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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

Universal education in "Britain" has been so successful that if there is another war, the British will still try to win it. (With acknowledgements to *Punch*.)

A contributor to the *Patriot*, apropos of the steady stream of misinformation in regard to Spain, asked "What is the matter with our Foreign News service?"

We know the answer to that one. Barrio, the President of the so-called Government-in-exile which disports itself in Mexico City, is the head man of the Grand Orient Freemasons in Spain. If we had to judge from "internal" evidence, we should say that Beelzebub's Brethren Calling is a branch of the same organisation.

"It is clear that neither lendlease shipments nor military needs are responsible for shortages. Only 1.1 per cent. of our beef, and 1.3 per cent. of our veal production were shipped to our allies in the first three months of 1945. And our troops in the Pacific are supplied by reverse lend-lease meats from Australia and New Zealand. [Hence the British shortage and the fact that we owe dollars instead of sterling.—*Editor, T.S.C.*] The amount received by these troops totals two-thirds of all beef and veal we have exported to all countries." [N.B.: Not to "Britain," but to all countries. So that on balance, the British Empire is feeding the American troops, and U.S.A. is running up credits for her exports to other countries, at the expense of Australia and New Zealand.—*Editor, T.S.C.*]

—*New Leader* (U.S.A.) July.

The calculated leak of Lord Keynes's statement that the British losses in killed and missing were three and a half times as great as those of the U.S.A.; that the British forces contributed twice as many man-years to the war as the U.S.A.; that total British war expenditure was 50 per cent. greater; the United Kingdom suffered thirty-five times more loss of external investments than U.S.A.; lost twenty-million tons (one-half) of shipping while U.S.A. shipping increased four times may be helpful to the horse-trade now proceeding in Washington, but we are far from sure. The reaction of the Americans is quite likely to be "Anyone can be sold a pup once; but people who allow themselves to be sold worse pups every twenty years don't need sympathy; they need a trained nurse." And we find ourselves not wholly without agreement.

It seems impossible to believe that this country has always to start behind scratch and to win barren victories at ruinous prices. The Americans are, averaged out, a capable

agglomeration—about one fifth to one eighth as capable as they think and say they are. But it is obvious that they are incomparably better managed than we are, or seem likely to be. We are worse managed nowadays than we have been for two hundred years.

The position may be hopeless, but there is little doubt that instead of allowing ourselves to be insulted by atrocity trials of sadistic half-wits, we need some impeachments of such "leaders" as the ineffable Baldwin and some of the big bankers and industrialists who surrounded him. We will grant Mr. Attlee and his "Labour" Party this point, with compliments: that the conduct of British affairs between 1919 and the access to power of Mr. Chamberlain, a period during which Baldwin was dominant and Labour an eager accessory, passed all bounds of incompetence, and verged on downright treachery. And everyone concerned, who is still alive, should be arraigned for it.

We commend to the closest attention of our readers the following extracts from *Law and Orders* by C. K. Allen, K.C.:—

"Legislation has not always meant what we understand by it to-day, or even what Coke understood by it in the seventeenth century, as that which has received the 'three-fold assent of King, Lords and Commons. . . . Judges did not consider themselves 'bound' by statutes as they do to-day . . . they were the servants and mouthpieces of the Common Law, not of parchments or edicts; and the scant respect which they sometimes paid to 'statutes' has led to a theory that the position in the Middle Ages was the converse of that which exists to-day, and that all enacted law was subordinate in the last resort to a supreme, over-riding, Common Law. This was an exaggeration, but not a very serious one. Even in Blackstone there remain some supposed limitations on the scope of an Act of Parliament, not the least being a Law of God. . . and it was not until the nineteenth century that this last restraint was explicitly renounced by the Judges, and legislation was finally recognised as possessing complete supremacy over the law of the land, Common Law, previous legislation, and prerogative, alike." —p. 19-20. (The emphasis is ours.)

In our opinion, the Warden of Rhodes House here picks up a clue to the primary essential of the immediate future.

The gravity of the situation is not material in this country—it is spiritual and intellectual.

We may be occupying a part of Germany physically; but "Germany" has conquered us—whether permanently, only time can show.

Wage Policies

A correspondent writes:

Your apt sentence, on page 2 of the September 22 number:—

"It is probable that a fixed money wage, accompanied by a continuous fall in the price level, would have benefited the wage-earner far more than the collective wage-rate increases exacted by trades-unions"

is borne out by the opinion of a Cumberland miner, with whom I came into contact during a holiday at Borrowdale after the 1914-18 war.

A friend and myself had a sitting room and meals at a farm-house which could provide no sleeping accommodation for us. So each of us had a bed room in two near-by cottages. One evening I was going up to my room and I passed the room in which the miner and his family were having supper. I stopped at the door to say 'good night' and then listened to what the miner was saying to his family. He was discussing the week's budget and he remarked how he wished he could go back to the pre-war wage and the pre-war prices. Thus spoke an individual working-man. Not a shop steward or a Trades Union official.

I am very glad that you rub in the relationship between "the domination of the British Constitution by Labour" and "pure genuine Fascism-Government by function." "Labour" never tires of hurling at its opponents the abusive term "Fascist," but Labour Trades Unionism is the very quintessence of Fascism. They are *the* Fascists in this country and I have often wondered why they are not called so by Conservatives, except that the latter seem afraid of saying Boo to a goose, so mealy-mouthed have "we" become. The emblem of Fascism is the axe bound round with rods, signifying the physical power of combination and force. The Trades Unions are the veriest examples of combination coupled with force or threat of force, by means of which a minority of the electorate do not hesitate to impose their will on the majority. The impudence of that minority does not alter the fact that it is an illustration of pure Fascism in both theory and practice. Why are the majority such mugs as not to rub that point into the hectoring minority and never cease to do so?

Another point which has often occurred to me in connection with the all too apparent mental bankruptcy of the precious so-called Conservatives, is the way that they have been content, in the not too far distant past, to march under the description of "Anti-Socialists." What a title to assume, "Anti-Socialist." Satan is reputed to be Anti-Socialist. The real socialists are the Industrialists. They should adopt and could correctly adopt the humane name of Socialists and could then refer to the opponents, in writing and in print, as "Socialists." If the public became accustomed to use constantly the term Socialist printed in inverted commas, the glamour in the word, with its pseudo-Christian implication would gradually die out and the humbug in the programme of those political thieves, based, as it is, on envy, hatred and all uncharitableness would soak by degrees into public mentality at its true non-value. That is but another example of the mental bankruptcy of the apparently brain-less "Conservatives," in that they have allowed their loquacious opponents and the so-called *Intelligentsia* to get away with

a political description that suggests, at first and superficial blush, an almost direct relationship with the Teachings of the New Testament. But I suppose that we must not expect too much from Conservatives. Their political brains—if any—have become exhausted in thinking about and upholding 'Form.'

Australian "Food Ship for Britain"

The *Sydney Morning Herald* for September 13 reports an incident in the House of Representatives on the day before, following a statement to the House by Mr. Forde, Minister for Commerce, that Australia was doing everything it could to send food to Great Britain.

Large supplies of food, Mr. Forde said, were in store awaiting shipment orders from the British Ministry of Food.

The agitation to send a food ship to Britain was based on wrong ideas, he added. It would not solve the problem. Scores of food ships left for Britain every year. It was also wrong to suggest Australia was not sending all the food it should, because some ships left with cargo other than food. That was not arranged by Australia.

When the Prime Minister, Mr. Chifley, said further questions should be put on the notice paper, Mr. White said he wanted to refer to Mr. Forde's statement, which "misinterpreted the position."

When he was called to order by the Speaker, Mr. Rosevear, Mr. White said the Minister had stated many people had suggested sending a food ship to Britain. "I suggested this thing," said Mr. White, amid interruptions. He was again called to order by the Speaker, and ordered to resume his seat, but he declined to, saying he would rather be put out.

Mr. Chifley appealed to Mr. White, and said there must be some way for him to make his feelings known other than by incurring suspension.

Mr. White was adamant and the motion for his suspension was carried by 36 votes to 18.

Small Savings

Answering Sir W. Smithers in the House of Commons, concerning the total of small savings made by citizens of this country since the war began, the Chancellor of the Exchequer, Mr. Dalton, said the War Savings Campaign opened on November 22, 1939. The total of small Savings raised between that date and August 14, 1945, was £3,651,869,779, made up as follows:

National Savings Certificates	1,420,336,196
Defence Bonds	835,284,642
Increase in balances due to depositors in Post Office Savings Bank and Trustee Savings Banks	1,396,248,941

The Library

The Nineteenth Century Review and *The National Review* are available for circulation among members of the Library on request. Library members only, who make application, will receive current issues in turn and may retain it for a limited period only.

THE SOCIAL CREDITER

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The Better World

The nationalised Post Office is commendably proud of having recovered the standard of progress reached in 1838, when travelling post-offices were first installed on the railways. The Government controlled railways, for their part, hope soon to equal the 1870's by running a few sleeping cars, for which there is a flourishing black market. The nominal price is only five times that of eighty years ago. If not too exhausted further progress is promised, but not too confidently expected.

While the telephone has reverted to the experimental stage, there are authentic reports that telegrams have been received on the same day as sent, and with not more than 20 per cent. of errors in transmission. The cost is only double that of fifty years ago.

Sir Leon Simon has left the Post-Office for the Zionist Federation. The Post-Office Trades Union has adopted the badge also indicative of the Grand Orient Freemasons.

As a result of the war, Trades Union funds have increased by over £30,000,000. They are free from Excess Profits Tax.

The "Government" is paying in minimum amounts of depreciated pounds, "compensation" for property requisitioned or acquired, which had been built, maintained, and taxed in appreciated pounds. This is not robbery; it is "Government" Finance, as taught in the London School of Economics. We understand that we have Mr. Benjamin Cohen (U.S.A.) who is expert at this branch of progress, still with us, and we are receiving flattering allocations of the time of Mr. Sidney Hillman (Schmuel Gilman) who places a high value on it. Mr. Gilman was educated as a rabbi, but took to the Trades Union branch.

One method by which Socialist politicians are obviously being financed is by the resale to the Inner Ring at artificial prices, of property, bought "on advice"; in many cases, just before the war. It is quite legal; and the only losers are the British.

When the "Chosen" and their satellites have sorted out the properties for which they have no use, and have sold them at famine prices, the "housing problem" will solve itself overnight. In the meantime, it serves as an excuse for still further incroachments by "the State" on private property.

The law of entropy in physics may be stated by saying that all matter tends to degrade from an active to a passive

form, giving up energy in the process until it reaches a "dead" state of equality, from which no further energy is recoverable.

Whether the analogy is merely superficial, or whether, as often seems to be the case, human affairs repeat, a few octaves higher, the theme song of the inorganic universe, we do not venture to affirm. But it is startling to see how the doctrine of equality is being used to impose a kind of human entropy. Everywhere, individuals are being deprived of their energy for the purpose of passing it on to "the State"; and the degradation of the human individual is epitomised by the "identity" card, so called because it destroys identity and substitutes classification. Possibly the atomic bomb will complete the process.

Mr. Laski

Mr. Laski is doing his best to make it clear that the Jew and "the rest," and in particular, the Christian, cannot live together on this planet. For anything like his broadcast, presumably delivered from this country, but heard over the American National Broadcasting Service, which describes a technically friendly country, in terms of insolent abuse which involves directly and without equivocation, the head of by far the largest Christian body, we have to go to the fanatics of other branches of the Semitic races, such as the Mahdi or the Mad Mullah. But Mr. Laski is not mad—far from it. While the immediate objective is Spain, the real objective is South America, hence the appeal to the U.S.A. Mr. Laski and those associated with him know that the control of the whole American continent is vital and urgent to the safety of their headquarters. Every "improvement," and "improvements" are appallingly rapid, in the range of destructive weapons, cries "Hurry, hurry" to the Chosen. And Mr. Laski is hurrying, and what insignificant items such as the British and American peoples he involves in disaster while he hurries, is just their worry. Having in mind the immense Catholic vote, and other influence, in the United States we can only assume that we are witnessing either an exhibition of confident power (which Mr. Laski does not portray very convincingly) or that peculiar overplaying of a good hand which his race so often exhibits.

Dr. Virgil Jordan

We greatly regret an unfortunate error in the ascription of Dr. Virgil Jordan's Address: "*Full Employment*" and "*Freedom in America*" in a number of copies of *The Social Crediter* containing the first instalment of Dr. Jordan's speech. Readers who may have received the uncorrected copies are asked kindly to record this correction, lest error should arise in quoting the source of the Address.

Party Heraldry

Coat of Arms for the Conservative party.

On a field sanguine, a cigar ardent and rampant.

Supporters: These are rather indistinct, but are thought by some authorities to be on either side a beaver guardant, gorged with a wreath of bracken, and bearing in its mouth a poor fish.

Motto: Indecipherable at present.

— "Peterborough" in *The Daily Telegraph*.

"Full Employment" and Freedom in America (Contd.)

By Dr. VIRGIL JORDAN

PRESIDENT: NATIONAL INDUSTRIAL CONFERENCE BOARD OF THE U.S.A.

[WE ARE INDEBTED TO THE AUTHOR FOR PERMISSION TO REPRODUCE IN *The Social Crediter* THIS IMPORTANT ADDRESS BEFORE THE ST. LOUIS CONTROL OF THE CONTROLLERS INSTITUTE OF AMERICA, SAINT LOUIS, MISSOURI, MAY 11, 1945. THE FIRST PART OF DR. JORDAN'S ADDRESS APPEARED IN *The Social Crediter* FOR SEPTEMBER 29.]

The very title, "Full Employment in a Free Society," under which Sir William Beveridge has put forward the British programme of National Socialism in his latest book, from which the Murray-Kilgore bill has been copied almost word for word, lets the cat out of the bag. Step by step, as he presents the attractions of the idea of full employment as the aim of domestic and international policy for the masses, he is compelled to expose all the price tags, political accessories and governmental gadgets called for in the fine print of the contract, and it is clear that the same attachments come for the American as for the English model of the millennium. It does not matter whether or not the British people like them or have been accustomed to them by riding around the back roads to serfdom in the early models of the welfare state imported from Germany since the time of Bismarck. For us the plain fact is that the political accessories of full employment cannot be attached to the American chassis without a complete alteration of its fundamental design.

Ours was designed deliberately to limit the power of government, by dividing it and neutralising it through constitutional checks and balances for the primary purpose of safeguarding the civil liberties and protecting the political freedom of the individual citizen against the encroachment of the state. Now, as the American mind has been reclaimed by the spirit of Europe, we are being told day by day that these purposes of government are no longer necessary or enough. It is being taken for granted that the original purposes of this design have already been replaced or supplemented by other ends, which everybody desires and which cannot be attained within the framework and means of limited representation government under law. In our foreign policy we are committed to concerted action to maintain peace and promote prosperity in the rest of the world by continuous and unlimited use of military force and economic power, while in our domestic policy we are committed to unlimited guarantee of employment and income. Both these objectives obviously require a government of unlimited powers, unrestrained executive authority, and unrestricted economic resources, with parliaments and legislatures performing merely advisory or conversational functions, and abdicating to executive agencies their power of the purse.

Well, there is some gain by way of candour in having come to the point where some of us recognise that if our government is to play the new role of planetary policeman and global Santa Claus abroad and provide full employment at home, we shall have to scrap the Constitution and give up trying to shape it slyly to these purposes. I do not know whether or not many Americans have more than the sentimental attachment to it which they

have for early colonial antiques. It may be that the American people to-day, like those of Europe and Asia, are willing to pay any price for these things that go under the name of security, and one no longer can be sure about that after the steady process of demoralisation to which they have been exposed during the past decade; but they should not go into this collectivist bargain imagining that security is free, any more than freedom is free.

Nor should any of us who do not share that new delusion make the mistake of assuming that we need not worry about the outcome because in the end everyone will find that that formula of full employment by unlimited government guarantee is phoney and must fail.

No, the trouble with the programme of full employment by government guarantee is not that it won't work, but that if you pay the price it will work so well that when you have paid the price and got it, all you have left to wish for is that it wouldn't work at all. Once you have set in motion the massive machinery of unlimited government to make good its guarantee of full employment and adequate income for everyone, it is too late to protest that you didn't read the fine print in the social contract. It is too late to say that you didn't really mean full employment or even sixty million jobs, but only fifty-three million or fifty-seven million jobs; that you didn't quite intend that everybody who can work must be employed where and at whatever the government deems necessary or desirable, producing what the government wants, at a wage or profit the government considers fair, or that everybody must buy and consume what the government decides is desirable at a price which it determines, or spend or save his income in ways which the state decides is proper. It is then too late to realise or argue that the standard of living is not proportional to the amount of employment or payrolls or income or pensions or wages and prices, but to the production of the things people want to buy, consume or keep with the least labour necessary to get them; that what we ought to aim for is the greatest possible production with the least possible employment. It is useless to explain that you meant merely that the people who can't get satisfactory jobs at fair wages should be employed or supported at a minimum standard of living. You have paid your money and made your choice, and all the clauses of the contract must be carried out if any of them are to be met. What are they?

Notice first that the agreement rests on two premises which practically everyone now accepts almost as axioms of the new economics. One is that everybody has a political or legal right to an income sufficient to buy an adequate standard of living, either by being employed by somebody in a satisfactory job at fair wages, or running a successful business at a fair profit for himself, or being paid an unemployment or health benefit or pension by the government. The other axiom is that this right can be guaranteed—and this is the important axiom—only if enough money is spent by private citizens and government together to provide the income required to meet the desired standard of living. The current stipulation is that we must spend about one

hundred and sixty billions of public and private money to provide about sixty million jobs or businesses, public and private, yielding enough income to satisfy the contract. But this stipulation is naturally subject to change from time to time, so there are the further stipulations that if private spending is not enough the government must supply the rest, and if private spending is too much, government must offset it by collecting more money from citizens by borrowing or taxes.

As a social scheme this seems "perfectly neat, and quite complete, and not in the least extreme." It means merely that government assumes complete responsibility for the accounting of the community's money, controlling its expenditures, income and saving, relieving the citizen of all his budgetary problems, and leaving everything else about his life and work as it was. If that were all there is to it, it could be made simpler by arranging to have all private income paid into the Treasury into a sort of super-social-security account for every individual and then having Mr. Morgenthau send each citizen a cheque every month for whatever balance the public officials figure it would be proper for him to spend in the public interest. That would at least assure full employment in Washington; but a benevolent government would then only come to the beginning of its problem, and would soon have to invoke the unread, unwritten or invisible clauses of its contract.

First, of course, there are the fiscal clauses, since the whole full employment programme centres in the power of the purse, now enlarged to the control not only of the public but of the private pocketbook. If the state is to determine total spending, which is the basic idea, it must obviously begin by determining not only total income, but its distribution, and end by determining individual income after taxes and savings. Citizens might save more or less than is necessary, so they cannot be permitted to earn or spend as much as they please without upsetting the political applecart. The state must have complete control of the net disposable private income, and a prior lien on it. The withholding tax, borrowed from Europe, and sold here with the Greek gift of "forgiveness" attached as a premium, is a device perfectly adapted to this purpose. It not only converts the income tax into an excise, and collects it under anaesthesia in advance of spending, but makes it completely flexible so that it can be applied specifically to the spending of groups and individuals as the political conditions may demand, without any regard to constitutional considerations of equity or equality. When it is further improved, as its energetic merchandiser, Beardsley Ruml, proposes, by abolishing the corporation income tax, or converting it into a nominal dog license, the individual citizen becomes merely a tax-bearing animal, thoroughly domesticated to growing continuous crops of fiscal fleece for the state to shear. There is no other way to control the total private spending necessary to provide full employment. Under this section of the contract, when the state borrows from citizens and spends on a large scale to provide full employment in war or peace, it can even make the large bond buyers pay the principal and interest on the debt held by the small income brackets, by graduating interest rates and income taxes accordingly, and you will find this stipulation for selective repudiation of the public debt in the last budget message of the late President.

Next in the contract is the consumption clause. After

you have determined through your fiscal machinery what the net disposable private income of the community is to be, and who is to have it, you cannot let people spend it as they please if you are to guarantee full employment. They might save it or hoard it, though you can probably prevent that somewhat as France did the day before yesterday by calling in all fifty franc bills, or larger, and replacing them by a new issue; or they might waste it in many undesirable ways, as on liquor or on women who should be otherwise employed. In any case, you can't be sure that they will spend it so as to purchase the services of everybody to whom you have promised a satisfactory job, at the wages and kind of work he wants, where he happens to prefer to live. A free competitive market for consumers or producers is an insuperable hazard to a full employment policy, because consumers do not spend intelligently according to any national plan, workers don't change their occupations, skills or locations easily or freely, and investors and enterprisers have their own peculiar notions as to what they want to do with their money, according to what consumers want to do with theirs.

So to fulfill the full employment contract you have to stipulate that control of consumption may be necessary in the national interest by establishing a system of priorities in the production or purchase of consumer goods, as the Beveridge plan calls for, as well as rationing and price controls, and some kind of allocation of new investment or control of the development of new competitive products. Since the jobs to be filled are not always likely, especially after this war, to be in the same places as the people who want to work at them, or to buy the products, the government must also be able to move industries, labour or markets about (here or abroad) if it is to balance spending with employment. So the disposal of surplus war plants, and their voting populations, as well as government control of foreign trade, will probably prove to be important footnotes to the full employment contract.

Beyond all this there is a much more crucial stipulation in the consumption clauses of the contract to which very little attention has been given. Even with complete government management of private income, the control of private spending and consumption is so hard at best, and individual citizens are so stubbornly bent on saving or wasting their money in their own way, that it will be impossible for government to make good on its promise of full employment unless it spends more of their money for them, and makes them buy and consume what is good for them whether they want it or not. Besides, the capacity for private consumption is inevitably limited by time or boredom, but the possibilities of public consumption are boundless. They include not only the traditional pyramids, post offices, parks, playgrounds, public works and domestic or foreign T.V.A.'s, but medicinal, dental, manicure and chiropodist services, nurseries, communal feeding, food stamp plans, "homes of rest and culture," travel for "strength through joy," better meals for Melanians, more vitamins for Hottentots, rebuilding the ruined antiquities of Florence, planting trees in Italy, and whatever—including continuous war for peace—an ingenious and ambitious government can imagine might make employment if it spent your money for you on something you wouldn't buy yourself.

So we come in the full employment contract to the compulsory consumption clause, which is perhaps the key

provision in the whole programme, for by it unlimited government can outflank and bypass the perpetual peril of the competitive market place and the hazards of the consumer's choice. And for the same reason it has a great appeal to many business men. It is always much easier to do your marketing through a government which can make the ultimate consumer take the product whether he wants it or not, whether it be pyramids or patent medicine. War is essentially and almost completely a compulsory consumption economy, where the unwilling customer merely happens to be your foreign enemy. The full employment contract simply applies the same principle and the same method to peace and to the domestic consumer. Those who made it said as much in plain terms many times when they asked the world *ad nauseam* the trick question "If you can have full employment in war, why not in peace?" The answer is that you certainly can, if you are willing to have the government spend your money to buy goods and services you don't choose and can't use.

But when it does that it is merely putting a lot of your spending money into other people's pockets, and it must take it back again in taxes or it must make sure that enough of the kinds of things that citizens choose to buy are available, else even your own spending money won't buy much groceries, gadgets or government before you are through.

Thus we arrive, by easy and familiar stages, at the final clauses of the full employment contract, the labour and management and investment clauses which cover the problem of getting the work done that may be needed to produce the groceries, gadgets or social gains for which the private and public income is to be spent. These provisions are mostly in fine print or invisible ink, legible to the naked eye only when the heat is turned on, because the kind of contract we are talking about is for full employment or full payrolls, and the political preamble makes no mention of production or work. It assumes that they are mostly superfluous synonyms or natural accompaniments of employment and payrolls. In fact, the sequence of events by which the spontaneous generation of prosperity is supposed to take place is that public plus private spending makes payrolls, which make employment, which terminates mysteriously and automatically, after a lapse of time and overtime, in the production of useful goods.

Most retail merchants as well as government officials seem to believe that prosperity is brought by the spending stork, but industrial management, like the midwife, has a more realistic view of the process. It knows—and this war drove the lesson home—that when government starts issuing to anybody unlimited claims to consume the product of other people's labour, and undertakes to redeem those claims, it has to provide the product, too. To do that government has not only got to provide workers to produce the product, and manage and direct their work, but it also has to supply their tools; and that means that it must make them produce at least something more than they are permitted to consume with the money it gives them.

The difficulty of getting enough real work done, and getting enough tools built to do it with, in order to make good the claims to consume which government issues, is the ultimate dilemma that drives the Welfare State either to repudiation or to the labour camp, or both. If we doubt the historical evidence on that, it would be easy enough

to test the validity of the spending-expansion idea of prosperity and the idea of state capitalism by having the Treasury send every individual a monthly check for \$100, which works out roughly at the desired national income of \$160,000,000,000. It would be interesting not only to see how many million jobs and how many man-hours we got for it, but also to hear the arguments that Marriner Eccles, Professor Hansen and Henry Wallace would make against it. Yet if anything they have been saying about the magic of consumer purchasing power in creating employment and production is true, there is no reason why it wouldn't work, except the simple fact that most people wouldn't, so long as they could buy anything with the money they get.

Any full employment or guaranteed income programme that begins with government as consumer or dispenser of spending money or purchasing power to the masses must move from the now familiar phases of forced consumption, forced saving and compulsory management—which we already have—to the final stage of forced labour, which is common to every country with total government in Europe and Asia, and has come close to us here in America during the war. At the hands of the State security and serfdom are ultimately and inevitably identical as economic facts, and the political forms in which they are dressed up are unimportant.

I said that forced labour was the final clause of the full employment contract, and it is perhaps enough; but it is not quite the last paragraph. Even in the labour camps of Russia or Germany men might think and talk, and thoughts and words may affect their own and other's work for the State which employs and supports them. So merely as a matter of good management and equipment, government has to see that they are provided with the proper ideas and the right words. Freedom of speech and thought are the final sacrifices to the Supreme State which are stipulated in the full employment programme, but by the time they are called for, they are rarely missed.

So I can sum up for you the written and unwritten conditions of the full employment contract, in these terms: The government will give you full employment and guarantee your income provided you will let it use your money as it pleases; if you will buy for your own use what it tells you, at the price it fixes, or let it do the buying for you; if you will save as much money as it says and let it invest it as it pleases; if you will work at whatever it says, when and where it says, and as much as it says for what it says you can be paid; and if you will hear, read and think what it tells you and keep your mouth shut. Beneath the elaborate and complex apparatus of fiscal and monetary policy, social insurance, price and wage fixing, rationing, conscription, and propaganda by which it is operated in the modern State, the compulsory collective economy, which this contract calls for to replace the voluntary competitive economy, is a simple and primitive bargain. It means merely that if most men in any community expect or compel a master—man or government—to promise to employ, support or protect them as a matter of legal or political right, they must obey that master, do what work he makes them, live and move where he tells them; eat, wear and buy what he tells them; save what he tells them; and ultimately believe and say what he tells them. Even if they do all of that, in the end their master can guarantee support and security to them only if some of them are able and willing

to produce by their work somewhat more than the master permits them to consume for themselves. And since those who are able to produce more than they consume won't keep on working forever to support the rest, the standard of living must ultimately descend to the subsistence level unless the community can beg, borrow or steal enough wealth and labour from some outside source to keep up the show. This is what has been happening in Europe and Russia in the past five years, and it will begin to happen in England and America if they follow the road laid down in the full-employment bill and the Beveridge programme.

So, when we are told to-day that we must choose between full employment by this road or dictatorship and serfdom, I say you will get both and must take both, for both are stipulated in the bond of this bargain with compulsory collectivism. And if you ask me what we should do instead, I say that anything or nothing would be better than that. The colossal structure of international Statism that has been erected as a monument to the dogma of unlimited government during the past decade is already collapsing into a rubble of bankruptcy and a brutal struggle for power, and we have nothing to hope from it by way of peace or prosperity. Whatever the rest of the world may decide to do, let us in America make a stand for freedom here at home, and pay the price. It will be worth whatever it costs, and this may be our last chance to get it.

A Dishonest Administration

We have received an account of an address (not reported, so far as we can discover, in *The Times*) by the Bishop of Gloucester, Dr. A. C. Headlam, to the Gloucester Diocesan Conference on September 20. The following are extracts:—

"... the curious idea that seems to prevail, that our Educational system exists not for the sake of the children but to provide a career for the teacher."

"One of the evil results of a State system of education, which is continually doing more for the children... is that it takes the children out of the control of the parents, and destroys their influence and sense of responsibility. One of the main causes of 'juvenile delinquency' is that the influence of the parents and the home has been destroyed... I must own that I have always had very little sympathy for the totalitarianism and tyranny of the schoolmaster."

"To encourage one to raise a large sum of money and then when the money has been raised, to make new conditions which it is impossible to fulfil, seems to me the sort of dishonourable proceeding which I expect from a Government department when it thinks it has public opinion on its side... The fact is that there is a great deal of dishonesty in the matter. The State and the officials are determined to get a monopoly of education."

"Private individuals will not put up much longer, now the war is over, with government restrictions. But whether they are carried out sooner, or later, or not at all, will make little difference. They will have fulfilled their purpose. They will destroy all but a few Church schools. The Local Education Authority and the Board of Education will have everything in their own hands. Education will be almost completely totalitarian."

"A complete National system means that the State controls all the thoughts and ideas of the growing generation.

So in Germany every child is brought up on the principles of National Socialism. All the schoolmasters are Nazis. Totalitarianism is always evil, but it is most evil when dealing with spiritual things such as education and religion."

"The clever young man in a Continental University who is half-starved and overworked, whose only amusement is to sit in a café and talk what he calls 'Ideology,' but others call treason or revolution, who finds that there is little hope for the gratification of his ambitions is quite ready to become the tool of more crafty people..."

BOOKS TO READ

By C. H. Douglas:—

Economic Democracy.....	(edition exhausted)
Social Credit.....	3/6
The Monopoly of Credit.....	(reprinting)
Credit Power and Democracy.....	(edition exhausted)
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Social Credit Principles.....	1½d.

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*Associations desiring to act in accordance with the advice of the Secretariat are asked to fill in the following:—

Name, address, and approximate number of members

of Association.....

We desire to follow the advice of the Social Credit Secretariat.†

To acquaint ourselves with the general character of this advice and the reasons underlying it, we agree to subscribe to *The Social Crediter* regularly in the proportion of at least one copy for every five members.

We agree not to discuss with others, without authorisation, the details of special advice received from the Secretariat.

Date..... Deputy's Signature.....

To accompany the above form, a brief statement is requested giving the history or account of the initiation of the group, and its present activities and intentions.

HEWLETT EDWARDS,
Director of Organisation and Overseas Relations.

*For this purpose an Association to consist of three or more Social Crediters.

†The Secretariat is the channel used by Major Douglas, the Advisory Chairman, for the transmission of advice.

The "Land for the (Chosen) People" Racket

By C. H. DOUGLAS
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