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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

As no doubt most of the readers of this review are aware, the heraldic cognisance of the Isle of Man (or, perhaps more accurately, of the Kings of Man) consists of three legs joined at the thighs and radiating equidistantly, the motto being *Quicumque jeceris stabit* (However thou throwest, it will stand). The Dukes of Athole, who acquired the Kingship of Man by marriage with the Stanleys, and disposed of it to the Crown for a money consideration in 1765, quarter the three legs on their coat of arms.

There have been many explanations given of this curious device, but for ourselves we have little doubt that it, with its motto, is a symbolic representation of the Manx Constitution—Trinitarian. It appears probable that at this time some investigation of its original form might yield valuable results.

"BRITISH-ISRAEL FINANCE PACT"

"The Treasury Economic Information unit announce that discussions on releases from Israel's blocked sterling balances with the Israel financial delegation ended on Friday.

"The agreement covers the period up to December 31, 1950. The amount of sterling to be released will be £3 million. In addition, there will be a release of £4 million to constitute a working balance and, for so long as Israel cannot obtain her normal supplies from the Haifa refinery, a release of up to a maximum of £435,000 a month to cover sterling payments for Israel's essential oil supplies, together with a release of £500,000 for the two months November and December, 1949."—*The Courier and Advertiser*, Dundee, February 13, 1950.

Of course, we quite realise that the object of nationalising the Bank of "England" was to place its assets and "power of creating the means of payment out of nothing" at the free disposal of the international crooks, but, as insignificant members of the community which will no doubt supply "Israel" with atomic bombs to drop on London, paid for by blocked sterling balances created by members of the Israel-ite Tribe temporarily resident in the Treasury and the Bank, may we timidly enquire:—

How did a State, which did not exist officially, become possessed of millions of pounds sterling in blocked balances?

What is the total of these balances?

Have the negotiations which led to the creation of these sterling credits been placed before Parliament, and if so when?

To whom do the Haifa refineries belong, and why should we pay the Jews because *they* cannot use them? We pause, but not in expectation of an answer.

Many readers will have noticed that one of the items in the Thirty Years Treaty between the Russians and Mao's Communist China is a loan of \$300,000,000 *American* Dollars. Passing over, as unprovable, the story that the U.S. supplied Stalin with the engraving plates with which to print an unlimited number of dollar notes, we should

like to emphasise one point of many. The inclusion of this item is a direct blow at the prestige of sterling. Anyone who cannot see that "Wall Street" is backing Stalin and Mao is merely half-witted. One H.Bomb on Tel-Aviv and one on Pine Street, New York, at 11 a.m. would do more for peace than all the Conferences ever held.

"I told them the Government was doing well" said Lord McGowan grinning, "and coming from me, that ought to impress them."—*No Cause for Alarm*. Virginia Cowles. Yeah; I.C. "... Nationalisation—we welcome it."

We wish to tender our congratulations to Sir Alan P. Herbert on his little poem "Full Enjoyment."

We are assured by those who know, that politics is a dirty game, but never in our knowledge of history has there been anything to equal the "Full Employment" racket. We have a long way to go after that racket has been exposed, and its propounders and sustainers ducked in the malodorous horseponds which provide their appropriate atmosphere, but at the moment they block the road. The Export, and Dollar Shortage rackets could not be sustained without the bogey of Unemployment ("Ask your Dad") and even the decaying intellects of the British might be led to enquire how we come to "produce" nearly twice as much, yet stagger from one crisis to another. Or don't we?

The Constitutional Issue

"The constitutional history of England is largely the history of the efforts made by autocrats to govern without Parliament, and of the checking of this tyrannical ambition by whatever estates of the Realm have been powerful enough to make an effective protest.

"Wise rulers (like Queen Elizabeth), however absolute their theoretical sovereignty, have always in practice recognised the authority of Parliament and ruled by deferring to it; bad or foolish rulers (like King John, or Charles I, or James II) have ignored or defied Parliament and been worsted.

"For sell what they would, or borrow where they might, the time always came when the Sovereign needed money, and was obliged to summon a Parliament in order to ask for it.

"Thus, in the last resort, Parliament has always been able to bring tyranny to heel by a resolute refusal to pass a money bill except on its own terms. . . .

"It has been reserved for the Socialist Government to undertake the breaking of this decisive weapon in the hands of Parliament. . . .

"I should give my vote to the Conservatives on the constitutional issue alone, even if there were no other grounds for preference. Never again do we want to hear a Minister of the Crown proclaim: 'We are the masters now.'

"The essence of democracy is that the Government should be the servants, not the masters, of the people; no Government which forgets this is fit to bear rule, because it has in it the makings of a tyranny."—Dorothy L. Sayers in *The Evening Standard*.

Planners' v. Divine Wisdom

The following comes from the *Christian Science Monitor* of November 23 last:—

Opportunities to work for themselves—free from government controls—brought the material benefits of bountiful harvests for which the early Pilgrims gave thanks to God.

This fact is borne out clearly in Gov. William Bradford's detailed history of the early days of "Plymouth" Colony, as he spelled the name.

In his original manuscript, and in his own words, he indicated that he "with ye advise of ye cheefest amongst" his councillors, had made a serious mistake in thinking they were "wiser then God" in trying to control the land and what the people produced on it.

So, in 1623, they turned away from government dictation and gave each family a parcel of land for its own use.

What a change took place!

Up to that time, during their first two years in this country, the Pilgrims had nearly starved. They had suffered hunger two long years, with never enough food in the colony's storehouse.

Daily rations were about a quarter of a pound of bread for each person. The colonists complained they were too weak to work raising food. Although deeply religious, some were so hungry they stole food. Women rebelled when ordered to cook for men not their husbands.

But after the granting of the parcels of land, everyone—men, women, and children—turned to and planted as much corn as they felt they possibly could work. Even the women went into the fields willingly, taking their children along with them.

And, when the harvest was gathered, instead of a famine, they had plenty. So they all gave thanks to God. What a Thanksgiving they celebrated!

Governor Bradford's actual account of why the Pilgrim fathers celebrated this early Thanksgiving—in his own words and his quaint, old-fashioned spelling—have been reproduced in extracts from his 526-page history "Of Plymouth Plantation," by the International Nickel Company, Inc., Huntington, W.Va.

Under date of November, 1621, Governor Bradford had recorded that "the Govr. & his assistante . . . took an exacte accounte of all their provisions in store and proportioned ye same to ye number of persons, and found that it would not hold out above 6, months at halfe allowance, and hardly that. . . ."

Six months later, in May, 1622, it is recorded that "in a manner their provissions were wholly spent, and they looked hard for supply, but none came. . . . They were without any food, and came at shuch a time as they must live a whole year before any could be raised. . . ."

By late summer, 1622, a small boat had reached the colony . . . "but what was gott, & this small boat brought, being divided among so many, came to but a little, yet by God's blessing it upheld them till harvest. It arose to but a quarter of a pound of bread a day to each person."

It was not until early in 1623 that, "after much debate of things, the Govr. (with ye advise of ye cheefest amongst them) gave way that they should set corne every man for his own perticuler, and in that regard trust to themselves. . . ."

So the governor assigned to every family "a parcell of

land." Immediately, things changed, and Governor Bradford perhaps expressed it most clearly in his own words:

"The experience that was had in this comone course and condition, tried sundrie years, and that amongst godly and sober men, may well evince the vanitie of that conceit . . . that ye taking away of propertie, and bringing in comunitie into a comone wealth, would make them happy and flourishing; as if they were wiser then God.

"For this comunitie (so farr as it was) was found to breed much confusion & discontent, and retard much employemet that would have been to their benefite and comforte."

By the autumn of 1623, and the coming of the harvest, the changes were apparent.

"In stead of famine, now God gave them plentie, and ye face of things was changed, to ye rejoysing of ye harts of many, for which they blessed God."

"Incidentally . . ."

Under this heading the *Jewish Chronicle* for February 10 published the following:—

"In addition to the recent resignation of the Chairman of the U.S. Atomic Energy Commission, Mr. David Lilienthal, which takes effect a week next Sunday, an original member of the Commission, Admiral Lewis L. Strauss, has resigned to return to private affairs, although his term of office does not expire till June. In accepting the resignation, President Truman commended the Admiral for "a contribution of the utmost value." Born in Charleston, W. Virginia, 54 years ago, the Admiral, a banker by profession and a partner in the widely-known banking firm of Kuhn, Loeb and Company, has long been a leading figure in the American Jewish community; he was for 15 years President of the Jewish Agricultural Society, has been American deputy and a member of the Council and Administrative Committee of the Jewish Agency; Treasurer of the Jewish Theological Seminary in New York; President of the New York Congregation Emanu-El; and an executive member of the Union of American Hebrew Congregations, and was connected with several other Jewish organisations. From 1917 to 1919 he worked energetically as one of the principal assistants to the United States Food Administration on the Continent, for which he gained decorations from half-a-dozen Governments. During the last war he was special assistant to the Secretary of the U.S. Navy, holding the rank of Rear Admiral, and was awarded the Legion of Merit."

The Depreciation Policy

"Depreciation of money, accompanied by fantastically increasing taxation, has been, and still is, a practically perfect means of concealing technological advance. A rough indication of this advance is provided by the increase of income over a period, assuming that prices remain stationary over the same period; but soaring prices chased by wages create the illusion of the perpetual necessity for struggle—including class struggle.

"Now depreciation of money is a *policy* (although an occult one) which proceeds from the same source as the policy of Full Employment, which is designed to keep men enslaved to daily toil. Depreciation of money and Full Employment are, in fact, the two sides to the one coin. A challenge to the policy of currency depreciation would entail, in no great time, the repudiating of Full Employment; but much more important, it would involve a challenge to the real arbiters of financial policy."—*The Australian Social Crediter*.

PLANNERS AND BUREAUCRACY (cont. from page 8.)

P.E.P. goes on to suggest the formation of European commissions for food, transport, health, and civil aviation as well as industrial reconstruction, the development of poverty areas in Europe and colonial possessions, "which in the second stage of reconstruction might develop into permanent European institutions under the general direction of whatever authority is charged with the long-term planning of the European economy. At all stages they would work in close contact with the I.L.O., the world commodity controls and any other organisations which may emerge from the co-operation of the leading world powers."

With one or two omissions this is what has already been done or what it is proposed to do in Europe. In some cases, even, the methods have already been proved inefficient. Dr. Funk (according to the *Sunday Times* of February 1, 1942) said recently that "although collective forms in the matter of economic organisation are important during war, they must be gradually abolished later to allow private enterprise free play. . . . Those who think that merchants and their function in international trade can be eliminated should realise the necessity of a new apparatus, which would however, not carry out the distribution so well."

To all this economic control and interference, the essence of Nazism, P.E.P. appends, like a footnote, a political association "based on the experience of the British Commonwealth." In fact, it would not be at all like the British Commonwealth, for, as *Planning* says, purely political organisations would become less paramount as the economic institutions, over the policy of which the people have the slenderest control, grow more effective.

It cannot seriously be credited that an "economic and administrative unity in Europe" which so scrupulously follows Germany's methods can produce different results, and any system (even the same one) administered by 'perfidious Albion' would probably be even less welcome to Europe than one administered by Germany.

P.E.P. seeks to persuade people to adopt those conditions which a victorious Germany would have imposed; and to submit to P.E.P. planning would have been to lose the war no less certainly than if we had been defeated in arms by Germany. Abraham Lincoln once said that a greater foe than the enemy in the field was the Enemy in the Rear. Now is the time to heed his warning. Certainly, whatever P.E.P. may think, the British are no more fighting for the privilege of being the bureaucrats and *bêtes noires* of Europe than they are fighting to institute a bureaucracy in this country. The man in the street believes he is fighting for freedom; not general welfare, which is state charity and the moulding of a rich diversity of character to the statistician's average, but individual welfare, where each man chooses what he wants.

What is wanted is a flexible system responsive in fact (and not in theory only) to the will and interests of the people as individuals, and serving them to their satisfaction. This is a task which organisation should be able to accomplish. Because the pressure of his nature causes man to seek diverse opportunities rather than standardised frustrations, no Plan, whether Allied or Axis, however well camouflaged with the passwords of the moment, will succeed until it implements this; and when it does it will no longer be a Plan.

Personnel of P.E.P.

MR. LEONARD K. ELMHIRST, who has succeeded Mr. Israel Moses Sieff as Chairman of P.E.P., was previously Vice-Chairman of

that organisation, and he is also a Trustee of Dartington Hall Trust. He was Agricultural Adviser to the Government of Bengal 1944-45. He was at one time Private Secretary to Rabindranath Tagore, and married an American, Mrs. Dorothy Whitney Straight, widow of Mr. Willard Straight (associated with Kuhn Loeb and Company in business in the East), with whom she had founded and supported various publications, among them *The New Republic*.

MR. ISRAEL MOSES SIEFF, former Chairman of P.E.P., is Vice-Chairman and Assistant Managing Director of Marks and Spencer Limited, and Vice-Chairman of the "English" Zionist Society.

MR. KENNETH LINDSAY, General Secretary of P.E.P. from 1931-1935, has since been Civil Lord of the Admiralty, and (1937-40) Parliamentary Secretary to the Board of Education.

SIR E. D. SIMON.

RONALD DAVISON.

PROFESSOR A. CARR-SAUNDERS.

OLIVER ROSKILL.

DR. JULIAN HUXLEY.

SIR THOMAS BARLOW.

MR. MICHAEL YOUNG.

MR. R. J. GOODMAN.

Among past and present Members of P.E.P. have been:

THE LATE SIR BASIL BLACKETT, a Director of the Bank of England;

MR. LAWRENCE NEAL, of the Ministry of Works and Planning, once of Daniel Neal and Sons.

MR. E. M. NICHOLSON.

MR. A. D. K. OWEN, Lecturer in Citizenship at the University of Glasgow, and until recently Editor of P.E.P. Broadsheets.

SIR ARTHUR SALTER, Parliamentary Private Secretary of the Ministry of War Transport since 1941,* and Gladstone Professor of Political Theory and Institutions, Oxford University.

PROFESSOR NOEL HALL, who was Development adviser for West Africa, 1943-45.

MR. GERALD BARRY, Managing Editor of the *News Chronicle*, Director of the News Chronicle Limited and of *New Statesman and Nation*.

SIR GEOFFREY WHISKARD, High Commissioner for the United Kingdom in Australia, 1936-41, and later First Permanent Secretary, Ministry of Town and Country Planning.

SIR HENRY BUNBURY, one-time Comptroller and Accountant General of the Post Office.

MR. C. TURNOR, Agricultural Expert.

Others following the same sort of policy are:

The first LORD MELCHETT, of Imperial Chemical Industries and the International Nickel Company of Canada.

SIR THEODOR GREGORY, Economic Adviser to the Government of India since 1938, and previously Sir Ernest Cassel Professor of Economics in the University of London.

THE LATE LORD ALLEN OF HURTWOOD, of the Fabian Society.

MR. HAROLD MACMILLAN, M.P., Minister Resident at Allied Headquarters, North West Africa.

LORD READING.

MR. WICKHAM STEED, sometime Editor of *The Times*.

THE LATE WILLIAM TEMPLE, Archbishop of Canterbury, who used his immense prestige to turn the Church of England towards a social policy actually, though never admittedly in line with P.E.P.

(This list is, of course, not complete)

The list of past and present members has been expanded since 1943 and from it has been deleted the name of a former Minister of the Crown who has specifically denied membership of or connection with P.E.P.

Except for the Secretary, officials and the Council of Management, many members of P.E.P. remain anonymous on the ground that they occupy official positions. It is thus often impossible to identify members who do not choose to acknowledge the connection.

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The Tepid Test

Someone during the election just concluded, the result of which is not known at the time of writing these lines, likened it to a periodical exposure of the political stew by removal of the lid on the stew pot. Had it really been such an exhibition, we think the fumes must have been far more noxious than we have noticed; but it is doubtless true that some revelation has been made of the success or otherwise of the Labour Party's attempts to build themselves up by buying mass support with at least the illusion of mass benefits. The only topic we have heard discussed, during what must have been the most tame and listless "fight" in British electioneering history has been whether the purchase price of the voter's vote for the Labour Party was a good price, a bad price; a price paid in certain value or in trash. A good enough subject for argument, but rarely or never developed to the point of real interest. "I know where my vote will go—it will go to where the children's allowances come from." It was useless to ask where it did come from. "Dad" seems to be someone who is certain to provide the wrong answer to any question referred to him; but it is the answer that matters, not whether it is right or wrong.

From this ground and its immediate consequences, some reorientation of the activities of Social Crediters will be needed immediately; but it is unprofitable to discuss it until those consequences are apparent.

Any Road Away from the Welfare State?

Under this heading, the following appeared in *The Scotsman* of February 15:—

SIR,—To a person who has lived through 30 years of changing Governments sporting different labels while implementing policies all contributing to the erection and consolidation of the "Welfare State," the choice at the coming election seems to be between (1) ABCDE and (2) BCDEF. That is to say, BCDE are (apparently) unavoidable.

There is full concord between the Right and Left about the necessity for "full employment." That "full employment" is a head-on negation of "labour-saving," and the underlying Baconian philosophy from which has grown every scientific advance of the last 400 years does not seem to worry party-politicians, among whom engineers are few, and lawyers many.

This doctrine was held in high regard in the dictatorships with which we were recently at war, the dictators invoking it in justification of those attacks on personal liberties which the "Democracies" so much regretted. The Germans and Italians of the 'thirties and 'forties can now be seen to have been very "fully employed" digging their own graves. Our current party-political leaders have paid our former enemies the compliment of copying their peace-time conscription

measures, the fully employed "worker," and the totally conscripted "soldier," being both deprived of their freedom of action and choice, and both subjected to the wills of the Welfare Statists. "Full employment" is "B."

(The doctrine that we must export as much as possible and import as little as possible—a favourable balance of trade, they call it—is complimentary to "B": "unless we increase our exports to get dollars, we cannot maintain full employment at home, etc." Hardly any adverse comment is heard on the fact that after five years of full employment and all-time-high exports the dollar value of the £1 has decreased by 40 per cent.)

Until the party system attained its present high standard of "efficiency," it was generally an accepted axiom that no subject could be taxed without his consent. The principle that a "majority" has the "right" to tax and consequently expropriate the property rights of successive minorities is now accepted by Parliamentarians everywhere. The Right shares with the Left the belief (flatly contradicted by every-day banking practice "which creates the means of payment out of nothing") that taxation is the only way of "raising revenue." The Left threatens a little more taxation, the Right promises a little less. That would be "C."

The enthusiasm always shown by the Left for delegated—they call it "streamlined"—legislation has proved infectious, and many Conservatives vie with the Lib.-Labs. in their admiration for boards, trusts, and corporations which, on behalf of the Government, make and execute their own complex of orders and regulations. The anonymous, all-powerful bureaucracy against which Lord Hewart warned us is now so firmly entrenched that the Tory leaders cannot promise us to dislodge more than a small number of them.

As it was a Conservative Government in the 'thirties that set the fashion of creating "boards," etc., perhaps we could not have expected too much from them in this respect in any case. The irremovable, all-powerful bureaucracy constitutes "D."

That the hall-mark of a modern democracy is the "right" to a vote cast in secret by everybody who is not an idiot, a criminal, a minor, or a Peer, is a doctrine questioned by no party-politician worthy of the name. The fact that 80 years of secret and increasingly universal (dare we say idiotic?) voting has coincided with our decline from the foremost civilising Power and influence in the world to our present sorry plight as the premier European Welfare State in receipt of Wall Street favours and "strings," seems to have escaped all but universal notice.

All this being so, perhaps the best use that can be made of the present electoral campaign is to make candidates of all the parties aware of the implications of the following questions:

Are you prepared to urge, when elected, that regulations made under any Act shall cease to be valid after an interval of three months unless such regulations have been debated and sanctioned by Parliament?

If you believe in the secret ballot, why refuse its protection to M.P.s in Parliament against party boss intimidation? If you do not, will you press for all voting, in and out of Parliament, to be open, recorded and responsible. The subject is made financially responsible at Common Law for the natural consequences of his acts. Why not for his votes?—I am etc.,

W. L. RICHARDSON.

February 10, 1950.

Feadan, Lawyers, by Aberfeldy.

The Planners and Bureaucracy*

by ELIZABETH EDWARDS

(continued)

The conclusive words of the document *Freedom and Planning* were:

"The only rival world political and economic system which puts forward a comparable claim is that of the Union of Soviet Republics."

That was in 1931. In 1938 *Planning* declared that "Only in war, or under threat of war, will a British Government embark on large scale planning." The required war came in September, 1939. In January, 1943, *Planning* couples Soviet Russia with the war machines of Britain and the United States as proving the effectiveness of the planning approach.

The journal *Planning* was started in 1933.

Planning, No. 58, states that the aim of its publishers is "... reviving and strengthening the vitality of British democratic institutions by showing how they can be adapted with goodwill and common sense to the means of the Modern World."

As well as this journal, P.E.P. had in 1943 issued, from time to time, the following Reports:

The British Iron and Steel Industry; The British Cotton Industry; Housing England; The Entrance to Industry; The Exit from Industry; The British Coal Industry; The Supply of Electricity in Great Britain; International Trade; The British Social Services; The British Press; Agricultural Research in Great Britain; The Location of Industry; and The Gas Industry in Great Britain.

The findings and suggestions contained in these have had a decisive influence on the Government's policy.

P.E.P. principles were already in action in the following organisations:

Electricity Grid; B.B.C.; Import Duties Advisory Committee; London Passenger Transport Board; Town and Country Planning Board; Milk Marketing Board; Pig Marketing Board; United Steel Companies Ltd.; Committee on National Housing; National Birth Control Organisation; International Congress for Scientific Management; League of Nations Union; Retail Trading Standards Association; National Labour Committee; Federated Multiple Shop Proprietors' Association; and in all those schemes of "concentration" of industry forced into operation during the war on the plea of "rationalising" industry, not for the greater satisfaction of either consumer or producer, but for greater ease of control by a few people at the centre. Schemes such as that for the concentration of the paint industry were proposed on the pretext of being necessary for the war effort. It was shown conclusively that to concentrate the paint industry would *impede* the war effort, yet it was only with much effort that the scheme was quashed; but in other industries, members of which had less initiative and patriotism, these plans went through. At the beginning of the war the compulsory billeting proposals, which were instituted

*Written in 1943, we have chosen to republish this material in *The Social Crediter* rather than in pamphlet form, in order that it may be correctly related to the comprehensive body of opinion which this journal dispenses. The convenience incidental to pamphlet publication, although well-known to us, has corresponding disadvantages, which, in our opinion, should be diminished as far as possible.

in preference to other ways of safeguarding the children more acceptable to the public and less disintegrating to family life, were the concern of the late Mr. J. L. Cohen, a colleague of Mr. Israel Moses Sieff at Marks and Spencer's, where he was economic adviser. He wanted to form a central authority in England to deal with both evacuation and billeting throughout the country.

One of the meanest pieces of regimentation in the Beveridge Report on Social Services—that the pensioner should have his pension only *on condition* that he did not augment it by paid work—was suggested by P.E.P. in *Planning* (No. 50): "The State should intervene to see that superannuation is provided in the greatest possible number of cases on the strict understanding that the new augmented pension is payable only to those who retire from ordinary gainful employment."

War-time milk-policy, with its rationalisation of milk delivery and dictatorial allocation of customers, to which housewives have taken such a strong objection, is built on P.E.P.'s suggestions. So also is the establishment of the United Kingdom Commercial Corporation, a monopolistic body controlled by the State for bulk purchases and sales abroad, which has been the subject of many questions in Parliament as to whether it will relinquish the field to private enterprise after the war. (*Planning*, No. 91).

That the Government was *interested* in the journals and the Reports of the various branches of P.E.P., as in the publications of the Fabian Society, is a fact that the organisation itself has not concealed:

"British Government departments have found it necessary to buy from twenty to thirty copies of each of the [P.E.P.] reports on Coal, Social Services, and hundreds of local authorities and even public bodies have bought one or more copies of P.E.P. reports." (*Planning*, May 3, 1938).

P.E.P. Permeations

One of P.E.P.'s earlier publications (No. 58) was devoted to *The State of the Press*:

"The press group of P.E.P., which has prepared the material for the broadsheet, consists of a dozen people who between them have intimate knowledge of the working of the British Press at the present time, not only from inside it but also from the standpoint of Government and commercial relations, advertising and broadcasting."

Their findings were that:

"The financial structure of the Press is in fact more complicated than that of the great majority of British industries, and this complexity lays it open to the suspicion of being unsound. In some cases interlocking shareholders make it impossible for anyone except those who exercise it even to discover where the actual control rests."

Having classified the various newspapers according to ownership, the journal concludes by showing "to what extent it [the Press] has recently become dominated by a handful of wealthy families."

The fact that the group came to such a conclusion although "it is impossible for anyone except those who exercise it to discover where the actual control lies" might seem to point the identity of the investigators to those in control of the press.

Be that as it may, publicity has always been forthcoming to P.E.P. and its projects, when required. Both *The Times*

and *The Morning Post* opened their columns to articles by Mr. Sieff, preaching the P.E.P. doctrines, advocating a "policy of prosperity" and the "reorganisation of industry" (iron, steel, cotton, etc.). And, almost as soon as the articles themselves, there appeared a spate of favourable comment and answers from people like Lord Melchett and Harold Macmillan, both of whom have been intimately connected with P.E.P.

The *Manchester Guardian* on May 17, 1935, referred to P.E.P. as "that excellent self-constituted body" and the *Church Times* (May 24, 1935) mentioned P.E.P. as a "group of able people."

This attitude has not changed with the years. On the occasion of the 200th issue of *Planning*, *The Times* of January 23, 1943, published a suavely appreciative leading article on P.E.P.'s work.

On the other hand, no room has been given for active collaboration or criticism by the public:

On April 8, 1939, Captain Acworth, Chairman of the Liberal Restoration League, wrote to Mr. Sieff on the subject of the plans that emanate from P.E.P. and invited him to "debate the merits of these various plans on a public platform." Mr. Sieff first accepted then changed his mind, his reason being:

"When we first discussed the meeting I did not realise that it was to be a public meeting in the sense that the press was to report the proceedings, because, quite frankly, had I done so, I would never have agreed to the debate."

Like its parent, the Fabian Society, from P.E.P. have branched off various groups working under different names.

About 1934, there appeared in the Commons a distinct group of young Conservatives who with much vigour supported the policy of Planning. They expressed their view in the book *Planning for Employment*, the introduction of which was signed by Lord Eustace Percy, Sir Geoffrey Ellis, eleven other Conservative members of Parliament* and Mr. Kenneth Lindsay, Secretary of P.E.P., later Parliamentary Secretary to the Board of Education, and Lord of the Admiralty. Lord Eustace Percy, moreover, wrote a book himself: *Government in Transition*.

The Industrial Reorganisation Group came into being towards the end of 1934, its purpose being to persuade leading industrialists to accept the principles of Planning, particularly the National Council for Industry, which is part of the National Plan. Representatives of this group, including Mr. Harold Macmillan, Major Entwistle and Lord Eustace Percy (Mr. Israel Moses Sieff and Sir Robert Horne were other officers), have addressed a large number of meetings of associations representing particular industries, to press the cause of compulsory "rationalisation." The group was responsible for promoting Lord Melchett's Industrial Reorganisation (Enabling) Bill, which would have brought a 'National Industrial Council' into being, but which was withdrawn on account of the opposition with which it met.

The group, in association with P.E.P., may also be held responsible for the attacks by the Government of the time upon independent individuals and firms engaged in the Cotton Spinning and Coal Mining Industries.

It also co-operated with the League of Industry, support-

ed by Frank Hodges, who was at this time a Director of the National Fuel and Power Committee, a member of the Electricity Supply Board, Chairman of four Companies, as well as a Director of the Securities Management Trust, controlled by the Bank of England, Mr. Hodges's association with the Bank is well known.

Speaking in June, 1920, Mr. Hodges said: "We are going to create a first class economic crisis, which will reduce the nation to chaos," and in 1935: "the policy for which his organisation stood was broadly, the new Russian system, achieved without intervening bloodshed." Lord Nuffield was associated with the League of Industry.

Another Group of Planners is that which originally described itself as Liberty and Democratic Leadership.

In February, 1934, organised by Mr. Barratt Brown, the Principal of Ruskin College, Oxford, this group issued a Manifesto signed by 149 persons. The Manifesto claimed that "reorganisation" and democracy are the primary safeguards of Liberty. In July, 1934, the same group issued a second Manifesto, which advocated, *inter alia*, "the creation of public corporations to conduct public services, and the setting up of economic and industrial boards of control, responsible to public authority."

The same group with some changes in its personnel issued a book in June, 1935, entitled *The Next Five Years*, signed by 152 persons. The views expressed are, broadly speaking, those of P.E.P., but they include observations on international relations, and arguments in favour of Collective Security, which had not been included in the literature issued by P.E.P.* The link between P.E.P. and the promoters of the book was shown by the fact that Lord Allan of Hurtwood (formerly Clifford Allan of Fabian Socialism), Sir Arthur Salter and Mr. Harold Macmillan were members of the drafting committee.

Mr. Allan Young, Secretary of the Industrial Reorganisation League, attended conferences which initiated and approved the book.

At a three day conference held by the League of Nations Union in February, 1935, on social and economic planning, there appeared as speakers: Lord Eustace Percy, Mr. Harold Macmillan, Lord Passfield (formerly Sidney Webb of the Fabian Society), Mr. Maisky (the Soviet Ambassador), and Viscountess Astor.

In June, 1935, Kenneth Lindsay, Secretary of P.E.P. since its inception, was appointed Civil Lord of the Admiralty, and in the same month Lord Eustace Percy was appointed Minister without Portfolio.

In July, 1935, the Federation of British Industries convened a council and among those presiding were Lord Eustace Percy and Mr. Harold Macmillan.

In February, 1936, it was announced that the promoters of the book *The Next Five Years* had formed a Next Five Years Group to advance their views. The late Archbishop of Canterbury, William Temple, then of York, was a President, with Viscount Cecil, the late Marquess of Lothian and

*The following members of Parliament signed the book: Miss Thelma Cazalet, Sir Geoffrey Ellis, Major C. F. Entwistle, Miss F. M. Graves, Rt. Hon. J. W. Hills, Messrs. Lindsay, Harold Macmillan, T. B. Martin, Hugh Molson, T. J. O'Connor (Conservatives); Rt. Hon. Sir Francis Acland, Messrs. Robert Bernays, Isaac Foot, Geoffrey le M. Mander, H. Graham White (Liberals); the Hon. R. D. Denman (National Labour); Miss Eleanor Rathbone (Independent). Other signatories were the then Archbishop of York, the Bishops of Birmingham and Southwark.

*Messrs. Anthony Crossley, C. W. Glossop, Frank Heilgers, Hamilton Kerr, Noel Lindsay, Harold Macmillan, T. B. Martin, Hugh Molson, Charles Peat, Ronald Tree, Harvie Watt.

Sir Arthur Pugh; Mr. Allan Young was its Organising Secretary.

The Chairman of Executive Committee was Lord Allan of Hurtwood, the Fabian; the Treasurers were Harold Macmillan and Captain Philip Mumford. On the Executive Committee were Sir Norman Angell, Julian S. Huxley, Stephen King Hall, Eleanor Rathbone, Viscountess Rhondda, Sir Arthur Salter, sometime member of P.E.P., H. Graham White, Geoffrey le Mander, J. J. Mallon, then a Governor of the B.B.C., Sir Walter Layton, A. E. Douglas-Smith, R. C. Davidson, John Bromley, Geoffrey Crowther, W. Arnold Foster, and A. Barratt Brown, who was Hon. Secretary.

Since then, one of the signatories of *The Next Five Years* has become Minister Resident in North Africa, one Solicitor General, and another Archbishop of Canterbury; and Mr. W. S. Morrison, another adherent of P.E.P., became Financial Secretary to the Treasury and later succeeded Mr. Elliot as Minister of Agriculture.

That the Planners continued in following years to pursue their policy of infiltration among all politicians of promise (even though they for a time appeared out of favour) is shown by an article in the *Evening Standard*, August 5, 1938:

"Those who disagree with the Government are looking with interest to Mr. Anthony Eden, and wondering which way he means to go. I learn that Mr. Eden is being attracted by the planners, the organisation called . . . P.E.P. for short.

"Planner No. 1 is Mr. Israel Moses Sieff. In his Park Lane flat he gives some of the best dinner parties in London. Unleavened bread is a feature of these functions. Mr. Kenneth Lindsay, Mr. Robert Bernays, and Commander Oliver Locker Lampson are frequent guests. Mr. Amery is also a friend of the Sieffs."

So are Mr. Aneurin Bevan and Miss Jennie Lee.

Foreign Connections

The strong resemblance between the policies of the United States New Dealers and those of the British planners was pointed out by Mr. McFadden in the United States Congress in 1934. He reported that Mr. Israel Moses Sieff then Chairman of P.E.P., when members suggested that more activity should be shown, replied, "Let us go slowly for a while until we see how our plan works out in America." "Our plan!"

New York sources associate Mr. Sieff with the group of Jews which includes Mr. Felix Frankfurter and Mr. Bernard Baruch, both of Mr. Roosevelt's "Brains Trust," and has included the late Justice Louis Brandeis, and the late Mr. Jacob Schiff, of Kuhn Loeb and Company, who were interested, financially and otherwise, in the establishment of that object of P.E.P.'s emulation, the Soviet State in Russia.

During his visit to the United States in 1936, Mr. Sieff showed great interest in the Tennessee Valley Authority Act, one of the earliest planning experiments for the specific purpose of providing employment, and he is said to have discussed its progress with Mr. Roosevelt. The Act comprised schemes for Government monopoly, forced labour and the preparation of an armed negro contingent. Since the war, Mr. Sieff has made several trips to the United States, and from time to time the light of publicity has illuminated some of his activities there. In 1941 it found him suggesting, in New York, "the transplantation of large sections of the Arab population of Palestine to Iraq, and other Middle Eastern Arab States" in order to make room for Jewish immigrants, a suggestion stigmatised by one British M.P. as "most ill-

advised, inopportune, and inimical to our war effort," in the delicately balanced state of Arab opinion in the Middle East.

In 1942 Mr. Sieff was reported to have told the Senate Small Business Committee, in Washington, that maximum utilisation of Britain's resources for war had been prevented by the "rugged individualistic British shopkeeper's dislike of Government interference"—a statement that has been severely criticised by shopkeepers in this country.

Mr. L. Elmhirst, another very active member of P.E.P., later its Chairman, accompanied Mr. Sieff on some of his travels in the United States in 1941. Mrs. Elmhirst, whose former husband, Mr. Willard Straight, was associated in Manchuria with Kuhn Loeb and Company, had some years previously helped to establish the National Economic and Social Planning Association in the United States, an organisation comparable to P.E.P. in Britain. During his tour, Mr. Elmhirst conferred with the organisers of the N.E.S.P.A., which was re-formed as the National Planning Association, with the object of considering problems relating to the organisation of industry and labour in the United States, for defence as well as for post-war social and economic reconstruction. This was before the United States entered the War, and in one address Mr. Elmhirst coupled his account of the formation of the National Planning Association with the story of the change of policy of *The New Republic*, a weekly journal founded in 1914 by Willard Straight, which had come out strongly in favour of all aid to the Allies. Mr. Michael Straight, Mrs. Elmhirst's son by her first marriage, had recently been appointed Washington Editor of that journal.

Another member of P.E.P. closely connected with the same group of Americans is Lord Eustace Percy. The *Jewish Daily Post* of June 16, 1935, said of Mr. Felix Frankfurter, "When he was in Washington during the war, Lord Percy was an attaché at the British Embassy there. A friendship sprang up between the two young men and became so close, that they joined forces and shared a flat."

An assessment of P.E.P.'s activities abroad must not overlook the long attachment to P.E.P. of Mr. Harold Macmillan, Minister Resident at Allied Headquarters in North West Africa, previously Under-Secretary of State for the Colonies, nor that Mr. Amery, Secretary of State for India, was a colleague of Mr. Sieff's on the board of Marks and Spencer; nor that Mr. A. D. K. Owen, General Secretary of P.E.P. and Editor of *Planning*, was in 1942 given a post on the staff of Sir Stafford Cripps when he went on the mission to India.

Foreign Policy

P.E.P.'s plan for the relationship of Britain with Europe after the war (*Planning* No. 182), advocates a linkage with Europe using the traditional British way of association while withholding all the sanctions that make it possible: policing, economic control, cultural control, armaments, and so on. It is, in fact, such a complete travesty of the British idea that it approximates very closely to the Nazi idea for Europe with the British in place of the Germans. Starting off with the assumption that "With, or without, or against Britain, Europe is moving irrevocably towards unity," the most important facts observable in practice are dismissed in a couple of sentences by the way: "Time and again, in the absence of decisive leadership, the bad old habits of sovereignty, neutrality or national animosity have triumphed in face of the most urgent crises. Failing Great Power leadership those habits

will continue to triumph . . . ”

After commenting that all problems of politics are at bottom problems of power, the memorandum continues:—

“Power now rests on industrial potential; on the ability to control or ensure the supply of vast quantities of raw materials from sources scattered throughout the world; on a high order of technical and administrative skill; and last but not least on the ability to command the continued and active allegiance of the increasingly individualised and politically conscious masses. These qualifications only a bare handful of the greatest Powers can command. It follows that the world is moving irrevocably towards a new international power system . . . ”

“In such conditions allegiance can only be won in the long run by an attitude of give and take, by a political theory based on respect for the rights and interests of individuals and groups, by a belief in power as a means to an end, namely, the general welfare, and not as an end in itself. To the totalitarian systems, with their contempt for all rights and their worship of power as an end in itself, these attitudes and beliefs must always remain alien.”

Power, like everything else, is of no value to anyone unless it is used. “Power in itself” is no more than a delusive phrase used of the ambitions of those who pursue power in order to impose their will on the majority of others. If by “the general welfare” P.E.P. means the welfare that is considered appropriate to the individual by the few who plan for the many, then their ambitions come into exactly the same category. It is “power in itself” for P.E.P. or those whom it fancies as planners, in lieu of the Nazi régime, which itself, it will be remembered, was almost as much noted for its social welfare work as for its lack of liberty.

With such similarity in principles, it is perhaps natural that *Planning* applauds Hitler's Germany for doing the things against which we are fighting: “To Hitler, indeed, Europe will owe, as it owed to Napoleon, a number of achievements of permanent value. Above all, he has succeeded in re-creating the basis of European unity, although on lines very different from his aims. Much of what he has done in building up economic and administrative unity in Europe, and in breaking down barriers, it will be neither *desirable nor possible* to undo. The issue is no longer *whether* Europe should remain united, but in what form and by what leadership.” (These italics are, of course, not P.E.P.'s).

There are other remarkable likenesses between the two New Orders. P.E.P. proposes the development of a European community, as opposed to the diverse national cultures which recently composed it; so did Germany. P.E.P.'s would be policed by the Allies, chiefly by the British and Americans; Germany's by Germans. P.E.P. wants control of raw materials. Germany centralised in Berlin control of the potential raw industries of the Rhineland and the Ruhr with parts of Belgium and Luxembourg; P.E.P. thanks Germany kindly and proposes to hand such control to international regional commissions. Germany tried to Germanise all the cultural institutions and traditions of the countries she conquered: P.E.P. proposes to internationalise them, emphasising the European rather than the national trends, whatever that may mean. Germany tried to set up a military aristocracy of Germans; P.E.P. says, “Closely linked with the rebuilding of institutions is the gradual development of individual leaders in every sphere. In the early stages British, Dominion and American personnel are bound to play a leading part; and it is one of

the most urgent tasks that a start should be made with training British personnel here and now. But a start should also be made at once to place carefully picked—by whom?—“individuals from allied nations in this country in key administrative positions, e.g., on skeleton staffs in European Reconstruction organisations, with a view to building up a European *élite*.”

(continued on page 3.)

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