend Lord Vansittart, and is the question of the itinerant Ministers. Frankly, I do not understand what their particular functions are. What, for example, are their relations with the accredited representatives to the foreign Powers in their area? What is their connexion with the the Home Government, and especially with the Foreign Secretary? All the noble Lords who have spoken have insisted on the necessity of the control of foreign affairs by the Foreign Secretary, but if there is a number of other Ministers, whose functions no doubt are clear to my noble friend the Leader of the House—and I hope he will tell us what they are—is the Foreign Secretary responsible for them, and are they responsible to him, or equally responsible with him? The position requires considerable explanation. . .

*Lord Hutchinson of Montrose:* ... It seems to me that for many years the Foreign Office has been getting into a position of less importance than it used to have. The Treasury has become more and more powerful. Possibly what in part led up to the weakening of our Armed Forces before this war was the pressure of economic control by the Treasury rather than any reports from the Foreign Office. No doubt my noble friend Lord Hankey will have something to say on the subject when he speaks later. A procedure which began in 10, Downing Street in the last war has extended right through into this war, and many of the functions of the Foreign Office have gone over to the "Garden City" at 10, Downing Street. Whether that is a good thing or not I do not know, but I feel sure that the Foreign Secretary has not at present the great position which he used to have in the counsels of the nation.

There is no doubt that before the war we suffered to some extent from dual control. My noble friend Lord Vansittart would have been able to emphasise that. We had dual control among the civil heads in the Foreign Office; we had one of them advising the Prime Minister and another

advising the Foreign Secretary. That cannot be good. The power of the Treasury has increased, while that of the Foreign Office has diminished. It was said in the debate last year that the chief civil officer in the Treasury is now Head of the Civil Service. That is bad. The pressure on the various heads of Departments in the Government, including the head of the Foreign Office, is bound to be increased by this control by the Head of the Civil Service in the Treasury. Until this pernicious system, which was introduced in 1919 by a Cabinet Minute, is done away with there will always be that trouble. I suggest that the Committee of the Cabinet should consider very carefully how the Civil Service in this country is to be controlled, and whether it is a good thing for the head of a Department like the Treasury to exercise the power which he has at present.

Even before the war our international relations were becoming more and more dependent not on pure foreign policy but on economics, industry and finance, and it is perfectly clear that if we are going to make progress we shall have to bring into the Foreign Office some Department to deal with international industry and with finance. In order to do that you have to bring in an adviser to the Foreign Secretary, who would be a Minister under him with the special duty of considering the financial and commercial aspects of all our policies in the various countries of the world. In order to get personnel with the necessary equipment for the task. I think you have to go outside the ordinary entrants to the Foreign Office and bring into the Foreign Office men from the banking world and large concerns in the commercial world, to advise the Foreign Minister on these subjects. . .

*The Secretary of State for Dominion Affairs (Viscount Cranborne) (Lord Cecil):* ... He also suggested that there should be on that Committee a representative of the Bank of England. I thought that was rather a surprising proposal. I do not see how there could be such a representative on a Ministerial Committee unless, possibly, it is now the policy of the Liberal Party to nationalise the Bank of England.

*The Earl of Perth:* May I say that I suggested that the Bank of England should, in some way, be included in these arrangements because I think the fact that money was poured into Germany without the knowledge of the Foreign Secretary was a very serious thing?

*Viscount Cranborne:* I do not know whether my noble friend has discussed the matter with the noble Lord, Lord Catto, who used until lately to ornament the Liberal Benches; but surely the best liaison between the Cabinet and the Bank of England would be provided by the Chancellor of the Exchequer and I think he would be in fact the representative. . .

There were also one or two points made by the noble Lord, Lord Vansittart. He spoke from a very long and distinguished experience of foreign affairs, and he made what I thought were some extremely interesting remarks with regard to the present situation of the Diplomatic Service and its possible reforms. I say reforms, my Lords, but broadly speaking nearly every reform that was proposed by the noble Lord aimed at going back and not forward. He wanted, as I understood it, to return to what he regarded as the older and better methods of the past. It seems that he regrets almost everything that has happened in the last twenty or thirty years. He expressed regret at the fact that there was less responsibility thrown on the shoulders of diplomats than

used to be the case. He regretted the tendency of Governments to appoint as Ambassadors men who are not professional diplomats. He regretted that there was more publicity than there used to be about the actions of diplomats. With regard to these last two points, I am bound to say that I thought the noble Lord was a little too rigid. It would surely be impossible for any of us to say that in no circumstances ought His Majesty's Government to appoint to an Embassy a non-professional. Names like those of Lord D'Abernon and Lord Bryce spring to one's mind. At the same time, it is quite clear that if all the plums of the profession were given outside the Diplomatic Service, the evil effect on the Service itself would be serious and lasting, and I hope, personally, that that consideration will be very high in the minds of the Foreign Secretaries in the future.

The appointment of non-Service Ambassadors and Ministers should be very much the exception, and should not become the rule. In that respect, I find myself in strong agreement with Lord Vansittart. Similarly—to come to Lord Vansittart's second point—I think it is inevitable that less personal responsibility should be given to diplomats than used to be the case in past days. The very simple fact of the invention of the postal telegraph, the telephone and now wireless make it possible for Governments to keep in touch with events in other countries from day to day, almost from hour to hour, and that gives them an additional direct responsibility from which, I feel sure your Lordships will agree, they cannot in practice divorce themselves. Lord Vansittart mentioned Greece, which is very much in all our minds at the present time. Supposing I were to get up in your Lordships' House and say that His Majesty's Government could accept no responsibility for recent developments, that the affairs of Greece were in the hands of His Majesty's representatives in Athens, and that the main responsibility rested on him. That would be an impossible position for me to take up, and your Lordships would, quite properly, laugh me to scorn. The new means of communication which have telescoped space have, inevitably, entirely altered the speed and methods of diplomacy. It is quite useless for us to ignore this.

But this very fact, I suggest, makes it more unjustifiable—and here I find myself in very strong agreement with Lord Vansittart—that His Majesty's diplomatic representatives abroad should be subject to public attack here. It cannot, I think, be made too clear that the Government, and the Government alone, are responsible for our policy towards foreign countries, and that the function of diplomatic representatives is merely to carry out that policy under instructions from the Government at home. For uninformed people—and I am afraid that there are all too many of them—to hurl abuse at devoted public servants is surely indefensible and liable to break the heart of the Diplomatic Service. . .

### FORESTRY POLICY

*The Duke of Buccleuch and Queensberry:* My Lords, on behalf of my noble friend Lord Mansfield, I beg to put the first question that stands in his name. If I may say so, I trust that the Government will bear in mind the importance of an early announcement, and also that only a few of the main principles concerning private forestry have been agreed with the Forestry Commission, and these are depen-

dent upon other important details which have to be filled in.

[The question was as follows:

To ask His Majesty's Government whether they are considering the Joint Report of the Royal Scottish and Royal English Forestry Societies as well as the proposals of the Forestry Commission; whether they are aware that the long delay in making public their decisions on future forestry policy and administration is preventing woodland owners from preparing their plans for re-planting their felled areas; and whether they will therefore make known these decisions at an early date.]

*Lord Bingley:* My Lords, before the noble Earl replies I should like to add a few sentences on behalf of England, because this is not a question which applies only to Scotland. The need for a decision by the Government and for an announcement of their policy about forestry is very urgent in England also. There are very many wide areas which have been felled under requisition and which can never be got going again without considerable Government assistance. The suggested plan of the Forestry Commission for the protection of these woodlands by those willing to maintain them would solve the difficulty, and the sooner that that declaration can be made the sooner will it be possible to get on with making plans.

*Lord Derwent rose.*

*The Parliamentary Under-Secretary of State for India and Burma (The Earl of Listowel):* . . . The Government have already made clear their intention that in framing their proposals on the Forestry Commission's Report they will be guided by the advice of Parliament and by representations from outside bodies.

I can assure your Lordships that the Government have before them the Joint Report of the two Royal Forestry Societies, and have it under consideration along with the proposals of the Forestry Commission. I recognise that if a land-owner knew precisely what terms of assistance the Government's proposals may contain for private forestry, he would be so much the better placed for making plans and preparations at once. The Government think it better, however, that forestry policy should be formulated as a whole, and they must, therefore, ask for the exercise of a further measure of patience. In the meantime, the Government have made it clear that they desire a great expansion of forestry activities after the war. They have instructed the Forestry Commission to take such preparatory steps as are open to them, pending further decisions, and they trust that private owners will feel encouraged to do the same.

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