

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### The Conspiracy of Silence

(Broadcast in Canada, April, 1947, by Mr. Norman Jaques, M.P.)

One of the great religious leaders in America declares—  
“It is my firm faith that the first step in defence of American safety and unity is to break the conspiracy of silence which envelops and endangers us. What I know about Communism is known, not to me alone, but to many in high places, but most of those who know the facts speak in fearful whispers, or in private. This method will not rouse us to the actual menace of Communism. I have seen the tragedy of Communism. I have seen cringing, farming people driven from their farms. I have met them in Asia, and in Europe. Many of them were suffering from disease, and all of them were suffering from starvation. *But*, you will say, it cannot happen here. It can happen here. Communism is growing. In their efforts to wean Americans from Americanism, Communists always revile, and defile everyone who differs from them politically, socially, and morally. I feel I would not be a true American if I did not express my conviction that no American can dare to compromise with Communism without risking his security and freedom. I cannot enter into the conspiracy of silence with those who privately whisper about Communism, but neither act, nor speak out publicly against this deadly enemy of American life and liberty.”

And that is equally true of Canada and of Canadians. I, too, have been reviled and defiled by Communists, and Socialist fellow-travellers, and even by some, so-called Social Crediters, because I have refused to enter into *their* conspiracy of silence. It *can* happen here. It *is* happening, right here in Alberta. Communists are creeping into our labour, and farm unions, mainly because, labour, farm, and political leaders are afraid to act, or to speak out against this deadly enemy of Canadian life and liberty.

Today the Canadian Spy Ring story is a best seller in American magazines but, nearly a year ago, it was my privilege to be the first to relate this story to great audiences in Detroit, St. Louis, Chicago and, more recently, Los Angeles. The American people are waking up to the fact that our form of government and ways of life are threatened with destruction by the spies and agents of Moscow and Marx. As I said in the House the other day: “Quo Vadis?”—*which way are we going?* Is it to be toward security *with* freedom? Or must we be driven down the road to the slave State from which there will be no freedom, no escape?

It seems to me this is a good time for us Canadians to sit down and count our blessings. When we realise the conditions under which the vast majority of people are living elsewhere, ought we not to go down on our knees and thank God we are living in Canada. At least, that is the way

I feel about it and, in order to defend our priceless privileges, I refuse to be intimidated by any subversive agents who may single me out for their abuse. Of course, there are hardships and injustices, perhaps the worst victims are the Old Age Pensioners, and I intend to do all I can to secure better and earlier pensions for them and so end this national disgrace for which there is neither reason nor excuse. But the freedoms we enjoy in this country of ours are under STEADY ATTACK: LET US NEVER FORGET THAT. And the chief enemy of freedom is the philosophy of Marxism, red, pink, or black, and whether advocated by Communist-Fascists or by Fascist-Communists.

Surely there are enough examples in the world today to prove that the imposition of Socialism in any of its forms, whether in Germany, Italy, Russia and now in England, always results in a loss of freedom and a lower standard of living. We Canadians owe nothing to Socialism, our present freedoms from want and misery were not secured by Socialists. In fact, it is our very freedoms which are under attack by the slaves of Karl Marx, and their chief weapon is the “smear.” Let any public man make a strong effective stand against Communism and immediately he is called a Fascist. According to Communists, and Socialist “fellow-travellers,” any active opponent of Communism is a Fascist, and if he is a Fascist he must be anti-Semitic. That is the Communist “smear,” their dirty racket. But, thank God, people are becoming wise to these enemies within our gates. The national economic council of the United States declares that “Unless groups like the economic council expose and fight Communism, we Americans will find, as people in other countries have found, that only one step beyond the smear and defamation squad is the liquidation squad, and unless men and women all over the United States support patriotic groups there will be no groups with knowledge and guts enough to fight.” And that is equally true of Canada. In her preface to *Ally Betrayed*, a book by David Martin, a Canadian War Correspondent, Rebecca West, the novelist, says: “I am a Socialist, but I have to admit that in the last few years the ‘left wing’ has opened its poor silly mouth and swallowed the whole revolting mass of Communist lies. They should have realised that the men who carry on this propaganda are as likely to give the people political and economic freedom as Al. Capone or John Dillinger.”

And now a few words about controls which Socialists are determined to impose as the basis of their “planned economy,” which is their name for the economics of slavery. Experience proves that wherever it is used a planned economy must entail the use of forced labour. That was true in Italy and Germany, it is true still in Russia, and is coming true in England. The Socialists’ purpose of State planning is to destroy the free market and free bargaining. Their purpose is to force the national economy to produce what the planners say it should produce, which certainly does not

mean the goods which people would like to consume.

Let us compare a controlled, planned economy, the Socialists' ideal, with a free economy and free prices. Why does Socialist planning result in scarcity? And why does free economy produce plenty? Because planning works against, while a free economy works with, human instincts and desires. Now, producers always try to sell dear, and consumers always try to buy cheap. This human instinct has never changed throughout the history of the human race, and never will change—so long as men and women are free to choose what they want, that is, to accept, or refuse any offer made to them. For example, every working man, as a *producer*, tries to sell his labour at the highest price. Every workingman's wife, as a consumer, tries to buy the products of other working men at the cheapest price. When prices fall, when things are cheap, consumption is stimulated, but production is discouraged. When goods rise in price, production is stimulated, but consumption is discouraged.

Now, at what level will most goods be produced and consumed? For every commodity, and for every day in the year there is a point where production and consumption meet each other on an equal basis. This point can only be determined as the result of the countless day-to-day transactions of millions of buyers and sellers doing business together. That is the point of greatest production and consumption. And that is economic democracy, because it stands to reason that the millions of individuals who comprise the nation can judge for themselves what prices they will pay for how many and for what kind of goods they want, and consequently, how many goods they will produce. *You know what you want and what you can afford to pay. You are the only person who can know that.* Everyone else can only guess. That is the free market, and whenever governments interfere to control the free market, whether it be in the field of production consumption or labour the result is always the same—a loss of human liberty and happiness.

The only alternative to the free market is an iron control over every phase of the nation's life ending in the Gestapo and concentration camps. There can be no doubt that people prefer the free market—where they can buy and sell as they choose without dictation and restrictions imposed by bureaucrats.

And when I say "free markets," I do not mean such markets as we had in the depression years before the war. If supply and demand, if buyer and seller, are to meet on an equal footing, then the demand must be effective, that is, the demand must be backed by money. Is it merely coincidence that, whereas before the war there were plenty of goods but scarce money, today there is plenty of money but goods are rationed. And, today, prices are controlled and can be changed from time to time without warning. There is, therefore, no free market—the producer holds his goods off the market, or does not produce them, in the hope of higher prices, while the consumer postpones buying more than he must—he is waiting for prices to fall. Meantime, the Socialist rejoices because he can blame private enterprise, or the wicked capitalist for the shortage of goods. The truth is that the controls prevent the free market, and private enterprise cannot get going any faster than a hobbled horse. All the way down the line, buyer and seller find themselves separated by the decrees of some bureaucrat. It is true that controls were necessary during the war, but if we are to recover prosperity and the freedoms we once enjoyed, the

free market must be restored. Do not be fooled by Socialist propaganda. *Socialists plan the end of private enterprise and of private ownership and that includes the farms and the farmers.*

YE SHALL KNOW THE TRUTH, AND THE TRUTH SHALL MAKE YOU FREE.

## PARLIAMENT

House of Commons: May 9, 1947.

### Book Publishing Trade

*Mr. Wyatt (Birmingham, Aston):* ... the amount of coal and paper consumed in book publishing is out of all proportion to its value. In 1938 the book trade only used 63,000 tons of paper, involving the use of about 100,000 tons of coal or a little less. The amount of paper used in 1946 was only 54,000 tons, involving the use of about 85,000 tons of coal. At the outside, only 2½ per cent. of all the paper produced goes to book publishers, against 327,000 tons a year for newspapers, and, incidentally, 71,000 tons a year for His Majesty's Stationery Office which contrives to use more paper than all the book publishers put together.

For many years Britain has definitely led the world in the field of ideas and writing. The British way of life has been put across by that means better than any other. It is impossible to measure the effect on British exports of the fact that British books have been so widely read. After the war came the greatest possibility of all time of selling new books abroad, but the publishers cannot take advantage of it because they have an inferior article, compared with that of the American publishers, whose exports are increasing. British books for exports because of production conditions have to be exactly the same quality as those for sale at home, and are produced on an economy standard. We cannot adequately supply Europe or even our own Dominions at the moment with books—any type of books. But there is one type of book we particularly cannot supply abroad, and that is the technical book, and the sale of technical books abroad is being captured by America. It is well known that the sale of British technical books abroad is followed by the sale of British machinery and equipment described in the technical books. People who read about machinery described in a technical book go to the country from which the book came to buy the machinery.

Altogether, the position is so bad that American publishers are buying the copyright of British books to export them abroad, because we cannot export those books ourselves. The American export trade in books is expanding rapidly. Before the war they had an export trade of only about £1,500,000 a year, and it has already risen to £4,500,000; and if things continue at this rate they will soon overtake our exports. And this is the one sphere where we can really beat the Americans; and books are the one sort of thing we can be certain of selling to America, thereby getting dollars, providing we can go on producing books... It is no good spending £6 million a year on information services abroad if we have no books with which to back them up...

*The Parliamentary Secretary to the Board of Trade (Mr. Belcher):* ... So far as the publishers are concerned, the type of paper in which they are particularly interested is esparto paper which in February was 83 per cent. of November, and in March 86 per cent.; mechanical printings

were 93 per cent. and 84 per cent., respectively, and wood free papers 90 per cent. and 99 per cent. From June onwards, in place of 50 per cent. of the basic quantity of coal, plus such supplementaries as were obtained from the regional fuel allocation committees, the mills, in common with other industries, will receive an allocation equal to their full consumption in the summer of 1946...

Whatever we do about paper and pulp, there is a limit to the number of books which can be produced, and that is the limit imposed by the labour and plant available. Therefore, we have to take steps to deal with an inevitable shortage of paper and try to distribute that paper in the most economical fashion, and in the way best suited to the interests of the country. We have been in consultation with the Minister of Education and the publishers to decide how best to deploy our existing resources. We have now made arrangements under which book publishers will receive a basic allocation of 60 per cent. of prewar. In addition to which they will be allowed 20 per cent., provided they devote the same proportion as before of their 60 per cent. quota to educational or export books, and give an undertaking that they will use the additional 20 per cent. either for the purpose of increased production of educational books for use in schools, colleges and universities and for home study, or for increasing their export targets. Bibles, prayer books and hymn books will be included as educational books for this purpose.

House of Commons: May 12, 1947.

### Town and Country Planning Bill

Order for consideration, as amended (in the Standing Committee), read.

*Mr. W. S. Morrison (Cirencester and Tewkesbury)*: I beg to raise a point of Order affecting today's Business, which is of importance to Members in every part of the House. The Amendment Paper, containing the proposed Amendments to the Town and Country Planning Bill, is 75 pages long. It contains about 400 Amendments, more than half of which are Government Amendments. This formidable document was not in the hands of hon. Members in its marshalled form until today, when we have to proceed at once with consideration of the Bill. As far as the Opposition Amendments are concerned, we had to wait until the Government Amendments were all put down before we could judge how far the Minister had been able to give effective consideration to the points raised in Standing Committee. By a very hard effort we managed to get our Amendments down by Wednesday, and we sent a copy to the right hon. Gentleman. The fact remains that hon. Members generally had no chance of seeing the Amendments in their marshalled form until today. Those who have had experience of the House know the zeal and efficiency of those who serve us in these matters—the clerks and printers—too well to believe for a moment that these lamentable happenings are due to any default on their part. It is quite evident that this zealous and efficient machine is breaking down under the strain being placed upon it by the Government, and I ask that the Government will either take steps to reinforce that machine, without whose workings we in this House cannot perform our duty efficiently...

*Mr. Eden (Warwick and Leamington)*: Can the Leader of the House give us an assurance that we are not going to be put into this sort of position again? We are, here,

dealing with a Measure which has been handled under an imposed Government time-table in the form of the Guillotine, and it is not reasonable to say to the House, "Your time for discussion will be severely limited by this process," and, "You will not have an opportunity of examining the Amendments you are asked to discuss until the morning of the day on which you are asked to discuss them."

*The Lord President of the Council (Mr. Herbert Morrison)*: I can assure the right hon. Gentleman and the House that we shall do everything we can to meet the convenience of the House. But I think his judgment is a little harsh. [HON. MEMBERS: "Why?"] Because I am advised that up to, and including, 1st May—and it is now 12th May—172 Government Amendments had been put down, as against the present total of 219...

*Mr. W. J. Brown (Rugby)*: ...if there were 50 hon. Members serving on the Committee upstairs, there are 570 hon. Members who have not served on that Committee. These Amendments reached me this morning at nine o'clock. How a Member who has not served on the Committee upstairs is to be expected to relate this massive wad of Amendments to a Bill already massive in itself, and do so by 3.20 in the afternoon, passes my comprehension. May I respectfully urge the Government to do one of two things: either accommodate their programme to the machine, or make the machine adequate to meet the programme?

*Mr. H. Morrison*: The hon. Gentleman is trying to keep up with the Conservatives, as he so often does, in exaggerating the situation...

House of Commons: May 14, 1947.

### Minister's Speech

*Mr. Gammans* asked the Prime Minister if the speech made by the Minister of Fuel and Power at Edinburgh on 5th May regarding women's voluntary organisations represents the policy of His Majesty's Government.

*The Prime Minister (Mr. Attlee)*: I understand from my right hon. Friend that he made reference solely to the Housewives' League and did not mention women's voluntary organisations in general. He was expressing a personal opinion.

*Mr. Gammans*: Is the Prime Minister aware that the Minister of Fuel and Power used the expression "Lord, forgive them, for they know not what they do—"

*Mr. Speaker*: The hon. Member knows that it was put down and ruled out of Order. Therefore, he cannot put the question again as a supplementary. We cannot again have the gist of that question in another form, because it was ruled out of Order when first presented to the Table.

*Mr. Gammans*: May I put it this way? Will the Prime Minister dissociate himself from the expression used by the Minister of Fuel and Power, which has given great offence to the people, and which in the opinion of many of them verges on blasphemy?

*The Prime Minister*: I have already stated that I am only responsible for expressions which indicate Government policy. No Government policy was involved in this matter.

*Mr. Eden*: May I ask the Prime Minister since he rightly appealed for a national effort at this time, whether he really thinks that statements of this kind by Ministers are

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Saturday, May 31, 1947.

### From Week to Week

"We don't want the Englishman's Home to be his castle." Mr. Lewis Silkin, Minister of Town and Country Planning.

As the other Englishman, Mr. Emanuel (God with us) Shinwell said, what the Englishman wants doesn't matter a tinker's cuss.

A speaker at Aberdeen, a Mrs. Johnston, President of the Scottish Co-operative Women's Guild, described the Housewives' League as an Opposition means of exploiting "Britain's" difficulties.

Passing over the question as to whether the Socialists (the Co-operative Movement is now a Finance-Socialist organisation) have not been exploiting "Britain's" difficulties for the past fifty years, there are two points in this attitude which demand attention by reason of the fact that it is exploited by a vocal, if not perhaps very large section of the population. Mr. Emanuel Shinwell has put the case plainly: the general population of this country will be exploited by "the organised working class" (which includes the Co-operative Movement) and no-one else matters a tinker's curse. Not merely that, but, if Mrs. Johnston is correctly reported, it is an outrage that any organisation not representing "our point of view" should bestir itself.

Now this attitude is the delirium of the Cahmon Man and the apotheosis of the mediocre, the envy of quality raised to the *n*th degree.

It is the outcome of the lunatic deification of work, and is accompanied by worse moral qualities, and consequently worse work, than history has ever known. It is the Satanic parody of the craftsman's pride, and is sure to lead to a monumental chastisement of the people who profess it, as befell Robespierre and many of his dupes.

Meanwhile, the whole Co-operative Movement should be scheduled for investigation by the next Administration. Its sources of income and increase of capital assets at the expense of the general community are not business, and we doubt very much whether they conform to the Companies Acts.

The B'nai B'rith has asked the State Department in Washington to bar Norman Jaques, M.P., from entry into the United States, saying that he "has abused the privilege of entry."

Mr. Jaques comments, in the *Ottawa Journal*: "The Zionist terrorists are not confined to Palestine; probably the most poisonous are at work outside Palestine, on this side of the Atlantic.

"Personally, I don't give a damn what they say. I am going to try to defend myself, but I am prepared to attack this common enemy of a free people anytime or anywhere.

"This is the Zionist-Communist front which is just as much a terror here as in Palestine."

Mr. Jaques is an Englishman who has farmed in Canada for thirty years. He is Social Credit M.P. for Wetaskiwin. His prestige in the House of Commons is rising rapidly.

We see the *Observer* occasionally, because our news-vendor, one of the Bulldog Breed, leaves us an unordered copy fairly frequently. By reason of this we can assert that it is unaccountably nervous of Social Credit, which it kindly terms "a genuine antique."

Evidently P.E.P. *ersatz* has a short expectation of life with a correspondingly compressed standard of time.

No-one need speculate on the social and economic consequences of Finance-Socialism; they are open for anyone to see for themselves in New Zealand, Australia, and now "Britain." The first effects always seem to manifest themselves on the railways; services are curtailed, restaurant cars are first reduced in number, and then (in New Zealand) eliminated. An unmistakeable drabness spreads over life—the colour goes. Then people emigrate—if possible.

### The Mark

"From the time of the Middle Ages papermakers had a custom of branding into almost every sheet of their paper certain peculiar designs. With modifications and additions these curious and complicated watermarks were employed throughout Europe, and some have survived to the present day. They form an unbroken chain of ocular evidence stretching from about 1282 to the time when to all intents machinery superseded the older fashioned method of making paper by hand. No other industry can show such phenomena as the multiplicity of its trade signs, the persistent survival of ancient religious symbols, and the singular, if not unique, custom of the same devices being used in common by rival manufacturers. Underlying these facts are problems which neither bibliographers nor present day papermakers have hitherto been able to solve.

"In the Dark Ages there existed in the South of France a premature civilisation far in advance of that in the rest of Europe. Among the arts and industries that flourished in Provence and the surrounding districts, papermaking was one of the foremost... The freedom and prosperity of Provence attracted large numbers of persecuted Jews and heretics who took refuge there, and by their industry and intellect augmented the power and influence of the country... in 1209 the Church of Rome considered it necessary to launch a crusade against the infected district... from the appearance of the first known watermark in 1282 these mysterious marks are speaking broadly the traditional emblems of Provence... the same were employed all over Europe... papermakers and printers were originally in close touch with each other, held similar views, and were associated in identical aims."—Harold Bayley: *A New Light on the Renaissance Displayed in Contemporary Emblems*. (1909).

## An Introduction to Social Credit\*

By BRIAN W. MONAHAN

### Part III.—POLITICS.

(10)

The second reservation to be applied to the issue of financial credit as a dividend relates to the payment of those engaged in production—the payment of wages and salaries. The consumption incurred in production is a cost; it is a diminution of the real credit, and should be so accounted.

The relationship of dividends, subsidies, and payments for production is essentially a matter of statistical calculation. Such calculation is a function of a statistical organisation, not of a political organisation. It is equivalent to the accounting branch of an industry.

It is now possible to see the practical basis of the proper limitation of Government to its legitimate functions.

We have already seen that the power to contract-out is an essential aspect of genuine democracy. But, apart from suicide, it is impossible, or nearly impossible, to contract-out of Society. Consequently it is absolutely essential to protect the individual with "*the equivalent of a Bill of Rights ultra vires of Parliament, together with a permanent professional body, trained to attack not only an existing law, but armed with permanent power to bring out into the open for cross-examination at any time the originators of any law which encroaches on those rights...*"

"One of the first results of such an arrangement would be an arrest in the flow of law-making. If the world is regarded as a factory run by officials on would-be mass-production lines, continuous works-orders camouflaged as laws are inevitable, though quite rapidly fatal. But, in a world in which it is realised that the more action is spontaneous within the limits of personal sovereignty the less the friction and the higher the general satisfaction, they are both redundant and objectionable" (C. H. Douglas: *The Brief for the Prosecution.*)

Such a Bill of Rights provides an area of personal sovereignty into which the individual can withdraw, and out of which he can emerge into functional activities of his choice, in which he subordinates himself to the necessities of functional organisation. This is like the Club Member who elects to play in some particular game.

Next, the individual must derive his income "from outside", so to speak, and contribute money to such organisations, including Government, as he desires to support.

That is to say *the Government should have no access to the general credit of the community except through independent citizens.* It should have no powers of taxation except the power to collect "subscriptions" as agreed to by the citizens acting through their Representatives in Parliament.

Again we see that the nationalisation of banking is exactly the wrong thing, since it gives the Government direct access to the general credit.

Once the idea of the Government as the "Big Boss" is cleared away, it is much easier to discern its legitimate functions.

\*Now appearing in *The Australian Social Crediter.* The commencement of Dr. Monahan's essay, publication of which has been interrupted, appeared in *The Social Crediter* on January 25.

Perhaps the first of these functions is that of maintaining the rights of the individual by providing for the proper mechanisms for the administration of Justice—again, a reversal of the present usurpation of the functions of the Courts of Law by the "administrative lawlessness" of the bureaucracy.

Secondly, the Government has a function as a General Committee of Society.

And thirdly, it has a function as a Board of Directors.

It is legitimate for the Government (Cabinet) to propose to Parliament (the Representatives of the Shareholders) general expenditure to enhance the general real credit. It is the function of Parliament to authorise or to refuse such expenditure.

It is legitimate for the Government to recommend the rate of dividend distribution, on the basis of properly kept accounts relating to the affairs of Society. (For example, the plant and resources of the community can be "valued" as capital assets, and this gives an approximation to the real credit of the community if the various factors are properly taken into account. This figure can be given a "capital" value in monetary terms, and a "rate of dividend", for example, 5% or 10%, declared. This provides a general income, to be allocated as between general individual dividends to citizens; wages and salaries; and subsidies to adjust prices to the physical facts. The money required for government purposes must be contributed out of the distributed money in the same way as the funds of a club are derived from the subscriptions of its members.)

To give effect to these general relationships, there needs to be a credit-issuing organisation with a constitutional status equivalent to that of, say, the Auditor-General. To this organisation would fall the keeping of the national accounts, and the computation of the price factor; and it might quite suitably be the organisation through which the national dividend was distributed, the price-subsidy adjusted, and the financing of production initiated.

In principle, and potentially, most of the organisations necessary to implement genuine democracy exist, and there is no difficulty in adapting these organisations to their proper function.

*Production* is a function of selected teams, organised on the hierarchical principle, and subject to the principles of free association and contracting-out. It is a matter for experts, taking orders in regard to objectives, and giving orders in regard to methods. Orders in connection with the programme of production are given through "money votes" by the democracy of consumers; orders in regard to efficiency are given by the "Board of Directors"—Cabinet, or the Executive, on behalf of the shareholders—the general community.

*Parliament* should be considered as an assembly of shareholders' representatives, on the one hand, and as a general committee of the community, considered as a society, on the other. In both aspects, the conception of party strife, or class-warfare, is absurd. It is the business of Parliament to see that the Executive impresses the general requirements of the community on the technicians. "We do not want Parliament to pass laws resembling treatises on economics. What we want is for Parliament to pass a minimum of laws designed to penalise the heads of any great industry, and banking and finance in particular, if they do not produce the results

desired." (C. H. Douglas: *The Tragedy of Human Effort*.)

The main qualification for Parliament is that it should be properly *representative*. It is highly desirable that it should represent the greatest possible diversity of functional interests, not as competitive, but as integral functions, just as the general committee of a Sports Club should properly represent the interests of those favouring cricket, football, chess, and so on. Its object is not to turn the Club into an organisation for playing the maximum amount of cricket, but for seeing that the maximum practicable facilities are available for those wishing to play any form of game. The actual proportions of games should be determined by the actions of those freely participating in them.

Similarly, the Executive is merely an administrative device for conveying the requirements of Parliament to the appropriate quarters; and it should be devoid of any powers but *executive* powers. In particular, it has no rights with respect to *policy*; but it has an obligation to present political possibilities for the decision of Parliament. For example, the Executive may put forward proposals for, say, the development of water conservation schemes, afforestation, and road-building. All these things are an immediate charge on the general credit, while they augment the potential credit. That is to say, the general public will be "out of pocket" in the immediate future, but will derive an increased dividend subsequently. The rate at which such development shall be undertaken is therefore properly a subject for decision by the representatives of the public.

The important qualification of a candidate for Parliament is *integrity*, not a "platform". The electors require to know that their Representative will genuinely represent their general interests, and not, as at present, endeavour to subordinate them to any function whatever.

(To be continued).

## PARLIAMENT

(continued from page 3)

a contribution to that effort?

*The Prime Minister*: I am afraid there are a great many contributions on both sides that are not helpful.

*Mr. Skeffington-Lodge*: While I deplore the utterance of my right hon. Friend in this particular connection, may I ask the Prime Minister to bear in mind that the fur-coated members of the Primrose League, who are behind the British Housewives' League, in no wise represent the masses of British housewives?

House of Commons: May 16, 1947.

### Foreign Affairs

*Mr. Walter Fletcher (Bury)*: ... China itself has gone backwards, both economically and politically, during the last year to a degree that is hardly realised here. I myself made a quick trip over Christmas and the New Year to China, Hongkong and Indonesia, and I was horrified to see the virtual breakup of China that has taken place. It is not only the division between the so-called Communists, the Yunan area and the Kuomintang, it is the breakup that is taking place within those areas. It is a sorry pattern. There is no positive authority by any government. The departure from the principles of Sun Yat Sen, who wished to help the common man in China, has been so great that his lot today is getting worse the whole time.

It was mentioned yesterday that extra-territorial rights were given up in 1943 by the United States, France and ourselves. That was an admirable gesture, and it was done with the best intentions, but the result has been rather the opposite of what was really intended. It has in no way improved the lot of the Chinese, for two main reasons. What are the real bases of ordered civilisation? They are these: the administration of law in an open way in which it is not influenced in favour of the rich or anybody else; open law, openly administered, and being visible public law for everybody. That does not exist in China, though it did in the Treaty Ports, and that is one of the reasons why over a million Chinese have gone from China to Hong Kong.

The other thing that is absolutely vital is, to put it in the simplest terms, a stable currency. It means that a man's earnings on Monday have the same purchasing power on Tuesday. That does not exist in China either. The value of the Chinese dollar today compared with the Hongkong dollar is about 6,000 which is an astronomical figure compared to a 1935 parity of the two currencies. It means that the rickshaw coolie, when he has earned a wage at the end of his day, has either to put it into a tin of cigarettes, which he sells the next morning to replace his capital, or that his Monday earnings will not buy his Tuesday food. When that prevails throughout a country you get a serious bogging down of the whole of the economy. It is no use thinking that because there were certain changes under pressure, in the form of the Nanking Government, certain Ministers whose inefficiency or corruption has gone beyond the very wide limits that are permitted in China, have been removed and others put in their place, that is any cure at all. Civil war and war-lordism still prevail. The economic situation has got so bad that there is only a trickle of exports coming out of China and, in return, China can only afford a very small amount of imports. The result is that the whole of that huge market is gradually being sealed against us and the rest of the world.

It is difficult to see what major contribution we can make. Certainly the first thing we can do is to press for a great deal more information on incidents such as that which occurred in Formosa—which was a very ugly incident in every way, where many thousands of lives were lost or jeopardised by maladministration. It shows how dangerous it is to assume that, because there is an appearance of democratic government under a set of democratic rules, it is a reality and that, under those circumstances, people who have not been trained in democratic rules can administer territories which have recently been handed over to them. We have a duty to those who were under our protection before, whom we may be handing over to the rule of those who will not administer and look after their affairs with the same open-handed justice and efficiency that we did ...

... There is one thing we can do for China at the moment which is both fairly easy and clear-cut. It is easy for the Government, because it does not call for any immediate action, but it is far-reaching in its effects. It is to make quite certain that the status of Hong Kong and the leased territories remains quite openly and clearly where it is now, with no fore-shadowing of change for a long time to come. Hong Kong at the moment is about the only lung through which China can breathe, and it is extremely important that there should be no idea that that can be changed. The very fact that over a million Chinese have flocked to

Hong Kong and have caused embarrassment to the Government—which they are handling with skill—is nevertheless some earnest of what the Chinese people themselves think of the comparative value of a negative government with no power of control, which cannot keep its own currency in bounds, and the administration and the methods which have been adopted in Hong Kong...

... The economic side of Japan is, in a way, still more difficult to understand. It was said yesterday that we here should see to it that the wage level of Japan is brought up to a proper standard. I believe that in that use of the word "wage" is a clue to what must be rather an illusion. To raise the standard of living, as I believe the President of the Board of Trade said on one occasion when questions were being asked of him about what was going to happen about textiles in Japan, is rather difficult...

But when we have raised the standard of living and have given them the maximum of food and clothing, and the proper amount of leisure, they will still be on a standard of living which must make them enormously dangerous competitors to anybody who is competing with them in any line of business, whether it be textiles, machinery or anything else. We have to face the fact that we shall be shrinking from a task which we should undertake, if, because we are told their standard of living has been raised—that they have formed themselves into unions and have gone through all the correct motions—at the end of that the real fact is that, with American help in technical, financial and other respects, they are then able to produce better goods than ever they did before, and at a much lower price than countries which have a very much higher standard of living, such as America and ourselves, and the rest of Europe in due course. We shall not have faced the real task which lies before us and done our duty to British industry.

Those of us in Lancashire and Yorkshire who are interested in the textile trade have extreme qualms about this. We are definitely worried because we realise that in building up the Lancashire textile industry today, there is always in the offing a vague threat from a country which may become almost the 49th State of America and which may, in due course, flood the world, as it did before the war, but on this occasion with very much better goods, which are to be marketed, prepared and presented better. The President of the Board of Trade has rightly pointed out that the sellers' market is going. Even in India I noticed on my journey a grave disquiet that Japan may be a serious competitor in selling goods in India at a lower price than that for which they can be produced anywhere else. If that is so there, what will it be like in the rest of the world, not only in this country but in markets which, from the point of view of the export trade, are vital? It is essential that we should have a say in the running of Japan, and in the marketing of her products, and we should have more knowledge...

#### Paper (Government Requirements)

*Mr. Assheton* asked the President of the Board of Trade what has the percentage of Government requirements of paper in each paper-rationing period for the last 12 months been in relation to the total output of the mills; and how do these requirements compare with those of 1938.

*Sir S. Cripps*: The estimated Government requirements for the 12 months ended February last amounted to 70,000

tons as against approximately 40,000 tons in 1939. The percentages of total production represented by these requirements for each of the three allocation periods to February, 1947, are 5.6, 4.7 and 4.7.

*House of Lords: May 22, 1947.*

#### Food Calories

*Lord Cherwell* rose to ask His Majesty's Government, since it has been stated in another place by a Government spokesman that the calorie value of the domestic ration and the calorie equivalent of the domestic entitlement of eight points per week amount to 1,600 calories a day, whether they will state what food is available to provide the extra 1,300 calories a day required to make up the figure of 2,900 calories which Viscount Addison has stated are obtainable by persons not using restaurants and canteens; and to move for Papers. The noble Lord said: My Lords, I make no apology for bringing this Motion before the House. I am sure the noble Viscount the Leader of the House is as anxious as anybody that the true facts should be known and that any trace of unfairness towards a member of his own profession should be put right.

Perhaps I should explain at the outset why, in discussing our food to-day, I am doing so purely in terms of calories. The two main needs of human beings—and, for that matter, of all warm-blooded animals—are to maintain their body temperature above that of the surrounding air and to have enough energy to do their work. The scientific unit of both heat and energy is the calorie. The calorie, therefore, is, in the first instance, a measure of nutrition. Without calories we would die. Accessory food factors such as mineral salts, vitamins, and so on, are, of course, most important and necessary. But they are accessory. The finest motor car, with its batteries regularly topped up and any amount of lubricating oil, cannot run without fuel. Our industry, no matter how well equipped and how well organised, comes to a stop if no coal is available to provide the calories. In the same way, human beings cannot live without food which will provide calories, no matter how perfect the balance of all the accessory food factors may be. Unless we have enough calories nobody can say we are adequately fed.

In the food debate a fortnight ago my noble friend Lord Woolton referred in his opening speech to the shortage of food as it affects the housewife, and quoted Dr. Bicknell in the *Medical Press* as having said that the unemployed before the war were better fed than most of the nation today. Though the noble Lord, Lord Henderson, and several other noble Lords spoke from the Government Benches, no comment whatever was made on this aspect of our food troubles until within ten minutes of the end of the debate, when the noble Viscount, the Leader of the House, remonstrated in severe terms with my noble friend Lord Woolton for having given currency to these statements. The noble Viscount complained bitterly that Dr. Bicknell's figures were incorrect, and said that they were out by about 30 per cent., and that the average person in Great Britain gets not 2,100 calories but 2,900 calories per day.

I have carefully read the article in the *Medical Press*, and what the author says is that a man and his wife, eating all their meals at home, can get at most 2,070 calories daily—or roughly 2,100 calories for all rationed and pointed foods and all unrationed food, excluding restaurant meals. Since

it has been stated on behalf of the Ministry of Food that the calories to be derived from rations and pointed foods amount to only 1,600 calories per day, the question at issue is whether Dr. Bicknell is right when he states that the amount to be derived from unrationed foods, excluding canteen and restaurant meals, is about 500 calories a day, bringing the total up to 2,100 calories, or whether the noble Viscount, Lord Addison, is right when he states that the normal man or woman, who has not access to a restaurant or canteen, can derive 1,300 calories a day from unrationed sources and so bring his or her total up to the 2,900 calories claimed by Government spokesmen.

What I am asking the Government is: what foods which are not on rations or points and which will provide the missing 1,300 calories, are available to the ordinary man or woman today? Unless a satisfactory answer can be given to this question, I feel sure that the noble Viscount—the Leader of the House—will agree that, on this point, at any rate, Dr. Bicknell, who has gone into the question with great care and finds that only 500 calories are available, is entitled to an apology...

It may be that some fervent vegetarian might say that the people are better fed today than they were pre-war just because they are getting much less meat than before. But surely this would be an unusual interpretation of the word "better." I am sure the noble Viscount will not claim that we are better fed because a man has to substitute potatoes for meat and bacon and sugar and fats, even if he could get the same number of calories from them... I therefore again assert that it is an abuse of language to say that the country, as a whole, is better fed than ever before... Attempts have been made sometimes to shuffle out of it by bringing forward global issues of food. That is no answer. Tables such as are set out in the OFFICIAL REPORT for May 12 of the proceedings in another place can only be stigmatised as an attempt to avoid the issue. I trust that the noble Viscount will not do that sort of thing here...

*The Secretary of State for Dominion Affairs (Viscount Addison)*: ... The aim of the rationing of food and of the food distribution systems which the noble Lord, Lord Woolton, was instrumental in introducing has, I think, been reasonably well achieved. The available food has been directed to those who most need it; and there is evidence that the classes of persons who before the war suffered from malnutrition are on the whole better fed today. That is the statement I made before. I repeat it, because it is true. I do not withdraw one word I said. I object to the statements attributed to this man that England is dying of starvation. I said that that was a falsity, and it is; that is all. Statements like that should not be made. They are sloppy, inaccurate and altogether mischievous.

*Lord Woolton*: Or positively scientific. As the noble Lord has spent a great deal of abuse on me, perhaps I may be allowed to say this. The gentleman who wrote that article was a high medical scientific authority, a much higher one than any other quoted. He used the phrase "dying of starvation" in the strictly technical sense, and it was so quoted. Anybody who has any knowledge at all on the subject of the amount of fats that are available in this country must know that we are in fact starving for fats.

*Lord Cherwell*: ... Most of the Government spokesmen merely exhort the housewife to be up and queuing. The Minister of Food is unruffled and complacent. The

Government view is that: "Strachey's in his Heaven; all's well with the world." Very few of the inhabitants of this country will be prepared to accept that view. But, as it is evident that I am not to have an answer to my question and any further Papers would, no doubt, be directed to proving how well everything is going, I beg leave to withdraw my Motion.

Motion for Papers, by leave, withdrawn.

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