

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 13 No. 5.

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

SATURDAY, OCTOBER 7, 1944.

6d. Weekly.

From Week to Week

"Comrades, post-office and telegraph officials" were the opening words of the Communist-Socialist Government of Bulgaria, installed under Russian orders.

In Moscow, the Paradise of the Worker, a month's work will buy about 2 lbs of sugar, or seven month's work will buy a woollen suit of clothes. A mere trifle of four month's work will buy a passable pair of shoes; and a cake of toilet soap, not much in request, may be had for about four days' average toil. And no unemployment—just let the Ogpu catch you trying.

No doubt, Clarence, you have noticed the type of "War Criminal" who is getting himself shot.

In Germany it is the Generals, in Italy, petty officials such as Caruso. And do the Bleichroeders, the Rothschilds, the Schiffs, the Counts Pirelli and Volpi, lose any sleep over them? Hardly. The Goy are only cattle, you know.

Mr. Emanuel (God with us) Shinwell feels that the first need in industry is the elimination of the gentleman industrialist. Doubtless the next need is the elimination of the gentleman everywhere.

We recognise that the word is obsolete, but fortunately, although it has to struggle for existence, the idea it enshrines is not. It embodies European culture; and that is why Mr. Shinwell revolts against it. It cramps his style.

The stage is rapidly becoming set for the real Armageddon—the battle between the culture embodied in the Gothic Cathedrals and the chateaux of the Loire, the Cotswold villages and the Rows of Chester, on the one hand, and the Ministry of Works tenements ("absolutely modern, my dear fellow—prefabricated and erected ready for use in eighteen hours"), chemical fertilisers and State medicine, with war-by-doodlebug always round the corner, on the other.

Nevertheless, there is a curious note of shrill urgency, not unlike that which is noticeable in the recent outpourings of Professor Laski, which is considerably removed from the assurance of a few years ago. We do not know what is behind it. There are rumours of a formidable scandal involving "the Left" which may or may not have a basis in fact. There is the antecedent probability of some wildly foolish plot, by reason of the ineradicable habit of Plotters and Planners to overplay their hand.

"The Deputy-Governor engaged a band of picked Masons, sworn to secrecy and hid the gold behind a dummy wall. On the very day the work was completed, a demand

was received from the Germans that the gold be handed over. They took away not only this gold but a further sixty tons from the vaults."—Report of Italian Trials.

Now, isn't that odd?

It's about six weeks to the Presidential Elections; so how long do you think the Germans will hold out, Clarence?

The new edition of "Social Security" or Carthorse Conditions for All, embodied in a White Paper (Cmmd. 6550), forms an excellent example of the root of our trouble. It assumes, as axiomatic, that it is the business of "Government" to look after "the people."

On the contrary, it is the business of "the people" to look after "the Government" in order that individuals may find it easy to look after themselves.

It is a curious fact that the corruption of the Russian Czarist Bureaucracy, which probably bears, more than any other one thing the responsibility for the Bolshevik revolution, rose to its maximum on the issue by the Czar of an Edict decreeing prohibition of the consumption of alcohol for the war period.

We do not know how it is to be done, but if a tolerable civilisation is to be saved and fostered, someone has to get it into the minds of the general population of this country at least, that "Leftism," so far from being modern, "scientific," and progressive, is very old, atavistic, and reactionary. It is a tremendous resurgence of the restrictive hieraticism whose one object was to enslave, and keep enslaved, all those not belonging to, or favoured by, the priests and lawyers. England was the first country to break through the hieratic bonds, and the challenge is primarily to her. Curiously enough, the American workman recognises Socialism at once, and repudiates it, possibly because of his mainly Continental origin. With the short Cromwellian interlude, England has been free of it since the expulsion of the Jews and the suppression of the Knights Templars.

"Rubenstein, who was Rasputin's principal financier, was arrested by the Military Police for trading with the enemy. At first, people were surprised when the announcement was made. It now transpires that the serious charges are not to be proceeded with and that the defendants will probably be convicted on one or two minor and quite incidental charges."

"... Protopopov goes from strength to strength. In the Ministry of the Interior, he is surrounding himself with a phalanx of all the most discredited reactionaries... he confided the fact that he was prepared 'to drench the country

with blood.' To others, he has expounded a policy of expropriating the nobility in revenge for their criticism of the powers that be. Another proposal that he frequently discusses is the complete removal of Jewish disabilities and the enlistment of Jewish brains and Jewish capital on the side of the reactionaries."—Letter to Director of Military Intelligence on state of (Imperial) Russia January 31, 1917, by Sir Samuel Hoare, I/C M.I. Moscow.

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 "For some days before his death, Rasputin had been nervous and unwell. He, however, always made it a practice to tell his two confidants, Simonovitch and Bishop Isidor, where he was, and where he was going. Simonovitch is an unbaptised Jew, and Isidor a bishop, who for bad behaviour was compelled to retire from his see. They live together." Report No. 3: 5/2/17. *Ibid.*

Bretton Woods

The following letter appeared in *The Scotsman* for September 21, 1944 under a three-line, double column heading, "Money and Trade. Bretton Woods Proposals 'Worse than Gold Standard'":—

Fearnan, by Aberfeldy, September 19, 1944.

Sir,—Your correspondent writing over the non-de-guerre, "Aqua Vitae," in your issue of September 19 should not, I think, be allowed, without protest, to present the export theory in the light of a problem peculiar to these islands, or to suggest that our sole industrial asset is our coal. It is unfortunately the rule to discuss this question in the light of a barter economy. We do not live in a barter economy, we live in a money economy, and your previous correspondent, Mr. W. L. Richardson, was obviously basing his criticism, which I should endorse, on the opinion that the Bretton Woods proposals do nothing to bridge this intrinsic difference.

The insistence on the necessity for increased exports, which, it will be remembered, developed in almost precisely the same terms in 1920, is said to be justified on grounds which fundamentally are separate and unconnected—that we must pay for our imports, and that we must have a minimum of imports for the purpose of remaining an industrial power. We are, in fact, presented with a simultaneous equation in which every term is unknown, and it is perhaps not remarkable that we failed conspicuously to solve it in 1920, and do not show very convincing evidence of doing much better in 1945.

It is possible to make some progress by inserting hypothetical values in the terms of our equation. Let us agree that we require or desire certain imports. Obviously we pay for those imports in the currency of their origin, and we wish to pay as little as possible. We acquire that currency by selling goods in our own currency, and we desire to sell at the highest price so that we can acquire the maximum amount of foreign currency. But the exchange value of our currency depends on what it will buy, *i.e.*, the lower our prices the higher our exchange value. We have solved this elementary difficulty by giving away about five thousand millions of capital during the last 50 years.

Let us now insert a second hypothetical value. We wish to remain an industrial Power, which appears to mean full employment at high efficiency, and consequently with an

increasing output of goods for sale. We are not alone in this. Accepting, for the sake of brevity, the statement that the U.S.A. does not require to export because she is self-supporting, it would be difficult to argue that she does not want to remain an industrial Power, and therefore will not compete for markets. So we have to find another country which is not self-supporting, but does not wish to become an industrial Power. And we have to export higher values for less return. So we get nothing for our harder work and greater re-exported imports, and embark on another cycle of world benevolence, until the next world war provides us with an unlimited market through which we acquire astronomical debts.

I am unable at the moment to recall any occasion on which Lord Keynes has been uniquely correct other than in his description of the gold standard as "archaic." And the Bretton Woods proposals are considerable worse than the gold standard in that they place the United States Treasury in the remarkable position of being an alternative at will of the world's gold mines and gold stocks. The fixation of the Finnish war indemnity to Russia in dollars, not roubles or sterling, is evidence of the intention to institute a financial world empire of a nature for which it is difficult to believe that we have fought two world wars.—I am &c.

C. H. DOUGLAS.

Questions in Parliament

House of Commons: September 26, 1944.

Paper Allocation (Books)

Lieutenant-Colonel Sir Thomas Moore asked the President of the Board of Trade what action he proposes to take in regard to the memorandum he has recently received from the Publishers' Association regarding the provision of books for Europe and the Dominions; and whether he has any plans in mind to ease the present shortage of labour, paper and cloth.

Mr. Graham White asked the President of the Board of Trade if his attention has been drawn to the shortage of all books of a non-tendentious character, and if... he will give directions for such an increase in the supply of paper and labour to the printing industry as is immediately possible.

Mr. Dalton: I am glad to say that my right hon. and gallant Friend, the Minister of Production, has agreed, at my request, to increase the allocation of paper to publishers of books as from the end of next month to 42½ per cent. of their pre-war usage. I hope that the publishers will do all they can to devote this extra paper to supplying liberated territories, as well as Empire and other overseas markets. My right hon. and gallant Friend has also increased by more than one-third the allocation to my special Reserve, and has made a further additional allocation for certain classes of educational books. I am in touch with my right hon. Friend, the Minister of Labour, about the supply of labour for printing and binding.

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Mr. White: Am I right in assuming that the right hon. Gentleman's statement means that instead of an allocation of 22,000 tons of paper for books out of a total allocation of 447,000 tons the amount will now be increased to something like 40,000 tons?

[Mr. Dalton indicated that that was "substantially so."]

LORD VANSITTART ON OCCUPATION OF GERMANY

House of Lords: September 26, 1944.

Lord Vansittart rose to ask His Majesty's Government whether the occupation of Germany will be undertaken by all the Allied Powers and not merely by the three great Powers; and to move for Papers. The noble Lord said: My Lords, Hitler often said that he would settle history for a thousand years of German supremacy. I think most of us, on a much more modest computation, would be prepared to compound for one hundred years of German humility—the quality no German has ever known or shown. Indeed in the last analysis, for the sheer lack of it, they have plunged the world into two terrible wars. After the first war they had ample opportunity, and indeed every reason, to learn this saving grace, but they would have none of it. Deliberately and intentionally they turned away and became again inflated—a nation of swollen heads and swollen souls that must be deflated lest they inflict a third war on us. Some are born humble, some achieve humility, others have humility thrust upon them. The Germans belong to this third category, and the thrust will have to be hard. That is the chief psychological reason for the Motion I am submitting to your Lordships to-day.

I am well aware that it looks to the future rather than to the immediate present, but we should endeavour to look as far ahead as possible. I am, moreover, aware that the immediate future bristles with practical difficulties, but in view of the considerations which I propose to submit to-day these obstacles should be overcome. What could be more for the greater benefit of mankind than that the Germans should learn respect for those whose very right to existence they have so long and brutally denied, for two hundred years in theory for thirty years in bloody practice? I hope we shall take some account of that, for it is not likely that the Germans will learn this humility from occupation by the Big Three alone. I understand that the French have applied for participation, and I support that request. I should be glad to know if His Majesty's Government do likewise and, if so, what scope will be accorded to the French request. In some respects that is less important from the psychological point of view on which this application has no bearing, because the French of course took part in the last occupation. It would be more important, say that the Poles should take part. For one hundred and seventy years the Germans have contemned and despised the Poles; they have treated them abominably for one hundred and seventy years. This contempt is a plague spot which must be cut out of Germany mentality.

If the application of the French and perhaps of the Poles is to be granted, what valid reasons have we for denying it in the other cases? I have seen suggestions that the other applicants, or potential applicants, should be content with a token participation. From the psychological point of view—that is from the long-range point of view—such a solution would be absolutely useless. We need the genuine and substantial thing. As I have said, this humility will not be learnt by an occupation which is a monopoly. All that will happen will be that the Germans will again intrigue and hate, just as they did after the last war, and they will seek to prise asunder the cornerstones of peace just as they did after the last war. They

might even succeed but for the mortar hardened by the suffering of all the occupied countries and not only of one. Again taking the long view, I submit that the new edifice of Europe may conceivably be better builded of bricks than of boulders. It would be asking too much to expect of the Big Three such omniscience as would ensure an infallible policy in respect of that. Nothing in experience warrants the assumption that size is the criterion of receptivity. There was a Big Three after the last war. Its members differed and drifted apart. The same thing might conceivably happen again unless they can bring themselves to regard their Allies as an asset and not as a difficulty. Therefore, on these two very wide grounds, and looking as far ahead as possible, I submit that Germany should be occupied by all the Allies and that as far as practically possible they should be associated also in the administration, at least in an advisory capacity.

I have another and even more cogent ground for advocating the Motion before your Lordships this afternoon. After the last war the British and the Americans very largely ruined the moral lesson to the Germans by unwise and unseemly fraternization, and that had the effect not only of ruining the moral lesson, but also of providing the planks and springboards for that German propaganda which was afterwards so grotesquely successful. I greatly hope that history is not going to repeat itself, but at the same time I have noticed some disquieting phenomena. . . I very earnestly hope that the Big Three are not seriously contemplating situating their commission in Berlin. Why should we go out of our way to set a fresh seal on Prussian predominance and on that over-centralised Reich which has presented us with two world wars when our whole policy and tendency should surely be, on the contrary, to disrupt and discredit Prussia and to disintegrate that Reich? . . .

I return to the terms of this notice. It said that this gentleman ["a distinguished member of this country . . . credited with being destined for an ultimate mission or commission in Berlin?"] was being entrusted with a mission which among other things would be (and here I give the exact words) "to set the Germans on their financial feet again." Just that. In other words, conveying the impression that perhaps if aggression does fail it might not be so ruinously expensive. There was not even a saving clause laying down that the interests and requirements of all Germany's victims should have an unquestionable priority. . .

I have a further reason. It seems to me essential that the occupation of Germany should be prolonged. Without a prolonged occupation I would predict that every other reform will ultimately collapse like a house of cards. Here I must be quite frank. I greatly apprehend developing pressure, beginning perhaps first in the United States and spreading here, to bring the boys home prematurely before full security has been reached, and whenever that agitation starts it will most certainly base itself upon some most disingenuous arguments such as the cost and burden of occupation, which will be misrepresented as being much heavier than the need for it will be. I would remind the House that up to the end of 1920 we only had 13,000 troops on the Continent and they were on the Rhine. Now, in the earlier years of occupation, the occupation will have to be massive, but it may well be that in certain circumstances to which I will allude, after those years something not so very greatly in excess of that

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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: (Editorial and Business) 49, PRINCE ALFRED ROAD,
 LIVERPOOL, 15, Telephone: Wavertree 435.

Vol. 13. No. 5.

Saturday, October 7, 1944.

Mr. Churchill

There are one or two simple propositions which it is vital to all of us to grasp at this juncture, and they should be borne in mind steadily and entirely without reference to our approval of them, or of the individuals who accept them as their policy.

The first of these is that the primary, and in many cases the sole objective of the "practical" politician, is power. Mr. Churchill is a practical politician. The second is that politicians never come to power on their own policy—they come to power by convincing those who have it in their gift that they will be the most satisfactory servants of their masters. And they remain in power by changing their masters if and when the gift of power is transferred. The perfect practical politician was the Vicar of Bray.

Mr. Churchill long ago assessed international finance, and, in particular, the Jewish race of international financiers as the real force behind the advancement of politicians, and he came to power in 1940 by their will, and on conditions laid down through the Jewish Labour-Socialist movement for the entry into a "National" Government, including no doubt the internment of its enemies. It is entirely beside the point whether Mr. Churchill really liked the situation. As he has put it with engaging candour, he has a well-trained conscience. No-one knows the rules of the game better than he does, and very few know them so well, and he is prepared to play the game.

It is our opinion that his original masters feel that he has served their turn, and may be given a peerage and an international fund to "administer." We doubt very much whether Mr. Churchill sees eye to eye with them in this.

This is where the public comes in. Remember the Vicar of Bray. If you can make it evident to Mr. Churchill that "the King has come to his own again" he will tell you that he likes Bray. And the fact that the alternative to him is the nominee of those who conferred the benefice on him, and wish to change the ritual, will seem to him to be just too bad. And that will be a worse defeat for them than if you put in a well-meaning "rabbit" who would be bowled before he knew that he was there to make runs.

An Economist Article

An article in *The Economist* for September 23 gives interesting results upon analysis. It is headed "Labour's Decision," a familiar synecdoche of the type which is the life blood of the party system.

We learn that "the present days of Mr. Churchill's present Government are narrowly numbered"; that the Labour Party is probably *condemned* to several years in opposition; and that "it is very difficult, on a sober calculation, to imagine 308 constituencies returning the sort of candidate the party is putting up." Also, "there is a radical tide running in the country; but the Labour Party is nowadays anything but a radical body."

Why did the Labour Party decide to do something which, in *The Economist's* opinion, will keep its leaders from the plums of party politics for several years? This is a question of some interest: indeed it is probably of even wider interest than whether it is "good" that Labour should go into opposition in order that the party system should be preserved. When a similar 'decision' (whoever took it) was taken at the end of the first phase of the world war, it was not the "sort of candidates" which kept Labour from "power" but a bombshell—the "Zinovieff letter." Presumably, the party leaders know that the decision to fight an election is certain to lead to the result which *The Economist* foresees? *The Economist* does not discuss the point. Its mind is troubled. To ascertain the full degree of its discomfort, a glossary is necessary in order that some of the expressions it uses may be read correctly; though without such aid it is clear that *The Economist* is suffering from a sense of injury, and is openly complaining about the cause: it is not, this time, like the American whom the deaf old gentleman in the corner of the compartment took to be chewing gum. When we lean over towards it with our hand to our ear, we can hear talking. We can hear the actual words: "These wrecking tactics represent criticism carried beyond *legitimate* bounds, and they must be regarded with alarm and censure." The rules of the power politicians have been broken. "The *honest* opinion of *honest* party men and experts" (no one else counts for *The Economist* but party men and experts) accounts for part of the "savaging" of the White Paper on Health Services by the doctors. Now we shall need the glossary.

prejudice, instinctive reaction of uncorrupted individuals: any reaction of an individual to reality: unsophisticated opinion.

partisanship, siding with individuals and individual interests against Monopoly.

irresponsible, uncontrolled by centralised controllers, unpunishable, not amenable to 'financial reasons,' the behaviour of non-collaborators, non-collaboration in the forms prescribed by those who have usurped power and alienated sovereignty from individuals.

irresponsibility, the taunt of the bond to the unsecured in his own right.

too far, an expression of apprehension.

essential, necessary to the design underlying the inception of the war and the revolution.

faction, "a company of persons associated or acting to-

(Continued on page 8)

Security, Institutional and Personal

By C. H. DOUGLAS.

The address at the City Hall, Newcastle-upon-Tyne on March 9, 1937, here reproduced has not hitherto received wide currency in print. An English industrialist of world-wide reputation told us, during the war: "What I like about Social Credit is that it is a genuine proposition which has been continuously before us for years, and it is not a stunt hastily concocted by bureaucrats to get them out of their difficulties."—EDITOR.

The matters on which I propose to speak to you tonight are so simple that, were it not for one fact of human experience, I should hesitate to trouble you with them. The fact is that it is the simplest matters that always form the subject of the most profound misunderstanding, and in regard to which the average individual is the most difficult to convince of any error in his belief. You will remember that it was a matter of common certainty for many thousands of years that the sun revolved round the earth, and when the astronomer Galileo produced quite unshakable evidence to show that, on the contrary, the earth revolved round the sun, he was regarded as a blasphemous heretic and was severely punished.

Now the first of these very simple matters which I propose to bring to your attention is the difference between policy and administration, together, with the primary importance of policy. If a man is standing on the platform of Newcastle Central Station it is obviously of primary importance whether he decides to go to Edinburgh or Darlington. The question as to whether he goes by a fast or a slow train, whether he finds that the railway is well or badly operated, or whether he decides finally to go by motor-car is of secondary importance to the question of his making up his mind *where* he wants to go.

A Policy of Work

In all the discussions which are allowed to obtain wide publicity on the affairs of the world at the present day, every effort is made to concentrate attention upon questions of administration, on *how* to make the railway in my allegory better, or *how* to improve the road or the motor-car.

The point I want to impress upon you at the outset is that we are having a policy *imposed* upon us, and that policy is the cause of our troubles. Any discussion as to how that policy shall be administered, whether by a dictatorship, so-called democracy, Fascism, Bolshevism, Nazi-ism, or otherwise, is merely irrelevant.

This policy, which is practically identical everywhere, whether in Russia, Italy or Germany, is the gospel of work. "If a man will not work neither shall he eat." It is not for nothing that Paul, the Roman Jew, is the patron saint of the City of London.

I must emphasise the point that the policy is *not* "If a man does not work there will be nothing to eat." To the extent that such a statement is true, the other statement is reasonable. But to say that all men have to work in industry at trade union rates for trade union hours before it is possible for all men to eat, is flagrantly untrue, and becomes less true every day, *except as a policy*.

I propose to bring as forcibly as possible to your attention

that it is not the prime object of existence to find employment. I have no intention of being dogmatic as to what *is* the prime object of existence, but I am entirely confident that it is not comprised in the endless pursuit of turning this originally very beautiful world into slag-heaps, blast-furnaces, guns, and battleships. It is just at this point that the extreme simplicity of the dilemma in which the world finds itself becomes evident, and it is at this point that it is so difficult for most of us to grasp what is equally simple, which is that the mere fact that some of us may earn our living by building a battleship does not in itself mean that it would not be possible for us to live much better, more comfortably, and more safely, if that battleship were not built.

Do not misunderstand me. This is not an address on pacifism. On the contrary, I think the determined opposition of the oligarchy which rules us to any effective financial reform has made war nearly inevitable and rearmament imperative. What I am endeavouring to explain is that the fact that you were paid wages for designing and building a battleship, and that with those wages, salaries (or, if you are shareholders in the companies that build them, the dividends), you buy yourself the amenities of life, does not mean that it is written in the law of nature that you cannot get those amenities unless you build a battleship. If, in addition to having your energies diverted to building a tool of destruction instead of a tool of construction, you are going to be taxed to pay for it and for the money the banks create out of paper and ink to pay your wages, you will be a triple loser.

Passports to Prosperity

But you have no doubt noticed—though you have perhaps not noticed it so much on the North-East Coast as we have noticed it in the South—that the setting to work of a large proportion of the industrial population of this country on the manufacture of things intended to kill or wound or otherwise inflict pain and misery upon other human beings, has been accompanied by what our lords and masters refer to as a revival of prosperity. And they are already explaining that their best efforts are being devoted to finding methods by which we shall be kept busy, when, if ever, we have enough battleships. The most hopeful avenue, they consider, is to capture further export markets. But they do not explain that other countries also, under this remarkable system of ours, wish to capture export markets—that this effort to capture further export markets will, therefore, require the building of further battleships so as to keep other people in what we consider is their proper place.

If you were to say to an intelligent child that the aim or objective of the average human being was to live in a pleasant house, have sufficient to eat, and to be well-clothed, I think that child would say at once that what you ought to do was to build sufficient pleasant houses, grow sufficient food, and weave whatever clothes you require—and then stop and enjoy yourself. But most of us, I am afraid, are not intelligent children. Some of us are even economists! And to an economist it is impossible, apparently, to imagine a state of affairs in which, if you want something, you proceed to make it. The economist says it cannot be done that way. If you want a loaf of bread you must obtain employment making radio-sets, or machine-guns, or something else.

Once again, do not misunderstand me. I am not saying

that you should not make radio-sets or machine-guns. What I mean that it is not fundamentally necessary to make radio-sets or machine-guns in order to obtain a loaf of bread. An easier and shorter way is to grow and grind the wheat and then bake the bread. The radio-set which you do make will probably be used for the purpose of misinforming you in regard to the true price of bread, and the machine-gun will probably be used to shoot you down. But that is entirely your business.

Now if you say this sort of thing to an orthodox economist or to your bank manager, he will probably look at you with pity for your simplicity and will say, "Ah, but this country cannot support its own population." The first reply which I think most of us would make to this remark is that it does not support its own population very well at the present time; and the second comment one would make is that if it is a question of feeding the population, how is it that the amount of home-grown food which is produced is steadily decreasing, rather than that efforts are being made to increase it?

The point which I am endeavouring to get you to realise is that what is called full employment is always put forward as being the aim of our modern society, and it is assumed, and never argued about in official circles, that without full employment it is impossible for the population of the country to be fully supported in food, shelter and clothing, and that it is better to have full employment making poison gas, than any unemployment.

Institutions Filching Security

I do not propose this evening to go over the well-known fact of the startling increase in productivity per unit of human labour during the past 150 years. I am going to ask you to take it from me that it is only the diversion of a very large percentage of human activity to ends which either do not conduce to its health and happiness, or are even a direct threat to those desirable ends, which prevent us from supporting ourselves in great comfort and security with the accompaniment of an amount of leisure which would enable us to make the fullest use of our opportunities.

Employment as an end in itself is a concerted policy to be found in practically every country. It is an international policy, and it proceeds from the great international power in the world—the power of finance. It is conscious, and it is sustained by every argument and force at the disposal of that great international power, because it is the means by which mankind is kept in continual, if concealed, slavery.

May I ask you to divest your minds as far as possible of every political preoccupation and to consider whether the fundamental policy of Fascist Italy, so-called Communist Russia, the United States, Germany, and Great Britain is not identical, and that it is, by varying methods but with identical objectives, to force people to subordinate themselves, for a number of hours per day greatly in excess of those really necessary, to a work system?

It is a matter of common observation that this full employment becomes increasingly difficult to insure in respect of what is called the home market; therefore, foreign markets, which it must be remembered are equally desired, under this insane system, by every country and, therefore, are matters for fierce competition, are stated by our bank chairmen to be essential to our prosperity.

Since these foreign markets are equally matters for the competition of every country, sooner or later this competition leads to friction, and from friction to the threat of war, with the result, which is very much to the advantage of our lords and masters, that we have to build large and expensive navies and air forces to deal with the situation which our competition for foreign markets has brought about. Of course the building of these fleets provides more employment, and therefore the system is carried on a little further towards the inevitable catastrophe.

If you have followed me so far, you will begin to see that all the efforts which we make towards so-called security at present are merely action taken to preserve, for a little longer, institutions, and notably the financial and industrial institutions, and that in working to preserve these we only insure ourselves, as individuals, further hardship and anxiety and eventual catastrophe.

Correct Action the Only Saviour

It is not too much to say that the whole future of the human race depends, if not upon an understanding of the problem which I am trying to put before you tonight, at any rate upon correct action in regard to it.

I can at once imagine that you will say, "How is it possible to obtain correct action in regard to this problem until a very large proportion of the people concerned understand what the problem is?" Well, the answer to that is really very simple too.

If you could only persuade people to ask for what they want, instead of for some method through which they think that what they want can be given to them, the problem would be half solved already.

Nothing is more dangerous than inexact knowledge. It is the man who thinks he can sail a boat who wrecks a boat, not the man who knows he can't and doesn't try, but merely says "Let me out." At the present time the affairs of practically every country are at the mercy of a small group of people who know exactly what they want, which is *not* what you want. This small group manipulates much larger groups, who don't know what they want, but think they know how to get it.

The working man of this country has been taught by propaganda of all kinds that it is a meritorious thing for him to say "I want work," but a contemptible thing to say "I want money." Once again, please do not think I am suggesting that there is anything virtuous about laziness. Far from it. There is nothing specially virtuous about work either. I have worked at least as hard as most people, and most of the time I did it because I liked it. The healthy human individual requires work of some kind, just as he requires food; but he is not a healthy individual, mentally at any rate, if he cannot find work for himself, and probably find work which he can do far better than that which is arranged for him by somebody else. If he cannot, he ought to be in a mental institution, which, in fact, is where most of us are, the headquarters being the Bank of England.

There has been a cant-phrase in politics in this country since the days of Mr. Asquith that the will of the people must prevail. Mr. Asquith was probably one of the greatest experts in modern history at arranging that the will of the people did not prevail. And the method which was followed

though not initiated by him—a method which still appears to be successful—is to divide up the population into warring sects, each of which imagines that it has a complete set of blue-prints for the construction of an immediate Utopia. Since practically all these Utopias are schemes for penalising somebody else, you have only to adopt each in turn and eventually you will have reduced everyone to a dead level of slavery, which is what is happening.

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(To be continued)

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LORD VANSITTART

(Continued from page 3)

figure will be all that will be required of the British and Americans. But such a relaxation of effort would only be admissible on one overriding condition and it is always the same. We always come back to it. That is that the occupation should be easier.

I am assuming of course that Germany will be completely and permanently disarmed; in other words that she will have no more an Army, Navy or Air Force and only a police force without military equipment. I am assuming also that we shall all set our faces against any transparent fraud such as a people's army or a militia. I should like to have from His Majesty's Government an assurance that no one of the three major Powers will lend any countenance to any fraud of that kind. . .

Personally I had hoped that from that bad old world we should have escaped for ever, but I cannot be wholly sure because even in this country there is a fashionable and somewhat ruthless school which holds contrary doctrines. I came across a very good illustration of the views of that school in a recent article by Commander King-Hall. He wrote:

"The last chapter in the history of the economic and political independence of the smaller States is being written in blood and tears."

Indeed! I think that before people give way to that rather callous confidence, they might do well to remind themselves of some truer words written by the greatest English historian of our day, the late Mr. H. A. L. Fisher, in which he said:

"Almost everything that is most precious in our civilisation has come to us from the smaller States."

And he gave a most commanding and unchallengeable list of what those assets were. It is perfectly true that the Commander and his school concede the cultural independence of smaller States but that I think may be dropped. Cultural independence standing alone is nothing worth. If a man cannot call his soul his own, can he so call his pen or his brush?

I think it is in our own ultimate interest also to defend the interests of the less numerous. This island has a population of less than 50,000,000 and it is dwindling. If we once concede that mere quantity is the test of greatness, we in turn might sink in the scale. Alone this island is a cruiser-weight—the greatest cruiser-weight the world has seen—and it has happened in the history of the ring that cruiser-weights have won world heavy-weight championships. We won that in 1940 and the fact was handsomely recognised at the opening session of the reconstituted Belgium Parliament last Thursday. But the British Commonwealth is an authentic heavy-weight and I think it will always be in the interest of peace that its component parts use their strength to see to it that the component parts of Allied Europe also

receive due weight. By standing up for the letter and the spirit and the practice of the Moscow Declaration we shall be defending ourselves against the obsession of quantity. If we expect, as we do expect, equal collaboration among the Big Three, we must logically concede a large measure of it to those of less poundage than ourselves. Here again is our first chance this afternoon to show we mean the words we have not only said but signed.

Finally, although debates like this seem to be necessary, we are apt to be shooting into the dark or into the blue unless we are provided with a little more information from the Government than has been hitherto the case. In past years, when the war was in a very precarious state, we all were prepared to accept a considerable degree of secretiveness. We thought it justified. But in a few weeks we shall be in possession of some of Germany's great cities. We shall have to be told certain things then so why not now? What I wish to know this afternoon, and I hope I shall have some answer, are three things. I should like to be told who is going to occupy what. I think the time for that has come. I should also like to know, at least in broad outline, what are the instructions to the occupying and administering Powers. I would remind your Lordships that we have never learnt that in the case of Italy. To this day, those instructions have not been published, and I think that, now the war is drawing to an end, we can hardly be expected to put up with the same degree of unenlightenment in the case of Germany. I should like also to be told which Department is going to be responsible for this occupation and administration. Is it going to be one Department, or two Departments, or three Departments? I hope that it is going to be one. I trust, in opening this debate to-day, that it may end in the provision of a sufficient amount of information to enable us all to think more intelligently and with more illumination on this gravely important subject than has hitherto been the case. I beg to move for Papers.

(While Lord Vansittart was replying):—

Lord Strabolgi: My Lords, will the noble Lord permit me to interrupt him? He was good enough to interrupt me, and perhaps he will allow me to return the compliment. How does he explain the seven rather prominent Germans who were hanged a fortnight ago—the Mayor of Leipzig and others—and the Generals who were hanged after suitable tortures?

Lord Vansittart: My Lords, they had rather different views as to how to wind up this war in order better to start the next. They were a little premature in their views. I have no faith in the people who were hanged, although the method of their execution was a terrible one.

Lord Strabolgi: Is not that a Fifth Column?

Lord Vansittart: No, a Fifth Column is that which opposes absolutely the whole system of militarism, of which Nazism is only an offshoot. These men also were militarists, but they thought it better to wind up this unprofitable business and get a fresh run at it a third time. I hope that we shall beware of making enemies of our friends in that way. . .

"Further, the scheme [Social Security] must be paid for not merely in cash, but in loss of individual freedom—a point which has received all-too-little emphasis."

— *Belfast News-Letter.*

AN ECONOMIST ARTICLE (continued from page 4)

gether." Chambers's Dictionary explains that the term is "mostly used in a bad sense"; but *The Economist* uses it in a "good" sense, and leaves the reader to supply the opposite meaning.

The Economist is dealing with political realities. So it objects that the Planners' measures have been "savaged," the Medical White Paper by honesty, the Employment Policy by Socialists, the Land Policy by local authorities and Bretton Woods by 'modernist economists' "as if its defects were the deliberate work of the British Government." "Disquieting" is the word used to describe "the contrast" which the next few years of politics may present when they emerge from the shadow of the Plan.

"Before they go on to present to electors the choice between *some details* of the different *methods* of reaching the same goals," the parties will have to admit that "the area of disagreement about the steps [methods] to be taken in the next few years is very small—*whatever it may be about the ultimate objectives.*" [our italics.]

The Economist is admitting that the objective before the parties is the same objective, so the method of reaching it cannot be really a matter of choice. It is also admitting that there is likely to be disagreement about *policy*. "It is a good thing the German war is so near its end and the election so close." Otherwise the Planners (with the same plan) might lose the race against time with the "factions"—*i.e.*, the electors associating or acting together in their own interest. Only the party system can ensure *effective* criticism (*i.e.*, criticism of details which are really immaterial by one side in "essential" agreement with the side it is criticising concerning objectives). This "savaging" is one over the eight: it is "irresponsible": *i.e.*, a breach is being effected in the bankers' line, the Great Warburg-Schiff-Frankfurter-Guggenheim-Rothschild-Line.

"Very much the future welfare of Britain [no longer Great] may depend on the way in which, in the next few months, the parties measure up to their [the same word again] responsibilities."

Quite so. But what was the inducement offered to the Labour Party to be so accommodating?

The party system, in any case, is tottering and with it its *raison d'être*, control of the agenda.

"FREEDOM"

"Of old sat Freedom on the heights"

But now she has descended

And when attacked no longer fights,

No longer is defended.

Our "rude forefathers" ruder still

Would be if they could see her

Permitting P.E.P. their will

And Fabians to fee her.

But while there lives in humble men

The faith that she engendered

And while remains one sword, one pen,

It shall not be surrendered.

— EXCALIBUR.

Postal Rates

Mr. De la Bère asked the Postmaster General whether he can make a statement as to the Government's intention to reduce the letter postage rate from 2½d. to 1½d. or 1d. at the conclusion of hostilities.

Captain Crookshank: The question of postal rates raises financial issues too wide to be taken in isolation, and I regret that I am not in a position to make a statement as regards the matter at present.

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

(Please allow for postage when remitting).

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49, PRINCE ALFRED ROAD, LIVERPOOL, 15.