

# THE SOCIAL CREDITOR

## FOR POLITICAL AND ECONOMIC REALISM

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### Mr. Aldous Huxley's Solution\*

We have nothing but praise for Mr. Aldous Huxley's little book of between sixty and seventy pages summarising the present arrangement of society, its relationship to advances in science and technology which, in the perspective of human history, may all be termed 'recent', and the results which ensue from these two things in conjunction. The matter and arrangement are alike excellent, and we by no means applaud his wisdom in advocating decentralisation on a grand scale as the remedy merely because it is ours, but because of its inevitability as a logical conclusion arising from the data presented, data, we may add, which without exception, have been presented continuously in *The Social Creditor*. They are open to the confirmation of every reader whose mind is not darkened by hypnotic influences. Concerning the means chosen by Mr. Huxley as possible to effect the decentralisation he desires, we shall have something to say specially before the close of this article, since they are of such a nature as we should desire to avoid, and to propose them is so far exclusive of most, if not all, that we are doing in the Social Credit 'movement' as to merit close and critical study. If Mr. Huxley is right, we are wrong—or at least wasting our time. If we are right, Mr. Huxley is wrong and has the effect of diminishing the power of forces which are being employed, potentially at least, in the right direction. With this single reservation, we should say that the sooner the little work is in the hands of as many people as possible the better.

He starts with Tolstoyan directness (nearly every opening sentence Tolstoy wrote is memorable) with an actual quotation from Tolstoy: 'If the arrangement of society is bad (as ours is), and a small number of people have power over the majority and oppress it, every victory over Nature will inevitably serve only to increase that power and that oppression. This is what is actually happening.'

Mr. Huxley at once points out that in the fifty years since those words were written science and technology have kept step with oligarchy and despotism, furthering the progressive decline of liberty and the progressive centralisation of power. How this has been done Mr. Huxley sketches unerringly in a few paragraphs: (1) By equipping the political bosses who control the various national states with unprecedentedly efficient instruments of coercion. "Thanks to the genius and co-operative industry of highly trained physicists, chemists, metallurgists and mechanical inventors, tyrants are able to dragoon larger numbers of people more effectively, and strategists can kill and destroy more indiscriminately and at greater distances, than ever before. On many fronts nature has been conquered; but as Tolstoy foresaw, man and his liberties have sustained a succession of defeats. *Overwhelming scientific and technological superiority cannot be*

\**Science, Liberty and Peace* by Aldous Huxley, Chatto & Windus. 3/6 net.

*resisted on their own plane.*" The emphasis is ours: the observation is, in our opinion of the greatest importance and has a wide application. It is *par excellence* the test opinion of strategies. Once seen clearly by enough people as a basic fact determining the sufficiency of *all* action, the forces of darkness would be paralysed. "After a century of scientific and technological progress no weapons available to the masses of the people can compete with those in the arsenals controlled by the ruling minority. Consequently, if any resistance is to be offered by the many to the few, it must be offered in a field in which technological superiority does not count. In countries where democratic institutions exist and the executive is prepared to abide by the rules of the game, the many can protect themselves against the ruling few by using the right to vote, to strike, to organise pressure groups, to petition the legislature, to hold meetings and conduct press campaigns in favour of reform. But where there are no democratic institutions, or where a hitherto democratic government declines any longer to abide by the rules of the game, a majority which feels itself oppressed may be driven to resort to direct action. But since science and technology, in conquering nature have thereby enormously increased the military and police power of the ruling few, this direct action cannot hope for a successful outcome, if it is violent." (2) Mr. Huxley's second category of instances covers the means for exploiting intelligence. "Progressive technology has strengthened the powers that be by providing them not only with bigger and better means of coercion, but also with instruments of persuasion incomparably superior to those at the disposal of earlier rulers. John Mill believed that, when everybody had learned to read, the reign of reason and democracy would be assured for ever. But in actual fact the spread of free compulsory education, and, along with it, the cheapening and acceleration of the older methods of printing, have almost everywhere been followed by an increase in the power of ruling oligarchies at the expense of the masses." The reasons, he says are obvious; but he reviews them sufficiently, if not exhaustively, concluding that "Never have so many been so much at the mercy of so few." It is wholly in line with his view of the remedy that he throws the duty of action onto the drugged mob itself: "Reading newspapers and listening to the radio are psychological addictions; and psychological addictions to drugs, tobacco and alcohol, can only be put an end to by voluntary effort on the part of the addict." There can be no question that, as Mr. Huxley points out, technicians have paid more attention to the problem of equipping large concerns with the machinery of mass production than to providing individuals with "cheap and simple, but effective, means of production for their own subsistence and for the needs of a local market." He sees both in the so-called democracies and in totalitarian states that propaganda persuades the many that concentration of political and economic power is for the general benefit. That the reverse is true is obvious, since it is this very concen-

tration of power which constitutes the hard core of the world's situation. (3) "Let us note"—but why 'in parenthesis'?—"that concentration of financial power preceded the scientific revolution of the eighteenth and nineteenth centuries and was largely responsible for making our industrial civilisation the hateful thing it was and, for the most part, still is." We do not understand the implication that it is less bad than it was when industrialisation was less comprehensive and escape from it easier. Mr. Huxley recognises that, so far as liberty is concerned, there is little to choose between management of the individual's life and industry by the servants of the 'public' monopolist and those of the 'private' monopolist; that individual ownership of property is what confers liberty; that trade unions are as subject to gigantism and centralisation as are the industries to which they are related; that we are being ruled by functions—"Man as a moral, social and political being is sacrificed to *homo faber*, or man the smith, the inventor and forger of new gadgets.")

The ground of even the most recent contributions of Major Douglas to the problem of society is touched, and we should not overlook, either, the degree of agreement with Social Credit economics implied in such a statement as that "In the capitalist countries the nature of the monetary and financial systems has been such that, whenever a boom gets under way, the issuers of credit are compelled by the traditional rules of banking to withdraw credit and so to convert the boom into a slump."

For the present, we are more immediately interested in Mr. Huxley's ideas on sovereignty. "Under a regime of state socialism," he says, "there would be no power systems within a community capable of opposing any serious resistance to the politically and economically almighty executive. The political bosses and civil servants in control of the state would themselves be controlled by nothing stronger than a paper constitution. In cases where state socialism succeeds capitalist democracy by non-violent, constitutional means, the rules of the political game are likely to remain, in many respects, identical with those prevailing under the old regime." We think it justifiable to pause there for a moment, to observe that the implantation of socialism in England is not constitutional because it is non-violent—and, indeed, is it non-violent? Violence is quite 'constitutional,' if by that is meant legal. Death by hanging is essentially a violent death. And the death of a dispossessed farmer in defence of his farm is just as violent. Mr. Huxley's perspective seem to be not quite ours, and, in particular, he seems at times to see in the future what we see as already a part of the accomplished present. We have not to wait for "a new system administered by men brought up under democratic traditions" who will "probably" observe the constitutional rules. The present administration does not care a 'tinker's cuss' for the rules. The constitution is in shreds, so far as its effectiveness is concerned. Nevertheless, Mr. Huxley is right when he says: "Only the most ingenuously optimistic, the most willfully blind to the facts of history and psychology, can believe that paper guarantees of liberty—guarantees wholly unsupported by the realities of political and economic power—will be scrupulously respected by those who have known only the facts of governmental omnipotence on the one hand and, on the other, of mass dependence upon, and consequently subservience to, the state and its representatives."

We are regretfully obliged to concur in the verdict: "Meanwhile there is no question, in the contemporary world,

of any popular movement in favour of liberty. On the contrary, the masses are everywhere clamouring for ever greater governmental control of everything. Nor are these demands exclusively confined to the masses. The owners and managers of the various capitalist systems of production are also victims of the general insecurity." They want 'enough control but not too much.'

The fourth effect to be examined is the influence of centralisation on the mental climate. "The basic postulates of thought have been changed, so that what to our fathers seemed obviously true and important strikes us as either false or negligible and beside the point." "Unlike the Greeks, we of the twentieth century believe that we can be insolent with impunity."—a wise observation, and even better is Mr. Huxley's brief summary of the grounds for the rapidly developing scepticism of the pretensions of 'science'. "Power," he says, "is not the same thing as insight and, as a representation of reality, the scientific picture of the world is inadequate, for the simple reason that science does not even profess to deal with experience as a whole, but only with certain aspects of it in certain contexts. All this is quite clearly understood by the more philosophically minded men of science. But unfortunately some scientists, many technicians and most consumers of gadgets have lacked the time and the inclination to examine the philosophical foundations and background of the sciences. Consequently they tend to accept the world picture implicit in the theories of science as a complete and exhaustive account of reality; they tend to regard those aspects of experience which scientists leave out of account, because they are incompetent to deal with them, as being somehow less real than the aspects which science has arbitrarily chosen to abstract from out of the infinitely rich totality of given facts." Hence the 'nothing-but' (Nothing but molecules!) thinking which clouds the whole of effective life. "The political consequences of this 'nothing-but' philosophy are clearly apparent in that widespread indifference to the values of human personality and human life which are characteristic of the present age."

Where all this leads is just stark ruin. We have always said so. Can anything stop it? Mr. Huxley says (1) 'Negative' action (the individual asserting himself) and (2) positive action (a) "action which takes its start in politics, to end in the field of science: and (b) action which takes its start in science, to end in politics." Frankly we do not see the politicians of the Mond-Turner-Dupont interest making anything but hay of the speculative sunshine of official 'inspectorates' of any kind; and it is curious of Mr. Huxley to suggest that scientists might swear a professional oath like that which 'before embarking on practice all physicians swear'. Briefly, they don't: insurance interests long ago displaced *testor deum omnipotentem*, not the only instance in which they have revealed a certain resentment against competition from non-actuarial quarters, and even the convenient declaration under the Promissory Oaths Act, which substituted the State for God, is no longer generally imposed. It seems the Mr. Huxley's major strategy lies elsewhere, namely in that *satyagraha*, a non-violent direct action, "involving the cheerful acceptance of sacrificial suffering", which is the last, almost inevitable, spontaneous reaction of those without understanding of what has overtaken them: something at least not "any worse than . . . intolerable oppression . . . passively accepted or else resisted unavailingly." It may come to that; but we still deem it our special mission to see that it doesn't.—T.J.

## PARLIAMENT

House of Commons: May 20, 1947.

### Town and Country Planning Bill

[THE THIRD READING]

*Mr. Gammans (Hornsey)*: ... But first let me deal with the remarks by the hon. Member for East Islington (Mr. E. Fletcher) who seems to have disappeared from his place. I wanted to pay him a compliment. When he said that this was an historic Bill, he was quite right. It is an historic Bill. When it gets on to the statute book it will affect the destinies of people in the towns and countryside when all of us in this House have long since gone to other places. Therefore, it behoves us, before we allow this Bill to pass from this House, to make up our minds that it is a good Bill, a just Bill and one which will work.

The real trouble about this Measure is that it is of mixed parentage. On its mother's side, if I may so describe the Minister in his absence, with great respect, I am sure there is a genuine desire to bring in a Bill which will provide for the long-term planning of our towns and country. I feel that if the Bill had been left to the wishes of the right hon. Gentleman as he has expressed them in this House, and as I know he has them in his mind, then we should have had a Bill which would have commanded the support not only of all parties in this House but of the country as well. But, unfortunately, there was another parent to this Bill. That other parent was the spirit which has disfigured so much of the legislation which has gone from this House during this Parliament, a spirit which I think is not only repugnant to the best traditions of the British people, but which, in the long run, will make much of this legislation unworkable. I would like to illustrate what I mean by this Bill itself.

This spirit has shown itself in this Bill in a desire to pay off old grudges; a spirit of malice towards those with whom the Government differ politically; a love of regulation for its own sake; a love of meddling even when meddling is unnecessary and even positively harmful; a vagueness as to how the Bill is to be operated; and a secrecy as to the real intentions of the Government in operating it. Lastly, we see in this Bill the increasing tendency in all relations between the State and the individual to weight the scales heavily in favour of the Government. The Government are not prepared to play with anyone unless they can load the dice and mark the cards.

My only regret is that the Minister was unable to resist the blandishments of the other parent to his Bill. Had he been able to do so, we would, I think, have supported him in the Lobbies tonight, but the result of this unholy alliance is a child which we have done our best in Standing Committee to knock into shape. The Bill has had the advantage of the criticism of the candid uncles of this side of the House and the doting aunts of that side.

*Mr. Medland*: A doting aunt, am I?

*Mr. Gammans*: The hon. Member has sometimes wobbled from one side to the other. Our process of education has been a little too hurried. We would have liked a little more time as whole sections of the curriculum have not been dealt with at all. Without endeavouring to make a party point, I would remind the House that very long experience of Parliament has shown that Bills which go through the House of Commons without adequate consideration are seldom effective when passed into law. Whole sections

of them may become, and do become, dead letters. Very often amending legislation has to be brought in. Nothing is easier than to turn the handle of the Parliamentary sausage machine, but the real acid test of this Bill is: Will it work?

... With regard to the effect of this Bill on the private developer, may I tell the Minister that between the Second Reading and now I have taken the trouble—and I hope other hon. Gentlemen have done so—to try to find out from builders and others who have developed land between the two wars—who incidentally, put up most of our houses—what will be the effect of this Bill upon their activities if it goes into law in its present shape. The answer I get from all of them is the same: that if this Bill goes into law as it now stands, to all intents and purposes it means the end of the private developer. Perhaps it is the Government's intention to get rid of the private developer—there is always one section of the community against which the cheapest of cheap sneers are levelled—but if you are going to get rid of him, do it properly and say so. There is no point in getting rid of him in a Clause of a Bill which is supposed to be a Bill to encourage building and good town planning.

I will not repeat what I said on Second Reading, but I would make two points about the private builder. The first is this: let us be under no illusion, the imposition of a development charge will mean that houses will cost more because, in many cases, developers have made their profit not so much upon the house but upon the land. If they lose their profit on the land, it goes on the house, and that will mean that houses will cost more. In the long run, if houses cost a lot of money, either the rents go up or else the taxes go up, or both, for you must always unload the high cost of houses on the consumer, that is the occupier.

My second point is this: will any private developer be prepared, or able, to undertake development under this Bill? Let us think for a moment of the obstacles which he has to overcome. First, there is the delay in getting permission to go ahead at all. The Minister has held out to us a rosy picture of one application and a very quick answer. I hope he is right, but I fear he is not because of the extra obstacles which now have to be overcome before any permission can be obtained. Then think of the haggling which will go on as to whether the development charge they propose to levy is right or wrong—haggling, incidentally, against which there is no appeal. The man will suddenly get a note saying, "If you want to develop this piece of land, it will cost you so much." He will not know how that has been arrived at, and the first reaction any developer will have will be a sense of resentment. He will ask his friends, "How much were you charged in this county?" or "How much were you charged in that parish?" There will be a long period of haggling as to whether the sum is correct, an effort to knock it down, visits and interviews, and so on. Then there is the uncertainty he will have as to whether the scheme will be a success or not. Hon. Members opposite, in talking about private developers and business men, always assume that every venture is a howling success; they do not know, or they choose to ignore, those which are failures. There is always great uncertainty in any development scheme without having all this added to it.

Lastly—and this is a very relevant point—in many cases there is the sheer impossibility of private developers

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Saturday, June 7, 1947.

### From Week to Week

Any stranger listening to the Shinwells, Silkins and Co. as they address the people of this country would imagine that they were in command of a conquering German Army, and that we had accepted terms of unconditional surrender. Perhaps they are, and we have.

"The Conservative Party may continue for a while to be an alternative to a Labor Party. But it is now clear that it will be Conservative in name only". Said one grim Tory [*sic*] M.P. last week: "When we get back into power, we'll show them how to run Socialism properly."—*Time*, (N.Y.), April 21, 1947.

In fact, Mond and Turner, the F.B.I., I.C.I. and T.U.C. and the rest don't matter a tinker's curse. Don't say you haven't been warned.

A liberal estimate of the percentage of the electorate of Great Britain at this time who have even an approximate idea of what is being prepared for them, *whether they vote Labour, Socialist, Communist or Conservative under present electoral conditions*, would be one half of one per cent. There is only one policy which can be effectively pursued in this country without constitutional reform of the most drastic nature, and that this is so is proved by the fact that only one policy has been pursued since 1906, no matter what Party has nominally administered it. It was more stealthily pursued before 1911 when the Parliament Act destroyed its last effective barrier; it was more openly pursued after the General Strike through the agency of P.E.P. with the Mond group of industrialists in the background; and it is now the official policy of Mond's opposite numbers, personified by Shinwell, Silkin and Aneurin Bevan. Ernest Bevin, who was originally part of it, has "run out" to use a steeplechase idiom. The policy is that of the Slave State and Factory ghetto, of which Mr. Harold Macmillan is so strong a supporter.

We are not sure that there is any effective answer at this late date. What we are sure of, is that there is no possibility—not the very slightest—that an Administration could be elected under the present ineffective Constitution under any title or with any available personnel which could be "left to put things right." Consider Dr. Dalton's purrings to Mr. Churchill at Manchester University.

There are three alternatives open to the reader of this note. He can do the things which will ensure the early triumph of the Slave state, such as playing party politics or doing nothing at all, the latter being, of the two subdivisions, the more sensible. Or he can bring the maximum pressure to bear, on any M.P. in sight, to hamstring bureaucracy, or finally, he can demand that a statement of Constitutional Rights and Functions be prepared and submitted to *The Lords, the King and the Commons for clarification*.

The Omnipotence of the Cabinet has to be challenged.

It has no traditional basis, no pragmatic justification. It has lead us from one disaster to another, and we are most unwise to tolerate it. Vicious and unsound in itself, it automatically selects inferior Ministers.

A Bill has been introduced into the Saskatchewan Legislature (C.C.F. Socialist) making it a criminal offence to "discriminate" against Jews. Evidently something's cooking in Saskatchewan. It will be interesting to see if *this* Bill is declared *ultra vires*.

That well-informed periodical, *Human Events* (Washington, D.C.) has a penetrating analysis of the primary characteristic of the liberal-labour movement (Lib.-Lab.) of which Henry Wallace is an exponent: "rhetoric which accomplishes in fantasy that which cannot be accomplished in reality. His [Wallace's] relation to the liblabs is that of Hitler to the German middle classes. The Good People are described by ritualistic adjectives 'forward-looking,' 'freedom-loving,' 'clear-thinking,' and, of course, 'democratic' and 'progressive.' The Bad People are always 'reactionary' or 'Red-baiters.'"

The worst political calamity which befell Great Britain in the nineteenth century was the popularity of the Jew-manipulated industrialist-Liberal Party.

### Reply to a Question

A reader, impressed with the proposals put forward to remove certain obvious limitations to the political efficacy of ballot-box democracy ("A Light Horse") likens the obstacles to the blank wall of cliff shutting in a Norwegian fjord, and asks whether we can indicate the position of any gap, known or conjectured. We appreciate the point of the enquiry, which, despite its apparent scepticism, we join to the many signs of a developing expansive movement by the Social Credit forces. The same reader asks how the people can be approached and reassured that our proposals are not designed to 'take away their democratic rights', etc.

To take the second point first, no one ever 'approaches' 'The People'. The agencies of oppression simply lay 'The People' flat, by action at a distance. The fourth to the seventh paragraphs (inclusive) of *From Week to Week* on this page deal frankly with the consequential issue, and we commend them to our correspondent's study. The recommendation to demand the preparation of a statement of Constitutional Rights and Functions for submission to *The Lords, the King and the Commons* is not a recommendation to demand this of 'The People'. 'The People' are incompetent to prepare it, and would not understand it if it were submitted to them. Concerning the first point: the idea just stated will open a way for itself. Ideas do that necessarily, and one first step is that our correspondent should possess the idea, dispelling contrary ideas from her mind.

### Secrecy

"The cause of this concealment among all wise men is the contempt and neglect of the secrets of wisdom by the vulgar sort, who know not how to use those things that are most excellent. Or if they do conceive any worthy thing, it is altogether by chance and fortune, and they do exceedingly abuse that their knowledge to the great damage and hurt of many men, yea, even of whole societies; . . ."—Roger Bacon.

## An Introduction to Social Credit\*

By BRIAN W. MONAHAN

### Part III.—POLITICS.

(11)

We contend that insofar as we are discussing *principles* in contradistinction to anything in the nature of a specific scheme, the relationships put forward as underlying genuine democracy, and the facts of the economic situation, have their basis in Reality. "The general principles which govern associations for the common good are as capable of exact statement as the principles of bridge building, and departure from them is just as disastrous." (C. H. Douglas). Democracy is not a theory; it is a form of association, the alternative to totalitarianism. It is the form of association in which the individual obtains the benefits of the increment of association.

In relation to those principles, we can say that all modern Governments, without exception, are corrupt. Lord Acton's statement, "All power tends to corrupt, and absolute power corrupts absolutely", is of the nature of a general law enunciated on the basis of expert observation, just as the "law" of gravitation is a statement of observed phenomena.

Governments are, in fact, at the present time analogous to fraudulent Directors; they are engaged in swindling their shareholders, and perverting the purposes of the Company. And they are accomplishing this by means of crooked Company Law—by writing or re-writing the Articles of Association in their own favour. They are all at it; they are all trying to increase their own powers by amalgamation, by the political equivalent of economic cartelisation. Every amalgamation is a step nearer to one Board in control of the whole world.

But the group which sees farthest in this game is the group in control of the most flexible instrument of policy—money. Because under existing conditions, money is essential and insufficient, those ultimately in control of its supply are able to manipulate the ambitions of less powerful groups. Selective financing, both in the domestic and the international fields, controls the development of powerful nations, and manoeuvres them into conflict. Hitler, for example, was internationally financed into the position where aggression appeared worth while. After Hitler's elimination—and before—Russia was built up. Now Hitler made the mistake, as Douglas has pointed out, of kicking away the ladder on which he climbed to power; if Stalin (or his successors) make the same error, they will be crushed by "the democracies"; if they don't, we'll have a "proletarian" revolution and the clamping down on the whole world of the Russian N.K.V.D. At the present time, both possibilities are being kept open; the radically defective economic system with its consequent class-war is being kept in operation while Russian diplomacy is being allowed to keep the world in turmoil to the advantage of Russian strategy; and at the same time public opinion is being cautiously re-orientated to regard Russia as an aggressor in the military sense. "Control of news and control of credit are concentric"; consequently, those in control of credit are, so far, in control of the developing situation.

Now clearly, the matter of transcendent importance is to recognise, locate, and expose this occult would-be World Board of Directors. This is the task undertaken by Major Douglas in *The Brief for the Prosecution*, which is an examination of the major political events, between 1918 and 1939, culminating in the Second World War.

This examination leads directly to a group of international Zionist Jews, who control the Palestine Economic Corporation and who were the force behind the New Deal in the U.S.A.; who are behind cartelisation, rationalisation, and P.E.P. Planning in Great Britain, and who were the promoters of State Socialism in Germany.

This fact is concealed as well as possible by raising the cry of "anti-Semitism" whenever an attempt is made to expose it. Nevertheless, it is an easily ascertained fact that world finance is centralised, and that being so, some group must be at the head of it. If this clue is followed, it is just as easily ascertained that that group is composed predominantly of Zionist Jews.

Now the balance of probability is obviously in favour of the theory that in any case the Jewish race, which takes such pains to preserve its identity, would have a racial (as equivalent to national) policy. But quite apart from such theorising, it can be seen that Jews are associated with the promotion of international authorities to a degree out of all proportion to their relative population in the world.

Those are the facts; and as facts, they are just as neutral as the facts of German aggression, and they have to be dealt with by methods equally appropriate and effective. If you want to get to Berlin, you have to fight the Germans; if you want to break the credit-monopoly, you have to fight the Jews who monopolise it. "This, I think, exactly defines the task which society must face and solve, or perish. *First* to attack and defeat the Money Power; *then* consider the reorganisation of the money system." (C. H. Douglas.) The monopoly of credit is the instrument of the Jewish will-to-power, in the same way that Armed Forces were the instrument of the German will-to-power. The objective is the same in both cases; to disarm our adversaries.

This is the problem with which Social Credit is currently concerned; and the contemporary developments can be followed in the Social Credit journals. There is no Social Credit "scheme"; Social Credit is a *policy*, issuing in a *strategy*, and subject, therefore, all the time to development.

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The immediate strategic necessity of overthrowing the Money Power obscures the genuine objective of Social Credit as a policy. Major Douglas defined that objective in the first chapter of his first book, *Economic Democracy*: "It is suggested that the primary requisite is to obtain in the re-adjustment of the economic and political structure such control of initiative that by its exercise every individual can avail himself of the benefits of science and mechanism; that by their aid he is placed in such a position of advantage, that in common with his fellows he can choose, with increasing freedom and complete independence, whether he will or will not assist in any project which may be placed before him."

A careful consideration of that objective will make it clear that Social Credit *cannot* be any scheme or system. The real objective is to allow a free evolution of forms of

\*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.

association, allowing them to arise and develop from the freed initiative of individuals.

There can be no question, therefore, of introducing a set of fixed relationships by Act of Parliament. The first necessity, as Douglas has recently emphasised, is a retreat from government—less government. That is the essential first step to a freeing of individual initiative.

It is a step which in the nature of things does not commend itself to any Government. And here, perhaps, is one of the most striking aspects of Social Credit. The exponents of nearly every system of reform see themselves as rewarded by the fruits of office, as possessing a mandate to implement a policy. Social Credit, on the other hand, proposes to free individual policies, to make the individual increasingly the master of his own fate.

Appropriate Social Credit action, therefore, consists in forcing the Government to disgorge its powers. The power of government, and the independence of individuals, are reciprocals; consequently, the lessening of the power of the Government is the increase of the power of the individual.

This general concept applies right through. Taxation and dividends are reciprocals. The first step to the distribution of the dividend is the reduction of taxation; or to put the matter slightly differently, taxation is a negative dividend.

Again prices are a form of taxation; sales tax is a negative subsidy.

What we require, therefore, is that the negative dividend should pass through zero to the positive dividend; and that the power of government over individuals should pass through zero to power of individuals over government.

Zero in this concept has no contemporary significance whatever. The step -8 to -7 is exactly equivalent to the step -1 to 0, 0 to +1, and +7 to +8. What is significant is the *direction* of the progression.

(To be continued).

### NKVD in Germany

"The NKVD is planning a campaign of terrorism in the Western zones of Germany, according to information from reliable observers of the Central European scene. The terrorists, however, will not appear as Communists, but in the guise of Nazis. The Russian security police, which knows how to use *agents provocateurs*, for some time is said to have been creating an organisation composed of former Nazis captured in the Eastern zone, planting them in the British and American controlled areas. The mission of the organisation is reportedly to attack not only the local German officials, but also British and American military government personnel...

"The political strategy of the NKVD is, as usual, clever. The object of the alleged terrorist plan is generally to incite trouble and dissension between the population and the occupation authorities. Meanwhile the discovery that the terrorists are former Nazis would presumably divert suspicion from Russia and might inspire a revival of the demand for strict de-Nazification, a policy already responsible for widespread dissension and serious disorganisation. At any rate these seem to be the NKVD calculations. How the Anglo-American officials will handle the matter remains to be seen."

—*Human Events*, May 14.

### PARLIAMENT

(continued from page 3)

having the money to put down for the development charge before they start. The vast majority of these people work on an extremely narrow margin and it will mean the end of many private developments. So what will happen under this Bill is that the State will have prevented the private individual from developing, without any certainty that the State will do any better themselves. The acid test of this Bill—and I am sorry that the hon. Lady the Member for Sutton has disappeared before hearing the answers to the questions she posed—is not merely that it prevents bad development but that it encourages good development; not merely that it preserves and improves the town and country, but also that it encourages houses to go up quickly and cheaply.

This Bill may attain its first object, of preventing bad development, but it is not capable of encouraging good development. I would like to support the Minister, for I am as keen on planning as he is and I am quite aware of the defects of our present legislation...

House of Commons: May 23, 1947.

### Housewives (Domestic Supplies)

Mr. James Callaghan (Cardiff, South): About a fortnight ago, about half a dozen housewives in Leckwith, Cardiff, came to see me to talk about their present difficulties. They expressed themselves extremely moderately, reasonably, and sensibly, and did not indulge in the passionate hysteria which serves the British Housewives' League in place of a policy. Nor did they put forward the mixture of cheap abuse, self-pity and political propaganda of the kind which has been so ably reinforced by the party opposite, much to their eventual discomfiture. The ordinary British housewife rather resents being depicted as a poor half-starved creature, dragging herself miserably from queue to queue trying to get a little sustenance with which to maintain her pallid frame. These housewives put their case to me, and I promised that I would say, on the Floor of the House, what they said to me. These are questions which the sensible moderate housewives of the country are asking, and I think it is a good thing that an answer should be given publicly to the points they raised... First, they put to me the burning question of fats—butter and lard. Housewives really do need more fats. I told them about the Government's ground-nuts scheme, that this was a great experiment that might have been put in hand 10 years ago if only the trouble had been taken, but which was, nevertheless, being put in hand now. But the housewives want to get a glimpse of the top of the hill. What is the fats position likely to be in the next year or two? No one wants the Minister to say that in June, 1948, the ration will be increased, because no one in a responsible position could say such a thing. But could the Parliamentary Secretary give a general trend as to whether we are likely to get more fats? Is it true that, according to the merchants on the Baltic Exchange, large quantities of copra are coming from the Philippines? Could we have an indication of the trend of things in the future? If so, I am sure that housewives, if they could see the turning point, would march towards it more bravely and hopefully than they are doing at the moment.

A more detailed point they put to me was about the quality of cakes and biscuits since the increase in prices.

They told me that they varied a great deal. Indeed, one said that the sponge cake she bought tasted like india rubber when she came to eat it the day after, and that her biscuits had a smell of camphor about them. Some reputable firms still turn out good products, but it is a great irritation to the housewife to see high prices charged for goods on which, apparently, no standard can be set. The housewife says, "If only I could make use of the fat given to restaurants and cafes to make the things of second rate quality which they sell to me." That brings me to the question of cafes. The housewife says, "What principle governs the opening of cafes? How do the local authorities work in this matter?" The housewife sees new restaurants being opened. We know that the quantity of fats and other materials they consume is negligible, but ought not the principle to be reversed and the emphasis put on private feeding? Should not we take the fats from the cafes and give it to the housewives to use in their own houses? That is a minor point but it is, nevertheless, one which has a very irritating effect on the housewife. I read, recently, that something like 190 million meals a year were served in public places, works canteens, and other institutions. That is a lot of meals. The housewife feels—and I am inclined to agree with her—that the emphasis should be turned from the direction of public feeding back to private feeding. We should give what we can to her, instead of to the cafes.

Next, I was asked about vegetables. We know the arguments against control of prices, and that if a price control is put on, goods tend to disappear under the counter. But in the case of vegetables they put this point to me, and I do not know the answer: "Vegetables go stale very quickly. We do not want to buy them two days after they come into the shops. If you put a price control on, the shopkeeper will not tuck them away under the counter, because he will not be able to sell them when they become stale." Now vegetables are becoming more plentiful—I understand that prices have dropped slightly—why should not the Ministry of Food consider this question of price control? Does my hon. Friend the Parliamentary Secretary now think that if the Ministry imposed price control of vegetables they would disappear under the counter? If she thinks that, could she say why? Housewives are reasonable people, and would be satisfied if they understood the reasons.

Then there is the question of luxury fruit, which is very disturbing. Housewives dislike seeing shops well filled with grapes and pineapples, and all the rest of it, when the prices of essential vegetables are so high. I disagree completely with the Ministry when they take the view that this is a difficult matter, or that it involves only a small proportion of our sterling. That is not the criterion which the housewife applies. She has become used, during the war, to a considerable measure of equalitarianism in this field, and thinks that that should be continued. I hope the Ministry will reconsider this policy of bringing in these fruits except where they are a conditional sale. I have been told that we can only get steel from one country provided we take grapes also. In that case we must buy the grapes. But, is that true in the case of pineapples? I do not know, and these housewives would like to know the answer.

They raised questions about things in the home itself. There were two newly married women among them, and they said, "We cannot get blankets. Since they came off docket we have not been able to get them at all. Do not be pushed into taking them off docket by political pressure

until you are quite sure that they are in sufficient supply for us to get what we want." They were able to get Army blankets and in the absence of carpets one woman had dyed Army blankets and was using those as rugs. They said that we should keep Army blankets off docket if we liked, but should put back ordinary blankets on docket. What is my hon. Friend's opinion on that? Is it just a temporary disappearance of blankets from the shops? Are they to come into supply very quickly? Are the newly-weds to get hold of them or not? I am sure it would meet with the general approval of the people if he were to reimpose the docket system on these articles. Then there was the question of staircarpets. There was a second-hand piece which cost £50, and covered only about a dozen stairs. They asked why we cannot manufacture some utility fabric. Perhaps my hon. Friend will tell us whether it is possible to enter that field and do something a little more cheaply by public enterprise than private enterprise has been able to do so far.

Then there is the question of crockery. There are thousands of egg-cups. One can buy as many as one likes, but not a teapot, or cup and saucer. What about halving our exports, say for three months? I think they amount to something like 12,000 tons or 14,000 tons a month. How would it affect the export trade, would we lose a market? I can understand my hon. Friend's difficulty, and I sympathise with him. I know I am making it more difficult by my suggestion, but the people need cups and saucers, and unfortunately egg-cups are no substitute. If for two or three months we could ease up, and keep this crockery at home, I think it would be extremely valuable. The next problem was perambulators. I looked at the "Statistical Digest" and I saw that we exported 126,000 prams last year. I do not know whether my hon. Friend takes credit for that or not, but he is a father, so am I, and I say every baby ought to have a perambulator. There is no point at all in exporting a single perambulator until every baby in this country can be assured of having one. I was snubbed by the President of the Board of Trade on the last occasion when I mentioned this, snubbed lightly, but snubbed even so, but I still say we ought not to send them abroad—I do not care what the dollar position is—until we are certain that there are sufficient in this country.

*Captain John Crowder (Finchley)*: Has the hon. Member any idea where the prams are going, as they are not going to America?

*Mr. Callaghan*: I was hoping my hon. Friend could tell us that. He is in a weaker position if they are not going to dollar areas. Then there is the question of clothes horses... Do hon. Members know that half a dozen laths held together by a carpet tack costs 22s. 6d.? Do they know that an ironing board with a bit of felt on the top and a strut costs 34s. 6d.? I think it is utterly disgraceful. Cannot we put some sort of control on this sort of thing? After all, the party opposite are converted to it now, and there

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would be no dissension. We would have a unanimous vote, and the whole country would rise up and call the Minister blessed. I was also asked about the next clothes rationing period. I venture into this field with considerable diffidence. They ask, if the Government is going to lower the number of clothes coupons in the next rationing period, could they be given as much advanced warning as possible because they would like to plan ahead. They would like to know if they could afford an extra summer dress, or if they ought to keep their coupons for a winter coat. That seems to me to be sensible. It does not matter to us men, because we wear the same suit summer or winter. Can the Minister raise their hopes in any way, or even dash them to the ground, so that they will know where they are likely to be?

They made an admirable suggestion. The Royal Ordnance factories are manufacturing taps and a lot of things which are necessary for the home. These housewives said, "Why not manufacture a utility vacuum cleaner, or washing machine, which a working class housewife could afford to buy?" She is entitled to as much leisure as those who can afford these things, and she has less help in the home. Why not have a go at that job? Cannot we do something by public enterprise at which private enterprise has failed? These were some of the questions that I was asked, quite moderately. They are not interested in calories, and indeed I am bound to say that a calory is just as much a mystery to me as an atomic bomb, or nuclear fission, or even permutations on a football pool coupon. Although I am very impressed and over-awed when the scientists tell me we want 3,000 calories, I would be equally impressed if they told me that the number was 300,000, and I would know just as much about it. I do not need a slide rule to tell the House what is being said about these things. Let us start from the women's end, and say what they think, instead of talking about calories and differential calculus, and the rest of it. They have complaints, and feel that they have a most difficult task at the moment, and everyone agrees. On the other hand, they say that if they could be told the reasons for this sort of thing, they would understand. I will conclude with the words with which they concluded: "Do not believe all the nonsense you hear. We know that if the food was available and if the goods were available we would have them, because no Government would be stupid enough, for its own peace of mind, not to provide them." But, having said that, the questions still remain in their minds, and I hope my two hon. Friends will reply to these questions. I apologise for having given them the details at such short notice.

#### Household Linen (Discontinued Subsidies)

*Mr. Randall* asked the President of the Board of Trade whether he will make a statement about the subsidy payments on utility cotton sheets, towels, pillow-cases, blankets, tickings and quilt cloth.

*Sir S. Cripps*: Yes. It has been decided to discontinue these subsidies as from 2nd June, in accordance with the general policy outlined in the Budget Speech of my right hon. Friend, the Chancellor of the Exchequer, of concentrating the subsidies on a smaller number of commodities. The consequential increases in maximum prices for goods on which subsidy has hitherto been paid but will not in future be paid, will be of the order of 20-60 per cent.—The new maximum prices for manufacturers will be authorised by

directions issued by the Board of Trade to come into force on 2nd June, and the changes in wholesale and retail prices will be made shortly thereafter.

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