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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

The dismissal of the Appeal by the Australian Federal Government to the Privy Council against the decision of the Australian High Court that nationalisation of the "private" banks violated the (Australian) Constitution, is one more instance, if any were needed, of the absolute necessity under present conditions, for a written and enforceable Constitution. Whatever sins may be laid at the door of the joint-stock banks, and they are many, it is certain that "nationalisation," their conversion into a *de jure*, as well as a *de facto* monopoly, is not the remedy. But even if it were, the point would still remain that an Administration deriving its powers from an electoral majority not more than a fraction of which could conceivably understand the issues at stake, and composed of individuals who are not asked to, and would not if they were asked, underwrite, as individuals, the consequences of their votes, is almost uniquely unsuitable for such a task.

Potentially, this decision may be of fundamental importance. It is a clear, flat negative to Mr. Laski and his one-Chamber Sovereignty ideals so far as Australia is concerned. "The core of the Australian Constitution" is not the supremacy of the (Australian) Parliament—it is resident in the meaning of the written words, *i.e.*, the tradition of the Australian Constitution. No doubt there is a procedure by which this written Constitution can be amended; but it is not that of a snap election by the anonymous votes of an electorate which, in every country, is composed of people who know as much about any Constitution, its objects and its uses, as they know about the feudal system.

We do not often find ourselves in consonance with the pronouncements of Mr. Bernard Baruch, but his comment, that

Britain [*sic*] has got to get rid of the frozen £3500 million sterling which her creditors like India, Egypt, and the British Commonwealth generally are using to buy goods for which she doesn't get anything. These frozen credits should have been cancelled long ago as a contribution to the common cause.

is sound and sensible though far from comprehensive.

We have referred to this subject before on several occasions, with, we consider, exemplary restraint. We think that it demands examination by an independent commission the findings of which should, if no reasonable explanation of the facts is forthcoming, be followed by impeachments for High Treason. We do not believe that the persons who have brought about this fantastic and unique position are incompetent. They are traitorous. Anyone who can contend that we should hand over the sub-Continent of India after 150 years of development, and accept claims for 1500 million pounds against us in addition, is either a certifiable lunatic or in the pay of international gangsters.

It is also clear enough that they have lost any fear of consequences. It must be restored.

Much of what we have written in regard to our load of debt is applicable to the Trades Union situation. Anyone with practical experience of the working of trades' unions, knows that they are, and have been for many years, both highly artificial, and definitely injurious to the real workman and the public. Whether the old, comparatively small, craft unions served a purpose which could not have been otherwise realised, is open to question. But the whole nature of the modern Labour monopoly has changed; it is not an economic mechanism, it is a political machine. And like so many other of the evils from which we suffer, its modern form is Jewish in conception and political objective.

"In our last issue we mentioned our apprehensions concerning the future policy of the Melbourne *Argus*, now that it has been virtually taken over by the English Socialist *Daily Mirror* group. Apparently the new group has quickly taken control of certain aspects of policy. The last of Mr. Eric Butler's series of League of Rights Study Course articles did not appear on Saturday, July 2, as scheduled. No explanation was published. Mr. Butler's article, which we republish on the front page of this issue, was an exposure of the Financier-Socialist groups working to wreck the British Empire. We urge all readers to ensure that this article is passed on to all those who were regularly following Mr. Butler's articles in the *Argus*."

The New Times, Melbourne, July 15, 1949.

We are informed by Air Mail from a reliable correspondent that £500,000 was paid for a controlling block of *Argus* shares—much above the market value.

It may be remembered that, prior to the attack on genuine Social Credit in Alberta and the booming of Mr. Manning, the independent *Edmonton Bulletin* changed hands more or less coincidentally with a very quiet visit of Stella Dowager Marchioness of Reading, to Alberta. There appeared to be some doubt as to the origin of the purchase money.

According to the "B".B.C. Home Service 8 a.m. News Bulletin of August 1, Mr. McCloy, the U.S. High Commissioner for Germany stated that the U.S. was determined to re-establish a permanent community of Jews in Germany.

The enthusiasm of the Americans for this project greatly exceeds that of the Germans.

JOHN MCCLOY.

WHITAKER, 1949: "The International Bank for Reconstruction and Development: The President and Vice-President are John McCloy and Robert L. Garner, U.S.A.;

and the Treasurer, Dr. D. Crena de Jongh, Netherlands."

McCloy is the brother-in-law of Lewis W. Douglas, the U.S. Ambassador, both having married Zinssner(?) sisters: McCloy was made Military Governor of the U.S. sector of Germany. *Truth* commented (May 27, 1949) that he was "the ideal man—from the Wall Street point of view."

It is with regret, but without much surprise, that we note that Quebec's one Federal Social Credit (Union des Electeurs) M.P. has lost his seat in the General Election.

There is in the Roman Catholic Organisation, which is by far the strongest political influence in Quebec, a strong element of centralisation. To what extent this is inherent, or whether it is due to the well authenticated fact that the finances of the Vatican are managed by the Rothschilds, we do not know. But it is there; and it operates to the disadvantage of Social Credit.

PARLIAMENT

House of Commons: July 26, 1949.

Supply: Committee—Fuel and Power

Mr. McCorquodale (Epsom): This is the last opportunity before the Recess of asking the Minister some important questions with regard to our coal position, and indeed the whole of our position regarding fuel and power. . . .

. . . I wish now to return to the subject at issue, and I will compare the period up to 16th July this year with the period from the beginning of the year up to 16th July last year, which is the period for which I have been supplied with figures. These figures show that, while the output from our mines increased by something just under three million tons, or an increase of 2.8 *per cent.*, yet the consumption increased faster than that. Consumption increased by four million tons, or 3.7 *per cent.*, and thus our actual position in regard to the ratio of consumption to production worsened by one million tons.

I am informed that our stock position on 16th July was considerably worse than on the same date a year ago, and the figures supplied to me show that the distributed coal stocks and opencast stocks together gave us a total on 16th July of approximately 13,900,000 tons, against 16,250,000 tons, or a reduction of nearly 15 *per cent.* in our stock position. If we endeavour to make a small profit and loss statement of the excess consumption over output and our existing stocks, we find that, against an excess of 13 million tons a year ago, there is only an excess of 10 million tons of coal this year, and, with the advent of the low output period in the holiday season and the dangerous drop in stocks, I foresee very grave difficulties in the months to come.

Last year, when our exports were only 16 million tons, we had to draw on our stocks, I believe, to the extent of three million tons. This year, our actual requirements under the European recovery scheme are higher than they were last year. . . .

. . . We must face the fact that our total output lags behind, compared with many European countries, in the matter of our recovery to pre-war standards. I have the figures here for the different countries, but I do not wish to go into them. According to the latest figures, issued in April, we are only up to 89 *per cent.* of our pre-war tonnage of coal produced in this country, while other countries in

Europe are well over 100 *per cent.*, and our manpower is again declining. We read that during the last six months a net decrease in our total manpower of something under 5,000 has been experienced. . . .

. . . Now I wish to say a few words on quite another matter, and one which has been exercising the minds of many people in my constituency, and no doubt the minds of a number of people in the constituencies of other hon. Members—the electricity surcharges which were added during the winter. I believe that in intellectual circles these winter surcharges are known as Clow differentials, after the Clow Committee recommendations. I believe I am right in saying they were introduced in an effort to reduce the peak load during the winter months, and the idea was that by putting on a surcharge of .35d. per unit during the three winter months the housewife and the householder would save electricity during those three months.

When this was announced the Committee will remember that it was proposed that the surcharge made during the winter would be recovered by a rebate for the nine summer months of .1d. It was emphasised by the Minister that this was not a revenue-raising scheme, but that it was a method of inducing saving during the winter months by means of encouragement and punishment. I do not believe that this was put over in a proper psychological manner. The figure .35d. per unit does not mean very much to the harassed housewife. What does matter is the size of the bill when it comes in. That inducement did not arise until the damage was done, and it was not until the bills began to come in during the spring and summer that the reality of the situation was brought home to the user of electricity, especially in the small all-electric houses which the right hon. Gentleman's colleague the Minister of Health has been encouraging.

I have had in my constituency, and no doubt other hon. Members have had, the most alarming statements of increases in quarterly charges. I have some here if the Committee would like to listen to them. In one case the charge went up from £5 to £12, and in another case to £17; in another case it went up from £4 to £9, and so on. The rebate did not make up for the extra surcharge by anything like the amount hoped for, so far as one can estimate. The whole thing got muddled up because there was a general increase in charges on those who had specially low rates up to a certain level—I think it was three-quarters of a penny a unit. A lot of householders were caught both ways at the same time—both by the winter surcharge and by this extra increase. I hope the Committee will excuse me if I remind them how often in the past the nationalisation of this great industry was praised to the community on the score that charges would go down. I think "Public Ownership will lower charges" was the phrase used in the official publication, "Let us Face the Future."

At Torquay the other day, Lord Citrine indicated that, in spite of the increased charges, up to three-quarters of a penny and so on, during 1948, the surplus of revenue this year will be very small if any. It is a fair deduction, I think, for us to say that without this winter surcharge there would probably be no surplus at all, but very likely a deficit. What I want to know is, what the Minister is going to do about it. If it happens—and every estimate made so far shows that it is likely to happen—that the surcharge will not be discounted by the reduction of .1d. per unit during the summer months, is the Minister going to do something special about it? Is he going to give a further rebate? Is he going to make a repayment in cash to those house-

holders who have paid the extra amount; or, like so many other hopes and pledges, will they go into the wastepaper basket with the others? I think this is an important matter. . .

. . . There is one other small matter which I wish to raise. I do not want to keep the Committee very long because we have only a short time for this little Debate. I wish to refer to the public relations of the National Coal Board. I have already said that the public relations departments of the Ministry and of the National Coal Board have a very great task to fulfil. It is very largely up to them to keep the flow of fresh miners coming into the mines. Their job is most certainly not to spend public money on party politics or propaganda of any sort. I am sure the Committee will agree with that statement that it is not the duty of any public relations office of any nationalised concern or public corporation of any sort to spend the public's money on partisan propaganda. . . . I am not going to make a great deal of this point, but I should like to refer to a cheap novel which has been produced without any publisher's name on the title page, although the printer had his imprint, as all good printers do, called "Fingers in the Sky." It has been described by the Press as shrill propaganda for party purposes. Indeed, so far as my reading of it is concerned, it is rather shrill and rather indifferent propaganda on behalf of one side of the political scene. After questioning it was found that the National Coal Board paid for the printing of 10,000 copies of this little book. They distributed free 4,000 copies of it to public libraries and other institutions, and I am told they have also been sent to some Socialist Members of Parliament, but I have not been able to check that. I believe one or two have seen it. The other 6,000 copies have apparently been put into cold storage.

This is not the sort of thing which the National Coal Board should be at, and indeed it is quite obvious that they realise that a bloomer has been committed because the other 6,000 copies have not been distributed. Their excuse was a trifle naive, if one may believe what was said in an interview with the "Daily Graphic." [*Laughter.*] It is a very good paper. I have no doubt that the hon. Member who laughed will believe what the Board official said. He did not deny this afterwards. He said:

"We did not put our name to it because we felt there were certain passages that made it better for it not to be issued as our own publication. We bore the cost of printing and paid an honorarium"—

that is a little royalty—

"to the author. We did not acquire the complete copyright. Certain officials, on the ground of quality, opposed publication."

We do not want to have a charge of spending public money for partisan purposes laid against the National Coal Board or any other nationalised concern. It is possible—and I will not mention names—that some of the trouble might be in one of the Board's officials. I will give his name to the Minister if he wishes, because this official wrote a book, "Triple Guide to Big Business"—a most entertaining book but extremely Left-wing. The chapter on the Press, for example, damns impartially the Conservative Press, the Liberal Press, the "Daily Herald" and all of them and the only paper it appears to like at all is, and I will read the quotation:

"There is one daily newspaper which claims to arrive at the breakfast table without 'a lord on the board.' It is the humble 'Daily Worker.' Humble because it is owned by humble people, humble because they are said to be mainly working class and, let us not hide the truth, many of them not so humble as members of the Communist Party of Great Britain."

Mr. Mikardo (Reading): Surely the right hon. Gentle-

man is not now advancing the thesis that an officer of a public corporation ought to be inhibited from expressing in writing his views on a matter outside the work of the corporation?

Mr. McCorquodale: No, I have no objection to people expressing their views privately or publicly and, in fact, they should do so, but when one is on the industrial relations side of a public corporation—and the Civil Service have to do this all the time—I think it behoves one to be a little careful. I am not pillorying this gentleman upon the matter and I have not mentioned his name, but I think it behoves him and the N.C.B. to be a little careful. He is perfectly frank in his outlook and there is no reason why he should not be. I am merely making the point that I think it would have been better for him to have been a little careful in the publications he issues from the N.C.B., as he is one of the officials responsible for putting out this pamphlet "Fingers in the Sky," of which even the Board themselves are now ashamed. . . .

Mr. Hugh Fraser (Stone): . . . The point I want to raise, however, is a very simple one which affects every home in this country, and that is the question of the various activities of the British Electricity Authority. The first question I would ask the Minister is, When are the accounts of the British Electricity Authority to be published? The latest statement of Lord Citrine has caused a considerable amount of alarm, and it has caused alarm especially amongst those people who are paying for the British Electricity Authority—the consumers of electricity in this country. That is one thing I want to ask the Minister.

I also want to ask him what plans he is making for this refund under the Clow differential of payment. I want to know if the refund is to be made. Finally, I want to ask him this question. How does the Minister propose to implement those pledges which were made in 1945 in "Let us Face the Future" to lower electricity charges? Because the fact remains that at the moment charges are rising. I see some of my hon. Friends opposite from North Staffordshire. They know that electricity charges in North Staffordshire have gone up to an amazing extent. Let us take Newcastle-under-Lyme. There the electricity charges have been doubled. There are other areas throughout the country where the rate was below $\frac{1}{4}$ d. per unit, but where now the rates have gone up to $\frac{3}{4}$ d. per unit.

Mr. Shurmer: Is the hon. Gentleman not aware that many of the local authorities were working practically on the rates, and had been for three or four years before nationalisation?

Mr. Fraser: That applied in certain areas, I quite agree; but in the country generally electricity charges have gone up.

Mr. Shurmer: So has everything.

Mr. Fraser: So has everything. And so everything is "fine and dandy." That is what we on this side are always trying to disillusion hon. Members about. The point about the Clow charge is that it is now being removed. That is a very big problem. This surcharge during the winter months of $\frac{1}{4}$ d. has now been removed. This idea came, I think, originally from the well organised State, Portugal, where this same surcharge takes place in the winter months on the heavier consumers. That charge is about to be removed. The point on which I should like the Minister to

(continued on page 7.)

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Saturday, August 13, 1949.

The "Attack on the Constitution"

It is rather a long time now since Major Douglas suggested that relatively (or was it apparently?) fine distinctions would come to play an increasing part in the war for Social Credit. It is in such discrimination that not only will the quality of action show itself which is alone adequate for our purpose, but, and as a consequence, not as an alternative, the point of the enemy's weapon be turned against himself. It is for this reason that every Social Crediter should be wide awake at the present time, when fresh openings are presented every day in the form of ideas which the enemy has to make visible in order to handle them, and handle them he must, because the situation presses.

Take the word "constitution." A man who says he has left both trade union and party (evidently, from the context, the "Labour" Party) in disgust says, through the medium of a Sunday newspaper, that "Large-scale strikes are a form of civil war against the Constitution." He further identifies a prominent member of the present Government with the earlier phase of this "attack on the Constitution" in the General Strike of 1926, and, by implication, the Communists with the Labour Party. This is all to the good; but to return to the Constitution. A great deal has been written, we hope not uselessly, about the Constitution in this review lately. The letter of the dissatisfied ex-trades-unionist is not intended to advance our ideas. Rather, if there is any conscious intention in the matter, we surmise the reverse. What is the "Constitution" he is talking about? It might be defined as "that which large-scale strikes wage a form of civil war upon." Quite a good definition; but unfortunately the idea is not attended with its appropriate dose of pyrogallic acid—the image is not 'developed.' To retain the photographic figure of speech, a bath of 'hypo' would quickly obliterate any useful image of this sort of "constitution" altogether. The writer's effect is to reinforce the attack upon "communists in the unions." To this positive, any constitution there may be (temporarily) has a negative sign. Now it is clearly within the power of ourselves to reverse the potential of this, to put life into the notion of the Constitution by restoring it from the sphere of something which can be attacked and destroyed to the sphere where Law reigns, "which cannot, in the ordinary sense of the words, be altered, and therefore must be ascertained."

The newspaper letter-writer has opened the door to this reversal of direction. The instances will multiply.

It may be observed that every fight against something is a defence of something; but here, as elsewhere, it seems that the negative is somehow more manageable than the positive, though not always to the same side. Fighting wars has an element of negative voting: the soldiers are more easily

thrown against something they don't want than they are mobilised in defence of something they do want. And, in any case, the result is more certainly satisfactory to those who wage wars. "Defence of the Constitution" has a fine ring about it. Even *The Times* has used it on occasion, e.g. "the English Social Crediters do not believe that bayonets will be sent into Alberta in defence of the Constitution." (A pity they weren't!) When the fine sound has died down the bell that was struck to produce it should remain for examination. "Let's have a look at that bell!" should be the constant demand of those whose hour strikes. The sound comes from the bell, and if that is what moves them, motivates them, let them be familiar with it. It is perhaps curious that the bell of Christendom called people towards the place where it was; while the bell of anti-Christ sends them forth away from it—against something, no matter what, but something remote from the Joy of Man's Desiring.

Social Credit Secretariat

The Secretariat thanks those of its supporters who have already responded to the suggestion contained in the recent Statement of Constitution of the Secretariat (*The Social Crediter*, July 2, 1949) by forwarding an annual subscription which has fallen due or by intimating their agreement with the plan to adopt a fixed rate of contribution of £3 3s. annually towards the support of the Secretariat's work. It is well understood that no one is urged to contribute beyond his capacity in times which bear heavily though not equally upon all. The subscription proposed is one which is a close approximation to the needs of the Secretariat divided by the number of its supporters.

In order to facilitate collection of subscriptions a BANK ORDER form has been drawn up and will be distributed. It is hoped that all the supporters of the Secretariat will return one of the forms, duly entered, to the Treasurer and Director of Revenue, Social Credit Secretariat, 7, Victoria Street, Liverpool, 2, as soon as possible. The forms provide opportunity to each supporter to enter the name and address of his bank, the amount, assessed by himself, of any payment of arrears the subscriber desires to be made to the Secretariat immediately, and an amount to be paid by the banker to the Secretariat periodically on the supporter's instructions after October 1, 1949. The forms received will be distributed to the bankers concerned by the office. Supporters who desire to do so may, of course, make some alternative arrangement which suits their convenience.

Postponement of Conference

It has been found to be impracticable to complete the arrangements for a Conference of supporters of the Secretariat to be held in Scotland this summer. The chief reason for this is the unprecedented call upon hotel accommodation, in districts conveniently situated for our purpose, due to the great development of touring in public conveyances which are not subject to the restrictions now placed upon private motor-ing. This situation was not clearly envisaged when the proposal was made earlier in the year.

A meeting at Easter is now suggested as an alternative, and the Secretary would be glad to hear as soon as possible from supporters who would attend such a gathering, in order that details can be worked out and arrangements made.

Lord Ammon

The following passages from Lord Ammon's speech in the House of Lords on July 27 seem to us to be worthy of a place in the record:—

"I have a right to remind your Lordships and others concerned that the Board was unanimous and the action of the Chairman was simply the carrying out of the directions of the Board.

"I have this to say, also: that, speaking both for myself and for my Board—and I speak with definiteness for myself—the only concern I had was concern for the country and the Government. One was appalled that this sort of thing should go on in the manner in which it did at a time of the nation's greatest peril, bringing discredit upon the Government for allowing it to continue. Again and again Ministers—the Prime Minister and others concerned—were approached by myself individually and personally, by letters of which copies can be seen, asking that action should be taken against the fomenters of this trouble, and raising the point which I had discussed with many noble Lords with legal experience, as to whether or not there was an Act under which such people could be proceeded against for bringing about a state of public mischief. I had no intention of doing anything against the dockers themselves. But they were being exploited; the country was rapidly being brought to ruin and the Government brought to discredit, and our stock and prestige in other lands was falling.

"I asked that action should be taken against overseas agitators. I asked that some step should be taken in order that this trouble should not be allowed to break out again, and as far back as July 5 I wrote a letter to the Prime Minister in which I stated that I was feeling worried because the strike was approaching a stage when the unofficial leaders would say to the men: "You go back, and no victimisation," thus retaining the initiative. I pointed out that it was likely that the last stage would be worse than the first, because there would be no guarantees that the trouble would not break out again in a few months' time. I may have been wrong, but that was the position which I took up. I will be quite frank about this; again and again I suggested, in my position as Chairman of the Board, that there was then a good opportunity, and that never would there be a better opportunity, either of calling the bluff of the leaders of the strike or, if necessary, of forcing a showdown—which was bound to come some day or other. Never would they have a better opportunity than they had then, I said. The strike was being denounced on all sides, and there was no industrial dispute. People were at a loss to know what it was all about. . . .

"There is one other point with which I wish to deal. A question was raised as to a notice of dismissal. I might tell your Lordships the true history of this matter, which does not in any way resemble that put before another place by the Home Secretary. Unfortunately, some weeks ago I met with an accident which laid me aside for a short time. During that time the Board met, and there being no deputy chairman appointed by the Board, a temporary chairman took my place. At that meeting the Board passed a resolution which stated in effect that a datum line should be set, after which, if the dockers had not returned to work, they should be dismissed. That resolution was discussed with the Ministry of Labour. Herein I think the Govern-

ment have not acted as fairly as they might. When the resolution was discussed with them, the Government asked that it should not be published. They had talked it over and agreed that it should not be published; and we also agreed to that course.

"When I returned from illness I, as chairman, was asked to take the resolution which the Board had passed to the Emergency Committee. There were appointed to go with me Sir Douglas Ritchie, who represents the Port of London Authority but was acting as a member of the Board, and Mr. Bird, the leader of the dockers. For some reasons—good reasons—they were unable to go that day, so I went, accompanied by the General Secretary. It is untrue to say that a statement was presented to the Emergency Committee, because there was no statement. All I had was this resolution, which I presented to the Committee, and it was then discussed. It was agreed that I should go back to the Board with it and point out that the Committee did not agree with it. The Home Secretary was grossly misinformed when he said that a statement was submitted to the Committee and was amended by them. At that time the document did not exist, except in manuscript draft at the offices of the Board. The only document I circulated to the Committee was a copy of the Board's original resolution. The Board, therefore, in issuing the statement were fully convinced that they were acting in accordance with the intention of the Committee, and at no time, even in what the Home Secretary has called "the closing courtesies," was there any suggestion that the statement should be communicated to the Committee. Nor in issuing the statement, did the Board think that they were either discourteous to the Committee or acting beyond their normal powers as the employer of dock labour under the scheme.

"When I went back to the Board, the Board began to consider other ways whereby they could take some steps towards getting a solution. So they drafted the statement which was afterwards issued. Your Lordships will bear in mind that nothing has altered. Nothing that has happened since then, not even in the debate in another place yesterday, has altered the position. It was the unanimous opinion of the Press that our reading of the situation was right, and that what we intended was to give a lead which we had every reason to know would be accepted and would end the strike. Never have the Board attacked the dockers. It is absurd even to suggest they might do so. I venture to say that no other body understands or is likely to understand the psychology of the dockers better than the National Dock Labour Board. It is composed of the leading employers in the industry and the leading trade union officials. They are in constant touch with the men. In this industry there is the biggest measure of workers' control to be found in any industry in the country. Local boards are formed on similar lines in every port. What happened was the abuse and exploitation of a very fine trait and sentiment in the dockers—namely, the solidarity of the workers. That has been prostituted. It was in order that that might be ended that we took action, knowing, as we did on very good authority, that the men only wanted some umbrella under which they could go back.

"We are fully conscious of the difficulties in dockland. The dockers will take a long time to shake down. It is not easy for men who have inherited centuries of being able to work when they like, where they like and for whom they

like, suddenly to be brought into a disciplined industry. There are bound to be some upheavals and unrest, as we have now seen. By their action, the National Dock Labour Board ended the strike. But the Government spoiled it, and the strike has ended in a manner which now leaves us in a state of uncertainty about what will happen in future. I put it to the Prime Minister as long ago as July 5 that this position would arise. It has arisen exactly as we foresaw. The astute leaders of the men sensed the sweep of public opinion, that the lead that had been given would have effect, and took the opportunity of ordering the men back just to keep the initiative. The men have gone back, but there is no guarantee that this position will not break out in future. . . ."

A Case "Without Precedent"

East Europe (publishers J. Listowel and J. Kowalewski, 16, Chester Row, London, S.W. 1.) for July 28 publishes, under the heading 'Strange Coincidence' comment on the Churchill-Bevin exchanges in the House of Commons on July 21 and a report of a judgment in the King's Bench Division on the same day in a suit brought by Polish sailors against the Gdynia-America Line. The edition of *The Times* which we have seen for July 22 does not refer to this case. *East Europe* reports it as follows:—

"In the summer of 1945 the Polish sailors refused to continue service in the Polish merchant fleet after it had been handed over to the Warsaw Government. The judge in his motivation declared that the withdrawal of recognition from the Polish Government in London took effect only as from midnight, July 5, 1945. Although hitherto it had been British practice to consider the recognition of a Government as retroactive, that is as valid not from the moment of recognition but from that of the Government beginning to exercise power effectively, 'the Polish case is without precedent'.

"The judge referred to Governments overthrown by revolutions or *coups d'etat*. In the unprecedented Polish case no revolution had taken place. The Polish Government sat in London—it was not merely a lawful Government, but it had the attributes of power, most important of all, a fine army. In Warsaw a Government was set up which had been formed in Moscow by the will of a foreign power, Soviet Russia, and exercised its authority relying on the Soviet Army.

"This judgment implies that the withdrawal from the Polish Government in London, which had never ceased being

a lawful Government, was an unprecedented, illegal, and unilateral act on the part of the Allied Governments.

"On July 23 the London Polish daily, *Dziennik Polski*, said 'History knows of Governments overthrown by revolution or as a result of enemy action during a war. But history knows of no other case of an allied Government being overthrown by its own allies.'

"Although this lawsuit, in which sentence [*sic*] was passed in favour of the Polish sailors, went unnoticed on the day of the sensational House of Commons Debate, these two revelations about the second world war are of equal importance . . . One day Mr. Churchill will own up to the mistakes of Yalta, as he has to those of Casablanca."

Legal Aid Bill

In connection with the Legal Aid (Scotland) Bill, Mr. John J. Campbell, B.L., J.P., Glasgow, has written to Lord Morrison at the House of Lords:—

"My attention has been drawn to the report of your Lordship's speech in the House on July 7, in which you quoted what appeared to be verbatim remarks made by me in an address to the Scottish Law Agents' Society in Aberdeen on June 17.

"I enclose cuttings from the *Glasgow Herald* of June 18, which contain an accurate report of my speech. You will observe therefrom that neither did I refer to the Bill as 'unscrupulous mendacity,' nor did I invoke the Holy Name. I did say that the history of the Bill had been one of 'subterfuge and mendacity.' That charge, unhappily, is true; would that it were otherwise. It gives me little pleasure to be obliged to say what I have said in defence of our country's traditions.

"The fears of the profession were scarcely allayed by the remarkable retort of the Lord Advocate in the House of Lords on December 16 last when dealing with the view that Scottish solicitors were being made State servants. No Government spokesman has yet created a feeling of confidence among the profession. Can this be done in your Lordship's House?"

"I do hope you will, in fairness, either in the Committee stage of the Bill or later, correct the inaccurate report of my speech which appeared in *Hansard*."

In a subsequent comment, Mr. Campbell stated:—

"In the third reading of the Bill on Thursday last, Lord Morrison had not the decency either to refer in this letter or to correct his inaccurate statements.

"The betrayal of the profession in Britain, following so closely on the betrayal of the Christian countries behind the Iron Curtain, brings to mind the line from Francis Thompson's 'Hound of Heaven'— 'All things betray thee who betrayest Me.'"

Tel Aviv Dockers

"Tel Aviv dockers have cabled a message of sympathy to London dockers involved in the present dispute and have assured them that they will refuse to handle any ship loaded by troops in London."—*The Jewish Chronicle*, July 22, 1949.

STATES ACTUAL, REAL & POTENTIAL

by

TUDOR JONES, Sc.D., M.D., F.R.S.E.

(The substance of an Address to the Speke Discussion Group
on 7th December, 1948).

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PARLIAMENT (continued from page 3.)

give me information follows the speech of Lord Citrine. His exact words were:

"The preliminary view seems to show that, largely owing to the fact that the increase of tariffs only came at the end of the 1948 period, we may look forward to a narrow margin of profit." That is, of course the tariffs relating to the Clow surcharge. Since those have now been removed it is questionable whether the British Electricity Authority will be able to meet their own charges. How are they to deal with this problem in the coming winter? How will they deal, first of all, with finding the money, and secondly with the problem of possibly reducing the load factor over the whole area of Britain's electricity supply? The Minister must know, having helped to compose the White Paper on the economic policy of this country, that there has been a very serious drop below what should have been produced in the way of generating plant, and that that is not running according to schedule.

We must face the fact, unless the Minister can give us affirmation to the contrary, that there may well be a very serious increase in the standard rate of electricity in this country. When the consultative committees he has set up have, in at least two instances, recommended to him that there should be a repayment of this surcharge to those people who suffer, we should very much like to know what action is to be taken to deal with the matter.

Let me take two or three instances of what this increase has meant to individual families. First, for a consumer in the Home Counties, in the quarter ending March, 1948, when 3,468 units were consumed, the total charge was £6 13s.; for the quarter ending March, 1949, when about 200 more units were consumed, to a total of 3,680, the total charge, with the surcharge added, came to 17 guineas. That means an increase of something like 300 per cent. As my right hon. Friend has pointed out, this manœuvre failed completely in its object of reducing the burden for the load factor in the country, for the very simple reason that people got their bills not at the beginning of the quarter but at the end, so that during that time they naturally considered that the increase was not very great.

What emerges quite clearly is that the Minister said the object of this was to reduce the load factor, that his various consumer committees and councils of industrial technicians have now shown that there was no reduction in consumption, or such a small reduction as to be wholly incommensurate with the cost to the general public, so that B.E.A. were forced to put up their charges in order to balance their books. Unless that can be disproved tonight by the Minister there will be continual anxiety, as there is anxiety today, about the progress which is being made by the British Electricity Authority, for which he is responsible in this Committee.

Mr. Palmer (Wimbledon): We have had a very imaginative speech from the hon. Member for Stone (*Mr. H. Fraser*) on the subject of electricity. I do not blame him, of course, for not appreciating the technical points, but it is most unfortunate that he should talk all the time about reducing the load factor when a good load factor is a high load factor. That is, of course, an important difference.

Mr. H. Fraser: Reducing the amount that should be consumed.

Mr. Palmer: The Clow proposals were not a conspiracy on the part of the British Electricity Authority. As my right hon. Friend knows, B.E.A. and the area boards were very much against the Clow proposals. I just point that out

to assist the hon. Gentleman in being a little more accurate in the future.

Mr. Fraser: Who was in favour of them then?

Mr. Bracken: Who set up the committee?

Mr. Palmer: The Clow Committee was an expert committee set up by my right hon. Friend to go into the question of the best way of dealing with the very real problem of the electricity demand out-running the capacity of the electrical system. The difficulty, which has not just arisen this year or last year, arose from the accepted sacrifices of the war-years, and the surcharge recommendation was one of the practical recommendations of that expert committee, which had on it as well representatives of consumers, housewives, and so on. My right hon. Friend accepted this recommendation and suggested to the area boards and to B.E.A. that they might consider its implementation, and although they were not very keen they did so. . . .

Mr. Bracken: This is a strange doctrine. The hon. Gentleman knows that the recommendations of this committee were accepted by the Minister, but the Minister cannot shelter behind them. The Treasury forced the Minister to overcharge the small people on the ground that electricity would be saved. No electricity was saved, but the unfortunate householder was looted.

Mr. Palmer: That is an excellent sample of the rather overheated imagination of the right hon. Gentleman. I am sure that my right hon. Friend would not wish to move one step away from this point: it was the responsibility of the Minister, and he accepted the report. It is a highly technical matter, and I cannot see that any great blame can be attached to the Ministry for accepting the report of this technical committee.

Mr. Bracken: It is a piece of sheer robbery.

Mr. Palmer: I want to say a word on this question of electricity charges. It is ridiculous to suggest that those of us who have advocated public ownership for electricity have ever said there would be an absolute fall in prices irrespective of the general level of prices. Such a statement would be ridiculous, and such statements were not made. What we did say, and I believe this will be borne out, was that our experiment of the B.E.A. and the area boards would be similar to the successful experiment of the Central Electricity Board.

Mr. Fraser: And the Dock Board.

Mr. Palmer: —and that we should by integration and bringing into effect the practical proposals of the McGowan Committee of 1935 on electricity distribution, be able to reduce costs.

Sir William Darling (Edinburgh, South): Has electricity gone up in price in Wimbledon?

Mr. Palmer: We all know that there has been a general increase in the price of electricity. . . . Coal costs are up 170 per cent., since 1938, materials generally by 140 per cent., and electricity salaries and wages are up by 70 per cent. These conditions are common to most industries whether under public or private ownership. . . .

The Minister of Fuel and Power (*Mr. Gaitskell*): . . . there were some undertakings, in the Midlands for example, which operated a differential between summer and winter charge for electricity before nationalisation. The Clow Committee's proposal was therefore only a generalisation of what had been adopted by some undertakings in the past. . . . For my part, I think that any Minister in my position receiving the Report of an expert Committee, containing four

people from the industry, which made a recommendation of this kind, would have been liable to serious criticism if he had completely turned it down. The right hon. Gentleman opposite shakes his head, but I must point out that I made the announcement over a year ago now, and there was very little sign of criticism from the Opposition benches when the announcement was made. . . .

. . . I have been asked about the repayment of the surcharge by the British Electricity Authority. The British Electricity Authority never suggested that every individual would get back the amount of the surcharge. Clearly not. The whole purpose of the surcharge-cum-rebate was to penalise those who used excessive quantities of electricity during the three winter months and to benefit those who economised during that time, and, of course, vice versa so far as the remaining nine months of the year were concerned. Therefore, it would have been quite wrong, and, indeed, the opposite of what was intended, if we were now to turn round—even if that were practicable, which it is not—and hand back the surcharge to those who were grossly excessive in their consumption of electricity—and not all but some undoubtedly have been—while at the same time taking away the rebates from those who had economised through the winter because that would have to be done as well.

Mr. Bracken: I am sorry to interrupt the right hon. Gentleman, but millions of very poor people now live in all-electric homes, and this was a mean step of the worst possible kind, and I think he ought to repay the money taken by the Treasury from these poor people.

Mr. Gaitskell: I cannot in the least agree with the right hon. Gentleman. . . .

As to the year as a whole, the position has not changed very much since the last Debate. . . . We are certainly much nearer the lower of the two figures which we gave in the Economic Survey—215 million tons as against 220 million tons,—and I would be happier if we were nearer the 220 million tons.

Although one would wish to have a larger output, I hope it will improve in the remaining months of the year. Nevertheless, I would not really feel it was right to create a great degree of anxiety at this stage about the position next winter. We want more coal for exports, but having regard to the stock position I do not think the outlook for next winter is too bad. Incidentally, we only de-stocked to the extent of 500,000 tons last year, not 3 million tons as the right hon. Gentleman suggested. . . .

I want to come to this pamphlet "Fingers in the Sky." First of all, the principle is perfectly clear: nationalised boards must be non-party in character and behaviour. We are all agreed about that, on all sides of the House. . . . The pamphlet was issued without reference to the actual Coal Board itself. I do not think anybody would expect that everything that is done in the name of the National Coal Board is seen and approved by the board themselves. That would be a case of the most extreme centralisation one could possibly have. As soon as the Chairman heard about this, however, he at once appreciated that it was a mistake, gave instructions that distribution of the pamphlet was to stop, informed me that in his view it was wrong for the board to have sponsored the production in its present form and said he had given orders which should prevent a similar mistake in the future. He also apologised to the hon. and gallant Member for East Grinstead (Colonel Clarke) who went to see him on behalf of the Opposition. . . .

Vers Demain

Vers Demain for July 1 carries on its front page a facsimile copy of a letter of which the following is a translation, from the Papal Secretary of State:—

"Vatican, May 2, 1949.

"The Secretariat of State of His Holiness has the honour to inform M. Louis Even that the Holy Father has received M. Even's book entitled *Sous le Signe de l'Abondance* and that in thanking him for this filial homage the Holy Father sends him in return, with all his heart, the Apostolic Blessing."

The Editor of *Vers Demain* comments:—"We must not read in this message approbation of the contents of the book. It is, however, the official assurance that the work has been handed to the Holy Father, and that is all that we sought in sending it as a gift to His Holiness. We greatly wished to see a résumé of our Social Credit teaching presented to the Vatican, in the form in which we teach it, and not as it may be defamed by enemies whose interest is to harm our movement.

"The Holy Father was even kind enough to say to our messenger, a Canadian religious Sister, that he would acquaint himself with the book. . . ."

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