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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

The correspondent of the *Edmonton Bulletin* in Berlin was informed by a Russian Sergeant Major, Vladimir Pasula, that Hitler was being sheltered in Palestine.

"When it was pointed out to him that Palestine, as the home of the Jews, was hardly a place for Hitler to use as a hide-out, Pasula merely shrugged and said, 'I don't know about that.'"

"Down to the sixties, then, Scotsmen with the men of the English and Welsh shires, provided only a small amount of business for the Bank as compared with London Jews. . . The largest single holding (share) £104,625 16s. 8d. was that of a Sephardic Jew, Francis Pereira; but the aggregate holdings in the name of the late Duke of Marlborough (Churchill) of Duchess Sarah, and of Sarah and Godolphin jointly, came to £166,855. . . The Dutch rush is best shown under the letter V. . ."

— *The Bank of England* by John Clapham.

Potsdam Floodlights. "The Russians manning the barrier apparently refused to allow the Troops" (Mr. Churchill's Guard of Honour) "to pass until a Grenadier Guards Company Sergeant Major ordered his men to fix bayonets, and advance, providing an immediate solution."

— (Canadian Press)

The kind of world we live in is well illustrated by (1) The wall of silence as to who stopped the Riom Trials; (2) What has happened to the Bank of International Settlements; (3) The "history" which General Gamelin is circulating in syndicated articles in U.S.A. and Canada about the first nine months of the war. Gamelin feels that everything would have been well but for Petain.

It must have occurred to a large proportion of the small but increasing number of persons who read Parliamentary speeches that the much higher standard of the House of Lords as compared with the House of Commons, taken in conjunction with the practical impotence of the former body, is one more condemnation of our Governmental system.

We are convinced that this system is thoroughly bad, and that its vicious features are "planned"; and the fact that the wisest expressions of statesmanship come from a Chamber which has lost authority and whose members are prevented from exercising their influence in the Single Chamber which is an increasingly ineffective check on Dictatorship is evidence that the decline of British prestige is closely connected with the wreck of a trinitarian constitution.

Mr. Emanuel (God with us) Shinwell, Minister of Fuel and Power, has not made up 'his' mind about de-rationing petrol, possibly because, at the time of writing, it is in Copenhagen announcing that the "hour of Socialism has struck." But it may of course be that Emanuel is primarily concerned to see whether the miners have struck, or if not, when.

The fall in the price of Petrol represents a saving of tenpence *a month* to the owner of a 9 horse-power car. He pays *twenty shillings* a month in direct taxation, as well as ten shillings tax on the money with which the tax is paid, and a tax on the petrol, oil, and the price of the car. Wonderful thing, Socialism. And we mean the "last" Government, too.

OBSERVE:

It is stated officially that it was decided *by the Americans* to drop an atomic bomb on Japan on *August 6, 1945*, more than one year *before that date*.

An American Officer speaking at Clifton College said that *the Germans* would have dropped an atomic bomb on this country on August 6, 1945, if the war had gone on.

Mr. Winston Churchill, in the House of Commons, stated that the entry of Russia into the war against Japan on August 8, 1945 was promised by Stalin, apparently at Teheran. Evidently, the defeat of Japan was not the primary object of dropping the bomb—it was that *somebody* should massacre half a million people *somewhere*.

"We shall show our strength to one of them by terrorist attempts."

About half way through the Armistice years, a French Jewess, Mdlle. Suzanne Lenglen, in what proved to be her last appearance at Wimbledon, made an error of judgment in regard to the relative importance of a professional lawn-tennis player and the institution of the British Crown. The subsequent career of Mdlle. Lenglen did not invite imitation of her mistake.

Since contemplating the illustration of the "Meeting" between His Majesty the King and President Truman on board a British battle-cruiser in Plymouth Sound, which appeared in *The Times*, we have been waiting for the sequel. We have not had long to wait.

President Truman's statement to a Press Conference that the future of Hong-Kong would be discussed by the "Allied Nations" in London has been met by the flattest rebuff which has been publicly administered to a prominent statesman in the past few years; a rebuff all the more effective in that it was administered by both sides of the House of Commons *unanimously*, and in close association with a

remarkable demonstration of loyalty to the Crown.

We do not suggest that the policy in regard to Hong-Kong was deflected even minutely by the manners perhaps inseparable from the nominee of a Missouri political boss; but the public enunciation of it may be a reminder that an Office which has endured for a thousand years has certain claims to consideration.

The unreality of our Socialist conception of society is well illustrated by the parade made of "compensation" for the acquisition of this that or the other. The compensation is of course always in money, and money is now exclusively a paper claim to credit. The first step of the Socialists is to confiscate public credit by centralising it: payment for real values is made in this confiscated credit; there is no guarantee made that it will not be re-confiscated by taxation; its exchange value is constantly depreciated; and its viability limited by coupons, rationing, and other invasions of legislation into economics.

If anyone seriously believes that a mad-hatter system of this description can lead anywhere but to disaster, he possesses either faith or optimism which we envy but cannot emulate.

We gather from the Canadian Press that Mr. Mackenzie King made strenuous efforts to secure the nomination of General Macnaughton as Governor-General of Canada. There is really something very mysterious about this Mackenzie-King-Macnaughton business. No satisfactory explanation has ever appeared as to why General Macnaughton returned to Canada; as to why Mr. King made him Defence Minister without clearing up this mystery; and why such efforts (unsuccessful in the event) were made to get him into the House of Commons. If the policy of Mr. King were not so well-known, the proposal to make him Governor-General might be regarded as merely perverse; but in the circumstance, the suspicion that a strong effort was made to instal an anti-British representative of the Crown, takes on a darker hue.

The Vanishing Trick

A correspondent sends us the following from a letter dated Antwerp, July 28:—

"... during the occupation Belgium was at full prosperity. The Bourse was not closed, and nearly all factories were working at full swing, except those which had to depend on colonial raw material. The German device, 'Geld spielt keine rolle' took away the trouble of finding buyers. Work and products were all that were required. Of course 80 per cent. of the products were sold on the black market. Many people who were out of business through war circumstances, like import and export firms and shipping firms, could start any other business and get on very well. Cost of living was very high, but not so high as at present. Eighty per cent. of our living had to be done on the black market at about ten times the prices of before the war; food, coal, clothes, wine, liqueurs, etc., but there was plenty. When the English armies came to Belgium they stared at our luxuries and our plenty. They could not understand it, and when officers were invited to private houses, they declared that they had not had such fine meals for years. Of course people who had to live on their food tickets were very badly off. Now all that is finished. The financial measures

taken by Gutt have been a tremendous death-blow to business. No more coal, gas, clothing, wine. The official food rations are a lot better, but there is no more meat or milk. If we had raw material in the factory, we could not work it because we could not get coal or gas. When the Germans were here they took everything out of the country, and still there was plenty; since the liberation, no more German plundering, nevertheless there is scarcity. It is certainly the biggest mystery that I have ever known. I do not mean to say that the war years were a splendid time. But people did earn a lot of money and spend a lot. At present all business is at a standstill.

"... I think no country in the world attained such perfection of organisation of the black market in food stuffs as Belgium. It was of course quite impossible to live on official food-rations, so practically everyone had to buy food in some measure on the black market. The whole population was divided into two sections—those who bought the food and those who brought it into the towns. These latter were called 'smokkeleers.' Most of these smokkeleers were small men. All the concierges, newspaper sellers, bank and stockbroker clerks etc., were the people who offered one butter, bacon, soap, rice, coffee, etc. One could buy any amount of food tickets and get with them bread, meat, etc., at official prices in the shops. . . The rich could buy what they liked and the poor were decently fed with the benefit of their 'smokkel.' The peasant sold a part of his produce at the official market at official prices, but managed to withhold a big part of his produce to be sold to the smokkeleers. The marvel of the system was; where did all that food come from, in spite of all the German plundering. Now the German plundering is finished, and there is scarcity: *Explique qui pourra!* Perhaps you will ask where industry and commerce got their money from. Well, I suppose that it all came through the German clearing. . . When the London government came back to Belgium, they must have been surprised to see that prosperity and the abundance of money. People no more needed the bankers to carry on their business. I think that was one of the reasons why Gutt blocked all that money. Now the people have got to go to the bank to get loans on their own blocked money. Those financial measures have been a disaster to business. Since then everything has come to a standstill. The Bourse has been closed during nine months. The Government has not been able to issue new loans, nobody would subscribe to them. All confidence has gone."

The Bill Machine

(From Our Correspondent)

Canberra, August 10.

From the appearance of the situation to-day [Russia had declared war on Japan—Editor, T.S.C.] world events will probably produce some re-orientation of politics here.

The past few weeks have been marked by the inevitable passage of anything the Government likes, speeded to a temporary pause last week by the Government's promise that if Parliament made good progress in passing Bills, members might have a short holiday. So even the half-hearted 'opposition' was silenced, and interest is now transferred to the bye-election in Freemantle for the late Mr. Curtin's seat. The Liberal Party is contesting its first Federal election there; but it has produced nothing unorthodox.

PARLIAMENT

House of Lords: August 16, 1945.

ADDRESS IN REPLY TO HIS MAJESTY'S SPEECH

Viscount Cranborne: ... Already, quite a number of the more extreme Socialist thinkers and writers, in the newspapers and elsewhere, are beginning to talk hopefully of a "crisis with the House of Lords." Now that the time has come to put their theories into practice, they do not feel quite so confident about them, and they are looking round for a whipping boy. In no long time it may well be that this small far-sighted band of men will have swollen considerably, and considerable sections of the Labour Party will be desperately looking for a fight with the House of Lords to save them from their difficulties. I do hope that we shall not give them that satisfaction. They have persuaded the British people to give them a fair trial. Let them have a fair trial. If there is one thing that has struck me in the short time that I have been in your Lordships' House it is this—whatever it may have been in the past it is now no mere Party assembly but rather a Council of State. This is an occasion, if ever there was one, to show statesmanship. If we show wisdom, if we show patience, if we attempt not to oppose the public will but to educate the public to a true knowledge of the facts and to allow the facts to speak for themselves, I think we need not doubt that in due course—and perhaps sooner than we think—truth will prevail.

Viscount Samuel: ... As to the attitude of the Conservative Party, who represent so large a body of this House, we have heard from the noble Viscount, Lord Cranborne, this afternoon words which seem to us to be words of wisdom. His views on the value of a democratic system have frequently been expressed in the last Parliament, and it is clear to-day that he recognises to the full the obligations which lie upon this House not to intervene in any factious or Party spirit with a programme which has been clearly endorsed by the people.

The Government, indeed, would be ill-advised if in order to conciliate possible opposition here or elsewhere they were merely to disappoint their own supporters. High hopes have been aroused in the nation. The Government's programme has evoked much enthusiasm and a large measure of devoted support from millions of people. If those high hopes were merely to be deceived, if the outcome were to be nothing better than futility, if the policy which they have advanced, and which has been approved by the people, were to be dissipated in the swamps and shallows of Parliamentary procedure, that would be not only an injury to the Labour Party but a blow to the whole system of democratic government and an injury to the country, for that reason, and to the whole Commonwealth.

The Parliamentary situation might become very delicate and difficult unless handled with much discretion, especially by the noble Lords on this side of the House above the gangway. We have in this Parliament one Chamber of 640 members in which the Labour Party has a majority of roughly two to one over all other Parties, while we have a second Chamber here with a membership of about 800 in which the Conservative Party has, on paper at all events, a majority of not less than four to one against all others.

Consequently there might easily arise situations of great delicacy, difficulty and indeed danger. We on these Benches recognise that occasions might arise where any second Chamber, no matter how constituted, would be bound to intervene, as for instance if some new and unforeseen and rash measures were proposed, but we do not anticipate that that is in any degree likely or probable with His Majesty's present advisers, and certainly we should not be disposed to assist in placing any obstacles in the way of the programme of the present Government, a programme authorised by the general mandate given by the Elections.

Having said that, I should like to make two quite general observations on possible future points of danger. History shows that the weak points of democracies are often to be found in the management of the public finances. The pressure for expenditure is always very strong, and one must beware of the simple maxim of public finance which was once propounded by a politician who said that he would follow the simple rule of "More from the Treasury and less from the taxpayer." That danger is increased the more the State becomes directly responsible for the conduct of industry...

Undoubtedly a large number are politically conscious and convinced Socialists, but I would beg the Government not to fall into the error of believing that the country has given them a free hand to put into effect to any degree a proved theory of nationalisation. I would say to them with all respect: "Beware of your intellectuals—and of one of them in particular..."

The future control of such an engine of warfare has yet to be decided, but I think no one will suggest that Britain and the United States, because they have been the discoverers and promoters of this means of using the forces of nature, should therefore keep it and hold it *in terrorem* over the rest of the world, including Russia and our other Allies...

House of Commons: August 16, 1945.

DEBATE ON THE ADDRESS

Mr. Churchill (Woodford): ... I may say that I am in entire agreement with the President that the secrets of the atomic bomb shall so far as possible not be imparted at the present time to any other country in the world. This is in no design or wish for arbitrary power but for the common safety of the world. Nothing can stop the progress of research and experiment in every country, but although research will no doubt proceed in many places, the construction of the immense plants necessary to transform theory into action cannot be improvised in any country.

For this and many other reasons the United States stand at this moment at the summit of the world. I rejoice that this should be so. Let them act up to the level of their power and their responsibility, not for themselves but for others, for all men in all lands, and then a brighter day may dawn upon human history. So far as we know, there are at least three and perhaps four years before the concrete progress made in the United States can be overtaken. In these three years we must remould the relationships of all men, wherever they dwell, in all the nations...

Mr. Laski also made a declaration about France which

(Continued on page 6)

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Saturday, September 1, 1945.

“Control of Investment”

There are two factors in the present situation which it is desirable to note for guidance in the times which are coming. The first is that the new Labour Cabinet is obviously not much concerned with what the people of these islands care about its plans—it is U.S.A. to which their broadcast explanations are directed. And the second is clearly interlocked with it. Our *internal* standard of living is to be kept down by rationing, while American standards are forced up, and is to be irrespective of purchasing-power in the old sense; but we are to be forced into an *external* system in which purchasing power is the only criterion of *internal* wealth, purchasing-power being defined by the Bretton Woods agreement. You will shiver and starve this winter while your coal and food are exported to acquire this *external* money.

That the British Empire should have fought a long and devastating war to achieve a situation such as this far transcends any historical fantasy of which we have any knowledge. But as Mr. Ford said, history is bunk (as, in his sense, it is), and the performance is so polished that we cannot believe that this is positively its first appearance.

It is probably quite true to say that for the last fifteen years, the Bank “of England” and the Treasury have stood in the relation of Tweedledum and Tweedledee, as Mr. Montagu Norman remarked, and if that is so, it may now perhaps dawn on the amateur Bank nationalisers and “restorers of National currency” that what they are in course of achieving is merely the abolition of a dividend (uncontrolled distributed purchasing-power) on about £14,500,000 and the reinforcement in a position of absolute impregnability of “Advisers” such as Sir Otto Ernst Niemeyer, and Mr. H. A. Siepmann. But it probably won't.

The real object, however, of the taking over *de jure* of the Bank can only be understood in conjunction with the declaration in the “King's” Speech, in regard to the innocent-sounding phrase “Control of investment.” Having the funds, *i.e.*, the public credit (which is derived from individuals), at their disposal, there is no need to permit company flotations—and no need to pay dividends to *individuals*, or to hold shareholders' meetings. Although, fundamentally,

all shares belong to the public *as individuals* they will be held by the Government *as a collectivity*. The object is of course to remove any control whatever from the population and to centralise it in the Inner Junta. No effective audit will be possible, as in Russia.

We advise readers to give careful attention to page 7 of *Programme for the Third World War* in this connection. The subject is vital.

The Ark Royal

A correspondent who has much time on his hands, and slight disposition to use it for the encouragement of contemporary panics has been speculating concerning the means available to preserve at least a *chosen* few if the mighty atom should get out of hand (or, alternatively) if the *care-taker* government in whose hands it reposes prove careless. He pictures a situation less catastrophic than the faith-less clerics, albeit disastrous enough, in which the land areas of the Earth will be uninhabitable—a harrowed barren dust with muddy fringes, hot and steaming, even after years of convalescence from a blow delivered in accordance with the sentiments recorded in the Sixth Chapter of the Book of Genesis (verse vi), but on the way towards a recrudescence of those Cycads (doom-palms) still recovered in a fossilized condition from the coal measures which Mr. Shinwell is blindly bent on nationalising. Only the sea will be congenial to man, who will again sail its heaving bosom in an ark, well provisioned for the long spell of celestial siege. Pity our modern young no longer read these scriptures and know of Noah only through the booming glottis of Mr. Disney's ‘sound strip’! But our correspondent (a man of humane instincts) has his ear untuned to these terrifying bawls and his eye discreetly focussed on the passengers (two by two). His solicitude should not be unshared. Who, he asks (with his eye on the ark in the offing) will be chosen to go in with Mr. Laski? And, will the chosen clergy be all of the Establishment? And, (we would not press the point), what about us?

The Planner

“The reproduction of mankind is a great marvel and mystery. Had God consulted me in this matter, I should have advised him to continue the generation of the species by fashioning them in clay, in the way Adam was fashioned; as I should have counselled him also to let the sun remain suspended over the earth, like a great lamp, maintaining perpetual light and heat.” —Martin Luther.

Glasgow Association for the Reduction of Bureaucracy

A meeting will be held in the R. I. Rooms, 200, Buchanan Street on Tuesday, September 4, at 7-45 p.m., when it will be proposed to form a permanent group whose policy will be “to represent and implement the policy and advice of the Social Credit Secretariat.”

All interested are invited to attend.

The Reality of Russia

Arthur Koestler, himself a leftist, who has suffered grievously for holding views contrary to those professed by the ruling clique, has emerged a disillusioned man.

In his book, *The Yogi and the Commissar*, he reaches the interesting conclusion: "If I have to choose between living under a Political Commissar or a Blimp, I unhesitatingly choose Blimp. He will treat me as an annoying kind of oddity and push me about from sheer lack of imagination, [but] his muddled decency and clinging to traditional values will be a great asset."

Here is a selection from his observations:—

No foreign newspapers are allowed. "Each town in the Union, Moscow included, has two morning papers, a governmental organ and a party organ. All governmental papers throughout the country appear every morning with one uniform 'leader'—the leader of the Moscow *Izvestia*." Similarly, the leader of *Pravda* is published in all party newspapers. "Local news consists of official leaflets."

"Under my hotel-room window in Kharkov, funeral processions marched past all day." There was neither electricity nor light, no fuel or petrol, and temperatures (winter 1932-33) 30 degrees below zero. "Life seemed to have come to a standstill, the whole machinery was on the verge of collapse."

Yet, "each morning when I read the *Kharkov Communist* I learned about plan figures reached and over-reached, new giant combines in the Urals, and so on; the photographs were either of young people—always laughing—or of some picturesque elder of Usbekistan, always smiling and always learning the alphabet." "Not one word about local famine—the dying-out of whole villages..." "The enormous land was covered by a blanket of silence." "...the foreigner's ignorance was unbounded... His contacts were restricted to Soviet officials."

Stalinite propaganda has so twisted the truth that "the masses were made to believe that the mere building of factories was identical with Socialism." The Dnieper Dam, the Turk-Sib Railway, the White Sea Canal and the Moscow Underground, etc., were represented "as something unique the world has never seen... The majority of the Russian masses actually believe that Moscow is the only town in the world to have an underground railway."

Even in Nazi Germany and Fascist Italy people could travel freely once their passport visas were obtained; but not in Russia. "The secret which the Soviet Union guarded was not of a military nature; it was the average living conditions of her citizens."

The Forced Labour Camps on the White Sea, "the exiled and deported millions in Siberia and Central Asia" are "as remote from the Western observer as the dark side of the moon from the star-gazer's telescope."

The Russians believe that though their life might be a purgatory, those who were abroad lived in hell.

"In 1933 in Moscow I saw a film in which a German scientist was flogged in the vaults of a Catholic Monastery by monks in black cowls, reinforced by Nazi storm troopers. The film was prefaced by Lunatcharsky, former People's Commissar for Education."

A popular Ukranian writer was convinced that in

capitalist London, policemen walk about on Sunday mornings pushing proletarians off the pavement.

"The new Constitution of 1936 re-established inequality from birth. Inheritance was made legal again." Thus at the "death of the outstanding aircraft designer, Comrade N. M. Polikarpov, hero of Socialist Labour, Deputy of the Supreme Soviet of the U.S.S.R., following serious illness, the Soviet Government has decided to assign a grant of 100,000 roubles to Polikarpov's wife and daughter, and pensions of 1,000 roubles a month to his wife for life, 500 roubles a month to his daughter until she completes her education, and 400 roubles a month to his sister for life.*

In contrast to this a labourer will receive an old age pension of 30 roubles per month if there is one non-earning member of the family, 40 roubles if there are two or more.

In the first case an average of say 1,000 roubles per head, allowing for interest on the 100,000 roubles, in the second 13 or less per head!

Higher education is now a privilege of parents who could afford it *i.e.*, those of the bureaucracy, technocracy and the new intelligentsia. This has meant a decline in the percentage of children of manual workers in the Universities and Secondary Schools as under:—

	1933	1935	1938
	%	%	%
Universities	50	45	34
Secondary Schools	42	32	27
	92	77	61

The introduction of school fees in 1940 made the class distinction even more marked and only the exception can overcome it.

There are also great differences in wages and the introduction of Stakhanovism in 1933, following the exploit of Alexei Stakhanov who cut 102 tons of coal in a six hours shift instead of the usual 7 tons, a few days later increasing it to 175 tons and then 227 tons. This of course was accomplished by division of labour. The outcome is that Stakhanovites are privileged and have separate dining rooms in factories and are paid up to twenty times the average of 125 roubles per month—a much greater difference than in Western Countries. The salaries of directors, chief engineers and administrators are up to a hundred times higher than the average wage.

"The apologist may argue that, regrettably unequal as Soviet incomes may be, they still represent *salaries* and not *profits* as in capitalist countries." But Comrade Berdyev, the Director of a State Farm in Kasakstan the first official Soviet Millionaire has the advantage of administering the undertaking and enjoys all the benefit of ownership without the financial risk. As a contrast to the Proletarian millionaire Koestler calls attention to the condition of the Proletarian Paupers. Prices since 1913 have risen fifteen to twenty times and the index of real wages based on two estimates which he gives show

	1913	1928/29	1937/40
Index of Real Wages	100	139	65

Colin Clark (critique of Russian statistics), he says, estimates that the food consumption per head has fallen

*Soviet War News, August 2, 1942.

30 per cent. This figure is estimated to be 30 per cent. below the 10 per cent. worst fed of the British population. The Labour conditions are worse than those in Nazi Germany or Fascist Italy. "Foremen and factory managers were invested with the power to discharge without notice workers for being more than twenty minutes late for work, for leaving work before time, for 'idling, 'unsatisfactory output,' etc.* Dismissal for idleness entailed loss of ration card and of the right to dwelling space."

Insurance benefits depended on the length of time in one job. Only after ten years at one place could full insurance benefits be enjoyed. If you changed your job you would have to start at the bottom again.

In regard to the treatment of criminals children of twelve are treated as adults.

The *dependants* of a man who escapes military service by deserting abroad are subject to deportation for five years to the remote regions of Siberia if they did not know about his crime; if they did know then five to ten years with confiscation of property. (Para 3 of the decree of June 8, 1934 published in *Izvestia*, June 9, 1934).

The home passport system (decree, December 27, 1932) made it necessary to get special permission to enter all the bigger industrial towns and the surrounding area varying in radius from twenty to a hundred kilometres. Even absence from home for more than twenty-four hours had to be reported to the police.

He reports vile cruelties equal to those inflicted by the Nazis on their victims, for instance "standing for forty-eight hours against a wall in the big cellar clothed only in a shirt, in more serious cases standing, for forty-eight hours in cold water up to the belt. The latter punishment frequently ended in paralysis, insanity or death." Prisoners may be kept in a cell 48 square yards area for 236 days without leaving it.

Koestler also mentions the millions, estimated at 15,000,000 to 18,000,000, "lost souls" in slave camps with appalling death rates. He sums up by saying:—

"The Russian revolution has failed in its aim to create a new type of human society or a new moral climate. The ultimate reason for its failure was the arid nineteenth century materialism of its doctrine. It had to fall back on the old opiates because it did not recognise man's need for spiritual nourishment."

Many other matters besides conditions in Russia are discussed in this book. — R. G.

From Gibbon's "Autobiography"

"I have sometimes thought of writing a dialogue of the dead, in which Lucian, Erasmus, and Voltaire should mutually acknowledge the danger of exposing an old superstition to the contempt of the blind and fanatic multitude."

• • •

"The nobility of the Spencers has been illustrated and enriched by the trophies of Marlborough; but I exhort them to consider the *Fairy Queen* as the most precious jewel of their coronet."

*Decree of December 29, 1939.

PARLIAMENT

(Continued from page 3)

has most important and far-reaching effects, namely, that if the French people vote Socialist at the impending election, Great Britain will renew the offer which was made in June, 1940, that Britain and France should become one nation with a common citizenship. That offer was made in the anguish and compassion which we felt at the fate of France. It is remarkable that the Cabinet of those days, when we in this island were in such dire peril, really seemed more shocked and pained at the French disaster than at our own very dangerous plight. Much has happened in the five years that have passed, and I am of opinion that the idea of France and Britain becoming one single nation with common citizenship—*alliance is another question—must, at the very least, be very carefully considered by the responsible Ministers before any such proposal is made to Parliament, still less to a foreign country. I ask, therefore, did the Prime Minister authorise this declaration? Does the Foreign Secretary endorse it? Were the Cabinet consulted? Is the offer to France open only if a Socialist Government is elected? I hope the Prime Minister will be able to give reassuring answers on those points. . .*

What we desire is freedom; what we need is abundance. Freedom and abundance—these must be our aims. The production of new wealth is far more beneficial, and on an incomparably larger scale than class and party fights about the liquidation of old wealth. We must try to share blessings and not miseries.

Mr. G. Griffiths: Say that again.

Mr. Churchill: The production of new wealth must precede commonwealth otherwise there will only be common poverty. I am sorry these simple truisms should excite the hon. Member opposite—whom I watched so often during the course of the last Parliament and whose many agreeable qualities I have often admired—as if they had some sense of novelty for him.

We do not propose to join issue immediately about the legislative proposals in the Gracious Speech. We do not know what is meant by the control of investment—[*Laughter*—]—but apparently it is a subject for mirth. Evidently, in war you may do one thing, and in peace perhaps another must be considered. Allowance must also be made for the transitional period through which we are passing. The Debate on the Address should probe and elicit the Government's intentions in this matter. The same is true of the proposal to nationalise the coal mines. If that is really the best way of securing a larger supply of coal at a cheaper price, and at an earlier moment than is now in view, I, for one, should approach the plan in a sympathetic spirit. It is by results, as the hon. and gallant Gentleman who moved the Motion for the Address said, that the Government will be judged, and it is by results that this policy must be judged. The national ownership of the Bank of England does not in my opinion raise any matter of principle [HON. MEMBERS: "Oh"]. I give my opinion—anybody else may give his own. . .

The Prime Minister (Mr. Attlee): . . . We want freedom. I entirely agree with what the right hon. Gentleman said about the abomination of police rule and our desire to see freedom, but I equally agree with him when he said that there are limitations on what you can do in interference with the internal affairs of other states. It is our desire that nations should be free and that the citizens of those

nations should be free, but the extent of what we can effect may be more limited. We seek to prevent aggression, to promote an increase of prosperity for all peoples throughout the world by peaceful co-operation, and we seek ourselves, as a free democratic people, to live with all nations, respecting the rights of others and claiming no more from others than what we are prepared to concede to them. . .

Captain Gammans (Hornsey): . . . With regard to the economic proposals of His Majesty's Government, to my mind there are two acid tests we can apply to them, whether it be the organisation of the cotton industry, the nationalisation of the coal industry or civil aviation, or whatever it may be. It is this: Will these proposals lower costs without lowering wages? The second acid test is, Will it guarantee employment without taking away personal liberty? So far as I am concerned, I am prepared to approach all their proposals in that spirit, not in a spirit of the ideology of the one side or the other. If they can prove to me that their plans for the coal industry will lower costs without lowering wages, that their proposals, while guaranteeing employment, will still allow men to retain their individual liberty, I am prepared to support those or any other proposals. That is the acid test, nothing else. . .

BUSINESS AND SITTINGS OF THE HOUSE

Sir Alan Herbert (Oxford University): . . . Lastly, these standing Orders which we are asked to suspend are part of the great apparatus of Parliamentary freedom for which we have been fighting. What is the worst thing we did this afternoon? I went out because I thought I should be tempted to make what might be called a "brawling interruption." We gave a First Reading to the Outlawries Bill, a most extraordinary proceeding. It is a Bill not recommended or introduced by any Member, it is not printed, and it is quite impossible to find a copy of it in the Library. I am not laughing. It is a very serious thing. The purpose of that queer procedure was to establish the right of this House to discuss what it likes quite apart from the programme of legislation laid down in the Gracious Speech. . .

Mr. Churchill (Woodford): . . . I am sorry that the Session should have begun in this way. We are at the beginning of a very large issue, the object of which undoubtedly will be to make such a change in the procedure of this House that its character and its authority will be greatly weakened and lowered in the country. I would again urge the Government to let the matter remain for six months, and then, if the Government felt the necessity for taking Private Members' time, to come to the House again then. If I were the Leader of the House, I would not hesitate for a moment to do a friendly and courteous act of that kind at the beginning of a new Parliament and new Session.

August 20, 1945.

KING'S SPEECH: DEBATE ON THE ADDRESS

The Secretary of State for Foreign Affairs (*Mr. Ernest Bevin*): . . . Possibly the worst situation of all has arisen in the occupied countries which have now been liberated. Here you have two great difficulties. One is that all people in these countries have been taught to disobey and to oppose the authority of the occupying authorities. Resistance has been the watchword. The result of this has been lawlessness, and now that these countries are liberated it is extremely

difficult to bring back a general acceptance of law and order as a natural thing. Secondly, there have been constant appeals to the people to produce as little as they could in order to hamper the work of the occupying forces, and now suddenly they are asked, once again, to acquire the habits of work and energy and discipline. This transition from one state of affairs to another will need tolerance, patience and determination. . .

The Fascists and Nazis are so detested by everybody that there is a tendency, at the moment to extend these names to groups of people and parties who are neither Nazi nor Fascist, but simply people who want to be represented, and are disliked by the majority party but who see the possibility of winning power, and therefore would like to deny these parties the opportunity to express their views in the elections. . .

I turn now to the situation in Bulgaria, Rumania and Hungary. The Governments which have been set up do not, in our view, represent the majority of the people, and the impression we get from recent developments is that one kind of totalitarianism is being replaced by another. This is not what we understand by that very much overworked word "democracy," which appears to need definition, and the forms of government which have been set up as a result, do not impress us as being sufficiently representative to meet the requirements of diplomatic relations. . .

I indicated to the representatives of the Polish Government at Potsdam that the British people desired friendship with the Polish people, and said that nothing could prevent friendly relations except failure to give effect to the assurances which the Polish representatives had given. We shall expect, in particular, that the principal Polish democratic parties, such as the Peasant Party, the Christian Labour Party, the Socialist Party equally with the Communist Party will be allowed to take part in the elections with full liberty to make their own programmes and put up their own candidates, and that freedom of speech, freedom of association and impartial justice shall be granted to all Polish citizens. Further talks are going on both on commercial and economic matters, but here again there are very great difficulties. Transport in Poland is in a parlous state, food is short, much of the cattle has been killed. It will take time for the Poles to overcome all these difficulties, but their task will be eased if they re-establish a really independent Poland based on genuine liberty. Finally, I inquired from Marshal Stalin whether the Soviet troops were to be withdrawn, and I was assured that they would be, with the exception of a small number required to maintain the communications necessary for the Soviet troops in Germany. That is not unreasonable. There is also the question of the presence of secret police in Poland. That still needs clearing up, but, with these assurances, I would urge Poles overseas, both military and civilian, to go back to their country and assume their responsibilities in building the new Poland. They will render a far greater service there than they can do from outside. . .

It is obvious from what I have said that we shall take a favourable view if steps are taken by the Spanish people to change their régime, but His Majesty's Government are not prepared to take any steps which would promote or encourage civil war in that country. In this, I know, I am voicing the views not only of myself but of many ardent Spanish Republicans.

Mr. James Hudson (Ealing, West): . . . I learned during

the last Election what many must have learned, how deep was the longing of our people that their loved ones might return home after this war. But I learned also that, associated with that general longing was another which I heard expressed in meeting after meeting, in question after question. It was the longing of parents that their boys and girls should be saved from the wasted years that must be involved in the continuance of a process of conscription. . . .

Major Hugh Fraser (Stone): . . . We must, as the hon. Member for Devonport (Mr. Foot) said, continue to take the lead in the world. We must not be afraid of these things. We must pursue a policy which, even as the Foreign Secretary has indeed outlined it, is courageous and which is in the tradition of our great foreign policy. There have, over the last 100 years, been lapses from the great foreign policy of this country which is to defend the legitimate interests of this country and commonwealth of nations abroad, and to see that the individual rights of ordinary men and women, and the rights of States, shall be protected in so far as we are able to protect them. . . .

Miss Rathbone (Combined English Universities): . . . There is one assumption which has been made by both sides in this matter that I must question, namely that no further contributions towards the works of U.N.R.R.A. or Europe's needs can be made at the expense of our civilian population. I want especially to say this to the Leader of the Opposition—whom it is very difficult to call "My right hon. Friend the Member for Woodford"—who seemed to be agreed about that. My admiration for him is such, that I hate to differ from him in anything, because I believe that he will go down in history as the man to whom not only this country, but the whole world, owes more than to any other British statesman who ever lived. But my heart sank when I heard one, who in the past, never hesitated to make the sternest demands on the British public, say that no further contributions can be made towards U.N.R.R.A.

Mr. Churchill: In food, not money.

Miss Rathbone: Yes, in food. My right hon. Friend said the other day that our rationing system could not be made more severe without endangering the life and physical strength of our people. Is that true? Is it not true that our standards throughout the war have been three times, or at least twice, as high as those of any other European allied country? Is it not true that our vital statistics are, in nearly every respect the best we have ever known? . . . We owe so much to the Americans that we are not in a position to lecture them as to what they ought to do, but if they saw us tightening our belts would not they be stimulated towards doing a little more themselves.

On this matter millions of lives depend. Cannot the Leaders on both sides of the House get together as they did in the war and tell the people the unpalatable truth that the mild austerities they have had to practise must be continued a little longer and must even be a little more severe? . . .

As to the Poles, their future depends mainly upon the attitude of Russia. But for the Jews the British nation has a special responsibility. . . .

As for me, I am a wholehearted supporter of the Zionist claim as it has recently been put forward—for a Jewish State as part of the British Commonwealth of Nations. . . .

(To be continued)

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