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FOR POLITICAL AND ECONOMIC REALISM

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Common Sense and The Vote

by HEWLETT EDWARDS

For ten years nothing could stand against the armies of Napoleon. In 1808 the Duke of Wellington (then General Wellesley) suggested the diversion of a minor expeditionary force, to Spain. "This simple expedient, born in May, 1808, somewhere between the Irish Office and his house in Harley Street... raised on the smooth surface of the Empire the 'Spanish Ulcer' which ultimately drained its strength."¹ The Duke's fancy—his *light horse*—eventually broke the *heavy brigade* of Napoleon Bonaparte.

The Heavy Brigade

During the last decade of the nineteenth century the London School of Economics was founded by Fabians; the project being supported (and later endowed in a bequest of some half million pounds) by Sir Ernest Cassel, who was then, in association with Jacob Schiff² and Messrs. Kuhn Loeb of New York, a major focus of financial power. The plan was put into effect by Sydney Webb³ and Lord Haldane, who made it clear that "Our objective is to make this institution a place to raise and train the bureaucracy of the future Socialist State"—but it was one thing to prepare these socialist servants of monopoly, and another to put them into effective control of national affairs. The solution of this dilemma was stated without scruple: "Only in war, or under threat of war, will a British Government embark on large scale planning";⁴ and, after the comforting substantiation of the required war, this idea was confirmed by Mr. Anthony Eden: "It seems that our New Order must be built through war, but it will be built just the same."

Indoctrinated bureaucracy was duly injected into the Administration, the most recent of a series of similar changes, each of which has followed a policy which is unmistakable. In 1930 Professor H. J. Laski⁵ laid it down that "education is the clear foundation upon which the minds of men can be controlled," and this suggests the means for the "control of

purpose" advocated by Archbishop Temple.⁶ *Control* of the individual is the dominating policy; of his mind and his purpose—yes—the control of his activities already being pretty well in hand.

It would be redundant to quote instances of the imposition of this policy; they are innumerable, and each in violation of the essence of the British Constitution, whereby under it, "a man is free to live, by no man's leave, underneath the law." It is this condition which is to be destroyed. Shadowy influence is everywhere: behind the parliamentarians in the initiation of legislation: in the drafting of Bills: and among those who draw up the Party programmes. At this point the policy to be injected becomes emulsified for the digestion of electors; whether it is presented in the mould of ideology, or pulped with current catchwords which may be construed as some aspect of what the ordinary man does want. Mr. Eden's "Nation of Property Owners" strikes a note resounding as Big Ben and hollow as an eggshell; while Mr. Churchill's recent reference to the "pure and mobile thought" of the U.S.A. electorate is above the common sense which observes the gyrations of their President in the effort to 'capture their votes. To say that 'strings are pulled' is crude representation of the ceaseless flow of propaganda which inculcates just that blend of misinterpreted facts, noble sentiments and delusive proposals which will carry over into law some further binding down of the ordinary man to the will of those who want it so. In the outcome—the calculated sequence of a false relationship between men and things—is to be found the deployment of the *heavy brigade*.

"The one essential about common sense is... the decisive exercise of judgment; whether to do this thing or that, whether to do either of them or nothing at all."⁷ Inadequate knowledge of facts, distortion of information, unscrupulous propaganda, the debased use of words, confused thought; all are contributory to a deterioration which amounts to paralysis in the use of common sense by the ordinary man.

Decisive exercise of judgment is that *policy formation* which is the function proper to an individual, as an elector. This is the basic factor in any system which approaches the reality of democracy; and it can only be operative in the choice between practical, well defined alternatives. This is the antithesis of what exists, for the keynote of elections is confusion, not clarity; they are contests between catchwords, slogans, vast generalisations and diffuse abstractions; to some phase of which the elector will surrender—or else he gives it up and will not vote. Mr. Burn's analysis is evidence

of dictatorship, that the strategy of dictatorship is the organised control of the whole machinery of social life; religion, which is the opium of the people: education..." as above quoted.

6. Member of P.E.P.

7. W. L. BURN: *Common Sense in Politics in The Nineteenth Century*, August, 1946.

1. PHILLIP GUEDALLA: *The Duke*.
2. German-U.S.A.-Jewish financier.
3. Now Lord Passfield. One of the originators of the Fabian Society.
4. *Planning* 1938. The journal of 'Political and Economic Planning', an organisation mainly staffed by Fabians: First Chairman, Israel Moses Sieff (Vice-Chairman of 'English' Zionist Society), Director, Marks and Spencer.)
5. Son of Nathan and Sarah, née Frankenstein. Fabian, Chairman of Labour Party, 1945. Addressing the Royal Institute of International Affairs (see later note) in 1930, "It follows there must be constructed in the State a Revolutionary Party [which] can only maintain itself in office as a result

of a technique of perversion which has reduced the political system to an effective bar between the ordinary man and his common sense—the common sense which is at once his compass and his arm. So bereft he is unable to take part in the formation of directive policy, and must submit to the imposition of other policies, alien to his own. Only the reversal of this process of perversion can develop a political system in which the elector can exercise his common sense; to which there is but one alternative—the fixation of that system as the facade of the Managerial or Servile State. There are few conclusions so obviously substantiated.

Probably the most debilitating factor of current political action is the irresponsibility of those concerned. Freedom—the ability to choose or to refuse—is primary; but it is common sense that a man should be simply and directly answerable for his actions, it is that which binds him back to facts. This is dependent on action being open and avowed: it is the free expression of opinion which is a part of the English tradition, not the secret ballot which dates from 1872. At the present juncture it is not easy to find many who will admit to having put the present government into power, the elector hides behind the secret ballot when it suits him; Party members are screened by ‘Party decisions,’ and those who enact so many regulations *per diem* are shrouded in an anonymous service. Such devices are so many channels for the exercise of power without responsibility; evasions which are foreign to native genius. The rejection of such devious expedients is a part of the restitution of a responsibility that is valid; which on the one hand gains corresponding advantage for sound judgment, and on the other, *pays*, and knows when it pays, for that which is not sound.

The *rule of law* “means that the government in all its actions is bound by rules fixed and announced beforehand—rules which make it possible to foresee with fair certainty how the Authority will use its coercive powers in given circumstances, and to plan one’s individual affairs on the basis of such knowledge... within the known rules of the game the individual is free to pursue his personal ends and desires.”⁸ This theme is developed to show how ‘planning’ in the modern sense, necessarily takes away freedom; and the State, embodied in the bureaucrat, soon finds itself in the position of telling each individual what to do.

From this it follows that, in principle, the only subject matter proper for legislation is the establishment and preservation of an agreed rule of law. That is to say, law relating to the conservation of Rights and their adjustment as between individuals (JUSTICE) and provisions against external aggression (DEFENCE), for it is such law that lays down the “rules of the game” within which “a man is free to live, by no man’s leave.”

Opposed to this is law concerning economics (‘house-keeping’) which immediately brings in the bureaucrat to “tell each individual what to do.” Within this sphere it is (or was) the accustomed practice for the individual to choose and buy what he wants; so making his *economic vote*, the producer building up his programme of production according to that choice. Therein lay an ‘automatic’ regulation of the producer by the consumer; that is, the control of economic policy by the ordinary man. The economic vote is an instrument of unusual precision which, with simple adjustment, would fit the national economy without effort or friction.

This instrument is being scrapped; it is not in line with the regnant policy of *control*, for individuals to have this freedom. The use of money—easily convertible to the distribution of goods *and freedom*—is, therefore, for the ordinary man, to be restricted; hence the perpetuation of direct forms of control, in rationing, and so forth. The comment of every woman, “But it costs (so many) coupons ... points ... units...,” is evidence of the debasement of money.

Such measures involve a multiplicity of orders; telling the individual what he must do. By undermining the economic vote the control of his own affairs is taken from him; and the direction of control is reversed, for it is now the producer who controls the consumer.

Measures which diminish the integrity of the economic vote have been accompanied by an increasing advertisement and use of the political vote; to the effect *e.g.* that the only recourse left to the man who wants to buy a banana is political.

Deployment upon this front is enough to render ‘the vote’ suspect; doubtless the counting of heads has its uses, but its limitations are more obvious. It is to be noted that the decision obtained from any electorate cannot be more than ‘yes’ or ‘no’ to whatever issue may be put before it; the initiative necessarily remains with him who puts the question. Further, one issue, one vote; that is, the vote is of its nature *unitary*; it is outside its range to deal with requirements which are multifarious (as is the subject matter of economics). Moreover, any approach to a *positive* unitary objective—such as *freedom*—being unavoidably abstract, is so wide open to the attack of interested propaganda that the certainty of its perversion is not open to question. There is no grip for common sense in such abstract proposals as ‘Nationalisation’ or ‘A Nation of Property Owners,’ and the elector—like the lady who remarked “These Post Offices ought to be Nationalised”—will vote for either, neither, or both.

But such considerations involve the assumption that answers given by electorates are the result of a sound and balanced appraisal by individuals. This is rarely the case, for the elector has been forced away from what he understands—by the reiterated presentation of that which he cannot understand. The hypnotic magic of words is used to focus his ideals upon some phrase; which being interpreted (at some later date) is found to mean some further encroachment upon his liberty. Such persuasion is not directed to common sense but to the vague currents of mass emotion, the quality of which he who runs may read. In penetrating research Gustave le Bon has made it clear that the *group mind* is invariably a barbarian mind. The Will of *The People* (note the abstraction) can never be the Will of God. The last place to look for common sense is *The Crowd*.

The perfidy which is apparent in an ‘Appeal to the People’ is a matter of observation; the caravan moves on with little regard for the barking of dogs. Beveridge offers

CONTEMPORARY CONSERVATISM by
W. L. BURN, in *The Nineteenth Century*,
February, 1947:

A few copies are still available from
K.R.P. Publications, price 3/2 (post free).

8. DR. F. A. HAYEK: *The Road to Serfdom*.

his mess of pottage; his rejection merely ushers in Mr. Griffiths with more pottage, and the reception of surrendered birthrights proceeds according to plan. The pertinaciously epidermal activities of the present 'opposition' only confirm a variety of minor indiscretions *e.g.*, of Bismarck (speaking of national socialists, "We march separately but we fight together") and of Montague Norman ("Nationalisation?—we welcome it"). The ballot may be full of sound and fury but in its effect on regnant policy it signifies nothing. That is not to say that it is useless, a facade is something ~~one~~ can move behind, but in present practice the major function of the vote is to provide *minorities*; minorities stamped as 'authorised' objectives for suppression and control. For is not a Majority Vote the 'Voice of Democracy'?

The origin of the deterioration of the political system lies in a synthesis of interests which are supposedly antagonistic. Congressman MacFadden⁹ has drawn attention to the connection of the Fabian Society, *via* P.E.P., with the Foreign Policy Association of New York, which has the close attention and support of Bernard M. Baruch¹⁰ and Felix Frankfurter. The conjunction between 'Labour' and Monopoly was ventilated in the House of Commons by Mr. Austin Hopkinson: "Big Business in collusion with the Labour Boss is preparing a brave new world for these young men [the fighting forces] when they come home." The early stages of that collaboration lie in the Mond¹¹-Turner¹² conferences of 1926 and were "towards the adoption of a Cartel-Trades Union 'Democracy' in which the ordinary individual, and even his House of Commons, becomes an unimportant factor awaiting absorption or elimination," and it is notable that "since his [Turner's] conferences with Mond the T.U.C. has never authorised a strike."¹³ Moral atmosphere is provided by Dr. Arnold Toynbee: "All the time we are denying with our lips what we are doing with our hands."¹⁴

Finance (with those who stand behind it) in collaboration with Socialism; Cartelists (with similar familiar names) in collusion with Labour Bosses;—in these relationships is the proximate origin of the anonymous force embodied in the *heavy brigade*. It is not of great consequence to the individual citizen whether he arrives at the Managerial State *via* Monopoly, or at the Servile State *via* Socialism, nor is this of much concern to those who move towards the assumption of finally centralised and irresponsible power.

It is often said, without realisation of what lies beneath the surface, that 'the world is going mad'; and there is something in it. Only the ordinary man by use of his compass and his arm—his common sense—can reverse the process. But he cannot *vote* with common sense unless the issues presented for decision (at elections) are reduced to such as

common sense can deal with. This manner of summing up a proposition—its consequences and its cost; whether this is what you want, and whether this is what you want to pay for it—forms a medium in which the ordinary man is still capable of the decisive act; and wherein he is accustomed to take direct responsibility, profiting if he 'buys well' and losing if he does not.

The Light Horse

The separation of power from responsibility; the use of law to enforce 'The New Despotism'; the deification of the Majority;—all converge upon the policy of *control*. Where is the National Institution which challenges these? The Political Parties, the Trade Unions and the 'City' are the very pillars upon which they stand. The 'National' Press co-operates with the 'British' Broadcasting monopoly in tactics of suspense and bewilderment, to induce submission. The Universities apparently concur. The Church?—The *heavy brigade* seems irresistible; but so did the armies of Napoleon against Wellington's *light horse*.

There is one thing which still may avert the stabilisation of tyranny, and that is the quality; the simple, independent, forthright character of the ordinary Englishman. Neither is he without sense, horse sense, common sense; but in political application this has been made impotent. He *cannot* vote with common sense except by such electoral revision as will release it. Specifically:—

- 15(a) The secret ballot to be abolished, and replaced by an open, recorded, and published vote.
- (b) The Party System to be retained.
- (c) Prior to an election, each Party to put forward an outline of any legislative proposals together with both the cost to the taxpayer and a designation of the interests and specific individuals affected.
- (d) The cost of Legislation by the successful Party, together with the proved loss to any individual not having voted for the successful Party, to be borne solely by those having recorded votes for the successful Party, and any reduction of taxation directly attributable to specific legislation to be shared as to 25 *per cent.* by recorded supporters of the unsuccessful Parties, and 75 *per cent.* by the supporters of the successful Party so long as it may remain in power, after which the gains shall be equalised."

Such provisions shear a path through both perversion and fatuity.

THE CLOSING "SHOP"

Recognising that 'collective bargaining' is only an instrument of collectivism in general, *The Social Crediter* has not given any support whatsoever to an organisation said to be in process of formation to be called the Society of Periodicals and Weekly Newspapers. The best, and indeed the only safeguard of "the liberty of the Press against suppression, repression or curtailment by any means"—a phrase used to advertise the new collective body, is constantly and non-selectively to *use* freedom as it occurs.

15. *The Social Crediter*, March 16, 1946.

9. For twelve years Chairman of the U.S.A. (House of Representatives) Banking and Currency Committee.

10. American-Jewish Wall Street financier. Stated that he was "probably the most powerful man in the world" during the 1914-18 war.

11. Alfred Moritz Mond (Lord Melchett), Zionist Jew, Chairman of Imperial Chemical Industries Ltd.

12. Ben Turner, afterwards knighted. Labour M.P. Was then Chairman of the General Council of the Trades Union Congress.

13. C. H. DOUGLAS: *The Brief for the Prosecution*.

14. At Copenhagen, 1931. Was speaking for and is Director of the Royal Institute of International Affairs ('Chatham House') subsidised by both Coalition and Socialist Governments.

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Saturday, April 12, 1947.

From Week to Week

The care with which the British Press either omitted altogether, or did not explain, the "wine scandal" which was the cause of a recent duel in France, suggests that a hint has been dropped in the right quarters to avoid elaboration.

So far as we can gather, it centres on Algerian red wine, an excellent and wholesome beverage which before the war could be bought for about twopence per litre, and which our Government is retailing at eight shillings and sixpence per bottle—equal to about eleven shillings per litre. We are fairly confident, without having any direct evidence, that someone besides "the Government" is doing very nicely, thank you, out of the Algerian wine racket—the careful way in which it is kept in short supply to support the price shows experience and skill. The same technique is concerned with the whisky racket—there is ten times the whisky for sale in the Black Market at fifty shillings a bottle or more as at controlled rates which themselves are pure robbery, and we do not think the whisky interests would have sold millions of gallons of strong whisky at 4/7d. per bottle to the . . . States if they had not obtained a fairly complete *quid pro quo*. Most people know the name of the American family which has made millions of dollars out of whisky at our expense, and we should press for an investigation if we did not realise how effectively they are covered.

Whether there is any crisis, and what kind of a crisis there is, in this country, beyond the curious evil hypnotic miasma which we all sense, is not entirely plain. But nothing could be plainer than that either a real or an illusory crisis is just as much part of the Planners' equipment as the war without which "no British Government would engage in large scale Planning." Like most of the events of the contemporary situation, the technique, to which Mr. Douglas Reed has ably drawn attention, is to fasten permanent and fettering legislation on to a purely temporary incident, and, if necessary, produce the incident in order to "justify" the legislation. As usual, coal furnishes a typical example. While the output of coal is still far below that of private-owned coalmining thirty-five years ago, when the output per man-shift *without mechanisation* was 13 per cent higher than it is now *with mechanisation*, it appears to be rising. We say appears, because we would not believe anything Mr. Shinwell said, and because what passes for coal is largely stones and dross and would have ruined any coal undertaking which was subject to competition. But it is quite obvious that this low output has served the turn of the gang which is determined to acquire the coal and make the people of these islands mine it for them.

A swelling chorus of the waste which burning coal involves, and its destined use as a producer of chemicals, is going alongside the substitution of oil, the desecration of the Highlands for water-power, and other expedients, so that when coal production *really* rises, the claue will turn on

the dear old gramophone record "Fresh markets must be found for our coal." And the gang's overseas connections will obligingly take what the gang here don't want, and "pay" for it with the paper interest of our "debts." Oh, yes, we *must* have a crisis.

While there is no intrinsic reason for it, the "One World" strategy has produced the effect, at least temporarily, of making internal politics and foreign policy increasingly related.

For this reason, if for no other, the amazing collapse of British prestige and apparent influence in two years (similar, but even more phenomenal, than that in the early years of the first Armistice) should be considered as part of, and not as a complete picture. With this subject in mind, we recommend such of our readers as have the opportunity, to keep a watchful eye on a group of "economists" chiefly connected with Oxford, and possibly linked with the "Royal" Institute of International Affairs (Chatham House). We don't hear much of Dr. Arnold Toynbee nowadays; but we don't suppose, either, that he wasted his time in the City of Oxford during the war. It will be remembered that Mr. G. D. H. Cole, *inter alia* was reported to have severed his connection with all Socialist organisations. And there are others, some of them with the most unlikely affiliations, who consider "Parties" traps for fools.

Oxford University gained for itself a most unenviable reputation after the 1914-18 phase of the war and has fairly obviously been made a focus of anti-patriotic activity. We are not sufficiently well informed on the matter to assess the reality of the "swing to the Right" there, but it might be guided into Chatham House.

New Zealand probably has more hydro-electric power per head of the population and more potential water-power per square mile than any country in the British Empire.

Would you believe it, Clarence, but cuts in electricity supply, just like in dear old England, and for just about the same periods, are enforced by the Government to conserve the water-generated electricity. The New Zealand Government is a Socialist Government just like dear old England, and Mr. Nash, the Finance Minister, circulates continuously between Washington (Wall Street) and London (Threadneedle Street). You will remember that he just happened to be in Regina, Saskatchewan, when Mr. Coldwell founded the C.C.F. (Socialist) Party, which is so successfully driving the population out of Saskatchewan to anywhere least likely to have a Socialist Government.

The worst examples of the syndicated columnist on the American continent flourish mainly in the . . . States, but we note with regret, and some surprise, the continuous publication of articles by Mr. Elmore Philpott in Canadian newspapers which normally maintain a high standard of journalism. The opinions of this columnist are anti-British, anti-national and super-national, and although we dislike them almost as much as the picture of the writer with which they are generally embellished, they are possibly his own opinions, and he has a perfect right to express them if he can, as appears to be the case, secure the necessary space.

But when, as in the case of the column published in the *Edmonton Bulletin* of March 5, he enquires, "Why, then, does a [British] Socialist Government—elected on an anti-imperialist ticket—pledged to do the very thing that Churchill balked at—namely, to liquidate the British Empire in order

(continued on page 8)

An Introduction to Social Credit*

By BRYAN W. MONAHAN

Part III.—POLITICS.

(3)

One of the most mis-used and abused words in the political vocabulary is the word "democracy." The *reductio ad absurdum* of its use is the claim by the masters of Soviet Russia that the system in operation in that country is "democracy," for nowhere outside Russia and her satellites is it seriously contended that the Soviet system is not totalitarianism differing in no essential respect from the German totalitarianism. Similarly, it is an implicit assumption in this rejection of the term "democracy" as suitable to connote the Soviet system, that "democracy" connotes in fact a system the antithesis of the totalitarian system. At all events, it is practicable to analyse the totalitarian system and to see in what respects an antithetical system is possible and desirable.

In this matter we are dealing with a collection of individuals, a collection which can be delimited in some way—as, for example, that they constitute a club, or a nation, or a race. From the political point of view, they are an *dissociation*; and the questions we are examining are the *objectives* of the association, and its *organisation*. That is to say, we are concerned with *policy* and *administration*.

The antithetical possibilities in regard to each of these are that control may be centralised, or de-centralised; and consequently, the combinations offer four possibilities:

1. Centralised control of policy and centralised control of administration.
2. Centralised control of policy, and de-centralised control of administration.
3. De-centralised control of policy and centralised control of administration.
4. De-centralised control of both policy and administration.

Let us examine these possibilities in relation to a cricket-club. In the first example, we have the club organised so that there is an authority at the top, which exercises control through various administrative grades of authority. That is to say, authority is hierarchical. This is, of course, the familiar form of administrative organisation; it is found, in fact, wherever there is efficient administration. But in the case we are examining, a centralised hierarchy also controls policy; it decides what objectives the club shall follow. Thus an authority, say a board, or the President, may say that the club shall play twenty cricket matches, fifteen of them against one team, and five in Timbuctoo. The wishes of the members have no part in this decision. It is taken "for their good" in the opinion of the authority.

It will be noted that in order that this decision should be effective, the authority controlling policy must also control the administration. The whole organisation is completely centralised in respect of policy and administration. But one further point must be noted: the individual members of the

*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.

Anticipating the early republication of Dr. Monahan's work in more permanent form, we have omitted his admirable treatment of the economics of Social Credit which occupies Part II.

club must not be able to contract-out if they do not like the policy dictated by the authority, since otherwise there would be the danger that the policy could not be carried through for want of personnel.

Now this is the system in operation in Russia, the system called "totalitarian." Decisions of policy are made either by Stalin, or that very small group known as the Politbureau; and the whole of the administrative apparatus is centralised under the control of the same group, and the sanctions which enforce the decisions are controlled from the same centre. There is no contracting-out; orders must be obeyed, and no one is free to leave the country.

It will be obvious that our second possibility, centralised control of policy, and de-centralised control of administration, is merely a theoretical possibility. De-centralised control of administration means that anyone who likes does anything he likes, so that there is no assurance that a given decision on policy will be carried into effect. In the cricket-club, the decision to play a match against another club requires a programme of action which in the very nature of things must be arranged by a hierarchical authority—the committee, co-ordinated under the authority of the President. Similarly, it is perfectly evident that the Russian Politbureau's decisions could not possibly be effective unless a centralised administrative system, acting under orders, existed under the control of the Politbureau to carry the directives into effect.

This same requirement rules out the fourth theoretical possibility in the same way. In this case, indeed, the whole idea of organisation is missing.

The only practicable possibility besides the totalitarian system is, therefore, the third of the above possibilities: de-centralised control of policy, and centralised control of administration. Thus we can arrive at a valid basic definition of democracy from first principles.

It does not follow from this that in a democratic system administration is fully centralised. Administration must be hierarchical, and subject to direction from its apex, in respect of a given undertaking. But a democratic organisation may have several separate administrative hierarchies in respect of several undertakings. On the other hand, all administration is ultimately centralised in one system in the totalitarian organisation, because it is all subject to one overriding direction on policy.

Policy is manifested in the issuance of "directives" to the administrative organisation or organisations competent to carry them into effect. It is in relation to the origin of these directives that the words "totalitarian" and "democratic" are relevant. The real meaning of totalitarianism is that one man, or a small group of men, are in an exclusive position to have their directives carried into effect; and the real meaning of democracy is that individuals as such shall all be in a position to have their own directives carried into effect. The general problem of political democracy is to find a mechanism to give practical effect to this principle.

Parliaments, Soviets, and voting systems generally are merely mechanisms which might or might not give such practical effect to political democracy. It may be said at once that the British system does not. If we overlook the many, and not unimportant, side-issues such as personalities, electoral tricks, misrepresentation *etc.*, *etc.*, we find that in theory the electorate is asked to vote for a "platform" comprising several policies. It is self-evident that no genuine

decision can be given by a single act of voting on more than one policy at a time. But even if an election were held on the basis of a single alternative, the result would be to issue a single directive to which all individuals, including those who voted against it, would be subject until a further opportunity arose to vote against it. This is simply a form of totalitarianism limited in time. It is an improvement on outright totalitarianism in that there is a periodic opportunity to review the policy; but it is not democracy. It could quite suitably be named "ballot-box totalitarianism."

It would be merely tedious to explore all the numerous factors which modify ballot-box totalitarianism; but some are important. In the first place, as we have already seen, ultimate policy is controlled through the highly centralised financial system by the small group in control of that system. Political possibilities are narrowly limited by financial possibilities. As a result of this, large areas of the platforms of different political parties overlap. For example, taxation in its present form and extent is purely and simply the *policy* of those in control of the financial system; it is not a necessity; it is robbery. Now different parties merely propose variations in the forms and rates of taxation, and all proceed from the basic assumption that heavy taxation is axiomatic. Again, financial considerations determine most other policies that come up for consideration—for example, various methods to "keep up prices" or to re-distribute income, when that income in the aggregate is already insufficient to liquidate costs.

A genuine alternative to existing policies, therefore, would have to traverse the "axioms" of sound finance; and to the extent that the proposals of any party do not, the ballot-box system comes closer to outright totalitarianism.

On analysis, it is easy to see that in a great many cases the choice offered to the electorate is simply the choice of different *methods* (associated with particular parties) embodying the same *policy*. Now methods are a matter of administration, and a vote on them is simply the expression of opinions as to whether one team or another is more capable of forming an efficient administrative hierarchy to carry out a policy which is not open to decision.

The second important factor modifying ballot-box totalitarianism is propaganda. Only "broad" propaganda affects broad issues. This is a somewhat subtle matter. But it is "broad" propaganda which maintains general belief in the "axioms" of sound finance, and such absurdities as that already examined—that in any real sense a nation benefits from a constant excess of exports over imports. Similarly, the "trend to the left" is not a natural phenomenon, but the result of carefully controlled propaganda. This aspect of the matter has been very adequately described by F. A. Hayek in his book *The Road to Serfdom*. But in general it is obvious that broad propaganda—*i.e.*, extensive, pervasive and long-term propaganda—requires enormous financial resources which could not be obtained against the interests of the Money Power.

It ought, in fact, to be conclusive that anti-"Capitalism"—*i.e.*, Socialism—is supported by such Capitalist papers as *The Times*, *The Economist*, *et al.*, and it is a demonstration of the effectiveness of the mass-hypnotism exercised through such propaganda channels that the delusion of Socialism as a "workers" movement is so prevalent.

(To be continued).

PARLIAMENT

House of Commons: March 24, 1947.

Subsidies

Mr. Peter Freeman asked the Minister of Food the total amount of subsidy paid on account of all livestock, meat and all animal products during 1946; and the total amount of subsidy for the same period for all other foods, with any details available.

Mr. Strachey: The financial accounts of the Ministry cover the year to 31st March. During the year to 31st March, 1946, food subsidies were as follows:

| | £ millions |
|--|------------|
| Meat and livestock including canned meat ... | 32.50 |
| Bacon and Ham | 3.00 |
| Eggs and egg products | 31.50 |
| Milk excluding National Milk and Milk in Schools Schemes | 18.50 |
| Butter | 8.75 |
| Cheese | 9.50 |
| Other foods including Welfare Schemes | 132.00 |
| | 235.75 |
| Acreege payments and fertiliser subsidies paid by other Departments | 29.50 |
| | 265.25 |

Exact figures for the year to 31st March, 1947, are not yet available, although estimates can be given.

House of Commons: March 25, 1947.

Privilege (Member's Complaint)

Mr. Frank Byers: Mr. Speaker, I desire to bring to your notice a matter which I believe affects the Privileges of a Member of this House, namely, the hon. Member for Rugby (Mr. W. J. Brown), who would have put this matter to you if he had not, unfortunately, lost his voice. With your permission, I will state the facts as briefly as I can, and then ask for your Ruling. When, in 1942, he was elected Member for Rugby, the hon. Member was general secretary of the Civil Service Clerical Association, which he had founded and organised many years before. Upon his election to this House, he relinquished the general secretaryship but agreed to act as Parliamentary secretary to the Association. Under the terms of the agreement drawn up between him and the Association, it was made clear that, while on Civil Service matters he would, of course, do his best for the Association and its Members, on general political matters he was to be completely free to speak and vote as he thought right. That document made it clear that for his actions or utterances on matters other than Civil Service ones, he would not be speaking on their behalf, and that they would have no responsibility, as an association, for what he said or did in his capacity as Member for Rugby. This agreement was endorsed by the annual conference of the Association in 1942. It was circulated to members, and it was published in the Press.

During the last Parliament, difficulties arose about the working of this agreement, and, despite its terms, there were occasions when members of the Executive Committee brought pressure to bear on the hon. Member for Rugby on matters quite unconnected with Civil Service issues. This was, of course, *ultra vires*; but the matters were not considered to be sufficiently serious to justify his invoking the privileges of the

House. After the repeal of the Trade Union Act, 1927, in the present Parliament, however, matters took a sharp turn for the worse. That repeal made it possible for the Association to affiliate to the Trades Union Congress, and last year it did so, without a ballot of the membership. Many members of the executive committee attended the Trades Union Congress at Brighton. It is not, of course, known what transpired there, but at the Executive Committee meeting following the conference strong pressure was brought to bear upon the hon. Member for Rugby not to speak or write in a sense contrary to the policies of the Trades Union Congress or the Labour Party.

To this pressure he refused to submit, and reminded the executive committee that he was elected to this House as an Independent, and that the agreement between the association and him clearly divested them of responsibility for his actions on general political matters. And he said that for no consideration, and under no circumstances, would he accept any limitation on his freedom to speak, vote or write as he thought proper as a free Member of this House. The executive committee thereupon determined that, if he would not submit, then the agreement between the association and him should, if they could contrive it, be brought to an end, and that he should cease to be the Parliamentary secretary to the association. The officers waited upon him and offered him certain financial compensation if he would agree to terminate the agreement.

What they proposed was subsequently embodied in a letter to the hon. Member for Rugby. The letter made it perfectly plain that what was at issue was not his work as Parliamentary secretary to the association, to which, indeed, high tribute was paid. It was made plain that it was his political activities which were objected to. He replied to that letter that he had no wish to terminate or alter the agreement; that there were two parties to it—himself and the association; that he did not regard them as being representative of the association; and that, further, it would be for the annual conference to determine whether or not it wished to terminate the agreement. At a later stage, he took the opportunity of warning the executive committee that the question of Privilege might arise out of these proceedings. I wish to emphasise this point: the executive committee, at its last meeting yesterday, decided to table a Motion for the annual conference to the effect that it was desirable that the agreement between the hon. Member and the association should be brought to an end.

I claim that this is a definite act, and the matter is now being raised at the first opportunity. It is not known what will happen at the annual conference, but I ask whether it is proper that pressure should be brought to bear upon a Member of this House by an outside body to compel him to take a certain political line—a line, in this case, quite inconsistent with the basis upon which the Member himself was elected to this House—and that when the Member refuses to comply, the executive committee of that body should then attempt to terminate the agreement with the said Member for his services as an employee of the association? In discussions at the executive, it emerged that the matters in which the hon. Member for Rugby had offended were his speeches and votes on the Bill repealing the Trade Disputes and Trade Unions Act of 1927; his known and proclaimed views on the closed shop; his alleged views on the subject of "splinter" unions; and his Parliamentary speeches and writings.

I, therefore, ask you, Sir, if you will be good enough to give your Ruling on the question whether this sequence of events does not constitute a *prima facie* case that a breach of the privileges of this House has taken place. I ask you to give that Ruling, Sir, on this matter, irrespective of any legal rights or protections the hon. Member may have in respect of the agreement between himself and the association. What is concerned here is not the personal position of the hon. Member, which is unimportant and which, it is hoped, will be vindicated by the annual conference, but the issue that an hon. Member should be free to speak, vote, or write as a Member of this House, unsubjected to pressure from an outside body, and free, if he declines to yield to such pressure, from victimisation thereafter.

Mr. Speaker: The hon. Member asks me for my Ruling on this matter. Of course, it must be perfectly clear that I do not say whether the facts as outlined are correct or not. That is a matter upon which I have no knowledge, but it is alleged that pressure has been brought on an hon. Member and, therefore, it seems to me that it is right for me to declare now that I think a *prima facie* case has been established.

Mr. Gallacher: On a point of Order. How is it possible to say that there is interference with an hon. Member when all the hon. Member had to do was to resign the job of Parliamentary secretary and he would be quite free to carry out his duties?

Mr. Speaker: If the matter is referred to the Committee of Privileges that is a question which, no doubt, they will be able to settle.

The Lord Privy Seal (Mr. Arthur Greenwood): In view of your Ruling, Mr. Speaker, I beg to move:

"That the matter of the complaint be referred to the Committee of Privileges."

Mr. Churchill (Woodford): On behalf of the Opposition, I should like to support the Motion made by the acting Leader of the House.

Question put, and agreed to.

Books (Imports)

Mr. Assheton asked the President of the Board of Trade to what extent the import of periodicals and certain classes of books from Australia is prohibited; and what is the reason for this restriction.

Sir W. Smithers asked the President of the Board of Trade why there is a ban on the import of books from Eire to England; and if he will remove it immediately.

Mr. Belcher: Books, other than fiction and children's books, can be imported freely from all sources under Open General Licence. Fiction and children's books can be imported freely under individual licence, provided that not less than 50 per cent. by value of the aggregate imports by any individual importer are re-exported. No licences are being issued for import of new periodicals from any source and licences are being issued only for the import of limited numbers of other periodicals from Australia, Eire, or other countries. The restrictions have had to be imposed to safeguard our balance of payments, particularly since the main sources of supply, both of fiction and children's books and of periodicals are dollar countries.

House of Commons: March 26, 1947.

Royal Commission on Press (Membership)

Mr. *Haydn Davies* asked the Prime Minister whether he is in a position to announce the appointment of a Royal Commission to inquire into the Press, its membership and terms of reference.

[Mr. *Butcher* also asked a question on this point.]

The Prime Minister (Mr. *Attlee*): Yes, Sir. The King has been pleased to approve the setting up of a Royal Commission to inquire into the Press, with the following terms of reference:

"With the object of furthering the free expression of opinion through the Press and the greatest practicable accuracy in the presentation of news, to inquire into the control, management and ownership of the newspaper and periodical Press and the news agencies, including the financial structure and the monopolistic tendencies in control, and to make recommendations thereon."

The membership of the Royal Commission is as follows:

Sir (William) David Ross, K.B.E., D.Litt. (Chairman).
The Reverend Melbourn Evans Aubrey, C.H.
Mr. Neil S. Beaton.
Mr. John Benstead, C.B.E.
Lady Violet Bonham Carter.
Mr. Robert Charles Kirkwood Ensor.
Mr. Hubert Hull, C.B.E.
Miss Eirwen Mary Owen, O.B.E.
Mr. John Boynton Priestley.
Alderman Wright Robinson.
Mr. Gilbert Granville Sharp.
Lord Simon of Wythenshawe, LL.D., M.I.C.E., M.I.Mech.E.
Sir (Charles) Geoffrey Vickers, V.C.
Sir George Alexander Waters, J.P.
Mr. Reginald Holmes Wilson.
Mrs. Barbara Frances Wootton.
Mr. George Malcolm Young, C.B.

... Mr. *Lennox-Boyd*: May I ask whether the proposed new 600 local newspapers to be tied to the Socialist Party will start publication before or after the Royal Commission reports? ...

BYE-ELECTION IN MONTREAL

The bye-election in Montreal, caused by the imprisonment of Fred Rose, Communist M.P. for Montreal-Cartier, for spying on behalf of the U.S.S.R., was won by Mr. Maurice Hartt, K.C., the official liberal candidate and a Jew. M. Paul Massé, independent autonomist and anti-communist, came second in a field of six. Shots were fired and two men hit in a fight started by a gang who invaded M. Massé's rooms.

Vers Demain of March 15 reported that the Quebec Union of Electors supported M. Massé, as his programme followed principles acceptable to its members.

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From Week to Week

(continued from page 4).

to build a free world commonwealth—why does that Government hang on?" it is perhaps time to look into Mr. Philpott's affiliations.

In the first place, while it would be, by common consent, difficult to say on what "ticket" Messrs. Shinwell, Strachey, Dalton and Cripps were elected, there is nothing less true than to say that any appreciable body of native-bred (as distinct from alien) electors consciously voted for the dissolution of the British Empire, if only for the reason that to the average voter it hardly exists except as a name, and he is as innocent as an unborn child of its implications. At the present moment it is difficult to induce anyone to admit that they *did* vote "Labour"—and (what Mr. Philpott, like others of his kidney, omits to mention) the Socialist Government is a minority government anyway, and not by any means all of it could be described as Socialist. Further, if a responsible newspaper were to publish comment in England on Canadian policy of the character of that turned out by Mr. Philpott, the whole Canadian Press would go straight up in the air, and we should be told to mind our own business.

With all this and Mr. Philpott in mind, let us now consider the "Royal" and the "Canadian" Institutes of International Affairs, commonly known as "Chatham House." In common with the "Treasure Clubs" which were the affectation of the degenerate portion of the French aristocracy before the Revolution, these organisations, whose financial support comes from the quarters which wrecked the first Peace Conference in 1919, move in the best circles. Dr. Arnold Toynbee, the Secretary of the London Branch, has stated that "we are working secretly, but with all our might, to undermine the sovereignty of our respective nations." They would unquestionably be able to bring heavy pressure to bear on any newspaper proprietor for the purpose of obtaining space for Mr. Philpott and his tribe, Mr. Philpott's articles may not be written by or in "Chatham House," but they run so faithfully along the general lines extolled by Dr. Toynbee, and have the ultimate objective which we believe to be behind Chatham House—the transfer of the best part of the British Empire to camouflaged "American" control—that, if they are not, we feel sure the twin "Canadian" organisations, the Institution of International Affairs and the resurrected League of Nations ("United Nations") Union, which have, or had, a common secretary, will see that Mr. Philpott never lacks for congenial and well-remunerated employment.

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