

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### From Week to Week

"The continual pin-prick hostility abroad, shown in things like the Resolution of the Foreign Affairs Committee of the French Consultative Assembly calling for a breach of relations with Spain, are immediately declared by Spaniards to show the hand of the Masons, who, in conjunction with the Communists, are abroad forever working to overthrow the present Government. Historically, there can be no question of the political reality of Masonry in the politics of Spain, as in those of Italy and France. It is a provincialism in Englishmen to deny or doubt it."

—Douglas Woodruff: *Mediterranean Enquiry.*

Observe the condition of Italy and France.

The "B."B.C. broadcast, with the King's Call to Thanksgiving, those of the Archbishop of Canterbury and the Chief Rabbi. Why drag in the Archbishop of Canterbury?

Except in one or two of the more responsible reviews, we do not think that the most unquestionable fact in regard to the recent election has been sufficiently emphasised. That fact is that the vote was far more anti-Government (Coalition Government, remember) than it was pro-Socialist. For the past six years, the Government has been a P.E.P. Socialist Government at home, whatever its foreign policy may have been, and it is probably only such things as traditional "Partyism" and fear of the wild men, that prevented the vote *against* the Government from being almost unanimous. It is a grim comment on our insane d'markrazi that the various Ministers responsible for the internal discomfort of the past six years, and against whom the protest vote was fundamentally directed, are practically all returned to power; while those specially concerned with external relations, that is to say, the direct winning of the war, who to the extent that it is won did win it in their own departments, have all been turned out.

There is a great deal more to be said on this subject; but it emphasises the fact which we have frequently stressed, that the function of democracy can only be, properly, negative.

The pattern of the Great Plot is now becoming clear for all to see. This country is as tight a totalitarian dictatorship as ever Germany or Italy was, and is progressing fast towards the Russian model. For the moment there is a perfunctory display of the velvet glove; but the iron hand is none the less effective. The reservation of all first-class sleeping accommodation for the bureaucracy; the announcement, with barely concealed insolence by the "B."B.C. that

"there is good news for motorists," the basic petrol ration will be continued; the information that every country is to be well-fed before Great Britain; Mr. Churchill's suave agreement with a "Kings" Speech which heralds revolution, accompanied by an expression of delight that "America" is on top of the world, including ourselves, all make it unmistakably clear that we lost the war the day we entered it. All we have done has gone according to plan, and Bretton Woods will hardly be necessary to impose on us that modest hush which is becoming to those who know their place—in the discard.

In the circumstances, it is perhaps not to be wondered at that Mr. Mackenzie King, the Prime Minister who regarded election as a formality which should not interfere with dictatorship, displayed the Red Ensign on Parliament Building in Ottawa, as an ostentatious repudiation of the Union Jack. While no doubt the colour was irresistible to him, we doubt whether the Merchant Navy, whose flag it is, will be amused.

In common with the rest of the population, we have no idea what is really going on in either Eastern Europe or Eastern Asia. We know what we are told, which for practical purposes amounts to exactly nothing. But ordinary common sense is sufficient to indicate that in the Japanese area, as in Europe, the terrors of "Peace" while less spectacular than a rain of atomic bombs, are likely to be only an interregnum.

As an ante-room to a better world, we have rarely imagined anything we liked less than the present outlook. How Mr. Churchill's Gods must laugh as they hear the Americans (a hundred and forty millions) talk, and see the Russians (two hundred millions) behave.

Mr. Churchill: "Nationalisation? We welcome it."

### "A Plantation Economy"

"There is very little in the higher culture of the last half-century that is morally superior to that which it mocks at and seeks to displace. . . The most important thing in social legislation is not to relieve this or that group. It is to preserve for each boy and girl growing up the sense of growing up in a free world, where their civil obligations are few and clear, and not into a plantation economy where they will be set their life-long tasks, and well looked after in return." — *The Tablet.*

Of the 70,000 to 150,000 new teachers to be required under the Education Act, 350 were undergoing training in June. The training is of one year's duration and there is no examination to pass when it ends.

## "No Shelter for Morrison"

To show the quality and tendency of the work, we quote the following from a political satire by Caius Marcius Coriolanus in the form of an account of a trial before the "Commissioners of Political Lunacy" of the Member of Parliament for Atleigh-under-Cloud, despite the emergence of that gentleman and his apparent entry into the Seventh Heaven since the book was written. It is published by Dorothy Crisp & Co., Ltd., priced 4/6.

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MR. LIMEHOUSE: We enjoyed office, but never power.

CHAIRMAN: I see! A few votes and you would have been galvanised into action! A few more seats and a team of lame cart-horses would have been transformed into calvary chargers!

- L. I resent being called a lame cart-horse. Our whole thought was for the common people of Britain, and if we could not...
- C. With your permission we will investigate that statement. Have the common people of Britain any affinity with such a thing as the chemical monopoly?
- L. Certainly not! The idea is preposterous.
- C. I find that in 1905 Mr. Ramsay MacDonald sent a wire to his followers in Cardiff saying: 'If I were a Socialist in Cardiff I would vote for Mond.' How do you account for that?
- L. 1905 was a long time ago. I suppose the old boy thought a Liberal was preferable to a Tory. There has always been an affinity between Labour and Liberalism.
- C. Although the Liberal Party is the party of the international banking interests?
- L. Not more so than the Conservative Party.
- C. Come, come! Would you say that the free movement of goods and capital across national frontiers was a classic Tory doctrine?
- L. No. Perhaps I must grant you that point.
- C. So that when you say that there is an affinity between Labour and Liberalism what you mean is that there is an affinity between the Labour Party and the great banking interests.
- L. That is complete nonsense.
- C. We shall see. You remember the Cunliffe Committee, Mr. Limehouse?
- L. I do. It was a committee of bankers whose recommendations guided the monetary policy of this country for over a decade after the 1914 war.
- C. With disastrous effects?
- L. As you say, with disastrous effects. But I would remind you that it was Mr. Churchill and not we who re-introduced the Gold Standard.
- C. But you maintained the Gold Standard, and what is more, Mr. Snowden explicitly stated that the monetary policy of the Labour Government was based on the recommendations of the Cunliffe Committee. So there would seem to be some affinity between the Labour Party and the big bankers after all.

- L. Poor old Snowden certainly had an orthodox attitude towards finance.
- C. Mr. Limehouse, let me remind you that the Labour Party reached office by virtue of its promise to carry out a policy which would benefit the people of Britain. Do you mean to tell me that you allowed one orthodox old gentleman so to deflect your main drive that what you carried out instead was a bankers' policy?
- L. Well, poor old Ramsay was a bit woolly about such things, and so was poor old Arthur Henderson, and then of course there was poor old Jimmy Thomas. I don't think you can blame the Labour Party for the actions of its leaders: it was only loyal to support them.
- C. A very curious doctrine, is it not, that a Party has to support leaders who pervert its ideals and betray every plank in its platform?
- L. At that time the rank and file were not anxious for a split.
- C. Ought they not to have been given a lead? I remember that Mr. Pedal says in one of his books: 'No politician in office can ever palm off his responsibility on to the shoulders of the public. If the public will not follow him in the course he believes to be right, he can resign.' Did any members of the Labour Government resign because of the bankers' policy it was pursuing?
- L. One man. We do not mention his name in polite Labour circles these days.
- C. What did you do?
- L. I accepted the post he had vacated.
- C. Indeed! Most illuminating! And then came the split?
- L. Yes, we went into Opposition and belaboured the Government for introducing the Means Test which we had previously accepted in principle. There! you see, I forestall you! Your technique by this time is exceedingly obvious.

## 'Labour' and the Jews

*The Economist* for August 18 associates the attempt of the World Zionist Conference to "force a rapid decision" with the return of a 'Labour' Government in Great Britain which "has gone on record in support of a Zionist programme." A page and a half are devoted to "The Zionist Issue," the opening sentence of the article announcing "a victory for the extremists," and asserting that the demands of the Conference "naturally entail an immediate and total abrogation of the 1939 White Paper... But they go much further. They establish the fact that some of the most powerful groups in Jewry now support a programme which in the past has been that of the Right wing nationalist extremists—the Revisionists—alone. The London Conference thus seems to mark the abandonment by an influential section of the Jews of any desire for compromise or moderation." "There can be no doubt that the Arab League would use all the military force at its command to oppose the Biltmore programme. If the Jews sought to achieve it by their own military efforts, the result would be a disastrous war in the Middle East. It is clearly impossible that British forces should be involved in such a battle—except to stop it."

## THE SOCIAL CREDITER

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Saturday, August 25, 1945.

### Culture and Ritual

We gather from a remark of Dr. W. R. Inge in the Sunday press that the idea of inevitable progress towards good as a result of the mere lapse of time—an idea closely connected, if not identical with Darwinism—is known to theologians as “the Western heresy.” It is singular that from every quarter we hear the opinion expressed that the European Age is passing, an idea linked with the rise of Eastern political ideologies such as Marxism. That is to say, we have succumbed to the East, because of our own unsoundness. It is highly important to realise that the idea and the retrogression have been contemporaneous; that it is almost possible to say that the prevalence of “the Western heresy” has driven out of Europe that subtle quality which gave poise and resistance to the European. If Europe (and Great Britain) are to be saved, they have to recover their soul. There is no hope in the stampede of the Gadarene swine. In the economic plane, as in the social structure, the future of this country lies, as it always has lain, with quality, not mass-production; and there will be no quality-production if Professor Laski has his way.

We make no pretence of ability to judge the inevitability or otherwise of cultural defeat. But we notice in many quarters a new awareness of what we have been proclaiming to the best of our ability for the past ten years—that the wars and economic depressions of this century were consciously planned to induce the psychological background for a world revolution which would use the exaggerated and manufactured prestige of “Labour” to eliminate the prestige of culture, and, “in war, or under threat of war” to replace the vitality and attraction of the old Europe by the drab uniformity of a Russian workers-ant-heap. That is a new feature in the situation; and it may be that the shock of the election has awakened many people to the fact that the greatest war of all is still to be fought—to a conclusion, this time. For it is evident that the root of insecurity, both personal and national, is embedded in the rise of the politics of mass democracy. The mere mechanism is immaterial; what is deadly is the technique, however embodied, of using mass action against minorities.

It may quite reasonably be asked at this point, “What do you mean by culture—a word which in itself may mean anything from a bacteriological preparation to the output of a ladies’ school?” While a short answer is not easy, we are more and more convinced that one very important

component of the culture we have in mind is ritual. We are the more certain in this respect because of the existence of two factors amongst many. The first is that the most important forces in the world, the Catholic Church and Freemasonry, are obviously based on ritual. And the second is the persistent campaign of ridicule waged through the press and the “B.”B.C. against the ritualistic basis of the English tradition. It is relevant to this matter that, on no less authority than that of Sir Paul Dukes, “The Comintern was founded with this specific aim” (the overthrow of existing institutions) “and the British Empire was declared to be the main target of the Revolutionary crusaders.” (*The Tablet*, August 11, 1945).

Every effort is made to suggest that ritual is a “class trick”; that “Manners makyth man” has no reality in comparison with a six valve radio or a rousing gangster film straight from Hollywood. There could be no greater falsity. The culture we have in mind is far more extensively diffused amongst the “lower income brackets” than amongst the ornaments of Big Business. But it is not politically effective—in fact, the generous tolerance which goes with, and is the outcome of it, has been used to enlist its suffrages to its own destruction as well as the permanent enslavement of the populace.

But of course the whole question is beyond argument. No honest person hesitates to admit the defects of the nineteenth century while claiming that it was the high watermark of modern civilisation. No instructed person has any doubt that it was, fundamentally, the corruption of the English tradition by the essentially “vulgar rich” on both sides of the Atlantic and the North Sea to which practically all those defects can be traced—the same vulgar rich who are using mass democracy to complete the ruin they have conceived. And the bulwark against these vulgar rich was tradition; a national ritual arrived at by centuries of trial and elimination. It is in the failure to present that tradition as a living force of which to be immeasurably proud, instead of as something for which to make apology, that the so-called Conservative Party—a body, as such, without a soul—has been guilty of the unforgivable sin, and must suffer for it. And the most deadly error we can make is to look to it, in its present form, for salvation.

#### Hahn

Apparently the press agents have not yet made up their minds under which alias the fame of the moral and political imbecile who carried Kuhn Loeb’s plans to fruition (or thereabouts) is to be publicised. Dr. Norman Campbell writes to *The Times* to apologise to its readers for calling it van (or von) Halban—“a foolish error”—It was Otto Hahn (unless Dr. Campbell did not write clearly, and *The Times*’s compositor mistook a “k” for an “h”).

#### Lord Woolton

According to the *Liverpool Post*, Lord Woolton has been re-elected chairman and senior managing director of Lewis’s Investment Trust Ltd., Lewis’s Ltd., and their various subsidiary and associated companies. Lieut.-Colonel R. A. L. Cohen will take up his duties as joint managing director on his release from the Army.

## NATIONALISATION

*Snout.* Doth the moon shine that night we play our play?

*Bottom.* A calendar, a calendar! look in the almanac; find out moonshine, find out moonshine.

*Quince.* Yes, it doth shine that night.

While the Conservative Party dotingly reclines awaiting the appearance of its National-Conservative-Liberal-Socialist Leader in the rôle of Puck, and dreams the concluding lines of its midsummer-night's dream, we cannot see that the political scene can be worsened if as many members of parliament as possible, and certainly as many of us who suffer from them as possible are kept informed (if they are capable of information) of the realities of the matters they are to "thresh out on the floor of the House of Commons." If events do not move too fast for them, the nationalisation of the mines and of the Bank of England are to be the Government's agenda, and the protagonist of anti-Socialism has given a qualified disapproval of the first and a qualified approval of the second.

To refresh the memories of readers, the following extracts from Major Douglas's *The Brief for the Prosecution* (which, we are assured, is being bound for distribution in book form at last), and *The "Land for the (Chosen) People" Racket*, dealing with the coal and nationalisation questions, are reproduced:—

### Coal

From *The Brief for the Prosecution*:—

Francis Bacon, Earl of Verulam, may not have been the first man to apprehend our danger. But his emphasis upon the necessity of "restoring or cultivating a just and legitimate familiarity between the mind, and things" strikes a pure note of consciousness which establishes it as an authentic scripture....

If Bacon had been told that the country's minerals were "nationalised" and he could have grasped some idea of the strange new word, he would probably have asked what the Queen could do with them. The statement that they *ought* to be nationalised he might have ridiculed as "being vertiginous, or in the way of perpetual rotation." But if told that the minerals were to be put at the disposal of a monopoly, he would have understood.

To put into contemporary terms the way his mind would have worked, we might say he would have asked "Do I get cheaper coal? More coal? Better coal? If I don't, is there some new, rapid, effective way by which I make my dissatisfaction felt upon those responsible? No? Then who is benefiting?"

He would have gone to the heart of the problem. He would have grasped at once that here was the Divine Right of Kings in operation, raising up this man, and putting down that. Two things would have concerned him. Where is the King? Is he doing a good job?

To leave the wise and witty Francis at this point to which he has led us, we can see that the transfer of powers and privileges from an individual to an organisation simply means the transfer of those powers and privileges to the persons controlling it. The organisation is an accommodation address. The police always suspect them. To call that organisation the State or the Nation, is quite legitimate if you are quite clear that you have put the Divine Right of Kings into commission. If you imagine that there is any-

where in the world either a democracy or any other system, which confers on Mr. John Citizen an effective control or a beneficial share in those powers which he has been persuaded or jockeyed into transferring from a tangible to an intangible executive, then you are labouring under what may quite possibly prove to be a fatal delusion.

At the time of writing these lines (January 1944) it is already evident that "monetary reform" is coming out of the wilderness into the most respectable circles. That is good. But the idea that John Citizen must automatically benefit thereby, is premature. Various well-meaning if somewhat naive organisations have stated, as though it were both axiomatic and desirable, that only "the State" has the "right" to issue purchasing power. That is the Divine Right of Kings complex once again. Mr. Montagu Norman, Governor of the Bank of "England" may be heard to murmur "Nationalisation? We welcome it." A much abler, if less theatrical banker, Sir Edward Holden, Chairman of the London, City and Midland Bank (Midland Bank) during the 1914-1918 war, when told that his policy was leading directly to nationalisation of banking, replied "Well, I don't care. I should still manage it."

To put the matter quite shortly, transfer of power almost certainly means transfer of policy. We have seen the transfer of power. What is the policy? Whose is the policy?

... The General Strike of May 3-12, 1926, ostensibly developed from a failure to adjust the situation arising from the termination of the subsidy, which amounted to about £24,000,000, paid to the coal industry—a subsidy which had been granted under perhaps the most inept handling (as it appeared) in the records of Government. After having stated that under no circumstances would it be paid, the Government suddenly reversed its decision, agreed, under the most nebulous stipulations, to pay a subsidy, and simultaneously proceeded with open preparation against a general strike, which could be provoked at any moment by withdrawing the subsidy.

In 1920 a Royal Commission under the Chairmanship of Mr. Justice Sankey, a Socialist, had investigated the conditions obtaining in the Coal Industry, and certain witnesses had recommended the nationalisation of coal. It was commonly stated that the pressure towards this object, together with that for the nationalisation of railways, proceeded from international loanmongers who wished to have tangible assets, rather than mere taxing power, behind the large amounts of British Debt which they held. At that time, the proposal was not implemented, partly, no doubt, by reason of the extremely discordant nature of the several minority reports which accompanied its findings.

On March 10, 1926, the Coal Commission under the Chairmanship of Sir Herbert Samuel, issued its report recommending *inter alia* that the State should buy the coal from the mineral owners compulsorily, on very advantageous terms, paying for it in paper money, and that the miners should accept a reduction in wages. The Chairmanship of this Commission, and its recommendations (particularly its emphasis on the principle of property in coal) should be borne in mind in connection with the Mond-Turner negotiations to which reference will later be made, the amalgamation of Brunner, Mond and other chemical concerns into Imperial Chemical Industries, the Chairmanship of the Fuel Research Board (Governmental) by the chief

chemist of Imperial Chemical Industries, the acquisition of the coal from the mineral owners under the Coal Act of 1938 which took place in July 1942, and the general drift towards the adoption of a Cartel-Trades Union "Democracy," in which the ordinary individual, and even his House of Commons, become an unimportant factor awaiting absorption or elimination. The Miners' Federation rejected all that part of the Report which affected them, but supported, without understanding, the "nationalisation" of coal.

The details of the negotiations for a settlement of the coal dispute, which were without effective result, are outside the scope of this survey. They are available in the *Annual Register 1926*, *The General Strike* by Sir John (now Viscount) Simon; the pages of *Nature* for 1926, and elsewhere. It is almost certain that in fact neither side wished for agreement—the Miners' Federation, which was infested by alien influences, was deluded into believing that a general strike would bring the country to its knees; the shadowy influence behind the Mining Association (the Colliery owners, perhaps as stupid a body of men as industry could show) knew quite well that a general strike was certain to fail unless it developed into armed civil war, and that the way would be opened to further centralisation. In spite of the fact that both sides made a great display of legality, the only fact which was ever in dispute was the extent to which, in the last resort, the armed forces of the Crown could be employed to defeat the strikers.

A Royal Proclamation declaring a State of Emergency as contemplated in the Emergency Powers Act of 1920 was issued on May 1, and on May 3 the General Strike came into effect. Official negotiations between the Government and the General Council of the Trades Union Congress, who were directing the strike, were completely abortive.

Sir Herbert Samuel was apparently in Italy during the negotiations which preceded the Strike, but on its declaration at once returned to England and began "unofficial" negotiations for a settlement—on the face of it, with no special qualifications for intervention.

On May 11, Sir Herbert Samuel laid before the T.U. Council the draft of a Memorandum the adoption of which would, he thought, promote a settlement of the coal dispute. It contained nothing which was not expressed or implied in the Coal Commission Report, other than minor adjustments in timing. The Council laid the Memorandum before the Miners' Executive the same day, with a statement that in their opinion it contained "the best terms which could be obtained to settle the present crisis in the coal industry."

The Miners' Executive quite naturally rejected the proposals, as representing no advance on a situation they had previously refused to accept. Nevertheless, the T.U. Council wrote Sir Herbert Samuel that in their opinion, the Memorandum offered a basis on which negotiations might be renewed, and in consequence, they were taking the necessary measures to end the General Strike. A deputation called on the Prime Minister to inform him to that effect, and on May 12, the Strike was called off. The miners were, of course, furious and continued their own strike, with a good deal of support from the railway unions.

The General Strike was broken. Sporadic and sectional strikes continued for some time, but the sectional Trades Unions emerged impoverished and humiliated, and nervous of their ability to maintain their privileges. Two facts stand

out clearly in retrospect. The General Council of the Trades Union Congress seized, or were handed, the initiative and control of the whole of the militant trades union movement, and centralised it. And the Coal Commission Report was embedded in the settlement (despite the fact that no party to the dispute accepted it) in such a manner that it might be contended that the Government was committed to the implementation of it. The ground was prepared for the next steps—the founding of Imperial Chemical Industries, whose major raw material is coal, and the Mond-Turner negotiations between Sir Alfred Moritz Mond who had become a Conservative in 1926, afterwards the first Lord Melchett, and Benjamin Turner, afterwards Sir Ben Turner, C.B.E.

Benjamin Turner was by trade a weaver; he was Chairman of the Labour Party in 1911, a critical year, Chairman of the Trades Union Congress, 1928, Chairman of the Trades Union Congress General Council (the body which had negotiated with Sir Herbert, now Viscount Samuel, in 1926) and a Labour M.P. He was given an O.B.E. in 1930, and created a knight in 1931. Since his conference with Mond, the T.U.C. has never authorised a strike...

... Alfred Mond married Violet Goetz, and the daughter of this marriage married in 1914 Gerald Rufus Isaacs, son of Rufus Isaacs, the negotiator, on undisclosed terms, of the agreement in Washington which arrested the obstructive tactics of the American-German-speaking Jews, in particular the firm of Kuhn, Loeb, and caused them to change from the support of Germany to the support of the Allies. Rufus Isaacs, the brother of Godfrey Isaacs, of the Marconi case, became Marquis of Reading and Viceroy of India. His son, the second and present Marquis, was Chairman of the Central Valuation Committee under the Coal Act, 1938, which governed the acquisition of mineral rights, and is Chairman of the Council for German Jewry.

Coal, besides being the main mineral asset of Great Britain, is the primary raw material of industrial chemistry and war material. Absolute control of the coal resources of this country would decide in six months or less our ability to resist even a minor invasion.

Such absolute control was an impossibility when the coal was in private hands: it is, legally, a fact since the acquisition of the coal by the "Nation" in July, 1942.

It is necessary, in order to understand the working of super-national politics, to realise that control of a few chemical products means control of war. For instance, it was recently stated by Mr. R. E. McConnell, a mining expert and a war-time Assistant to the Secretary of the U.S. Treasury, that control of two materials only, oil and nitrogen, would give power to defeat any country, however large, which could not obtain them. Coal and oil are nearly interchangeable: nitrogen is "fixed" from the air by power from coal.

While, to the onlooker unfamiliar with international intrigue, a chemical combine such as Imperial Chemical Industries might appear to be a source of strength, the entire situation is altered when it is realised that it is certainly possible, and highly probable that certain controls are both extra-territorial and extra-national. And when, as in the case of Alfred Moritz Mond, the channel of communication had high political aspirations both personal and racial, which did not necessarily correspond with the interests of his more

or less temporary hosts, the danger is one which no country should tolerate. . . .

Large-scale utilisation of water-power for the generation of electricity has been feasible for at least fifty years, and the benefits arising from the general use of electricity have been widely recognised if not realised. It is curious that, while the prime mover, the water turbine, has not been radically improved during that period, and the prime mover used in the generation of electricity from the use of coal, the steam turbine, has been improved out of all recognition, the sudden decision to transform Scotland into a water-power factory has awaited the "nationalisation" of coal. From an orthodox economics point of view, the case for hydro-electric development *on a large scale* is weaker than it was in 1900. The proposal has been presented to the public so as to suggest that water-power represents an *alternative* to power from coal, whereas at the present time it is doubtful whether the development of all the power in the rivers of the Highlands would represent 2 per cent. of the power generated by other methods, and if the total rises, the water-power which is inextensible, becomes still less important. In 1938 the generated units of electricity in Great Britain were approximately 26,000,000,000. Excluding war production, which was already considerable, it is doubtful whether industrial demand was 50 per cent. of that figure. At the present time, *i.e.*, before any of the proposed water-power has been developed (war-time electricity-production-figures cannot be given), it is very greatly in excess of the pre-war figure. There is no possibility of utilising power from extensive hydraulic development for many years after any normally contemplated termination of hostilities, and such termination must cause an almost immediate drop in the demand for electrical power. By the time the immense works contemplated are complete, industrial demand, in the absence of war, will have fallen far below present electrical supply capacity, and will not be replaced by equivalent domestic use. To the extent that this capacity displaces man-power (the objective of using electrical power) the unemployment situation, looked at from an orthodox point of view, will be worsened.

The proposal to increase greatly the generating capacity of electric power-stations, therefore, requires far more justification than has publicly been offered for it, by whatever means the power is generated. The idea that there can be no limit to the generating capacity required is not merely absurd on the face of it, but is contradicted by experience, *except in war*. If it has been decided to adopt the philosophy of the Great German General Staff, that the primary objective of a nation is war, that is another matter. Even so, it is far from certain that these large power-stations do not constitute the gravest possible military risk. There is a considerable mystery surrounding their comparative immunity from attack.

We must therefore link up the development of water-power with the "nationalisation" of coal. A considerable proportion of the coal mined in Great Britain goes to provide the energy which is distributed as electrical power. A good deal of careful propaganda has been devoted to the "wastefulness" of burning coal, but in fact the subject is far from being susceptible to unqualified judgment. What is obvious is that coal is the principal raw material of the chemical industry: that every ton released strengthens

the chemical industry: and that the chemical industry with its collateral, electro-metallurgy, is making preparations to take delivery of a high percentage of the electrical energy generated by Scottish water-power: and that the propaganda for increased export may easily result in the export of our capital resources on an even larger scale than in the past, without the fundamental policy, and its possibly disastrous consequences having ever been discussed by those most affected.

*From The "Land for the (Chosen) People" Racket:—*

A short survey of the bearing on all this of what were called "Mineral Rights" will enable us to pass on to a consideration of why once-Great Britain is unique in its taxation, the objective of it, and who benefits. That will clear the ground for the possibilities of a reasonably sane system.

When the land-"owner" has paid say 25 per cent. Estate Duty, which at twenty years tenure represents (if paid at once without interest) the capitalised value of *about half the income for the whole of the period of tenure*, Schedule A Income Tax *which represents the other half*, Schedule B which probably represents about three times the *genuine* profits which can be made by *working*, as distinct from speculating in, the land, he can consider where to get the "Tithe" somewhat facetiously paid to Queen Anne's Bounty. Tithe is of course simply a Financier's tax, with only the most tenuous connection with the Church. Instead of being a tenth of the *produce* it is more generally about a quarter of the assessment, whether there are any earnings or no. And there is Land Tax, the incidence of which is so erratic that no one could, or is intended to, understand it. We have thus brought our "owner" to the point where he is paying about thirty shillings a year nationalised rent on property worth £1, doing his own repairs, paying his own insurance, and having no recourse to a landlord, as his own tenants have to him. That is to say, the "owner" renders service to the State, gets no return, and pays for it. We can come to his "mineral rights" which have now been acquired by the "State" at about one third of their estimated value.

Valuable minerals are not widespread, even in these islands which were unusually rich in them until we gave most of them away. The consequences of this were twofold; mineral owners were few in number, and so politically weak; and the largest of them was the Ecclesiastical Commissioners who paid no Estate Duties; and owing to the immense quantity of mineral obtainable from a small area, individual owners gave the illusion of being "rich," more especially as most of them were abysmally ignorant of the idea that they were living on capital in the most literal and wasteful way it is possible to conceive.

Now, it is of course possible to reduce any discussion about the rules, conventions, and practices either of society, business, or even a game, to a mere brawl, by introducing the word "ought." While I am not able to see, myself, just exactly what "the People" and more particularly the Chosen People, did to produce the coal deposits under these islands, these comments have nothing whatever to do with the word "ought." It is not merely possible, it is easy, to raise the standard of living of the legitimate population of these islands to a point considerably exceeding that of any Socialist State; but that has nothing to do with "the minerals

ought to belong to the Nation," or the results of the expropriation of mineral owners, which, to make the matter clear at once, have been to mortgage them to the international Jew, *via* the various forms of Debt.

To understand the main lines of the position, if we take the pithead price of coal at a token price of £1 per ton, the miner gets about 18/6 of this sum, the colliery proprietor gets about 1/4 and the royalty owner gets about twopence. It is clear at once that the royalty *has no ascertainable effect whatever on either the ultimate selling price of coal, or the miner's wages.*

The object of the fantastic misrepresentation in regard to taxation on minerals has been neither to benefit the public which now gets much worse coal at a much higher price, or the miner, who would scoff at an increase of twopence per ton in coal mined, in any one of the dozen mining disputes of the last ten years. The object was to destroy the principle of property in relation to individuals, centralise it, and transfer it abroad.

As I have mentioned elsewhere, it was freely stated in Washington in 1919 that a bribe of £10,000 was paid to a certain witness before one of the well-known commissions on the Coal Industry to recommend the nationalisation of coal. I feel sure the £10,000 will appear in the bill, if not recognisably.

Coal royalties while obviously and indisputably payments in respect of capital, and taxed on that basis in Death Duties, were again taxed as income. They were again taxed by coyly worded bribes to further attack, such as Mineral Rights Duty, Miners' Welfare Levy, *etc.* At which point, we come to the interlocking with surface "ownership," and it may be becoming clear that whoever "owns" the land, the Big Idea in regard to it is that it shall be rented from the World Debt Holders.

The "owner" of minerals had no choice whether they should or should not be worked. He was obliged to grant a lease to a Colliery, on demand and at practically its price, but the Colliery had complete freedom as to whether or not it would work them. It is true that in many cases the Lease contained a "minimum rent" clause, usually about £1 per acre, but this so-called "rent" was afterwards deducted from the royalties together with all bad coal, "faults," *etc.* In effect, for about twopence per ton, the colliery got control of all the coal without buying the surface and with the whole of the political responsibility and abuse directed against the "owner."

Now let us see what happens to the surface. In the first place, it becomes for a lengthy period unsaleable for building purposes, because of the danger of settlement, and this unsaleability causes a money loss probably greater than the total sums received, nett, for the royalties. In the second place, miners, very good fellows as they are, are not regarded with enthusiasm by farmers.

They are inveterate trespassers and poachers; destroy fences, leave open gates, and produce an easily recognisable "ragged" air to the countryside which is accentuated by the "planned" neatness of many modern colliery villages. The sulphur smoke from the pit chimneys hurts the crops. And of course, by the almost inevitable destruction of the amenities

of the district, its general residential value become restricted to those connected with the working of minerals.

Notice that the "owner" has nothing whatever to do with this state of affairs. He merely pays the taxes, is pilloried by the miner as battenning on the virtuous worker "who produces all wealth" and hasn't sufficient experience to realise that the "wealth" he produces goes mostly, as an American manufacturer recently put it, to provide a quart of milk a day for Hottentots. That is to say, it is exported practically free, and goes to swell the thousands of millions of pounds capital which have been lost in the last fifty years.

Anyone who will give a little unbiassed consideration to the facts of Land Taxation and Legislation since, to go no further back, Mr. Lloyd George's Budget of 1908 must be driven to the conclusion that it has not been intended that "the Land" should prosper, *neither has it been intended that the land should be "nationalised."* Politically, it could have been, any time this past thirty years. While destroying every real right of property-rights without which the proper administration of land is impossible, the titular "ownership" has been left in private hands so that the international bondholders might extract in taxation all the money possible, while the results of draining the countryside of liquid capital might be used to discredit the whole system of private property. A very pretty scheme.

While fundamentally, of course, the financial aspect of the matter ceases to be of importance with the sabotage of private "ownership," it may be noted in passing that International Bondholding is doomed on the day that "ownership" passes to the State and the State itself would hardly survive. The rent and maintenance charges which would have to be collected to pay the Bondholders, of whom individual War Loan holders form a small part, would then be so impossible that, the private "owner" having disappeared, the real malefactors would be easily recognisable—to quote that professional maker of phrases, Lord Baldwin, during the past half century, the Government, whatever we may mean by that, has "realised the ambition of the harlot throughout the ages—power without responsibility."

There is no room at all for difference of opinion as to the relative excellence of management by private ownership or by the bureaucracy by which it is being replaced. Leaving out of comparison such outstanding instances as the Buccleuch or Stanley Estates, there are still hundreds of small properties in which ownership is maintained by extraneous funds, which are immeasurably superior to the properties of Government Departments disposing of practically unlimited funds.

Was there then, no room for complaint about the system? I think that there was. And, for the moment, there is every evidence that, so far from its defects being rectified by State Management, they will be greatly magnified.

## The "Land for the (Chosen) People" Racket

By C. H. DOUGLAS  
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## A Projected Political Feast

Lord Balfour of Inchyre has contributed to the *Sunday Times* an article making suggestions "for the reorganisation of the Conservative Party machinery and methods."

Does it offer any hope that the sovereignty of Parliament will be restored through the reconditioning of one of the historic Parties? None at all.

The idea that representative democracy (*political* democracy) is impossible in conjunction with a 'Party' system must be erroneous, since there is this much truth in the Party idea: that it arose from the concept of association for a political purpose. The purpose has been thwarted. It is truly political expression, not party victory. Lord Balfour's proposals neglect the distinction and perpetuate the confusion. If there is any reason for our being grateful to him, it is that he is blatant about it, and his errors are unconcealed by art. All he desires is to "start and get ready for the next fight." Fight for what? The answer is only too clear: the victory of the machine.

"Preparation," says Lord Balfour, "can be divided broadly into two fields: policy and organisation." Well, there are two aspects to successful association, and one of them is policy: actually there are three, sanctions, or power being the third. Note what Lord Balfour does with policy: "Policy is and must remain, the responsibility of the leader of the party" (who consults: but what does that matter?). His complaint is that policy and administration is now the concern (ineffectually) of all sorts of local and other groups. So he recommends "the divorce of political questions from those of party organisation." This is to be "the means of introduction of robust and constant discussions on current political questions." The public must be "educated" on "our views." Hence, weekly brains trusts, the nightingale of public reactions to "our views" is to be more effectively ambushed and its weekly song broadcast in the sanctity of the Central Office. Candidate-spotting. Raising the 'status of the agent.' Chairman's tours (annual), to be made "the 'political feast' of the year."

"We must get busy. We have no time to lose." Why the hurry? Where are you going?

Lord Balfour entirely mistakes the "opportunity" before the Conservative Party. "Opportunity" is itself fantastically the wrong word; the Conservative Party, so far from having the harbour before it, has the gale broadside-on. We modestly suggest 'repentance.' But what would happen to Mr. Churchill? Well, there are two ends to a plank, and it would be at least an earnest of the possibility of reconciliation, and in complete accordance with English tradition to offer the ex-Prime Minister an absolutely free and unrestricted choice of them. No man can serve two masters.

And repentance consists first of all in the instant abandonment of the corrupted notion of parliamentary democracy which envisages the people as merely, at best, a sort of difficult animal cargo, to be delivered, dead or alive, in some 'harbour'—the chosen harbour of Lord Balfour's 'opportunity,' and the substitution for it of the notion of a mechanism, to be followed by immediate construction of the mechanism, for reflecting progressively more and more correctly the basic need and desire of the people to *hold their own* in the country and the world: to *conserve* their rights, status and wealth.

200

## "The Vital Moment"

The following from the 'Personal' column of *The Times* of August 18 seems to be symptomatic:—

SIR JOHN and LADY ANDERSON of Astra Lea, Crowborough, Sussex, inform humanity that the VITAL moment has arrived for the world to banish Evil by uniting in a mass-mind of RIGHT THINKING.

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