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FOR POLITICAL AND ECONOMIC REALISM

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## THE MENACE OF DICTATORSHIP

By L. D. BYRNE

*"Democracy can be defined correctly as the administration of a country's affairs to yield the results that its people want."*

The following is the substance of an address given by Mr. L. D. Byrne to the Third Annual Provincial Convention of the Alberta Social Credit League, Edmonton, Alberta, 1939:—

Let me make it perfectly plain at the outset that my talk will have nothing to do with questions of a partisan nature. The issues which we are facing at the present time are above any mere sectional considerations, and it is about these issues I wish to speak.

The outstanding fact of the world situation, which people everywhere must be made to realize, is that we are facing one of the gravest—if not *the* most acute—crisis in human history. Unless this fact can be brought home to people before it is too late, there is

little hope that they will display the sense of resolute responsibility which the gravity of the situation demands.

If ever there was a time for unity of purpose, for passionate determination to meet the challenge of destructive forces, and for calm, deliberate action, it is *now*. These qualities are readily called forth in time of war when there is a realization of national peril. But, in the crisis which we are facing, the peril is much more real, if less apparent, than during any war.

These may sound to you the words of an alarmist. I assure you they are not. I assure you that it would be impossible to exaggerate the seriousness of the situation . . .

### War

The most obviously alarming aspect of the international situation is the threat of war. Nation is arming against nation; crisis follows crisis in Europe; and everywhere there is a feverish preparation for mass murder by high explosive, poison gas and disease on a scale which is horrible to contemplate. Why is this thing happening? Have all the people in all these nations gone mad? Do they really desire to slaughter each other and destroy civilization for centuries? I suggest that never has there been a time in human history when the peoples of the world desired peace with a greater

passion and intensity than they do to-day . . .

Modern war, with its brutal weapons for destroying helpless populations, is a dirty, mean, degrading and insane undertaking. And it is recognized as such by every normal and healthy-minded person.

Why, then, are the nations of the world being rushed to self-destruction? I will tell you why. Because this threat of armed conflict is but the inevitable result we can expect from the perpetual state of war which is raging under our present social order . . .

Fundamentally, war is a condition in which one group of persons is striving to impose its will on another group, by any and every means. The use of stark force is but the final means to which they resort.

### Peace Unknown

Now consider the conditions which have existed in the world during the years of so-called peace. In a social environment of widespread poverty and insecurity we have had nothing but conflict. Workers fighting each other for jobs. The unemployed struggling to get into industry. Producers fighting each other for markets. Retailers fighting each other for business. And nations fighting to force their exports into foreign markets, while protecting their home markets. But these foreign markets are the

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home markets of the nations concerned—and these in turn strive to force their products into what, to them, are foreign markets and to protect their home markets from invasion. I need not go into the cause for this state of affairs. I think you are all familiar with that aspect of the matter.

This economic war has been fought with economic weapons—price wars, export subsidies, tariffs and embargoes. And it has been growing more intense and more bitter. It can be a question of time only before these weapons are discarded for howitzers, machine guns and bombs—both in the national and international sphere.

I tell you that war and revolution are the natural products of the present social system, because fundamentally we live in a perpetual state of war. There is no man or woman living who has known peace. The system breeds conflict.

If you can once grasp the full significance of this you will realize that as the economic struggle becomes more intense and as the weapons of destruction become more effective so the danger of universal disaster becomes more inevitable. No civilization can survive under a system of organized self-destruction.

In these matters there are certain basic principles of a natural order—and if we violate these principles disaster is the result.

### The Canon

There is a law of rightness running through the universe. Major Douglas has described this as "the canon." The stars in their courses conform to this law—this canon. And the navigator who, by observing these stars can compute the position of his ship in its course across a trackless ocean, must adhere to the canon. When the farmer sows in season and reaps a harvest, it is because he observes this natural law—this canon. The engineer who designs

an intricate machine, which, when constructed and assembled, performs the task he intended, has conformed to the canon in his work, as also has the artist who can step back from the painting and say, "I have got that just right."

This law of rightness—this canon—operates in every sphere. In human affairs, in the relationship between individuals, and in our actions, we can achieve what we term happiness or satisfaction only to the extent we recognize, seek and adhere to the canon. To the extent we violate it and disregard it we inflict upon ourself suffering and we court disaster. What then can we expect to be the fate of a social order and a civilisation, which violates this natural law in every sphere?

This concept of the canon is not new. The principles governing its operation in human affairs are not new. "Seek ye *first* the Kingdom of God and its righteousness and all these things shall be added unto you," we were told nearly twenty centuries ago. Righteousness, in the old English sense in which it is used, means essentially rightness. And you will find every single principle relating to the operation of this law of rightness—this canon—as applied to the relationship of man and man, stated in the four gospels.

Let me remind you that beside the basic principle of social life—"love thy neighbour" we have this statement: "Every kingdom divided against itself is brought to desolation; and every city or house divided against itself shall not stand." I assure you that in those words we have a fundamental rule of the natural order governing human relationships. And this rule has a special significance for us at this critical time—as I hope to show you.

### The Dominant Issue

Why is it that it is so difficult to get people to realize the gravity of the situation? Why is it that the nature of the issues involved are so confused, and because they are so confused, there is so much inertia about them? I think that the short answer to that question is that there are powerful influences at work to deliberately confuse and

distort what is happening in the world to-day.

We are not being told the facts of what is going on. The news which is placed before us is carefully designed to lead us into forming certain opinions—the opinions which those who are responsible for this news propaganda wish us to have. I do not refer to the press but to the international news channels which feed the press.

For example, the essential issue before the world is being represented to us as an alignment between countries which are called "the democracies", and the countries which are termed "the dictatorships."

Now it is perfectly true that the issue being fought out in the world to-day and upon which the future of civilization depends can be described correctly as "Democracy versus Dictatorship." But to suggest that this is the same thing as representing it to be an alignment of nations, some of which are democracies and other dictatorships is a distortion of the real situation.

There are no democracies in the world to-day. By that I mean there are no functioning democracies. There are countries like our own, Great Britain and the United States which have democratic constitutions but these are not functioning democracies. In these and in every other country we have varying degrees of dictatorships, and any alignment which takes shape around the real issue of "Democracy versus Dictatorship" must be between THE PEOPLE on the one hand, and the forces of dictatorship and reaction on the other.

### The Nature of Democracy

A democracy is a very definite form of society. In a democracy the people are sovereign—supreme. There is no superior authority. Every institution and all social organization in a democracy exists to serve the people.

What does this mean? It means that in a democracy the people's will is supreme. It means that the administration of the nation's affairs is being carried out in accordance with the people's will—that the people collectively,

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and therefore, in the main, individually are getting *the results* they want from their social system.

Democracy can be defined correctly as the administration of a country's affairs to yield *the results* which its people want.

The people as such, are not concerned with methods. Method is a question of administration, and administration is essentially a matter for the specialist and the expert. The basic principle for securing sound administration is personal responsibility for producing results.

It follows that in a democracy, administration must be subservient to the will of the people. Administrators should be the servants of the people—responsible for devising and applying methods which will give the people the results they want . . .

I said that democracy is a social system under which the administration of a people's affairs in all spheres of social life is yielding them the results they want. Let us apply that test to Canada. Have we democracy in Canada?

### Canada Not a Democracy

What results are the people of Canada getting? They can be summarized as—widespread poverty and insecurity, crushing debt and grinding taxation, restricted production and economic impotence. Are these the results which the people of Canada want? We know they are not. We know that others want what each of us wants from the social system under which we live. First we want personal security—for ourselves and our families; and then we want the maximum freedom to live our lives without interference and regimentation. The maximum personal security with the maximum freedom to enjoy it—"the inalienable right of man to life, liberty and the pursuit of happiness," as it is stated in the American Declaration—these are broadly the results which the people of Canada want.

And it is physically possible to provide all with the security they desire. We have the resources and we have the knowledge of how to use these resources. Yet with the majority of people in want—we are not using those resources to

provide the people with the goods and services which would give them the security they desire. In fact, tens of thousands of our workers who could help to produce these goods and services, are unemployed and living in indigence.

There is the situation. The results which the people of Canada want are security and freedom. The means to provide these are available. Canada is constitutionally a democracy. The people should be sovereign—supreme—in determining the results which shall accrue to them. But the results which are being imposed upon the people are the opposite of those they want. Instead of personal security, they have poverty and insecurity; instead of freedom they are the victims of debt—bondage, and regimentation by heavy taxation and restrictive legislation.

Clearly the people of Canada are not sovereign. The administration of their affairs is not in accordance with their sovereign will. There is an authority, a superior authority—which can over-ride the will of the people and impose upon them conditions contrary to those they want.

### The Dictatorship of the Money Power

You know what that over-riding authority is. The Money Power. But I am asking you to take nothing for granted. Let us examine the evidence.

Now I shall say some hard things about banks and bankers—but I want it understood that I am not referring to the efficiency of banks as such. Nor am I referring to the bank staffs. The banks, as organizations, are among the most efficient of our institutions—and personally, I have always found that members of their staffs are persons of outstanding character and integrity. Unfortunately for them and for us, they are forced to operate the system as it is, not as they might wish it to be.

If we examine the evidence we are forced to the conclusion that there is something radically wrong with the financial system—and that *the results* which are being imposed upon the people against their democratic will are being imposed through the operation of this

financial system.

We have a situation in which there are abundant resources to enable us to produce goods and services to give security with freedom to all. The people desire security and freedom. Yet production is being restricted and people are going in want—they are having imposed upon them insecurity and repression.

But producers could produce—if there was a market for their products. The unsatisfied want of the people provides that market. However, the people cannot obtain the goods because they have not got the money claims to those goods.

Again, the ridiculous feature of debt is purely a product of the financial system. The wealthier a country becomes in terms of its ability to produce, the poorer its people become in terms of debt. Taxation too, is purely a product of the financial system.

In short, the means by which the people are being kept poor, insecure and in economic bondage is the financial system.

These results accruing from the operation of the financial system are the responsibility of the persons who administer it. These persons *alone* are responsible for the results of their administration.

In a democracy, all institutions and all administrators should be subservient to the will of the people. The people should be supreme—sovereign—in determining the results which should accrue to them. Yet here in Canada we have the administrators of the financial system using their authority to impose upon the people the opposite results to those they want. This is dictatorship—dictatorship by those in control of the financial system.

This is not the situation in Canada alone. It is also the situation in every other so-called democratic country—in Great Britain, in France, in the U.S.A., and in Australia.

Moreover, these national dictatorships which are imposed by bankers through the banks and their subsidiary institutions, are centralized on an international

(continued on page 10).

*Mrs. Palmer's Page*

## THE SOLID MAJORITY

If you were a Medical Officer of Health, and had discovered that the water supply of your town had become contaminated with sewage so that it was a serious menace to the public health, what would it be your duty to do?

Make a report to the Mayor and Corporation, who, as representatives of the people, were your employers.

But suppose that the Mayor and other big business men in the town held shares in the public baths; suppose the editors of the local papers were afraid of offending them, and the chairman of the local ratepayers' association feared the rates would rise if he supported increased expenditure on drainage.

Suppose, in fact, that all these people were against you, and prepared to fight you tooth and nail.

What would you do then? This is the problem faced in Ibsen's "Enemy of the People," just finishing a three weeks' run at the Old Vic. Written seventy or eighty years ago, it is still in touch with reality as we know it to-day. In my opinion the questions that it raises can only be correctly answered by social crediters.

It might seem to some almost impossible to create a vital play from such a theme, so dull and dry and useless as local politics have come to be to a large number of the electors (why else do they stay away from the polls?). But Ibsen knew that the answer to these problems was bound up with human destiny. Moreover, he was artist enough to understand how these problems act and react on human passions and weaknesses, and this gave him quite enough dramatic material to work with.

I will not attempt to discuss Ibsen as a dramatist, but try to isolate the problems which he presents and give the social crediter's answer.

What should the Medical Officer do?

Now the position he holds is that of paid servant to the Mayor and Corporation, who are supposed

to pass on the people's orders to him as an expert.

The Corporation cannot be expected to understand bacteriology. They are not experts. It would be impossible for them to follow the stages of inductive reasoning, the result of years of study, on which the doctor's report is based. Provided, however, that the report is supported by outside evidence from other disinterested scientific bodies, it is their duty to accept it, and pass on their doctor's findings to the people.

They refuse to do so.

Gradually he becomes aware of the terrible corruption of local government, the result of the worship of the abstraction, money. It is at this point that he makes his first "discovery." If you turn things upside down, they'll come right. (Daemon est deus inversus).

He must go straight to the people, his masters, and tell them the truth, not only concerning the water supply, but concerning the corruption among their public servants.

Can this be allowed to happen? Of course not. He has underestimated the strength of the enemy. It is his duty to tell the people, as he is ultimately responsible to them, but he is never allowed to do so. At the public meeting which he has called he is obliged to accept as chairman, the

president of the Ratepayers' League, who queers the pitch from the very start, so that he faces a hostile crowd who think of him as the enemy of the people.

A man at bay, with all his own passions now aroused, he casts all caution to the winds, and in the face of what has become a howling mob, he hurls at them his second "discovery." It is that the expert will always have to fight the "solid majority."

How beautifully the social credit synthesis takes this tangled skein and lays every strand in position!

Even as I was watching the drama on the stage, another scene came before me. It was at the dinner given to Mr. Nash, the Finance Minister of New Zealand in 1936, when Douglas explained exactly the part that the "solid majority" must play in political life. The New Zealand Government was then faced with this problem—whether to order the Banking Experts to run New Zealand finances in such a way that prosperity should be secured to all, or whether to try to do the same job themselves.

Douglas pointed out that if you take twenty men, chosen at random, and ask them questions of gradually increasing difficulty, the solid majority of them will very soon be giving wrong answers, until at last perhaps only one man out of the twenty will reply correctly.

The conclusion to be drawn from this simple experiment is, of course, that only the adept can answer technical questions, only an expert in banking understands New Zealand finances, only the Medical Officer understands the water supply.

Is the majority always wrong? No. It is always right about one thing. What it desires.

If those angry people had been asked whether they wanted a water supply in which they could drink and bathe without fear of typhoid, they would all have given the correct reply, yes. But this question was never asked them.

### To Meet You

Mrs. Palmer will be glad to welcome friends on Wednesday afternoons from 3—5 p.m., and at other times by appointment at

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Only a confused mass of ideas was placed before them, among which they were unable to grope their way. The Mayor and Corporation wished to confuse the issue because it suited their crooked practices.

The doctor did not understand that the people could express their will without becoming experts. He knew that in knowledge the solid majority must always lag at least twenty years behind, and thought the only remedy was more education, so that after years and years, perhaps everyone would become an expert.

Social creditors know that, left to themselves, the people can always be trusted to give the right answer to the question "What result do you want?" and that it is quite unnecessary, in fact, impossible, for them to understand the method by which the result is obtained. They can enforce their will by dismissing their public servants if they do not give them what they want within a reasonable time.

I do not think that Ibsen understood the difference between methods and results, as he seems to believe (like his hero) that our only hope lies in more education. But perhaps it is not quite fair to make this statement without reading his work in the original. I like the line with which the play ends:

**WORTH REPEATING IN PUBLIC**

*"No scrutage or aid (feudal taxes) shall be imposed in our kingdom save by the common consent of our kingdom."*

*Magna Charta.*

**Paradoxically**

We already have a social credit—but it is well nigh a debit or a discredit. Better to say, the social credit is improving than "social credit" is coming."

If ever we get "social credit" some of us feel pretty sure we shall not have got it.

We shall probably have got "social credit" when most of us don't know it, never hear of it.

We are never so strong as when we are being divided, never so weak as when we appear to be strongly united. By the way, gardening manuals tell you that if you wish to preserve the strength and beauty of your perennials you should divide the roots. C. P.

"The greatest man is he who can bear most alone."

\* \* \* \*

All over the world to-day we see the confusion of methods with results. And every time disaster follows on this confusion, the blame is thrown on to the people for choosing wrongly.

This has already begun to be said concerning the threatened tariffs in New Zealand. "It is sad to see such things happening but the people have only themselves to blame for electing men pledged to this policy," etc., etc.

I sometimes wonder that the people in this country keep as sane as they do when I see the absurd questions which they are led to believe it is their duty to answer.

According to the "British Institute of Public Opinion," 63 per cent of the British people prefer Communism to Fascism; 74 per cent of them think the world would benefit if President Roosevelt were re-elected a third time, and 70 per cent of them wish to be immured in deep shelters during the next war.

All these "thoughts" are published with great éclat in the daily Communist press.

They have not yet been asked whether they would like to be in-

oculated with streptococci in order to prevent hydrocephaly, or whether they would like to open a National Credit Office, but I have no doubt these questions are on the list.

Notice the subtlety: the idea of estimating public opinion is of the soundest, but opinion is politically worthless on points of *method* such as Communism, Fascism, the re-election of President Roosevelt, etc. The snag is in the subjects put up for the consideration of the public. When the Institute devotes its resources to the proper evaluation of the desires of the public as to the material ends to which their elected government shall be directed then they will be providing the basis for action of a true democracy. They will be getting down to the integration of the country, instead of its disintegration by setting method against method.

Will the public ever be asked whether they would like cheaper goods and services, more money to spend and the abolition of rates and taxes? Are these newspapers afraid of the reply? For this is a real desire, and the people would know what they were asking for. They know the difference between bread and a stone.

All these things are very important. They are not as subtle as they seem. If any of you want to continue this discussion, please write to me, and we'll give up another page to the difference between methods and results.

B. M. PALMER.

**RECIPE**

**ITALIAN SPAGHETTI**

(Sufficient for a small family)

Half a packet spaghetti, macaroni, 2 large onions cut into pieces; 1 small tin of tomatoes or tomato juice, or half dozen ripest tomatoes, 4 teaspoonfuls best olive oil, 4 heaped teaspoonfuls parmesan cheese.

Cook macaroni and onions gently in milk, or milk mixed with strong vegetable stock. When tender, transfer to casserole, with tomatoes, oil, and cheese, and continue to cook all together in hot oven till all sizzles and gets slightly burnt round the edges.

*Sent by Mrs. Starkey, Torrington, Devon.*

**Captain G. T. MacFarlane**

It is with deep regret that we record the death of Captain G. T. MacFarlane, of Northwood, known to so many London social creditors as an indefatigable worker and speaker in the cause of social credit. He spoke many times on Tower Hill and did much work among the dockers.

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## UNEMPLOYMENT

The new insurance Bill introduced in the House of Commons last week lays down the principle that a person who is on holiday shall not be entitled to receive unemployment benefit for the time of the holiday or to count it as a period of unemployment. (Someone will have to tax their brain in defining a holiday). The period, at present 10 weeks, that may intervene between periods of continuous unemployment without making it necessary for the claimant to serve a new waiting period is to be extended to 20 weeks, and classes of dependents for whom increase on benefit is payable are to be extended. From the point of view of the unemployed person who wants to exist this is a bit of give and a bit of take, as usual. Those in authority appear to be concerned at the way the unemployed are adapting themselves to living permanently on the benefit. An advanced form of the work complex was shown in Monday's debate on the problem. Mr. Brown said that out of 54,600 young men applicants for unemployment assistance between the ages of 18 and 25, about 43,000 were unwilling on various grounds to apply for admission to instructional centres. The problem was not made easier, he said, by the fact that only 30 per cent of those applying for training obtained jobs at the end of it.

There seems to be a large measure of lackadaisical drift about the whole affair; it is not the fault of the legislators but of some force behind them that continually foils attempts at solution because serious attempts would bring the whole country squarely to face the 'problem' of plenty. To stop this forced drift it will be necessary to exert counter pressure on the

Government, directed towards the results required. If the electorate would make up their minds either that they want plenty—which in their optimistic moments they admit—or even that they want work as such, and back their representatives with the full weight of their co-operation we should be getting somewhere. In the first case we should be getting what we wanted, in the second we should be getting what we *said* we wanted, but it might be so inefficient in these days of machinery, that we should probably change our minds.

If we do not specify the results that we want we cannot be surprised when we do not obtain them.

## News Service

In the crisis of last September, the dissemination of news in and out of this country was considered to be of such importance that the Government paid Reuters news service £6,000 to transmit bigger and better news. A Labour M.P., remarked, when the estimate came up, that he did not believe that any one company could report the truth, the whole truth, and nothing but the truth, and that it was a very dangerous thing to select one particular agency in this fashion. When we remember the part played in the crisis by NEWS in the papers and on the wireless—the way we bought edition after edition of the papers, and listened to bulletin after bulletin on the wireless, we must conclude that a grave responsibility rests with the news services. That ludicrous aspect of the familiar and unfamiliar cheek by jowl—trenches in the recreation grounds, guns on

the roofs of shops, gas masks on our own faces—these facts had to be *collected* from somewhere, and then *selected* for publication:

In defending the Government's action a Conservative M.P., said:

"In the distribution of news to the newspapers of the world, Reuters was not only the main British channel: it was the only British channel. Reuters had also built up in the past an immense prestige through the independence, accuracy and integrity of its news service . . . in recent years Reuters had had to face very heavily subsidised foreign competition. All the news in the services was seen through foreign eyes and some of it was definitely tendentious."

The 'British Channel' referred to has an interesting history. It was started in Germany by a young German Jewish bank clerk who later moved to England where there were more opportunities. In 1915, after the death of his son, it was turned into a private trust under the chairmanship of Sir Roderick Jones; later the responsibility for the immense organisation was transferred to the Press Association which is owned jointly by the provincial newspapers of Great Britain.

In using the same methods as other countries, although to a less extreme extent, are we justified in assuming that there is no likelihood of obtaining a similar result?

**TAXATION IS A NEGATIVE DIVIDEND. IT IS NOT TRUE THAT THE POOR PAY NO TAXES: THE RICHEST ARE RICH BECAUSE THE POOR PAY MOST OF THE TAXES.**

Space reserved by

Secretary: John Mitchell

## THE UNITED RATEPAYERS' ADVISORY ASSOCIATION

Sentinel House, Southampton Row, London, W.C.1.

## TACTICS IN REGARD TO RATE INCREASES

A statement would appear to be needed on the most effective tactics which campaigners for the objective lower rates and assessments **with no decrease in social services** should adopt in regard to an actual or threatened increase of rates by their Local Authority.

In order to arrive at a correct decision it is necessary to take note of several facts.

Consider the nature of the three objectives:—(a) Prevention of an increase in rates, (b) Prevention of an increase in rates without resulting decrease of social services, (c) lower rates without decrease of social services.

Objective (a) lies entirely within the powers of the Local Authority, whereas objectives (b) and (c), which are identical in principle, depend upon another and (to the ratepayers) less accessible point of decision, since they involve a modification of the conditions upon which credit is obtainable from banks.

Pressure for objective (a) has to compete with pressure, direct, indirect and circumstantial, upon a Council for the maintenance and improvement of municipal services. It can only be achieved if the effective pressure exerted for it is the greater. It is an objective which, if won, is a victory for the "Squandermania" Campaign, which is undoubtedly approved and supported by banking interests. If won it is at the expense of social services and is therefore a contravention of objectives (b) and (c).

The fundamental error which can cause the failure of the strategy which is being employed to achieve objective (c) is "the delusion that it can be done in a few weeks." This is also applicable to objective (b). Both objective (a) and (b) are subject to a time factor the date on which the rate is levied which, in the case of objective (b) is sufficient to defeat the strategy.

For these reasons U.R.A.A. advises ratepayers not to pursue objectives (a) and (b).

This decision forms the basis upon which to determine the tactics to be employed in regard to an actual or threatened increase in rates.

These tactics are to use the opportunity, provided by the increase in rate, of a more alert and indignant body of ratepayers, to explain to them that the social and economic forces inducing increased municipal expenditure are too strong for opposition directed to restricting it to be successful other than temporarily; that increases in rates will continue year after year unless their councillors recognise the facts about debt and loan charges and exert pressure upon the banks to provide credit on reasonable terms, and as required by the council. It should be explained to them that the increase in rate is direct confirmation of the truth of what you say, and that if they want lower rates they should make a demand upon those individual councillors elected by them, for lower rates **with no decrease in social services**, and base this demand upon the established fact that banks create credit costlessly, this fact being evidence of a source of credit which should be provided to the council for a nominal service charge. Furthermore, that this fact is evidence that councillors are not justified in pledging ratepayers' money to pay existing onerous loan charges, and that they should take such steps as the fact indicates

to be possible to relieve ratepayers of its burden.

In short, the reason why rates are high and continue to increase is because councillors have not been brought to face the facts and act in accordance with them; **an increase in rate is not an indication that in any town the present campaign is a failure, it is confirmation of its necessity.**

Only action which *continuously* focuses attention on the decisions and actions of individual councillors in relation to these facts *and* the instructions of their electors will so fix responsibility correctly in such a way that it leads to action which will produce the required result. Only wrong action consequent on a premature expectation of results will cause defeat of the strategy which is being employed. Patience and tireless action are needed. But once started, events subject to the impulsion of social forces will gather momentum, just as the laws governing mechanical forces produce momentum. It would appear that their starting will not be delayed for long.

J. M.

## DONEGAL COUNCIL MEETING

The demand for lower rates with no decrease of social services submitted to the Donegal County Council from a representative meeting of ratepayers in Donegal Town, the ratification of which by the County Council was reported last week, came before the Council of February 28.

Heading the deputation from Donegal Town was Mr. Frank Gallagher, who had with him Mr. John Sweeney, Mr. P. K. McDermott and Mr. William Martin. In outlining the grounds on which the protest and demand were based Mr. Gallagher stressed the earnestness and determination with which they were made, the serious view which they took of the position and the

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urgent necessity for having the rates lowered this year. He reviewed for the meeting, the critical state of the country, and the poverty and distress prevalent among the people although food and goods were producable in plenty, and reminding them of the method of creation of credit by quoting from many well-known authorities on orthodox banking, suggested that in view of these facts the financial experts should be able to provide costless credit for the use of local authorities. The latter would then be able to cut down rates by the money saved in loan charges, without curtailing social

services.

He was very strongly opposed by Councillor Scott who confused the issue with considerable ingenuity. He objected on technical grounds and did not refer to the desires of his electors on the subject.

"To my mind," he concluded, "the whole idea is fantastic—the idea of dreamers and will-o'-the-wisps, backed by plausible platitudes to trap the unwary and the gullible. I move that the resolution be marked 'read.'" "You will be beaten," said Councillor Kavanagh.

When a division was taken on

the motion it was defeated by 16 votes to 13. Those who voted against Councillor Scott's motion—and for the furtherance of the resolution presented by Mr. Gallagher—were Councillors Byrne, Friel, Gallagher, Hannigen, Kavanagh, Loughrey, Myles, Lynch, M'Crea, M'Daid, M'Ivor, M'Menamin, M'Shane, O'Brien, M. O'Donnell and Mackory.

Those who voted against the furtherance of the lower rates demand were Councillors Baxter, Blaney, Brady, Crerand, Houston, Mahony, M'Clafferty, M'Creadie, M'Fadden, O'Boyle, B. O'Donnell, Scott and Walsh.

## AUSTRALIAN REVIEW

By Bruno Barnabe

For some nine months, spread over October, 1937, to August, 1938, I was in Australia, during which time I had the pleasure of meeting and addressing many social crediters. Because of this I have been asked to write my impressions.

### Review

Looking back, certain similarities between the Australian and New Zealand situations become apparent.

A few years ago in both these Dominions, social credit had a large following, consequently, in both, the money monopoly saw to it that division was planted. It used the same tactics, following in certain cases, identical 'blue-prints' of action. One, the most serious, was fortunately, successfully scotched.

Inter-State friction was encouraged among Australian social crediters, just as North and South Island antagonism was cultivated in New Zealand.

Human frailties, such as conceit, jealousy, etc., were exploited. The common love for scandal was pandered to by means of whispering campaigns. In fact, the whole bag of tricks (excluding brute force) was used.

Such obvious age-old moves were to be expected, and I have mentioned them solely in the hope that many, who disbelieve that such things occur, may perchance finally be convinced, and so be in the position to perceive repetitions of

such attacks, and avoid and counteract them.

The attempt, by the enemy, to keep the battle one of words by focussing attention on technique, seemed less successful in Australia than in New Zealand. Large numbers of the movement, however, fell for the Party idea—four years and much money being wasted, and bitterness fomented.

In fact, a point was reached where it seemed International Finance could feel the 'show' was as good as over.

The tide however has turned.

For a while, the movement may have waged war more competently among its own ranks than in those of the enemy, but it succeeded in awakening the Australian people to the fact that the ills from which they suffer have their roots in High Finance.

Then, some two years ago, the seed planted at Buxton, began to sprout, and, from what I saw of its growth during my stay, I have high hopes that fruition is not far off.

**Northern Territory** I did not visit, nor did I hear mention of it, its scarce population making it almost a negligible quantity.

**Western Australia** I also was unable to see, but from hearsay, I understand it was the first to seize upon the importance of the Buxton Speech, and for long has been

working for the Electoral Campaign. Even so I heard of no sweeping victories. Whether they have since taken up Lower Rate Campaigns, etc., I do not know, but I gathered they have some stout hearts among them and seem willing to take direction.

**South Australia** I also missed. However, I heard on good authority that they have a nucleus of anti-Douglasites led by subversive elements, and in close touch with similar elements in Queensland. Among these were men suspected of being in the direct pay of the enemy. This section, however, seems to be losing ground.

Towards the end of last year a Lower Rates Campaign was under way, showing that Pressure Politics has been grasped and is gaining ground.

**Victoria** I did visit but it proved disappointing. Dissension in the ranks and hesitancy among the local Secretariat had paralysed action.

Many members and their monetary contributions have been deflected. As a consequence, the Secretariat rooms were shabby and a poor 'front' as compared with the offices of the United Electors of Australia which were far more spruce. This U.E.A., with the support of the *New Times* commenced an electoral campaign of its own, and so forestalled the local Secretariat which is affiliated with



missed the opportunity of replying with the speedier-result-achieving local objectives. However, before I left Australia, they had commenced one L.O., at least to my knowledge. Whether it was successful or not I do not know, but it gained a certain amount of publicity for the Pressure Politics idea and must also have provided valuable experience in methods of approach.

I have since heard that they, along with social crediters in other States, are endeavouring to arouse the electorate to fight the unpopular National Insurance racket. This seems to show that action is commencing. May it continue and grow.

**Queensland**, until recently, the stronghold of the Partyites, is now ridding itself of its factions. Whilst I was 'down-under' several social crediters in this State stood for Parliament but all were defeated. The futility of such action has been proved and I think I can safely say that the Partyites are now definitely out of the picture. It is to be hoped the lesson will have been learned by all other social crediters wherever they may be. Mistakes are to be expected, but time is too short to repeat them!

In this State, the Greenshirts have gone over to the electoral campaign tactics, and are, I believe, working with the Brisbane Secretariat on a vigorous and seemingly well managed drive for lower rates. Several L.O.s have been tackled, and a new vitalising spirit has entered the ranks. Much newspaper publicity of the true democracy kind has had to be given place in the Press.

My visit in this State was confined solely to the Capital where I met several people capable of carrying out true Douglas teaching. Among the Partyites too, I met men obviously sincere, who, given sufficient examples of successful action, are I feel sure, big enough to join up with the hard core of workers.

**New South Wales** I covered fairly thoroughly, spending most of my time here. This State, I feel confident in saying, is by far the strongest from our point of view. It is fortunate in possessing a

nucleus of determined men well schooled in the action technique and *continually in touch with Douglas thought*. Here too is a most virile, intelligent, and hard working youth group. The only bunch of the younger generation I have met with sufficiently interested in our work to devote most of their spare time to it. They deserve every encouragement.

As far as I could see, this State, led by Sydney, never lets an opportunity pass to act democratically and bring pressure to bear on public servants and services.

The *New Era* offices are a hive of industry, and never once did I enter to find work at a standstill. From here, forceful men who know their stuff are frequently touring the State, whipping up the electorate and teaching it to use its voice. Scarcely a small-town paper closes its pages to social dynamics.

The subversive elements have been routed and I feel sure will here never again count for much.

I have every confidence that, providing the human dynamo at headquarters can stand the pace they have set themselves, a big and telling victory must come, and come comparatively soon.

**General Remarks**

I have specially avoided mentioning names and going into detail for obvious reasons. If I have praised some sections more than others, it is because results achieved deserved it. Even so I should be very sorry if such frankness should cause any bitterness. Criticism should act as a spur. The spirit of true competition to be the first to deal a vulnerable blow at the enemy must replace State jealousy and individual touchiness.

This report may, in places, fail to hit the nail on the head; if so, I apologise to those concerned. Like those I have criticised, I too am human and open to error.

My best respects to all my Australian friends and sincerest wishes for a speedy success—which by and large you deserve.

BRUNO BARNABE.

"You never know what is enough unless you know what is more than enough."

—William Blake.

**King's Letter**

The Belgian King's letter to his people, sent through the Prime Minister just before the dissolution of Parliament, points out the separation of power from responsibility in the government of the country:

"Responsibilities are misplaced, and the separation of powers is no longer respected. Bodies without legal authority intervene in the formation and dislocation of Governments, the executive power is no longer exercised according to the constitutional rules . . ."

Nowadays a King can do little more than point things out; the power to put them into operation needs the ratification of power, whether from the ministry of the nation or someone more powerful behind them, or from the people, themselves, the ultimate source of power. Since the King's letter seems to have made a deep impression on the Belgian people something may be done about it.

**Books to Read**

By C. H. Douglas:—

Social Credit ..... 3/6

The Alberta Experiment 5/-

The Monopoly of Credit . 3/6

The Economic Crisis.  
Southampton Chamber  
of Commerce Report ... 6d.

The Bankers of London  
by Percy Arnold ..... 4/6

This book does not deal with the subject of social credit but contains valuable data for those wishing to understand the location of power in the modern world.

(continued from page 3)

scale. There are two great international banking groups which, for all practical purposes, dominate all nations.

### Democracy versus Dictatorship

Perhaps you can now see what I meant when I said that while it is perfectly true to describe the issue which is being fought out in the world as Democracy versus Dictatorship, it is not correct to describe it as a conflict between two groups of nations termed "the democracies" and "the dictatorships." There are no functioning democracies. We have only dictatorships varying in degree alone.

In fact, on the evidence of the situation, the over-riding dictatorships of the Money Power appears to be dominant in those countries even, associated with Nazi-ism and Fascism. The European situation has all the appearance of a conflict between the two dominating international banking groups—each striving to jockey Great Britain on to their side. However certain recent events, pregnant with possibilities of great importance, indicate that in one of those dictatorships at least the authority of the Money Power is being challenged.

But what we are concerned with is our national problem—for until we meet the challenge of financial dictatorship here in Canada, and overcome it, we are helpless to assist in the European situation.

The facts are simple and indisputable. Canada is a constitutional democracy. Therefore the people should be supreme in determining the results which should accrue to them from the administration of their affairs. The results the people want can be stated by them specifically—but broadly they are—"security for all with the maximum freedom for all." The physical means exist to give the people these results. Yet the people are having imposed upon them insecurity, poverty, debt bondage and economic repression—the opposite results to those they want. This is being done through the operation of the financial system and those in charge of its administration are responsible. In a democracy, all institutions exist to serve the sovereign will of the

people, and all administration should be governed by the results which the people want. The reverse condition under which institutions and systems are used to dominate the people, and the administrators are imposing upon the people results which are contrary to those the people want, is dictatorship.

Canada is a dictatorship and its administrators of the financial system the dictators. They, and *they alone* are responsible for the results of their administration and they must be held responsible if this financial dictatorship is to be overthrown.

There is the situation. To meet it, effective action must be taken to render the people the supreme authority in determining the results they want.

### Effective National Action

When you analyse this situation you will realize that the essential nature of the task confronting us if we are to avert disaster, is to change from a social order which is a dictatorship to a different social order in which the people constitute the sovereign authority. Only democracy will give us this.

If we are to have democracy—if we are to escape the threatening chaos of the present social order—then, I suggest, we must make a change by deliberate and orderly action with which the people as a whole are in accord.

Because of the constitutional rights which the people have in Canada and other constitutional democratic countries, they have the power to take such action.

The people of Canada are united in the results they want. There is no dis-unity in this respect. And it is in regard to the question of *results* that they must be sovereign if they are to create democracy.

At present the people are kept divided by the simple device of Sectionalism—putting one group in conflict with another group by suggesting that free trade is better than tariffs for them—or that this group represents certain vested interest—or that one party is luckier than another party. The people as such do not determine the results which shall accrue to them; and the administrators of their

institutions are not held responsible for the results of their administration.

To secure effective action, and I believe it is the only effective action we can take in the present situation—the people must assume their sovereignty. To do so they must unite, under proper leadership, for the results they want in common. These results must be the results which the people want, and they would elect representatives charged with the sole duty of seeing they get these results.

It is not necessary for the people or their representatives or the Government to know how these results can be secured any more than it is necessary for them to know how armaments are built in order to give the nation adequate defence from external aggression. It is sufficient for them to know that it can be done—that it is physically possible.

It would then be the duty of Parliament, through the Government, to place the responsibility for producing these results fairly and squarely on the persons responsible for administration. These would be those in charge of the financial system, so far as the economic and financial system is concerned.

After all, these men are the experts in charge—and if they take up the attitude that they do not know how to give the people the results they want and which are physically possible, it would mean that they are either incompetent to hold their positions, or they refuse to obey the sovereign authority.

There is only one way in which to deal with disobedient or incompetent servants, and if the penalties are sufficiently severe, this sort of trouble is not likely to arise. The persons concerned will very quickly find out how to carry out the people's instructions.

At the present time their attitude is that the present system is highly satisfactory to them. It has placed them on top of the world and why should they change it. And they are not likely to alter that attitude until you put a charge of dynamite under them and light the fuse. I am merely outlining how this can be done.

(To be concluded next week).

# NEWS SUMMARY

## England

*March 8*—Lord Porter is the chairman of a committee appointed by the Lord Chancellor to report what changes are desirable in the existing law of defamation. (p. 14).

The annual assembly of the National Free Church Council at Bradford passed a resolution urging that a world peace conference should be held at the earliest possible moment. (p. 16).

*March 9*—Lord Halifax said that instructions had been given to his Majesty's ships directing them to give all necessary protection to British vessels attacked by foreign ones.

The Unemployment Insurance Statutory Committee recommend a reduction in contributions and an increase in benefits under the agricultural scheme.

A resolution calling upon the Government to take immediate and vigorous methods to provide work by creating adequate provision for the safety of the population against the dangers of possible war, and by other means was passed by the National Free Church Council.

*March 10*—Five sentences of 20 years penal servitude each were passed at Manchester Assizes when the trial ended of eight people accused of conspiring to cause explosions.

*March 13*—It is reported that nearly all the twelve Regional Commissioners who will be responsible for the decentralised direction of civil defence in wartime have been selected.

## Spain

*March 6*—General Franco has declared his intention that Nationalist Spain shall be independent and free of all foreign intervention.

*March 7*—General Miaja, who has succeeded Dr. Negrin as the leader of the Spanish republicans with a policy of peace provided Spain is independent, is facing opposition from Communists.

*March 8*—The Duke of Alba has been appointed Spanish Ambassador in London.

*March 10*—In Madrid internal fighting is continuing between the Communists and the Scenta troops. Franco, meanwhile, is holding back.

## Italy

*March 8*—Increases in wages have been approved and come into operation on March 23: for agricultural workers 6½ per cent to 8 per cent; workers in industry 5 per cent to 10 per cent; commercial workers 6 per cent to 10 per cent; and banking and insurance companies, 6 per cent to 8 per cent.

## United States

*March 8*—A Bill has been introduced into the United States Senate proposing the repeal of the various neutrality statutes of 1935, 1937, and 1938, and reversion to the traditional policy of neutrality, leaving its enforcement to the President.

## Czecho-slovakia

*March 12*—Following action taken by the Czecho-slovak President, Dr. Hacha, to prevent a *coup d'etat* by the leaders of the Slovak Secession movement to declare Slovakia's independence of the Prague Government, the dismissed Slovak Premier appealed to Germany for help. Bratislava, the capital of Slovakia, is now under the control of the Hlinka Guard which was formed on the model of the Nazi storm troops to promote Slovakian independence. Arms are arriving in Bratislava from Austria, and a new ministry has been

formed. Czech troops are halted 20 miles outside Bratislava.

*March 14*—The dismissed Slovak Premier proclaimed the independence of Slovakia and became the first president of the republic. It was officially denied that German soldiers had entered Slovakia.

Prague has accepted the secession of Slovakia under pressure from Berlin; there was a run on the Slovak banks which was stopped by declaring a moratorium. At Brno, Pilsner and other towns scuffles between Czechs and Germans occurred.

Hungary has invaded Carpatho-Ukraine, which has appealed to Germany.

## British Empire

*March 12*—Arrangements have been completed for a conference between representatives of the New Zealand, Australian and United Kingdom Governments "to consider Pacific questions of common concern, with special reference to the defence questions." The meeting will take place in New Zealand, probably in April.

## Brazil

*March 9*—Brazil has agreed to free her exchange for commerce with the United States, which is to give Brazil financial assistance to the amount of \$120,000,000. Brazil will establish a Central Reserve Bank.

## ECONOMIC

*Waterloo Bridge*—The construction of the piers of Waterloo Bridge is sufficiently advanced for preparations to be made to erect the superstructure.

*Legal Aid*—The Law Society, reporting on Poor Persons Procedure in 1938, states that there has been a big increase in applications for legal aid consequent on the Matrimonial Causes Act.

*Aeroplanes*—Flying-boats and air liners to the value of about £3,000,000 are on order with British manufacturers, and in some cases are nearing completion.

Most of these orders have been given by the Air Ministry and Imperial Airways.

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**BANGOR (County Down) D.S.C. Group.** Meeting every Monday at 8 p.m., in the Headquarters, 65b, Main Street, Bangor. Private sessions by arrangement. Visit the reading room—keys from caretaker. All enquiries to Hon. Secretary.

**BELFAST D.S.C. Group.** Headquarters: 72, Ann Street, Belfast, on Thursdays at 7-45 p.m. Monthly Group Meetings on First Tuesday in each month.

**BIRMINGHAM and District.** Social Crediters will find friends over tea and light refreshments at Prince's Cafe, Temple Street, on Friday evenings, from 6 p.m., in the King's Room.

**BLACKBURN Social Credit Study Group** meets each Tuesday at 8 p.m., in the Y.M.C.A., Limbrick. All welcome. Enquiries to Hon. Sec., 47, Whalley New Road, Blackburn.

**BRADFORD United Democrats.** All enquiries welcome; also helpers wanted. Apply R. J. Northin, 7, Centre Street, Bradford.

**DERBY and District—THE SOCIAL CREDITER** will be obtainable outside the Central Bus Station on Saturday mornings from 7-15 a.m. to 8-45 a.m., until further notice.

**LIVERPOOL Social Credit Association:** Meetings held fortnightly, Fridays, at 8 p.m., in the Primrose Cafe, Cases Street. Enquiries to Hon. Secretary, Green Gates, Hillside Drive, Woolton.

**LONDONERS!** Please note that THE SOCIAL CREDITER can be obtained from Captain T. H. Story, Room 437, Sentinel House, Southampton Row, London, W.C.1.

**NEWCASTLE D.S.C. Group.** Literature, The Social Crediter, or any other information required will be supplied by the Hon. Secretary, Social Credit Group, 10, Warrington Road, Newcastle, 3.

**PORTSMOUTH D.S.C. Group.** Weekly meetings every Thursday at 8 p.m., 16, Ursula Grove, Elm Grove, Southsea.

**SOUTHAMPTON Group.** Please note that the Headquarters have been removed to 8, CRANBURY PLACE, SOUTHAMPTON. Members please call to see the new and more advantageously situated premises.

**SUTTON COLDFIELD Lower Rates Association.** A complete canvass of every house is being undertaken. Any assistance welcomed. Campaign Manager: Whitworth Taylor, Glenwood, Little Sutton Lane, Sutton Coldfield.

**TYNESIDE Social Credit Society** invite co-operation to establish a local centre for Social Credit action in all its aspects. Apply W. L. Page, 74-6, High West Street, Gateshead.

**WALLASEY Social Credit Association.** Enquiries welcomed by Hon. Sec., 2, Empress Road, Wallasey.

**Miscellaneous Notices.**

Rate 1s. a line. Support our Advertisers.

**DERBY & DISTRICT Lower Rates Demand Association.** Meetings are held fortnightly (Tuesdays) in Room 14, Unity Hall.

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