

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 13. No. 24.

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

SATURDAY, FEBRUARY 17, 1945.

6d. Weekly.

From Week to Week

The "B."B.C. gave the results of the very important Grey (North) election in Canada as *Progressive-Conservative*, seven thousand three hundred and thirty eight; *Liberal*, (General McNaughton) 6,099 votes. "*The third candidate*, Air Vice-Marshal Godfrey, polled 3,136 votes."

Its fellow-labourer in the harvest of the Slave World, the threepenny edition of the *Daily Worker*, published a tentative forecast of the result on the day of the election, suggesting that the Liberal would win, the C.C.F. (Socialist) would be second, and the Conservative would be last. Three shots, and three clear misses.

A General (Federal) Election will probably take place in the near future as the result of this snub to Mr. Mackenzie King.

There is a theory, which is not so fantastic as it might appear at first sight, that all emotion, as well as ideation, is external to us, and that we stand in relation to it much as a telephone exchange operator, who can plug in on any line desired; with the difference, however, that most of us are asleep, and do not exercise conscious control over our "calls."

We are led to recall this hypothesis by observation of the widespread prevalence of sadism, ranging from outright cruelty to much more subtle forms of trouble-making; as though the devil's wave-band were so powerful and so close that an abnormal number of receivers picked up the vibrations. One very noticeable form in which this activity is abroad can be met in nearly every legislative effort. Nearly always, the proposal is to take something off individuals, by taxation, restriction or prohibition. If one is to judge by mere noise, whether transmitted by the "B."B.C. or otherwise, there is immense enthusiasm for making everyone poor, and no articulate desire to increase the number of persons who are "rich," even if that number comprised the total population. It is not a pretty phenomenon, even from the moral point of view. But as a political religion, it is nothing less than deadly, and only requires to be pursued over a few short years to ensure the collapse of the nation on which it takes root. It will be remembered that, when accused of responsibility for the economic crisis, Mr. Montagu Norman is said to have replied, "I do not think it is good for a nation to be prosperous." He now has many imitators.

A great deal of the political thinking inflicted on us currently reflects the decline in the personnel of the House of Commons. There is no evidence to suggest that Parliaments of the early and mid nineteenth century were filled with men who were intrinsically abler than those consequent on payment of Members, but there is no doubt at all that

they had a much wider acquaintance with Parliamentary history. For instance the almost unquestioned abuse of taxation for political, rather than revenue purposes would never have been tolerated by either party of the Gladstonian era. It is quite fatal to Parliamentary control of policy, and was bound to lead to an economic totalitarianism of the nature of that from which we now suffer.

Motor taxation is a case in point. No one now seriously accepts the necessity for *any* tax, which is simply a transfer of initiative from the individual to the Government; a transfer which could easily be replaced, as it is in war, by an expansion of initiative.

But it is evident that "the Government" have been told to handicap the home trade in cars, quite probably because that will handicap both export trade and ancillary development, and quite possibly also to force the traffic onto State-owned or fully-controlled "public" transport. The motor-car is a highly individualistic device; and the Communist influence so strongly marked in our affairs does not like it. In Mother Russia only bureaucrats have cars.

In the latest of the widely distributed full-page advertisements with which Imperial Chemical Industries are at once proving how democratic they are, while assisting the paper shortage, the life stories of Mr. Thomas Sneddon and his daughter Maureen are brought to our attention. Mr. Sneddon, at the age of 21, changed over in 1928 from the life of a coal miner to a worker in the dye-stuffs branch of the chemical industry, "which is of course primarily based on coal." We feel confident that Mr. Sneddon while working underground was a strong advocate of "the coal belongs to the people." Well, "der people" are going to get the coal—after the chemical industry has finished with it.

Whether justified or not, the contempt which the Enthroned Bureaucracy exhibits for public intelligence is significant. Amongst many instances, the systematic misuse of the Tennessee Valley (T.V.A.) project as a proof that the spoliation of the Scottish Highlands by the Hydro-Electric Board is desirable is worthy of attention. Tennessee is a long way away; it was publicised as "illiterate" because it pilloried the Darwinian fallacy, and it does not appear to have had any mechanism by which to put its case against the New Dealers backed by the Federal Reserve Board. Physically, the Tennessee Valley bears about as much resemblance to the Scottish Highlands as Kamschatka does to Kew Gardens; politically and economically the resemblance is rather less. But there is water in it and also in the Highlands, and the Planners are hell-bent on a comprehensive dictatorship; so Tennessee will do for advertisement purposes.

At the moment, there does not appear to be much likelihood that the German contributions to the general hell

will be overlooked, and if there is any truth in the statements that German atrocities have largely been directed against Jews, they will not be. But it is obvious that the International-New-Deal-Peppers-and-Planners are counting on using Germany as the scapegoat to which to divert attention from the consolidation of their war gains. That in this country not less than America, the Managerial State—"All Power to the Official"—was decided upon in 1931 if not long before, and organised in the sure and certain hope that a nice big war could be provoked and kept going while its position was buttressed "in war, or under threat of war" is so clear that only wilfulness or unfamiliarity with the facts can obscure it. We do not think we are likely to see a period of crude deflation on the cessation of hostilities, because the dog has learnt that trick. But that both individual purchasing-power and individual freedom of initiative will be curtailed by every possible means, and they are many, is evidenced by the care with which "the threat of war" is being prepared to replace "war." And, God wot, the threat of war is not far to seek.

What we appear to have forgotten is that the money system exercised the most perfect control by the individual over institutions which has ever been devised. It was a voting system besides which political franchises are the crude devices of a barbarous savagery. By allowing the essential nature of the money system to be perverted and distorted by coupons and licences to buy and so forth we are throwing away the perfect mechanism of our salvation. All these facts are clearly known to our plotters and planners; that is why they are in so great a hurry to supplant, rather than to perfect, the money system, by administrative control.

We are constantly asked to sympathise with "the liberal forces in all countries which are striving to build a better world." The phrase bears the hall mark of a central propaganda agency, and is an outstanding instance of *suggestio falsi*. The so-called "liberal forces" are in every case of which we have knowledge, the infantry and camp-followers of the World Dominion Planners, and they are straining every nerve and sinew to destroy what good the world has achieved. It cannot be too much or too often emphasised at this juncture that the Darwinian suggestion of automatic progress is not merely a fallacy—it is an inversion. Every item of evidence goes to show that entropy—"running down"—is the basic law of life, and that quite a large proportion of our available energy is required for conservation. Progress is a laborious and cumulative process. Anyone who requires a corrective to the Darwinian nonsense should devote a few minutes to the contemplation of the plates illustrating Burckhardt's *Civilisation of the Renaissance in Italy* published by the Phaidon Press, and compare the life of the fifteenth century therein depicted with that of the twentieth.

The notice of the Bank "of England" that it will call in its notes is merely another indication that we are proceeding in step with Germany, just as Mr. Montagu Norman and Dr. Schacht collaborated in the bilking of this country over Reparations.

"We shall replace the money markets by grandiose government credit institutions, the object of which will be to fix the price of industrial values in accordance with government views. . . You may imagine for yourselves what immense power we shall thereby secure for ourselves."

PARLIAMENT

House of Commons: January 18, 1945.

WAR SITUATION AND FOREIGN POLICY

The Prime Minister (Mr. Churchill): . . . It is a matter of days within which a decision must be reached upon this matter, and if we were so unfortunate as not to be able to obtain the consent of King Peter, the matter would have, in fact, to go ahead, his assent being presumed. The King's point of view, as I understood it was that he was anxious about becoming responsible, while he had no power, for any severities or confiscations which might take place in his country before the plebiscite decided whether it was to be a monarchy or a republic. Such scruples must be respected, but cannot necessarily, in these times, indefinitely prevent the march of events.

From the troubles of Italy and Yugoslavia, we come naturally to those of Greece. . .

I said that I should not attempt a long chronological account, but there is no case in my experience, certainly not in my war-time experience, where a British Government has been so maligned and its motives so traduced in our own country by important organs of the Press or among our own people. That this should be done amid the perils of this war, now at its climax, has filled me with surprise and sorrow. It bodes ill for the future in which the life and strength of Britain compared to other Powers will be tested to the full, not only in the war but in the aftermath of war. How can we wonder at, still less how we can complain of, the attitude of hostile or indifferent newspapers in the United States when we have, in this country, witnessed such a melancholy exhibition as that provided by some of our most time-honoured and responsible journals—and other to which such epithets would hardly apply. Only the solid and purposeful strength of the National Coalition Government could have enabled us to pursue unflinching and unyielding the course of policy and principle on which we were and are resolved.

But our task, hard as it was, has been and is still being rendered vastly more difficult by a spirit of gay, reckless, unbridled partisanship which has been let loose on the Greek question and has fallen upon those who have to bear the burden of Government in times like these. I have never been connected with any large enterprise of policy about which I was more sure in mind and conscience of the rectitude of our motives, of the clarity of our principles and of the vigour, precision and success of our action, than what we have done in Greece. . .

The British Army stood, and stands, in its northern position between the enemy and Antwerp in a strategic attitude, capable of averting all possibility of a major disaster. Our Armies are under the supreme command of General Eisenhower, and we march with discipline wherever we are told to go.

According to the professional advice which I have at my disposal what was done to meet von Rundstedt's counterstroke was resolute, wise and militarily correct. A gap was torn open as a gap can always be torn open in a line hundreds of miles long. General Eisenhower at once gave the command to the north of the gap to Field-Marshal Montgomery and to the south of it to General Omar Bradley. Many other consequential movements were made, and rightly made, and in the result both these highly skilled commanders

handled the very large forces at their disposal in a manner which, I think I may say without exaggeration, may become the model for military students in the future.

Field-Marshal Montgomery at the earliest moment, acting with extraordinary promptitude, concentrated powerful British reserves at the decisive strategic point. . .

Least it should be thought that the British Commonwealth and Empire are not playing their part in the battle of the Continent, or in the general war, let me give a few facts and figures. We are maintaining at the present time, in the field and in our garrisons, the equivalent of upwards of 100 divisions, apart from the vast Navy and Air Forces and all the workers in the munitions shops. Many, of course, are not mobile but 67 of them are at the front, and in constant or frequent contact with the enemy. We are fighting incessantly on three separate fronts, in North-West Europe, in Italy and in Burma. Of all the troops landed in France the losses sustained, in fighting, by the British Army and the United States troops have been very level in proportion to the numbers engaged. Of course, there are over twice as many American troops on the Western Front as there are troops of the British Commonwealth. We, in fact, have lost half as many as our American Allies.

If you take killed only, British and Canadians have lost a larger proportion than the United States, heavier though the United States losses are. . .

I cannot pass from this subject without mentioning the loss which we have sustained, and which I personally have sustained, in the death in action of my representative with General MacArthur, Lieut-General Lumsden, one of our most distinguished and accomplished officers, the man who at the very beginning of the war, in the first contact with the enemy, brought the armoured car back into popularity. He was killed on the port side of the bridge of an American ship approaching Luzon by a bomb which Admiral Fraser himself, the Commander-in-Chief of our gathering Navy, who happened to be there as a spectator, only escaped by the accident of a few seconds. There have been large losses among the high commanders in these campaigns. In Air Chief Marshal Sir Trafford Leigh-Mallory, and Admiral Bertram Ramsay we have lost two out of the three British commanders of the expedition across the Channel, General Montgomery being the sole survivor of the three. . .

The expression "power politics" has lately been used in criticism against us in some quarters. I have anxiously asked the question, "What are power politics?" I know some of our friends across the water so well that I am sure I can always speak frankly without causing offence. Is having a Navy twice as big as any other Navy in the world power politics? Is having the largest Air Force in the world, with bases in every part of the world, power politics? Is having all the gold in the world power politics? If so, we are certainly not guilty of these offences, I am sorry to say. They are luxuries that have passed away from us. . .

We have sacrificed everything in this war. We shall emerge from it, for the time being, more stricken and impoverished than any other victorious country. The United Kingdom and the British Commonwealth are the only unbroken force which declared war on Germany of its own free will. We declared war not for any ambition or material advantage, but for the sake of our obligation to do our best for Poland against German aggression, in which aggression, there or elsewhere, it must also in fairness be stated our own

self-preservation was involved. . .

Mr. Lipson (Cheltenham): . . . He complained of the criticism—I think he called it the malignant criticism—of the Government's policy which had appeared in great organs of the national Press; and he thought that it was sufficient answer to that criticism simply to denounce it. I imagine that the organ that he had in mind was *The Times*. I have read the leading articles in *The Times*, on the Greek question, and I have also followed the reports of *The Times* correspondent in Athens. I think that if we really want to get at the truth of this matter—and that ought to be our principal object—it would be more helpful not to denounce the critics, but to find out the reason, and the justification, as they see it, for their criticism. *The Times*, in their criticism of our policy in Greece, were not influenced by any malignant hostility either to the British Government or to the interests of this country. If they thought that our policy was wrong, it was perfectly right for them to say so. I have to confess that I have found myself sympathising with the views of the Government's policy in Greece expressed by the critics, rather than the views expressed by those who support the Government. . .

House of Commons: January 19, 1945.

WAR SITUATION AND FOREIGN POLICY

Mr. McNeil (Greenock): . . . The right hon. Gentleman the Prime Minister yesterday rather irresponsibly attacked the Press. [HON. MEMBERS: "Irresponsibly?"] Cannot I say that I think it was irresponsible? It seems to me undoubtedly true that, from the beginning, the newspapers of this country and their correspondents in Athens attempted to depict accurately what was happening. There is only one instance about which there is dispute and that was—I have forgotten the date—the report that warrants had been issued against 150 members of E.A.M. *The Times* this morning refers to that, and I should be glad if the right hon. Gentleman the Foreign Secretary, when he sums up, can explain from where that report emanated. If we lay that aside, there is no place at which the responsible correspondence from Athens has been challenged. I hear the right hon. Gentleman opposite saying "responsible." I choose that word carefully. I would agree that on both sides, on Right and on Left, there have been excesses. There always are. Excesses are the very nature of civil war and in a situation like this we should expect excesses, but I say that responsible correspondence from Athens has not been challenged.

Sir Patrick Hannon (Birmingham, Moseley): Would the hon. Gentleman tell the Committee precisely the notion of "responsible"? What does he mean by "responsible" correspondence?

Mr. McNeil: For example, I have no reason to believe that Nixon is anything but a man of most reputable performance.

Mr. Pickthorn (Cambridge University): Does that mean that he is responsible to the hon. Gentleman who is speaking?

Mr. McNeil: No, Sir. If I may address myself to the point, I quite understand the hon. Gentleman's ignorance, because he has been, as far as I know, always outside commerce and industry. By the use of the word "responsible" here I mean that Nixon, in his professional life, has conducted himself according to the best tenets of his trade, which

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

SUBSCRIPTION RATES: *Home and abroad, post free:*
One year 30/-; Six months 15/-; Three months 7s. 6d.

Offices: (*Business*) 7, VICTORIA STREET, LIVERPOOL, 2, Telephone: Central 8509; (*Editorial*) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: Sefton Park 435.

Vol. 13. No. 24. Saturday, February 17, 1945.

Great Britain

General de Gaulle, with his suggestion that, when more important matters had been cleared up, a Treaty would be negotiated between France and "old and gallant Britain," joins the ranks of those who appear to be preparing to relegate us to the hush which is supposed to be becoming to the decrepit. It is all very puzzling. So far as we can judge, the general idea seems to be that every political entity is on the upward grade except "Britain" which is moribund, and, except from the point of view of those facing the British Navy, Army, and Air Force, on the point of lying down. We think that a good deal of this opinion is drawn from the unfortunate fact that in the last century we had metropolitan newspapers which built up a reputation of excellence unequalled elsewhere, and in consequence, were looked upon as authoritative indices to the state of the Realm. Unfortunately, the names of these "organs of public opinion" remain. To say that they portray public opinion as now understood would be to carry our favourite trick of understatement to undue limits. But if all our kind friends and Allies base their opinion on these grounds, we agree that they are justified in viewing with alarm.

There is however another aspect of the situation which is equally, or more, important. While the inhabitants of these islands and their sister Dominions perform prodigies of valour both military and industrial, it is observed that they do them as functionaries, not as, in the strict sense of the word, politicians. It may be very clever, as it certainly is very energetic, of Mr. Churchill to run about the world to any destination assigned by Washington or Moscow. But the inference is unmistakable, and is reinforced when stern rebukes as to the manner in which we carry out the little bits of work entrusted to us are administered by Washington or Moscow if Mr. Shinwell feels we need them. To put it shortly, the fact that the London School of Economics was located in these realms, and the co-operation of the "B".B.C. and other organs of "public opinion" with it, is not lost on those who matter. They feel that time will be saved by dealing with the Head Office. "Sammy the Rose," Mr. Justice Rosenman (what a lot of roses and roths there are about, Clarence), can deal with us.

"Head of The Civil Service"

The announcement of the appointment to the vacant post of Permanent Under-Secretary of the Treasury "and Official Head of the Civil Service" is an interesting example of that peculiar insolence which unites the German and the "Bureaucracy of the Socialist State" which, as Mr. Anthony Eden so ecstatically remarked, will be the result of the war.

Anyone familiar with the working of Government Departments knows that of the many cogent criticisms made of them, their subjection to the dead hand of the Treasury was the one which they themselves advanced as an excuse for the rest. While the dubiously legal title to priority only purports to make *de jure* what has long been *de facto*, it does assert something which those monetary reformers who are obsessed by the devil of State sanctity might pause in their hell-bent career to contemplate.

When the money of which the Treasury disposed was genuinely voted by the House of Commons, and, until 1910, passed upon by the House of Lords, there was definitely a check, if not a complete check, on the omnipotence of the money power. But, heartened and strengthened by a joint chorus of "Nationalisation? we welcome it," led on the one hand by Mr. Montagu Norman, and, to our Left, by Communists, Socialists, and Lord Melchett *et al*; the Treasury Bill not only makes it unnecessary to go to the taxpayer, but strengthens the political power of taxation by preparing the way for the abolition of dividends. Truly, a little conversion is like unto filthy rags, as the Revivalists used to say.

HOUSE OF LORDS TO DEBATE CONTROLS

The House of Lords is to debate controls on March 6 on the initiation of Lord Rennell, according to the *Evening Standard*. He will demand that controls and regulations which affect lives and business, and are for the purpose of assisting the prosecution of the war, shall be generally terminated as soon as military necessity no longer justifies their maintenance.

Lord Rennell will also ask that controls subsequently required for the re-establishment and stabilisation of our post-war existence shall be enacted so as to provide for proper remedies at law to protect persons affected in their lives and businesses against arbitrary or obscure orders by executive departments or offices.

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The Whole Hog (I)

By NORMAN F. WEBB.

For my own purposes as a Social Crediter I am intensely interested to arrive at a solution of the mystery presented by this excellent book*—or rather, the mystery presented by its author's mental inhibition; why, having gone so far—so very far—along the road that leads to Economic Democracy instead of serfdom, he is unable to go the whole hog.

For obvious reasons, what follows is not intended in any conventional sense as a criticism of the book. I am content to accept it gratefully for what it appears to me to be: a fine and, granting the above mentioned limitation, unbiased essay, in a field—the sociological—which appears to be the special preserve for all the prejudice and spleen and obscurantism of which the human mind is capable. And although, in the course of this attempt to analyse Professor Hayek's work as, so to speak, a negative phenomenon from the Social Credit point of view, I may appear to make some fairly severe strictures regarding the frame of mind in which it was conceived, that will be understood to have no bearing on my stated opinion of the book's merits.

Among one's most immediate reflections on reading *The Road to Serfdom* is that in Professor Hayek exists a potential Social Crediter if ever there was such. Why is he not one? It is the answer to that question, and to that question only, that I am concerned to pursue here. What accident of education, and/or environment prevents him? His sociological analysis and conclusions, up to, let us express it as ninety-nine *per cent*, appear to be parallel with those of the Social Credit thesis. What small impulse lies hidden in this one *per cent*. area of Professor Hayek's mind, which makes him hesitate and just fail to open this door, the key of which, by the inevitable sequence of his own extremely lucid reasoning, has come into his hand? It is a tantalising situation.

The inclination is so infinitesimal, and the resulting difference in state of mind so radical. It surely cannot arise just from the acquired mental habits of a professional economist; for his whole book is a complete and avowed recantation of the basic Socialist philosophy epitomised in the London School of Economics, from which institution his Preface is dated. Indeed, to a great extent, it is the frank completeness of that mental repudiation, analagous to the religionist's "change of heart," that gives such peculiar weight to Professor Hayek's argument. Why then is one small department of his mind closed to the bracing and regenerative airs that blow through his pages? That is the point with which I am concerned here.

For the rest, let anyone of intelligence who has not read the book, read it. If the general reader, and the "official" mind, is still so beguiled by interested propaganda as to be unable to sense anything more in Douglas than a threat to existence,—and in spite of significant changes, that would still appear to be so—here in *The Road to Serfdom* is what seems to me as the best introduction to Social Credit I have met—better far, in my estimation, than any conscious dilution of Douglas, or attempted précis of the already complete concentration of the book *Economic Democracy*. For Professor Hayek's work represents a complete vindication of what the various spokesmen of the Social Credit movement

have been saying for the last twenty years; all the more convincing in that it is admittedly and obviously wrung by bitter experience and grinding thought from one who, by training, and the mental pressure of his professional environment was a political opponent of all that Social Credit stands for. The form of the book is lucid, simple and concise, and with the aforementioned reservation, completely candid. And, to me at least, the play of Professor Hayek's mind, the ease with which he parades his thoughts and facts and arguments—whatever disciplining they may have been subjected to behind scenes,—and projects them into the general scheme of his thesis is a continuous pleasure. And now for this locked compartment.

Is it justifiable to assume that because Professor Hayek makes no mention of Douglas he has not come across his writings? Personally, I don't think so; particularly in the case of a professional economist, and I propose to assume that he has. In that case—and putting aside all question of professional jealousy, which appears to me inconceivable in the author of a book of this character,—what is this element in the Social Credit philosophy that puts beyond the intellectual pale for Professor Hayek, what would naturally seem to be a most welcome confirmation of the correctness of his own painful deductions? For Douglas's writings represent a twenty-five years' old exposition of all that he *now* sees so clearly. That is what we want to discover—the quality in Douglas's thought which renders it, so to speak, invisible to Professor Hayek, shutting up his eyes to the realistic solution of the factual problem of under-consumption contained in *Economic Democracy*, which could so effectively supply the much-needed antidote to his own analytical pessimism? Time has proved Douglas's book a bugle-call capable of rallying the scattered forces of Christian freedom, if not all over the world, at least throughout the British Empire. But *The Road to Serfdom*, as its title suggests, is an intellectually pessimistic book, a clear, courageous, but despairing farewell, a kind of "last-post," to the fleeing hosts of Anglo-Saxon Liberalism.

It seems pretty certain, then, that it is no purely intellectual aspect of Social Credit that provides this stumbling-block. In the first place, from reading Professor Hayek's book, I should judge his intellectual equipment to be more than equal to any task it is likely to meet with. As a start then to this search, and failing any more specific definition, I am inclined to name this quality we wish to identify in Social Credit as Faith—"the substance of things unseen." To the general reader that will certainly seem unsatisfying. There it is, however—corporate faith, social credit or belief. In amplification of the above—which is really considerably more comprehensive than at first appears—I would define Faith as implicit belief in the practical and immediate efficacy of *the whole Truth*. What that amounts to is a conviction of the value of action based upon a consideration of all the available facts, without any discrimination whatsoever. The understanding, for instance, that there is no such thing as *an adverse fact*; that, if it is the Truth you want, all facts are, of their nature, relevant, whether they appear to you to be so or not, since you are not in a position to recognise truth, but only facts. The only irrelevancy is arbitrary discrimination among them on our part—what Cardinal Newman ironically termed "a judicious selection." As far as I can see that is an inseparable quality of Social Credit, just as it is, of what we call Christianity—the terms, as it were, upon which it is available, and, we

**The Road to Serfdom* by F. A. Hayek: Geo. Routledge & Sons, Ltd., Popular Edition 5/-.

might add, visible. And it must be because these terms are not found acceptable, except by the comparatively few and simple-minded (single-minded) that so many are compelled to turn aside from Douglas, or to regulate his philosophy to the lock-up compartment of their minds—the region of Not Wanted on the Voyage. You must whole-heartedly *want* the effects of a realistic monetary system in exchange for the present idealistic one, even though from your immediate standpoint you cannot visualise more than the smallest fraction of what they will be, or you cannot begin to understand Social Credit. You must have a desire for the immediately unknown and invisible, provided it is realistically based on Truth—*i.e.*, all the available facts. And that squares with my definition of Faith.

I am aware that this hypothesis as to the reason why so many people—and Professor Hayek in particular, since it is his book we are examining—fail to accept the Social Credit thesis, requires more supporting evidence to render it plausible. What I have said needs amplifying, and I propose to do that. For the question is really not unimportant, and any light thrown on it should help Social Crediters to support and, more important, reduce the apparent economic ostracism in which we live: the implication, advanced either deprecatingly or violently, according to circumstances, that the sort of animal the Social Crediter thinks he is does not really exist.

In defining the essential element of Social Credit as Faith, I know that to some extent I am misusing the word. Strictly speaking, Faith cannot be an element of any philosophy though it may be a result, the inseparable emotional affect of holding certain convictions—a condition of them. The element itself remains unknowable and verbally indefinable. We can call it Life, or Reality, and leave it at that: we can say that the particular philosophy is a live, or a real one, and there it ends. This might be more prosaically termed optimism. Social Crediters are optimistic; they regard Life as possessed of possibilities, visible and invisible. In other words, Douglas's writings are in the final analysis constructive in a positive sense. That, Professor Hayek's book certainly is not. For the author, like Spengler before him, merely measures the distance already traversed by the Gadarene Swine of Western civilisation down the Totalitarian slope, and sadly indicates its ultimate good. Though I cannot help feeling that in this book the Sick Man of Europe shows definite and very welcome signs of convalescence.

The distinctive emotional condition, then, of the Social Crediter—directly derived from his constructive social philosophy—is optimism, based on Faith. And referring back to my definition of Faith, as a conviction of the immediate and practical value of action based on *all* the available facts, it appears to me that that definition is an exact parallel, applied in the realm of abstract Truth, of the test of the Rule of Law, so brilliantly outlined by Professor Hayek in Chapter VI of his book—a chapter that is well worth careful study. The gist of what it states I take to be this: If you, yourself, don't *want* the Rule of Law—that is, don't wish, or intend to have it applied to yourself as well as to others—you can't enjoy it, nor any of the benefits that accrue from its general observance. In short, the Dispenser of the Law must be *inside* his own Dispensation: if he is not then there is no Rule of Law.

That would seem to be simple and obvious enough in

all conscience! Yet, as far as I can judge, it is just exactly that truth which it is the conscious aim of all the “socialising” forces that control popular propaganda and education to-day, to erase from the tablets of our minds. And when you consider the openly avowed objective of those forces, which is the promotion of the conception of the “Supreme State,” symbolising the external compulsion of the individual, and his relegation to an entirely secondary place in relation to his own government, it is seen to be inevitable that this should be so. What it amounts to is an outright repudiation, by the most subtle and effective methods, of the simple Christian statement that “the kingdom of God”—the Rule of Law—“is within you.”

Ideally, it is the Voluntary (Democratic) System that everyone naturally wants to establish in every conscious department of his existence. But, as with the much-quoted example of the Rule of the Road, the very first condition of realising that establishment, as any child can recognise, is that we ourselves abide by it, *of our own volition*. Which goes to show that, contrary to the implications of all contemporary propaganda, Government, as such,—the State—must, or should be the secondary, instead of the predominant factor in any democratic or Christian system of society.

There is only one effective meaning for the Latin *voluntas*—will, inclination—*i.e.*, that you want a thing *primarily* for yourself, and therefore in a secondary, provisional sense only, for others. For if morally you *must* put their interests first, and are in consequence dutifully determined to do so, it follows, doesn't it, that it cannot be the Voluntary System at all, either for you or your neighbour, that you propose?

Now apply this useful truism to any essential condition whatsoever—for instance, to Professor Hayek's Rule of Law in the abstract (the essential conditions of free association), to abstract Truth (the essential conditions of all scientific investigation); to Social Planning (the essential rules governing effective national policy), and in every case it will be found that that is the test of correctness and consistency—you want them (the resulting conditions) *primarily for yourself*. Or don't you? That is the very searching question all determined reformers (Planners) need to ask themselves. If you don't, then you can depend upon it that sooner rather than later you will find yourself wholly committed to compulsion of some sort. For as long as you and your neighbour remain individually conscious entities, you are bound to see abstract “good” differently in particulars.

That, as the Social Credit philosophy sees it, is the essence of the Voluntary System—the basic condition upon which alone it can be built up and maintained. The acceptance of that condition is primary, because it represents the natural and real sequence of things, with the conscious individual as the substantial foundation of everything perceptible. It is Individuality as the first consideration—as *your* first consideration; and if your individuality for you, then equally your neighbour's for him—that constitutes the Rights of Man, comprehending in itself all rights. Uphold that, and all the rest will follow in the natural course—or so Social Crediters maintain, and we were not the first to do so.

Now I return to Professor Hayek's book, anxious to discover even the slightest clue as to his inability to go the whole Social Credit hog, and in the very second paragraph of his Preface I read the following: “Though this is a

political book, I am as sure as anyone can be that the beliefs set out in it *are not determined by my personal interests.*" (My emphasis). "I can discover no reason why the kind of society which seems to me desirable should offer greater advantages to me than to the great majority of the people of this country. In fact I am always being told by my Socialist colleagues that as an economist I should occupy a much more important position in the society to which I am opposed. . . . For those, who in the current fashion, seek interested motives in every expression of political opinion, I may be allowed to add that I have every reason for not writing or publishing this book." In other words, Professor Hayek assumes that the absence of the only convincing proof of his sincerity, in advancing opinions leading to action, that one reasonable individual can give to another, namely, that he would like, and intends to undertake it for his own benefit, is to be accepted as evidence in favour of their correctness.

Surely there is something realistically amiss here at the very start, in Professor Hayek's attitude. I don't want to labour the point unnecessarily, but it is significant that in a book of such outstandingly clear reasoning, where he touches on his own motives, as above, the author's thought should be so manifestly woolly. In all Professor Hayek has to say I can find no trace of what might be called cant, except just here, where the assumption, it appears to me, betrays evidence of that state of mind which Douglas has termed Puritanism, one of the outstanding features of which is an identification of the morally and theoretically "good" with the personally disagreeable—manifestly an inversion of the Truth. Because, in the last analysis, if the "right" thing is not really pleasing to him, and conversely, the pleasant thing not "right," then the wisest course for any intelligent individual is to seek oblivion in the grave at the earliest possible opportunity.

Long ago Douglas indicated this "puritanical" frame of mind in all its infinitesimal manifestations, as the main bar to the understanding, and in consequence the progress of the Social Credit philosophy. Puritanism—I think the term is a bad one, but I don't know of a better—implies an abstracted, a divided and unreal mental condition, primarily in regard to personal motives. It is one in which a person can conceive of the theoretically "right" policy as the opposite of personally pleasant; so that the correct action in any crisis assumes the dangerous form of a manifest, but unpleasant duty, owing—applicable, and therefore since it is "right," to be applied—to others even while one's own "flesh" shrinks from sharing in its abstract benefits. Ultimately this belief resolves itself into a heady conviction of being destined to rule your fellows for their "good"; first those in your immediate neighbourhood, and so on through your national and racial bloc, to embrace the whole universe.

It may seem that I magnify this point unduly; that any ambiguity which may appear in Professor Hayek's Preface is amply atoned for and clarified in the brilliancy of his subsequent argument. But the fact of his apparently inexplicable failure to "realise" Social Credit as the logical solution of all the fundamental problems he poses, remains. And here, at the very start of his book is evidence of the existence of this mental division, this lack of elementary simplicity where his own wants are concerned, that, though it does not show itself again is a sure indication of a lack of that Faith which is essential to an acceptance of Reality.

(To be concluded)

PARLIAMENT

(continued from page 3)

happens to be my trade and I am not ashamed of it. When I say "responsible newspapers" I mean newspapers like *The Times* the *Observer* and the *Manchester Guardian*. Let me make it plain that the accuracy of these reports has not been challenged, except in that one instance, even from the Front Bench. . . .

I think that we shall make progress more difficult if we continue to accept without evidence that E.A.M. mainly comprises Communists or at any rate is dominated by them and that they did no fighting. If this is true, let the Government show us their attitude. ●

I looked over my cuttings last night—they are not at all complete—and I discovered that in March, in May, on five days in June, and as recently as the first week of October *The Times* carried reputable stories of the deeds of these men. We were told earlier of their reputation, that they were pinning down 10 divisions. . . .

Captain McEwen (Berwick and Haddington): . . . I trust also, if I may say so, that the warning which was issued from this Chamber yesterday may not pass entirely unheeded in the neighbourhood of Printing House Square—

Mr. A. Bevan: Warning?

Captain McEwen: That paper, I would say, not only in the ignobleness of its approach to the whole Greek question in the past—an ignobleness which is only equalled by the fatuous attempt now to crawl out from under the wreckage which itself has created—

Mr. James Griffiths (Llanelli): I only want to make an intervention, so that the hon. and gallant Member may make himself clear. Did he really mean to imply that what the Prime Minister said yesterday about certain sections of the Press is to be construed as a warning to them?

Captain McEwen: What I have said will appear in the OFFICIAL REPORT and I am prepared to stand by it. Lastly, if I may use a colloquialism, this has been a "showdown." Never in my experience has the Prime Minister spoken in this House with greater support than he did yesterday, and never have the neo-Communist clique which sits opposite, and which is not confined by any means to the ranks of the Labour Party, been more roughly handled than they were in the Debate yesterday. These facts, to me at any rate, give some hope for the future.

Major Lloyd (Renfrew, East): . . . It is this unilateral action which distresses so many of us who want so deeply and sincerely to be friendly with Russia. The United Nations must co-operate with each other. Britain cannot expect to have its own way every time, and the Government do not expect it, but our Russian Allies must accept the fact that Russia has had her own way many times in the political discussions that have gone on between the United Nations. I would like to see Russia show a more accommodating spirit and more respect for the sincerely held views of her democratic Allies. It is no use giving lip service to the slogans of democracy. You must be judged by your fruits. There are stories—how true I will not say—from refugees in the Baltic States, from refugees on both sides of the Curzon Line in Poland, and from refugees where the writ of Russia runs in countries which have been liberated—if that is the correct word to use—stories which are horrifying and appalling to British minds. They may be exaggerated, but I cannot believe that there is smoke without

some fire. It is a tragedy to think that these cruel deeds are being done in the wake of the splendid courage and the brilliant skill of the Russian armies. I plead with the Prime Minister that in the forthcoming vital conference, upon which all eyes will be fixed and upon which the future peace of the world so much depends, he in turn should plead with our Russian Allies to give more respect to what we mean by democracy and to give more credit for our sincerity of purpose. I hope that the British people will no longer believe, as a result of the exposure of the truth in Greece, that simply because somebody calls himself a democratic he does not necessarily understand the meaning of the word or has any real right to use it.

Sir Richard Acland (Barnstaple): ... I have information that in May, 1940, Mr. Churchill sent a message to the B.B.C. saying:

"It is the personal wish of the Prime Minister that E.L.A.S. and E.A.M. shall not be mentioned on the B.B.C. as such in any case."

That was a suggestion from Downing Street that any news of Greek exploits should never be credited to E.L.A.S. or E.A.M.

Captain Duncan (Kensington, North): Did the hon. Baronet say May, 1940?

Sir R. Acland: I am grateful; I mean, of course, May, 1944.

Mr. Bevan: The Political Warfare Executive gave on August 1, 1944, the following instructions to all services connected with Greek affairs:

"The Prime Minister has ruled that in principle no credit of any kind is to be given to E.L.A.S. or E.A.M. on the B.B.C."— [HON. MEMBERS: "Shame."]

"In any case where it is thought desirable to make exception, his personal approval should first be obtained. This instruction has been given to Cairo and will apply to British official communiqués or hand-outs."

UNDERSTANDING

"There is no need for a new 'body' to be formed, to create yet another 'vested interest' in communal activity, to bang drums and blow trumpets and waste precious time, energies and money in pompous and utterly ineffective conferences and meetings merely to publicise its leaders and to justify its existence and the salaries of its principal beneficiaries." — *The Jewish Chronicle*.

Modern Greats

"We are only at the beginning of the intellectual devastation caused by the invention of modern greats at Oxford, that baleful school which makes history begin with the industrial revolution..." — "D. W." in *The Tablet*.

Social Credit Technique and Christian Doctrine

The quotation at the close of Mrs. Palmer's article in our issue of February 3 was from Mrs. Best's article under the above title on December 13, 1941, not 1944.

GLASGOW ASSOCIATION FOR THE REDUCTION OF BUREAUCRACY

All interested are invited to attend a meeting in R.I. Rooms, 200, Buchanan Street, on Tuesday, February 20, at 7-45 p.m.

CREAM?—FORGET ABOUT IT!

To encourage further 'improvement' in the country's milk, says the *Evening Standard*, (January 30), dairy farmers may in the near future be paid for their milk on the basis of its keeping quality instead of the cream content. The housewife, the newspaper says, "is more concerned about how long the milk will keep fresh than about its richness in cream."

BOOKS TO READ

By C. H. Douglas:—

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

ALSO

The Bankers of London by Percy Arnold.....	4/6
The Problem of the Medical Profession by B.W.M.....	1/-
British Medicine and Alien Plans by Andrew Rugg-Gunn, M.B., F.R.C.S.....	1/-
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What are Russia's Ultimate Aims? by H. W. Henderson.....	4d.
Lectures and Studies Section: Syllabus.....	3d.
The Nature of Social Credit by L. D. Byrne.....	3d.
World Review; The Jeffrey Professor of Political Economy, Etc., (containing Financing of a Long- Term Production Cycle, reprinted from <i>The Social Crediter</i> of November 28, 1942.).....	1d.
The Representative's Job.....	1d.

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