

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### Notes on Freedom and Security

"Money is the symbol of liberty. To curse money is to curse liberty; it is to curse life which is nothing without liberty."—Remy de Gourmont.

The question suggested by the above statement, namely, why man has allowed a means so perfectly adapted to secure his individual freedom to be turned into a method of government, of dictatorship, in short into a means for his enslavement should, one would imagine, be one to arouse his liveliest curiosity, and his deepest concern. In fact, this is not so. Man has come to regard money as a thing in itself, inexorable, governed by unalterable laws which he must obey, and which it is almost impious for him to question. He has scorned it—filthy lucre,—worshipped it—the almighty dollar,—but he has ignored, or been oblivious of it as a mechanism by which he might obtain his freedom to choose, to contract out—a symbol of liberty. The fact that "Monetary Reform" is "in the air" to-day, is not, of itself, an indication of enlightenment on this point.

Why has this happened? Why has money which could be an enabling factor in man's life, enabling him to exercise the power of choice, and employ his gifts and faculties to procure increase of life and liberty, been turned into a disabling factor serving the forces of destruction and death, and this most efficiently, as this last war has so clearly demonstrated.

The answer to this question does or should preeminently concern Christians and the Christian Churches, for Christ gave to freedom a foremost place in His teaching, linking it with truth, making it, one might say, the function of truth to give man freedom. ("The truth shall make you free.") How is it then that Christians have allowed money to be used as an agent for servitude and death, when it might so easily have been used as an agent for liberty and life?

It is here contended that the reason for this dereliction is due to an act of apostasy on the part of the Christian Church, which has resulted in a failure of understanding, and in a lack of the exercise of true wisdom in estimating the real nature of the situation which confronts us today.

This can best be seen by examining the difference that exists between the Jewish and the Christian conception of the Doctrine of the Atonement. To begin with both Christian and Jew hold in common the belief in "The Fall of Man." Both recognise that in consequence of this event recovery by some means or other is necessary before man can regain his lost estate. The means to this recovery—restitution—salvation—redemption, or however one may name this necessity, is embodied in the doctrine of the atonement. It is in the interpretation of this doctrine that the Jew and the Christian diverge. The difference between them is absolute. On the one hand the Jew contends that

man must atone for himself. He must, as it were, himself liquidate the debt, the obligation incurred by the act of disobedience that brought about his fall. For him there is no Redeemer, no Saviour. This was made categorically clear in a sermon on the subject broadcast by the late Chief Rabbi one Sunday a few years ago. (And incidentally one is entitled to wonder why the B.B.C. considered it appropriate to invite the Rabbi to preach a sermon subversive of Christian teaching on the Christian Sabbath).

The Christian Church on the other hand teaches that man cannot of himself save himself, that he cannot unaided liquidate or redeem the debt or obligation incurred by the defect of his fall. For this he needs, he requires, a Saviour, a Redeemer.

It should be clear that the difference between these two conceptions, which allows of no compromise, must have profound and far-reaching effects. Briefly, it consists in the fact that the Christian conception contains the promise of freedom in security, whereas the Jewish view condemns man to bondage. A consideration of the true nature of forgiveness may, perhaps, make this clear.

The desire for atonement arises from the sense of an offence committed against another, and the need to expiate it in order to re-establish the relationship previously existing between the wrongdoer and the wronged. It is therefore rooted essentially in a desire for forgiveness, the sole condition for its attainment being acknowledgment and repentance of the wrong committed, and demand or prayer for pardon. Conditions, or terms of penance or punishment laid down as a *pre-requisite*, anything in fine in the nature of a bargain, or a '*quid pro quo*', destroys the whole character of forgiveness, and deprives it of virtue. For the virtue of forgiveness lies precisely in its atoning power, giving the dispenser of it the right to annul the fault, and acquit the offender, thus freeing him from the debt or obligation incurred on account of the offence.

In direct opposition to this the Jewish conception of atonement allows of no such liberation. Proclaiming that man must atone for himself by sacrifice and penance it denies the true nature of forgiveness which is in essence a gift, and cannot be bought or bargained for. The Jew, therefore, is faced with an impossible task, for in spite of all his efforts he can never put paid to his account, the debt against him which must go on increasing for ever.

The Jew scores, however, by the fact that he brings his religious conviction to bear on the economic, or money plane. As he must save, must redeem himself spiritually, so must he save himself economically. On both planes he repudiates the idea of the gift in favour of the '*quid pro quo*'. He must earn his own salvation—he must work for his living. Hence his fanatical adherence to the policy of 'full employ-

ment.' The fact that in a highly mechanised industrial system, in which the application of solar energy has largely replaced human labour, the policy is wholly unreasonable does not affect the Jew, since in this he is not concerned with practical considerations, but with a religious conviction. This wholeness of outlook and integrity of purpose are inevitably a source of strength to the Jew.

The Christian, on the contrary, renounces his faith when it comes to applying it to the economic plane, and by supporting the policy of 'full employment' adopts that of the Jew, submitting himself to the servitude which it entails. By so doing he denies his Christian heritage of freedom, and violates at once both his reason and his faith. Also, by this break in his consciousness he suffers from the loss of his integrity and wholeness, and from the weakness which must accompany such loss.

The result of this act of apostasy can only be seen in its enormity by an understanding of the real significance of the policy of 'full employment.' Sponsored, as it is, by the apostate Christian and the zealous Jew, it becomes a perfect instrument in the hands of those—whether Christian or Jew, or of neither or no faith—whose lust for power to control the lives of others exceeds every other consideration.

As improved methods of production resulting in the saving of labour, make paid work increasingly difficult to come by, the individual is more and more driven to depend upon the State for employment or maintenance, otherwise for some form of economic security. This situation is ideal for the controllers, and provides them with the opportunity to inaugurate the planned State. (Though it should be remembered that in the case of Britain, war, or threat of war, was considered necessary to 'unite' the people, and persuade them to accept controls). So we have planned security, security being the bait offered to induce the individual to swallow planning. For this 'benefit', however, the individual has to pay by the sacrifice of his freedom and independence, although it is hoped to hide the fact by much talk of freedom and democracy. Thus our cultural heritage of accumulated knowledge, discoveries, etc., the result largely of man's search for truth and his fidelity to facts, which should have led to increasing leisure, freedom, and independence, has been cunningly perverted, and basely directed to deprive men of these things. (How truly it was said that: "the children of Mammon are wiser in their generation than the children of Light.")

The increasing lack of security due to restrictive monetary policy, plus increase of labour-saving methods and devices in industry, makes it easy for the Planners to put over their policy. Those who suffer, or have suffered, from insecurity—and they are the majority—are not likely to look too closely into the means employed to deliver them from such a state; they know by experience that, in any case, there is no freedom in insecurity. A drowning man, or one in danger of drowning, will not pause to examine the nature of the life-line thrown to him; he will even clutch at a straw. And by the same token, by virtue of their insecurity, the insecure are perfectly conditioned to be willing to accept security at any price.

Many people, sincerely concerned for freedom, are shocked at such willingness. But it is a curious fact, and one to be pondered, that, in general, they express their disapproval by attacking the idea of security itself, rather than by exposing the bogus nature of the security designed by

the planners; a security that deprives a man of independence, and the right and power to contract out.

The attitude would seem to be derived from a 'puritanism' that saw in any good thing nothing but an occasion for temptation and sin, and was especially distrustful of anything that would bring ease and comfort to man. Today it is manifesting itself by a distrust of security, of economic security in particular, the notion being that security would destroy initiative and the spirit of adventure in man; insecurity being regarded as a necessary goad to the exercise of these virtues. But the idea is essentially 'romantic' and facts are against it. For the exercise of initiative, and the spirit of adventure require a measure of economic security to start with, either your own, or that of someone who is willing to back you. You cannot, for example, climb Mt. Everest, or explore the poles on good will and the spirit of adventure alone. If, however, it is argued that economic insecurity is necessary to stimulate the search for security then a vicious circle is involved, for you will be seeking to gain that which in its turn will destroy the very condition deemed necessary to promote initiative and enterprise. Besides, if security is suspect on the ground that man may fall into inertia, then freedom must be equally suspect on the ground that in some way man will abuse it. But the greatest abuse of freedom is the use of it to dominate others—to satisfy the lust for power. And the only way to stop this abuse, and the consequences of this lust, is absolute economic security for all; which is why the planners and controllers fear the advent of such a state of security worse than death, and why they will oppose it with all the ruthless and unscrupulous means at their command.

It is deplorable that the champions of freedom cannot see this, cannot see that freedom and security are involved, and are inseparable. Instead of that they would almost appear to present you with an inevitable choice between the two. But security without freedom is no more than the counterfeit security into servitude the planners are forcing upon us. And freedom without the real security that ensures independence and the power to contract out is impotent—no more than a word in the nature of an incantation, useful to rally a people to fight in defence of that which they have never truly possessed.

In his *Christian Polity*, Canon V. A. Demant says: "There is no particular money system, but there is for Catholics a Christian obligation to demand a correct one, just as there is a Christian obligation to require any human function to fulfil its natural purpose." This is good as far as it goes, but it does not go far enough. Money is a man-made mechanism, a human device. It has, of itself, no 'natural purpose'; but it can be made to fulfil the purpose of those who control it, and, from their point of view, if it does fulfil that purpose it can be said to function correctly. The point is whose purpose is it being made to serve: the purpose of Christ, or Anti-Christ? Is it serving the forces of death and bondage, or the powers of life and freedom?\*

From the Christian standpoint a money system, before it may claim to be correct or true, or can be thought of as

\*In the same way a machine or factory cannot be said to have a 'natural purpose.' Its purpose is to produce the thing or things required to fulfil the purpose and policy of those who own and control it. The industrial machine, for instance, can be used to turn out instruments for purposes of life and enjoyment, or be transformed to make things for the purpose of death and destruction.

fulfilling 'its natural purpose', must reflect Christian truth on the plane to which it rightly belongs, and in relation to which it can be said to function. If a money system can be shown to do this why may it not be called a Christian money system?

Captain Arthur Rogers, in his open letter to the late Archbishop of Canterbury, appears, reluctantly, to concede this point, for he says: "Mere economic security is not more than a pale reflection of one facet of Christian truth." But if it is a reflection, pale or not, of one facet of Christian truth it is *essential*. For Christian truth is a whole, and relates to man as a whole, to his material existence, as well as his spiritual life, welding them into one, and making of man a person. You cannot therefore, by implication, deprecate the importance of one facet of it without doing violence to the whole of which that facet, and its reflection, form an integral part.

It is useless, and worse, to burke this issue. By her acquiescence, tacit or open, in the policy of 'full employment', with all that that policy implies and entails today, the Church has aligned herself with the forces of Anti-Christ, and these have nothing to fear from her. In face of this act of apostasy all her talk of freedom and democracy, of the need for leisure, of the principle of vocation, savours of hypocrisy and cant, and can only lull people into the false belief that she is fighting on the side of truth and righteousness.

Major Douglas has said: "We are endeavouring to bring to birth a new civilisation. We are doing something which really extends far beyond the confines of a change in the financial system. We are hoping by various means, chiefly financial, to enable the community to slip out of one type of civilisation into another type of civilisation and *the first and basic requirement as we see it, is absolute economic security.*" [Italics mine].

"A comparatively short period will probably serve to decide whether we are to master the mighty economic and social machine that we have created or whether it is to master us and during that period a small impetus from a body of men who know what to do and how to do it may make the difference between yet one more retreat into the dark ages or the emergence into the full light of a day of such splendour as we can at present only envisage dimly."

To whom, one may justly ask, has one a greater right to look for support for this "body of men", and for aid to increase that "small impetus" if not to Christians and the Christian Church? And how long will it be before the Church awakes to her responsibility in this matter? A responsibility which is of the greatest, and which is grave and urgent, for the time that remains to her is growing short.

—BEATRICE C. BEST.

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## PARLIAMENT

House of Commons, May 22, 1946.

### Spain (British Broadcast)

*Mr. Cocks* asked the Secretary of State for Foreign Affairs whether he is aware that an article by Sir William Beveridge on the Franco régime has recently been broadcast to Spain by the B.B.C.; and whether his Department was consulted before this action was taken.

*Mr. Bevin*: I understand that an article by Sir William Beveridge entitled "How to be rid of Franco" was broadcast by the B.B.C. in their Spanish Service on the 16th April. The Foreign Office were not consulted in advance, but this is perfectly normal, since, though the B.B.C. keep in touch with the Foreign Office on matters of general policy, the Department are not concerned with the details of the B.B.C.'s programmes.

*Mr. Cocks*: Is the Foreign Secretary aware that this article favoured the return of the monarchy and slandered Señor Giral, and is there any way of controlling the European service of the B.B.C. which is staffed by anti-republican Roman Catholics?

*Mr. Bevin*: Really, the Foreign Office is not going to establish a censorship of the B.B.C., neither will I ever indulge in it. I do expect the B.B.C. on matters of general policy, for which His Majesty's Government are responsible and which we have issued, to have regard to that policy; but I am not going to interfere with anybody expressing his views one way or the other.

*Mr. Warbey*: Is it not the case that the Foreign Office gives advice to the European service of the B.B.C. and that they have advised them not to say anything offensive to the monarchy?

*Mr. Bevin*: That is not true. It just comes from a warped mind.

*Mr. Logan*: Without being in any way offensive to the monarchy, is it right for any Member of this House to insult Roman Catholic opinion?

*Mr. Cocks*: Do we understand from the answer of the Foreign Secretary that the policy of the British Government is to restore the monarchy, because this article was in favour of that?

*Mr. Speaker*: We are discussing the B.B.C. and not the policy of His Majesty's Government.

### Political Organisations (Authorities' Powers)

*Mr. Piratin* asked the Attorney-General if he is satisfied that existing enactments or regulations are adequate to enable Fascist activity and anti-Semitic activity to be dealt with in the criminal courts; and if he will specify the enactments or regulations under which such activities could be dealt with.

*The Attorney-General*: There are no statutory enactments or orders directed to the suppression of any particular political organisation, but the common law with regard to sedition, seditious conspiracy and seditious libel and the Public Order Act, 1936, give the authorities wide powers to prosecute those whose activities are designed to foster disaffection, or to promote hostility or ill-will between different

(continued on page 6)

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Saturday, June 15, 1946.

### From Week to Week

Mr. Winston Churchill has a convivial nature and (in his own words) a well-trained conscience, both conducive to a certain kind of personal popularity; and he doubtless, in consequence, has a circle of friends who wish him well. They would do him (not to mention the country) a signal service if they would persuade him to retire on the not inconsiderable laurels he has acquired, which might then take on a certain substratum of permanence.

As it is, they are becoming overlaid, and, if any specific evidence were necessary to justify that opinion, Mr. Churchill has furnished it in the concluding words of his cable to Dr. Ambedkar, Leader of the so-called "Untouchables" in India. After the inevitable bilge about the Conservative Party, the cable concludes: "We shall take our stand on the broad principles set forth in the American Declaration of Independence that all men are born free and equal and entitled to life, liberty and the pursuit of happiness."

That the Leader of a once-great British political party cannot find a quotation from the literature of a thousand-year-old civilisation to express his meaning, is surely bad enough; but that he has to go to a document which was promulgated in a country of which, for nearly a century after, the social and economic system was based on chattel slavery of a cruelly kidnapped race, is an insult even to hereditary scavengers. The sentence itself is hypocritical claptrap; and its origins are in sources which, while they have served his personal ends well in the past, he would be wise to abjure while there is yet time.

As no doubt most of our readers are aware, Windsor, Ontario, Canada, is just across the Detroit river from Detroit, U.S.A., and many of the employees of Messrs. Ford and the other large undertakings in Detroit sleep in Canada. A recent number of the Windsor *Star* gives some remarkable figures of the cost of living in the adjacent towns. Instances at random are: Meal in ordinarily good restaurant, without wine or tips: Windsor, 75c; Detroit \$1.75—\$2.25; Electricity for family of four: Windsor \$5—\$6 for two months, Detroit, \$16—\$24; "Evening out" for two persons (dinner, movie, etc.) Windsor, \$3.47; Detroit, \$9—\$10.

A number of other representative figures are given, from which it may be deduced that a conservative estimate of the cost of living on the U.S. side of the river would place it at least 40 *per cent.* higher than in Canada. The really significant point which emerges from these figures, however, is the contradiction involved in the "pegged" exchange rates. Since the Canadian dollar will buy 40 *per cent.* more than the

American dollar, it ought to be at a premium in New York, instead of at a discount. And since a pound sterling will buy more if exchanged into Canadian dollars at the official rate, \$4.44, than if exchanged for U.S. dollars at \$4.03 by about 45 *per cent.* (these are retail figures, of course), the Canadian dollar is undervalued and the U.S. dollar is overvalued. This situation is of primary importance; and a statement on exchange policy would have been forced out of any Government which was not acting as the tool of the International Exchange riggers.

We are not amongst those who believe the Cabinet are fools; they are being directed by knaves who know quite well that a low internal price level in this country would bring about a "sterling market." And they are absolutely determined to retain a "dollar market." Exactly as in 1919, high real wages and a high standard of living in the United States will be used to attract the best of our population, in this case, however, reinforced by planned scarcity and penitentiary controls in this country. The emigrants will be replaced by the scum of the Continent in the form of "displaced persons" and our sweated production will be employed by our enemies. The ruin of these islands accomplished, the remnants of the Empire can be disposed of at leisure.

A correspondent informs us that Scotch whisky for export to U.S.A., is 25 degrees under proof and is sold at 55/- per case (4/7 per bottle) F.O.B. British Port. The official exchange is \$4.03 to the pound sterling, so that "we" obtain 90 cents for a bottle of whisky for which the native has to pay more than 25/9d. (or about \$6.20 at the old exchange rate) if he can get it. But in fact, it is well known that there is a colossal black market in sterling, so that a large proportion of the whisky is given away to our American Allies.

REPRESENTATIVE BRITISHER, No. 1. "Harold Laski is . . . a little gentleman of the English school of gentlemen, who is erudite in his field, State socialism . . . For another thing, he will talk your ears off, not just on State socialism, but on anything at all. This, of course, is an unalienable right in London." San Francisco *Chronicle*, April 25, 1946.

### The Church Militant?

More than usual attention has been given, even in the controlled press, to the words of the Pope to the Curial Cardinals on June 2. The following are extracts:—

" . . . When the tide of earthly rivalries rises threatening as a maelstrom, when the feeling of true Christian brotherhood is endangered by the violence of the struggle which is dictated solely by economic and political interests, when the forces of subversion and atheism endeavour to lead the deluded masses like a flock of senseless sheep, hiding from them, under false appearances, the goal towards which they are leading them, especially as regards the moral and religious fields, it is more than ever necessary that the Light of Christ should radiate powerfully from the lofty lighthouse of the Church, to light the path and indicate the limits beyond which, on either side, reefs and whirlpools are lying in wait to suck down and swallow the ship."

(continued on page 8)

## The State of the World\*

(continued)

While the strategy of Marxism-Leninism remains steady and consistent through this period (*i.e.*, the period between the Russian Revolution and World Revolution), tactics, which are largely the concern of the Communist Parties in various countries, vary with "the ebb and flow" of the developing situation in those countries. Any criticism of the contradictions of Communist activities therefore miss the point entirely; there is no variation in strategy, which is centred in the General Staff (Politbureau) in Russia, and which is consistently preparing for general revolution; but it is in the very nature of tactics to vary with the fluctuating fortunes of the struggle. For example, the recent Iron Workers' strike is said to have resulted in a defeat for the Communists. That is not so. The objective of the strike was to reduce the reserves of critical materials—iron and coal—in order to hasten on the "nation-wide crisis," and "weaken the Government"; and in that it succeeded. The tactics were designed to lead the workers in and out of the strike, covering both manœuvres with suitable slogans and propaganda. From the strategical point of view it was essential that the strike should "fail" at a point short of a full crisis. The strategical objective of all such tactics at present is to worsen the lot of the community, and increase the difficulties of the "petty-bourgeois" (compromising) Government. The recent Coal Report is striking evidence of the strategical success of tactics as applied to the coal industry.

It must be admitted that the Marxist-Leninist theory appears to find practically complete confirmation in the state of the world. The end of the "Imperialist war" (into which Russia was, despite her detachment, drawn) finds the "Capitalist crisis" still more intensified, and "petty-bourgeois governments" still less able to cope with it. The changes "demanded" by the oppressed masses are quite clearly not alleviating their condition, and the various factions of "the ruling classes" (including Labour parties) are at logger-heads. A fresh outbreak of revolution is anticipated in Greece, and local tactics are being directed accordingly. France is highly unstable, and would detonate into revolution if fresh civil war could be promoted in Spain. The British Empire is distracted by "liberation movements in colonies and dependent countries" and by threats to Empire security as in Persia and Palestine.

There is, however, another side to the picture. The vital and fundamental premise of the Marxist-Leninist theory is the automatic and inevitable nature of the "contradiction" in Capitalist economy. The Capitalist does not oppress and exploit the Worker because he likes it, but because he cannot avoid it. He, like the Worker, is caught up in a System he cannot control. As Lenin emphasised, Revolution would be impossible unless a general crisis arose.

The central aspect of the Capitalist system is money. The Capitalist "produces for profit," and profit is taken in money. That is to say, the vital aspect of Capitalist economy is in its relation to the financial system; and the financial system itself consists of certain "principles," or rules, or laws; for example, the principles of "sound finance." Thus the Capitalist conducts his business and makes his profits according to the rules which govern the use of money.

\*The article is the third of a series which has appeared in *The Australian Social Crediter*.

The Marxist-Leninist position therefore rests ultimately on the question of those rules. Are those rules in the nature of things, genuine "laws" like the laws of physics; or are they conventions, man-made?

On the hypothesis that the rules are laws, and therefore unchangeable, it follows that the Capitalist is helpless, and faultless; the case for his liquidation hardly rests on a very satisfactory moral basis. But it also follows that no improvement is possible, even in Russia's case, unless the use of money is abolished; but Russia has not abolished money, and claims an improvement; in point of fact, Russia has modified the rules. In general, however, it is quite clear that the rules are modified constantly, not only by Russia, but everywhere. Whether or not a country is on the gold standard is a case in point—it is the result of a decision. But the "laws" of a strict gold standard are different from the "laws" of a dollar or sterling standard.

Thus the Marxist-Leninist strategy is applicable to a situation that has its origin in the results of the operation of rules of finance. Who is responsible for those rules?

Although there is some overlapping of personnel, especially in the case of Big Business and the cartels, through interlocking directorates, it is quite clear that the production and the financial systems are separate entities. It is also clear that the financial system is far more highly centralised than is the production system. In practically every country there is now a Central Bank, which has well-defined functions, including especially the regulation of the volume of money. But these Central Banks in turn come under a super-Central Bank, the Bank of International Settlements, though at the moment there is some indication that this Bank's function will be transferred to the World Bank working in co-operation with the International Fund. However that may be, it is the case that there is a world centralised financial system. In the case of industry—the production system—on the other hand, such world centralisation as there is relates only to specific industries, notably the chemical industry, while the greater part of industry is relatively independent, and uncoordinated.

Now in the nature of things an uncoordinated industry cannot impose a consistent policy on centralised world finance; but, by setting up and maintaining the rules of the system, finance can, and does, impose a policy on industry. Broadly, the rules are in the system of accounting, and in the necessity of making a financial profit, according to the accounting conventions.

Marxist-Leninist strategy is derived from and dependent on an intensifying crisis; and that crisis derives from the financial rules under which industry is conducted. If the crisis disappeared, Communism would retrogress, as is clear from the quotation from Lenin.

Now as long as finance and production are lumped together under the term "Capitalism," there appears to be no escape from the necessity for Communism. But finance and production are not identities; they are entirely separate systems. To fail to discriminate, of course, adds to the confusion, for what is required is not any re-organisation of industry, but an alteration in the financial rules which impose a policy on industry.

An alteration in these rules was proposed by the Government of Alberta, and was opposed by financial interests; not only opposed, but prevented.

Further than this, there is documentary evidence that International Financiers financed the Russian Revolution.

Surely, now, the nature of the situation is plain. The greatest power in the world is wielded by International Finance, which directs its policy to produce an intensifying crisis as a result of which World Revolution is promoted, the effect of which would be a world dictatorship through, in the first place, the agency of Russia. The purpose is to dispossess every individual of any form of property which could confer independence, and centralise all ownership in institutions themselves centralised under a World State.

Misunderstanding of this situation at this stage only accelerates our progress to disaster. It must be realised that every effort is made to maintain the fiction of class-war on the one hand, and the threat of Russia as a great national power on the other. As a result, perfectly well-meaning, sincere and able politicians constantly make the situation worse.

Russia is not a "Great Power" in the national sense; she does not want war or territorial aggrandisement in the ordinary sense. Russia is a reservoir of strength and highly-trained personnel awaiting, expecting, and promoting revolution which she is prepared to back. Every intensification of the crisis brings the critical moment nearer; the greater the confusion, the easier her task. Therefore the apparent threat of war aids her, and the confusion as to her policy—*i.e.*, whether she just wants to secure her boundaries, or whether she is following Hitler's path of aggression—makes the situation more favourable for revolution.

We can now put the whole jig-saw puzzle together. The responsible agents in the world are the men controlling the international financial system. Through financial power—the indebtedness of governments and institutions to them—they can either dictate or heavily influence policy. Their efforts are directed along two main lines: the maintenance of such financial rules as must lead to a world crisis, and the sponsoring of the Marxist-Leninist theory and its exponents to take advantage of the crisis to institute a World Police State. Financial power has enabled them to secure control of all the main channels of publicity, especially the international news-agencies through which a bias can be imparted to the presentation of world news so as to intensify the crisis. During the war, they secured the setting up of U.N.R.R.A., whose purpose is to restrict the distribution of food, and lead to famine in Europe. Through such institutions as the London School of Economics and Political and Economic Planning, as well as the more frankly Socialist organisations, they have disseminated doctrines which have gradually resulted in the institution of a system of bureaucratic socialism in Great Britain which has strangled private initiative and paralysed recovery from the ravages of war, and transferred power from Parliament to a junta concealed behind the bureaucracy.

Europe has now been brought to near-detonation point. Its peoples are being driven to desperation by gross food-shortage, and lack of recovery from the desolation of war. Greece and France are in a highly unstable condition, and might be precipitated into revolution at any time. Whenever this happens, Russia is waiting to come to the assistance of the "victorious proletariat" and to set up the Federated States of Soviet Europe. In the commotion, the life-lines of the British Empire, already frayed, will be completely severed,

leaving Great Britain easy prey for either "liquidation" as "reactionary petty-bourgeois" or its own revolution.

Once this strategic situation is grasped, it becomes clear that the well-meaning words of, say, Mr. Menzies are like petrol as a fire-extinguisher. It is also clear why Mr. Baruch, the international financier, gave Mr. Churchill the go-ahead signal, providing Russia was misrepresented as a military menace.

The situation is indeed formidable. Now, obviously, a strategy opposed to a misconception can do nothing but worsen the situation. That is to say, as long as our policy is based on the assumption that Russia is a potential aggressor in the ordinary sense, every move is likely only to lead nearer to irrevocable disaster. And similarly, every attempted denunciation of, or opposition to, the tactics, as such, of the local Communists only furthers their strategy, because it helps to intensify the crisis. The vital necessity is rapid amelioration of the crisis, combined with frank exposure of the real situation.

We most earnestly appeal to those with the potential power to deal with the situation to examine what we say impartially, and to realise that a great deal of what they believe and take for granted is the result of years of the most careful and subtle propaganda; that certain courses of action, unorthodox in appearance, are practicable and urgently necessary. We can assist them.

Social Crediters have the most urgent task of making plain this situation in the little time that remains. That task is easier now, because the facts so nearly speak for themselves. We have to turn the tide; once turned it will flow to its just destination—the combination of A and B for the elimination of C.

#### PARLIAMENT

(Continued from page 3)

classes of the community, where such activities are really mischievous and are calculated to disturb the King's peace. These provisions of the law have so far been found adequate to deal with those who abuse the generous measure of freedom of belief and of speech that has always been accorded to the citizens of this country. I have no reason to think that they will not be adequate in the future.

May 24, 1946.

#### Egypt (Treaty Negotiations)

*Mr. Eden* (Warwick and Leamington): . . . I have noted in the last few days, since the return of the American delegation from Paris, that a very powerful speech has been made in support of the Administration's foreign policy, by no less a person than Senator Vandenberg, who is a leading Republican figure in the United States. I am not suggesting that the Government should follow exactly that precedent, least of all am I angling to attend any more international conferences of any sort; I have had enough . . .

*Mr. Churchill* (Woodford): . . . In the case of the Irish ports, in the Spring of 1938, absolutely wrong political data in my opinion, were put before the Chiefs of Staff—another set of Chiefs of Staff—and they gave advice which nearly brought us to our ruin. [*Laughter.*] I have heard all this mocking laughter before in the time of a former Government. I remember being once alone in the House, protesting against

the cession of the Southern Irish ports. I remember the looks of incredulity, the mockery, derision and laughter I had to encounter on every side, when I said that Mr. de Valera might declare Ireland neutral. We are seeing exactly the same sort of thing happening today, although I am not so much alone as I used to be. I would hardly have believed it possible that such things could happen twice in a lifetime.

Let me make it perfectly clear that our position is that His Majesty's Government have no right to claim the approval of the Chiefs of the Staff for any policy without informing the House of the precise questions upon which their advice was obtained. I am astonished that people should talk continuously about the Suez Canal and say nothing about the Isthmus of Suez. . . .

. . . The consequence on the Palestine position of such a decision must not be overlooked. I am in entire agreement with the policy of the Government in trying to enlist American aid and cooperation in solving, or at any rate in dealing with the Jewish-Arab quarrel in Palestine. My views on this question are well known. I am for a Jewish national home in Palestine, with immigration up to the full absorptive capacity. I am also convinced that we cannot carry this out unless we have the help and active collaboration of the United States. Only by the action of our two Powers together can the objects to which we are pledged, and which the President of the United States evidently desires, be attained. I admire the Report of the Anglo-American Commission; but I think it is too much to put on Britain alone, single-handed, weakened as she is by her efforts in the war. It is too much for her alone to have to carry out this policy to which we are pledged and which the United States desire. I was most hopeful that the report of the Anglo-American Commission, and the manifest interest of the United States, and the declaration of President Truman about the acceptance of 100,000 Jews immediately in Palestine, would lead to cooperation between the two countries.

I have no difference with His Majesty's Government on that. I agree with them entirely. I congratulate them on the progress they had made. But from the moment when Britain is going to use Palestine as a jumping off ground to reenter Egypt, and defend the Canal and the Isthmus, it seems to me that quite a different question is raised, and I fear that the hope of gaining the aid of the United States on the Palestine question, the Arab-Jew question in Palestine, will be seriously prejudiced. If they refuse, far and away the best hope of a solution being reached by the two great English-speaking Powers on the Palestine difficulty, in a manner which would be respected both by Jews and Arabs, all that vanishes and we shall find ourselves left alone in Palestine, from which we derive no advantage of any kind other than that of keeping our pledged word, and we shall have to carry on alone a wearing dispute either with the Jews or with the Arabs, or possibly with both. In any case we shall incur the increasing hostility and criticism of both these powerful forces, and, of course, of all the sideline spectators in all the various countries.

It seems that by using Palestine as a jumping-off ground for the reoccupation of the Canal zone in time of an emergency we will impair the prospects of American aid, and will leave ourselves with the most thankless, profitless and unfortunate task that can be imagined. . . .

*The Secretary of State for Foreign Affairs (Mr. Ernest Bevin):* . . . We went through many crises during the war, and shared with the right hon. Gentleman many unpleasant and difficult decisions. However, we took our corner, and I think that in the difficult international circumstances in which we now are we might have earned a little reciprocity. However, when the party spirit gains the upper hand over the national interest, we have to take what comes along.

*Mr. Churchill:* We all know the right hon. Gentleman is the only patriot in the land.

*Mr. Bevin:* I have watched the right hon. Gentleman as a great patriot, and half an hour afterwards as a party man; they are two entirely different persons; a duality of character which has been most pronounced in my experience. . . .

. . . Leaving strategy on one side, I hope to get the cooperation of the United States through the Rockefeller Foundation and other organisations to grapple with the problems in the Middle East and try to see whether we cannot make the connections which we have got right down through to the working people. The surest foundation for friendship between two countries is an understanding and appreciation of the efforts by the working people of the country to help those of the other. . . .

May 27, 1946.

#### British Newspapers and Articles

*Mr. Cocks* asked the Chancellor of the Duchy of Lancaster which editors of German dailies, weeklies and specialised newspapers, including trade union journals, are now provided with British newspapers; to what other categories of Germans in official positions British newspapers are made available; and what British newspapers are so made available.

*Mr. R. J. Taylor:* British newspapers and articles are supplied to editors of all licensed newspapers and periodicals in the British Zone, to politicians of all important political parties and to senior German officials in the regions and principal towns in the Zone. The newspapers and periodicals supplied are: "The Times," "Manchester Guardian Weekly," "Observer," "Spectator," "New Statesman," "Tribune," "Economist." This list will be extended as soon as initial difficulties of distribution have been overcome. In addition, we are providing 32 British trade union periodicals to the editor of the licensed German Trade Union journal.

#### U.N.R.R.A. (Food for Russia)

*Mr. Molson* asked the Secretary of State for Foreign Affairs how much food has been sent by U.N.R.R.A. to the U.S.S.R.

*Mr. McNeil:* I am informed that up to 31st March last, U.N.R.R.A. had shipped approximately 130,000 tons of food to the Ukraine and Byelorussia, which are the only two Soviet Republics in receipt of U.N.R.R.A. assistance.

*Mr. Molson:* In view of the fact that the Soviet Government are unwilling to disclose to their Allies the stocks of food they possess in that country, what is the justification for

sending relief to some of the Soviet Republics? Will the Under-Secretary represent to U.N.R.R.A. that so long as the British zone in Germany is short of food, as it is at present, and Russia is not exporting any food to that zone, relief to the Soviet Union should be suspended.

*Mr. McNeil:* The question of the allocation and distribution of food is a matter for the U.N.R.R.A. administration. The subject of Germany is quite a different matter from instructing or advising our representative on the U.N.R.R.A. administration, but I will bear that in mind.

*Earl Winterton:* Will the Under-Secretary make it clear, when he says that he has information, whether he is informed by the British representative, or whether U.N.R.R.A. keep him informed on all their work?

*Mr. McNeil:* I have to ask U.N.R.R.A. administration and not our representative for detailed figures to reply as fully as I can to the hon. Member.

*Major Guy Lloyd:* Will the Under-Secretary ensure that the B.B.C. are invited to broadcast in Russian to the Russian people details of the very generous gifts of U.N.R.R.A. to the Soviet Union?

*Mr. McNeil:* I cannot direct the B.B.C. as to what they should put in their news service to Soviet Russia.

*Sir Stanley Reed:* Will the Under-Secretary draw the attention of the U.N.R.R.A. administration to the fact that whereas Russia can sell to France 500,000 tons of food, her satellite republics should not be dependent upon the charity of other nations?

### Iron and Steel Industry

*Mr. Oliver Lyttleton (Aldershot):* . . . The steel industry was greatly over-extended during the 1914-18 war in the national interest, and very largely with its own money. Of course, after the war, the world was struck by the great depression. Again, the world depression can hardly be laid at the door of the steel industry, or said to be of its making. Perhaps the main cause was that the United States found it impossible to act the role of a creditor nation.

I do not say that in any carping spirit, but just to touch on some of these main causes. For reasons largely out of our control in this country, and certainly outside the control of the industry, the flow of international trade became frozen. Moreover, the whole capital of the German steel-making industry was written off. The book value of all its debts and share capital was reduced to a few gold pounds as a result of inflation. Thus the steel industry in Great Britain had to face a competition of an entirely extraordinary nature. and that, at a time when, owing to the depression, the world demand had sunk to the lowest ebb ever reached in the history of the industry in relation to its capacity. . . .

### Mr. Norman Jaques

Mr. Norman Jaques has been offered a 'substantial honorarium' to address a meeting to be organised by the Chicago Christian Veterans' Intelligence Bureau, a prominent United States society.

### Nationalisation

The following has appeared in *The Scotsman*:—

The Editor,  
*The Scotsman.*

Sir,

The letter of Mr. David Watson in your issue of this date raises perhaps the most important secular problem of this critical period. That problem, is, of course, the control or elimination, whichever may be necessary or possible, of monopoly.

As Mr. Watson clearly realises, nationalisation is simply monopoly, and the fact that a nationalised industry or property has no shareholders raises in an acute form the meaning and structure of ballot-box democracy. The subject is not susceptible of short or easy treatment, but amongst its aspects, consideration must, I think, be given to (1) The extent to which a majority really holds a uniform opinion; (2) What control by electoral methods, if any, can be exercised on an anonymous, irremovable Civil Service. (3) What meaning, if any, can be attached to the phrase, "the common good" unless it is assumed that all component individuals of a crowd are interchangeable. (4) Assuming that a vote really does control anything or anybody, why should this control be anonymous and irresponsible; *i.e.*, why the secret ballot and the continuous penalisation of minorities by majorities, manipulated or otherwise. (5) If we have not learnt how to control a State Government, how do we propose to control a World Government?

It is quite possible that in the welter of controversy concerning various -isms, the fundamental change which has taken place in our condition has escaped general attention; that through the agency of penal taxation for political ends, combined with the power of concealed general taxation or confiscation by the unification of legislative sanctions with bank credit ("Nationalisation" of the Bank of England) we have lost the large measure of economic democracy we achieved in the nineteenth century.

I am, *etc.*,

C. H. DOUGLAS.

Fearnan, Perthshire, May 31, 1946.

"*The Church Militant?*"—(continued from page 4)

" . . . We shall indefatigably repeat to Our Sons and Daughters, and to those whose feelings are similar to theirs: 'Be confident. Do not be discouraged. You are numerous, more numerous than appearances would justify. While others, with their *bravado* and their impositions, try to increase their ranks fallaciously, you are strong, stronger than your adversaries, because your intimate convictions—and they are what matters—are true, sincere and solid, and founded upon eternal principles and not upon false conceptions, erroneous assumptions, treacherous slogans or passing impressions and opportunism. God is with you.'"

" . . . the Church rises serene and calm, but resolute and prepared to resist any attack . . . "