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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

We should be sorry to interfere in any way with Dr. Musaddiq's convalescence, but if he thinks we are going to Washington to discuss our affairs with him he has, or we hope he has, another think coming. This sort of thing, possible under the Government just dislodged, should be impossible under the administration which has succeeded it.

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As most of our readers know, we have a profound distrust for many if not most of the results ensuing from modern education, and quite a clear appreciation of the nature of the grounds of our distrust. We know what modern universities do and what they do not do. It has been said in our hearing by Roman Catholics that they would prefer to see every university provided with a Faculty of Theology, even if it were inevitable that every Chair of Theology were tenanted by a Protestant Theologian, because there would then be a constant reminder to the rest that God was a proper subject of intelligent conversation. Much the same idea underlies our advocacy of the early restoration of University Constituencies and the early election of men to represent them: their presence in the House of Commons will at least suggest that knowing what you are talking about is a valid claim to being listened to. So bedraggled is our British Constitution that it is hard to distinguish its features; if we can't find Lords Spiritual in the Lords, perhaps the day may come when we shall see them effectively in the Commons, although the discovery might call for early adjustment. Obviously, the question is one which entails re-examination of the principles of the Constitution itself. Ultimately, if not soon, this is the rock upon which Mr. Churchill's ship will split or learn to navigate: the restoration of the Constitution is *necessary* to the continuance of Great Britain, and perhaps of civilisation. We are not shy of coupling the two together.

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We are not surprised to see that advices from the * * * * States should inform *The Times* that quite possibly Mr. Gaitskell might be at least as acceptable a Chancellor of the Exchequer as anyone the Conservatives may find. They have found Mr. Butler, whose deference to P.E.P. may reassure 'American' doubters, or it may not.

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Mr. Douglas Reed's "Far and Wide" headed the book reviews in the *Daily Telegraph* on October 26. The review

is *pro forma*, and, for the reviewer, Mr. Reed "a gullible crusader." The reviewer (Guy Ramsey) is not a crusader.

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MORE ABOUT THE DAILY MIRROR: "The *Daily Mirror* has acquired Australia's biggest chain of sponsored radio stations. This startling new development of the *Mirror's* Australian interests—it already controls the Melbourne Argus group— . . . is in fact the most important single transaction in the commercial radio field that has ever taken place in Australia. It involves the acquisition from the Denison interests in Sydney of their extensive holdings in a number of commercial radio companies controlling both stations and radio production facilities."—(*World's Press News*, October 26.)

Masonic Services and the Cross

The Archbishop of Canterbury allows the following reply, written to a correspondent, to be made public.

"With reference to the report that recently the Rector of St. Giles-in-the-Fields, Holborn, removed the cross from the holy table because a Masonic service was to be held in the church, I wish to make two comments:—

(1) The Rector had no authority whatsoever to remove the cross in this manner. If he was asked to do so, it was on all grounds his clear duty to refuse. I have never before heard of such a request being made, still less being complied with, when a Masonic service was to be held in a church.

(2) I learn from the Masonic authorities that such a request has never been put forward on their behalf, nor has it ever occurred to them to put it forward. If the request was made to the Rector in this case by one of the Freemasons concerned with the service, the request was unauthorized and improper."

Grand Orient

FREEMASONRY UNMASKED

by MGR. GEORGE E. DILLON, D.D.

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PARLIAMENT

House of Lords: July 26, 1951.

Identity Cards

The Marquess of Reading rose to move to resolve. That in present conditions the use of identity cards is unnecessary and oppressive and should be discontinued without delay. The noble Marquess said: My Lords, this Motion is a fulfilment of an assurance which I gave to the noble Lord, Lord Shepherd, when his answer to a Question of mine on this subject some three weeks ago produced such a cascade of supplementaries as to indicate that your Lordships would desire ampler discussion of the subject than was possible in the then circumstances. In my Motion, I have described identity cards as being, under present conditions, oppressive and unnecessary. The Government, on the other hand, take the view that they fulfil a valuable purpose and that there is no prospect in any foreseeable future of their being withdrawn from us. It is true to say that, in his reply to various inquiries on the same subject, the Prime Minister has recently somewhat narrowed the period to the "immediate future." But I think the two statements are really not inconsistent because, so far as the present Government are concerned, there is no material difference between the "immediate" and the "foreseeable" future.

When I asked my Question, I invited the noble Lord who was replying to state the reasons for which he considered that the system of identity cards should be retained. It is perhaps of value to your Lordships and fair to the noble Lord that I should read the terms of his answer at this stage. The reasons he gave were that

"Identity cards are an essential part of the national registration system, which continues to render valuable service in connection with National Service, security, food rationing, the National Health Service and the administration of other services, such as family allowances and post-war credits. The possession of an identity card as a simple means of establishing identity is of benefit to the individual in various ways. It enables him to obtain a new ration book and to withdraw money from the Post Office Savings Bank with the minimum of formality; it simplifies the process of obtaining a passport; it makes it unnecessary to produce a birth certificate in support of a claim for the payment of post-war credits; and it avoids difficulty in establishing identity when applying for dental or other treatment or to be placed on a doctor's list."

I will deal in due course with those reasons so advanced, but I should prefer to begin by stating what are our objections to the continuance of the system. It may be that the first objection is, to a large extent, psychological, but it is not for that reason any the less formidable. There was a time, now long past and almost forgotten, when we were able to travel to nearly every country of Europe without a passport. It would, indeed, be a welcome sign that the world was recovering its sanity and stability and re-asserting its desire for free circulation if passports could again be dispensed with. But the fact that nowadays we have to have a passport for external use seems to us no reason why we should have to have one for internal use as well.

I read recently in an article in the Sunday Press (with every word of which, as it happens, I agreed), that identity cards were to many people a symbol of regimentation. I believe that to be absolutely true. It is not in the slightest degree accurate to say that only malefactors resent them. Criminals have their own way of solving that problem. It is perfectly obvious that nowadays there is a flourishing home

industry in what may be called "identity card-sharpping." But many people feel that the enforced possession of an identity card is an intrusion upon their private lives and marks them out as mere planning fodder for a card-index State. I do not expect most noble Lords opposite to understand that point of view. If they did they would not be the Socialists that, in varying degrees, they are. But at the same time I would beg them to realise that that reaction, however irrational, obstructive, or ante-diluvian it may seem to them, is nevertheless widespread, deep-seated and most genuinely believed—as I have reason to testify, apart from any other source of information, from the letters which have reached me from persons of many different types all over the country since this Motion appeared upon the Order Paper. I would commend to noble Lords opposite some words which were spoken by a supporter of their own Party, when, in September, 1939, the Bill which authorised the introduction of identity cards was being considered in another place. He said:

"One thing that we do respect in this country is our freedom from being challenged on every occasion to produce something to prove that we are certain persons."

Later, a little more than a year ago, the Home Secretary himself showed a glimmer of regeneration when he remarked to a Committee in another place:

"The National Register and the identity card are something alien to the English way of life."

My Lords, the Socialist Party to-day, at any rate in another place, does not appear either to produce or to encourage expressions of support for personal freedom. . .

. . . The National Registration Act contains this clause as to the time and the method of its termination:

"This Act shall continue in force until such date as His Majesty may by Order-in-Council declare to be the date on which the emergency that was the occasion of the passing of this Act came to an end, and shall then expire."

My Lords, that is perfectly plain. Identity cards can be issued only under the authority of the National Registration Act, 1939. That Act has to come to an end when it is declared by Order-in-Council that the emergency which occasioned it has come to an end, and it shall then expire. No such Order-in-Council has yet been issued, and we are now blithely assured that the issue of any such order is not in contemplation in the foreseeable future. The Courts (Emergency Powers) Act, which was passed at very much the same time, contains an identical clause as to the time and method of its termination, and it was terminated on October 9 last year by the issue, without any very superhuman convulsion, of the Courts (Emergency Powers) (End of Emergency) Order.

We are therefore confronted with the fanastic situation that powers in regard to which the Government have no further use can be regarded as at an end, whereas powers which the Government choose to preserve have to be regarded as still in force. And yet the emergency in both cases is the same emergency, and we might surely have been excused for thinking it one and indivisible. Whatever emergency fate or folly may have conjured up at the moment for our chastening, one thing is incontestable—it is not the emergency which occasioned the passing of the National Registration Act in 1939. That Act was, as I have said, to be brought to an end by Order-in-Council when the emergency terminated, and one might well have imagined that the carrying out of that statutory suicide pact was inescapable. Nevertheless, simply for administrative convenience the

Government continue to relieve the victims. It is worth bearing in mind that there was a National Registration Act in the 1914-18 War and that that Act contained the terse and peremptory clause as to its termination that it should continue in force

"during the continuance of the present war and no longer." With the official termination of that war on August 31, 1921, after the prolonged peace negotiations, that National Registration Act ceased upon the midnight, without pain to itself or grief to anyone else. And with it there perished all those of its fellows which had not, by Statute and after full Parliamentary debate, been given a new lease of life by the War Emergency Laws (Continuance) Act of 1920.

Let us come to 1939, and remember that before there was ever a system of national registration in existence there had been passed through Parliament the Military Training Act and the National Service (Armed Forces) Act of that year, and by those Acts there was cast upon people liable to service under them the obligation to register in the manner prescribed by the Act. So far as I know, that duty was generally and faithfully performed. There were no identity cards to be handed round. Yet the noble Lord now, in his original answer to my Question, puts National Service in the forefront of the battle to preserve identity cards to-day, twelve years after their original issue. "Security" he tells us. Perhaps the less said about that, the better. But it is worth remarking in passing that there are still some 10,000 deserters at large, though I continue to think they ought long ago to have been re-admitted to society. The absence of an identity card does not seem to have led either to their starvation or to their arrest. . .

. . . As to passports, I have yet to learn that the fact that we possess an identity card absolves us from the necessity, when applying for a new passport, or filling up a long and complicated form and getting it countersigned by a member of one of those classes of society whom the official mind regards as more respectable than ourselves. As to applications for renewal of passport, no identity card is ever asked for. In regard to Post Office Savings Bank facilities, I am told that not so long ago no criminal assize was complete without several cases of fraud upon the Post Office Savings Bank. . . .

. . . Then National Insurance: I have looked at my own handsome National Insurance card, and I observe that there is upon the face of it no mention of any kind of my identity card number. There appears to be no connection between the indexing of the two. The National Insurance card, on the other hand, exhibits, amid a cabalistic combination of letters, a number which I hope conveys something to the Ministry of Labour: but it is not my identity card number. As to the National Health card, it is quite true that that does bear upon its face the identity card number. But what is the position in regard to the National Health Service and the identity card? We were all under the belief that the National Health Service was something which had now become part of the permanent way of life of this country—and rightly so. On the other hand, we are informed that identity cards are merely passing penance, and that either in the immediate future or at some period in the foreseeable future they will be dispensed with. If identity cards are essential to the administration of the National Health Service, how are we ever again in this world going to dispense with the system of identity cards? . . .

. . . To justify my belief that the whole system of identity cards has by now become largely a senseless survival, I would ask leave to read a letter I received from a personal friend of my own but, nevertheless, a respectable and responsible professional man. He writes as follows:

"Last year, I took my ration book and that of my wife (with her identity card) to get the new books. When asked by the official for my identity card I had to admit that I had lost it. I was told that I would not get a new ration book without it.

"No, the old ration book was no criterion—I might have bought it: nor would my passport serve, even though it had got my photograph in it.

"Did I realise that there were 20,000 deserters at large? No, he did not think that I looked like one. Oh! of course, I could get a new identity card—in the next street. So there I went, to be met by a pleasant elderly woman who would certainly give me a new identity card, if I would give her my name and address.

No! that was all they needed—no proof of my identity was necessary—only my name and address."

The letter ends with the colloquial question which I am tempted to re-echo:

"Can you beat it?"

There is one other serious aspect of this matter; the danger of powers which are conferred for a particular period and for a particular purpose being misused when that period is prolonged and that purpose extended. We have only to remember the recent instance where even the Metropolitan Police came under censure from an august quarter for having sought to establish by means of identity cards a kind of private card-index of previous offences by motorists. As the result of that august censure, that system has been suppressed by the Commissioner of Police. I am told that a circular has recently been issued by the Ministry of Health requiring medical practitioners to forward nominal rolls of their patients with identity card numbers of each attached, for the purpose of establishing a central register of persons under the National Health Act. Of course, I have no doubt the general practitioner will welcome some method of employing his leisure to a useful purpose, but in my view that is a complete and flagrant distortion of the real purpose of identity cards. If the Government wanted to keep the system in being, in case it should be required again, in the unhappy event of another

(continued on page 8).

By C. H. DOUGLAS.

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Saturday, November 3, 1951.

Tempora Mutantur

Nos et mutantur in illis. The times are changed, we also are changed in them.

Throughout the war, *The Social Crediter* continuously presented an analysis of the network of organisations which came to full growth in war conditions, canalising all movements for the purpose of making changes which would be continued and established in peace conditions. On April 8, 1944, under the title, "The Issue," we named the forces which the individual had ranged against him, and announced the series of articles by Major Douglas which appeared between May and September of the same year, published later as "The Brief for the Prosecution." We stigmatised the forces just mentioned as "an evil combination," and indicated their immediate objective as "the transference of *plant* of every description from personal hands . . . to impersonal hands, so as to reduce the status of all producers to that of factory hands, and the condition of all consumers to that of forced buyers of factory-made goods and services."

It was yet to be shown that this combination had so thoroughly done its work that the expected return of Mr. Churchill to discharge his promises of reparation for the injuries inflicted upon the British Constitution in the face of the military enemy did not occur. He was hurled rather than thrown from office, and, paradoxically, rage against the socialism of his war-time administration hoisted Socialism into the saddle. During these years, *The Social Crediter* increased its circulation and grew from a rather querulous reporter of political incidents (albeit steadied and reinforced by the sagacity of Douglas) into a consistent political force. However small the remnant of civilisation it had to lead, its leadership was incomparable.

From the day the fighting ended, throughout the whole period of avowed centralist rule, it maintained most of its lead in a progressively deteriorating environment. It was against the government, both visible and hidden; and in everything the government did the government was against it. Its survival, when journals far less consciously and far less consistently antagonistic to the revolution were falling by the dozen, is a little remarkable.

Now, because forty point three *per cent.* of the electorate prefer Mr. Churchill's socialism to Mr. Attlee's socialism (although forty point five *per cent.* don't), there is a change of scene which the partisans of the world hail as significant. Hysterical women have wept in public vehicles because of it, and what they imagined it meant for their future personal comfort; and hard-headed business-men have thrown their

hats into the air for reasons which it might be as difficult to explain rationally. Englishmen may be just as much at the mercy of the ingenious trickery of ballot-box democracy as ever they were; but—call it instinct or prejudice or vagary: some common understanding, or misunderstanding the paper record accords other and changed times. "And we also in them."

To trust yourself to a man who says he is going your way, but isn't, may be a doubtful proposition. To contend with a man who is heart, soul and conscience against you, and says so, is an impossible proposition if co-operation is what you seek. We have passed from a certainty to a possibility. And that possibility is the restoration of civilisation (Christian civilisation: there is no other) in Europe. More or less, it is what Mr. Churchill says he desires: even the *locus*, Europe, is in his mind, although he seems so greatly to prefer the view of it presented to the American eye.

The situation relatively to ourselves is like that which presents itself to a military leader when his forces, which have been pinned down by one or another of all those conditions of warfare which it is the aim of an enemy to invent or to use, are suddenly released and available for a new disposition. Such opportunities are of short duration. Whatever we may be able to do to meet this contingency, we hope and believe our readers will co-operate. The Social Credit Expansion Fund (disbursed only on the authority of Major Douglas) is an instrument which ensures one form of such potential co-operation. Trained man-power is as important, and useless without it.

American Freemasonry in Near East

"Masonry is becoming quite active in the Near East, particularly in Syria. Much interest has developed due to the great number of Brethren from many jurisdictions who have gone into that area because of the oil operations and the military movements there. We do not know to what extent these activities were due to the influx of these persons, nor do we know how old some of these lodges are, but it is interesting to know that there are nine Symbolic Lodges in Syria under the Grand Jurisdiction of the Grand Lodge of New York State. The names and locations of these Lodges are as follows: Syrio-American No. 1, Beirut, Lebanon; New York No. 2, Beirut, Lebanon; Fakhr ud Deen No. 3, Beirut, Lebanon; Ibrahim El Khalil No. 4, Damascus, Syria; Suleiman No. 5, Amioun, Koura, Lebanon; Chouf No. 6, Baakline, Lebanon; El Ber Downie No. 7, Zahleh, Lebanon; El Merj, Merdjayoun, So. Lebanon; Turbol No. 9, Tripoli.

"There are several irregular organizations posing as Masonic throughout the Near East, which seem to have carried their plans far enough to include the 32nd Degree of the Scottish Rite, and it was said that they had formed a Supreme Council."—*The Freemason* (Toronto).

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The Warburgs, an American Success Story

By E. MULLINS.

(Concluded).

Warburg was now the most powerful banking figure in his adopted land (he had been naturalized in 1911, but he never lost his thick accent) and he proceeded to mortgage this country* to pay the costs of the Allies in the First World War. His older brother Max Moritz Warburg was the chief financial agent of the Kaiser and head of the German Secret Service (international espionage was perfected by the Rothschilds during the nineteenth century). We had the amusing situation of Paul Warburg in charge of American finance while brother Max was in charge of German finance, at a time when the two nations were at war with each other, but such things never seem to bother international bankers. Numerous charges were made against Paul Warburg regarding his brother's position, and he resigned in May, 1917, after we had been at war for more than a year. The *New York Times* stated that he had left public service because of criticism arising from the fact that his brother was in "the Swiss Secret Service." The U.S. Naval Secret Service Report of December 12, 1918 is as follows:

"WARBURG, PAUL: German, naturalized American citizen in 1911, was decorated by the Kaiser 1912, was chairman of the Federal Reserve Board, handled large sums furnished by German bankers (M. M. Warburg & Co.) for Lenin and Trotsky. Has a brother who is leader of the espionage system of Germany."

Paul Warburg continued to dominate the Federal Reserve System as President of the Federal Advisory Council, a group of bankers which met with the Board and passed on all of its decisions. His place on the Board of Governors was taken by Albert Strauss, partner in the international banking house of J. & W. Seligman. We were fortunate to secure the services of so many experienced bankers for the low-paying position of Governor of the Federal Reserve Board.

The nation's largest owners of railroads, Kuhn, Loeb Co., protected its interests by ordering Woodrow Wilson to set up a United States Railroad Administration during the First World War. Wilson appointed as Director-General his son-in-law, William McAdoo, President of the Kuhn, Loeb-owned Hudson & Manhattan Railroad. In 1918, Warburg designed a more efficient organization, which he called the Federal Transportation Council.

On the 18th of May, 1920, Paul Warburg and Albert Strauss met with the Federal Reserve Board and raised the rate on agricultural paper to 7%, which caused the Agricultural Depression of 1920-21 and wiped out twenty billions of dollars in land and farming values. Farmers had made money during the war, and the government encouraged them to overextend their credit. When Warburg raised the rate, the banks called the loans in and ruined our farmers.

Paul Warburg also exercised considerable influence on the Federal Reserve Board as President of the American Acceptance Council. Acceptances, the currency of international trade, had not been used widely in this country before the First World War. Paul Warburg set up in 1920 the International Acceptance Bank, the largest acceptance

bank in the world, handling acceptances for seventy-one per cent. of our foreign trade in 1928. His brother Felix was vice-president, his son James Paul Warburg was a director. Paul Warburg was also a director of the Westinghouse Acceptance Bank. At the second annual convention of the American Acceptance Council, on December 2, 1920, President Warburg said: "It is a great satisfaction to report that during the year under review it was possible for the American Acceptance Council to further develop and strengthen its relations with the Federal Reserve Board."

During the 1920s, Paul Warburg organized the international dye trust I. G. Farben, setting up the American branch as American I. G. Chemical Corporation in partnership with Walter C. Teagle of Standard Oil. (The present writer in years of study and research on economic problems has never found an international trust that did not have at its source Jews and Jewish bankers). Warburg also set up the Agfa Ansco Film trust. *Who's Who in American Jewry* in 1928 listed Paul Warburg as director of the following corporations:—

"Union Pacific Railroad and subsidiaries, Baltimore & Ohio RR, National Railways of Mexico, Western Union, Wells Fargo, American I. G. Chemical, Agfa Ansco, Westinghouse Electric & Manufacturing Corp., Chairman of the Board of the International Acceptance Bank, Westinghouse Acceptance Bank, Warburg Company of Amsterdam, Farmers & Merchants Bank of London, and many other banks, railways, and factories."

In 1927, Paul Warburg met with the heads of the European Central Banks to discuss putting Europe back on the gold standard. Five hundred million dollars in gold was withdrawn from New York, precipitating the Great Depression of 1929-31.

Paul Warburg was the guiding personage behind the Council on Foreign Relations, which dictates United States foreign policy in the interests of international Jewry. His son James Paul Warburg is its present leader. Paul Warburg died in 1932, leaving a fortune officially reported at seventy-five million dollars, and actually much more than that, all of it "made" in the United States.

His brother Felix Warburg was for many years the chief financial backer of the Zionist Organization of America, and was a close friend of its President, Justice Louis Brandeis of the U.S. Supreme Court, and his understudy, Justice Felix Frankfurter. Felix Warburg was a director of the Palestine Economic Corporation, the National Railways of Mexico, the Prussian Life Insurance Co. of Berlin, Staten Island Rapid Transit Co., and many other banks and corporations. His son, Edward M. M. Warburg, is a director of the Jewish Telegraph Agency, head of the Displaced Persons Division and political advisor to Supreme Headquarters of the Allied Expeditionary Forces under General Eisenhower. Edward had previously been a special co-ordinator of information in Washington. Felix's other son, Frederick M. Warburg, helped Senator Herbert Lehman organize his giant holding company, the Lehman Corporation, which profited so greatly from the Crash of 1929, was a member of Kuhn, Loeb, and Lehman Brothers, is now a director of the Boy Scouts of America. His cousin John Schiff of Kuhn, Loeb is President of the Boy Scouts of America.

Otto Warburg, cousin of Paul and Felix, was President of the World Zionist Organization. Their brother Max, chief financial agent of the Kaiser, was head of the Financial

*The United States.

Commission of the German Delegation to the Peace Conference, while his nephew James Paul Warburg represented the U.S. Treasury. Max continued to exercise considerable influence in the Nazi regime. George Sokolsky in his book "We Jews" points out that "Even in Hitler Germany the firm of Max Warburg was exempted from persecution." The Warburg firm of I. G. Farben was not harmed by Allied bombing and is today the richest corporation in Germany.

James Paul Warburg, son of Paul, was born in Hamburg, Germany, was selected by Franklin D. Roosevelt as his Director of the Budget in 1933, but resigned to accompany Kuhn, Loeb lawyer Henry Stimson, then Secretary of State, to the World Economic and Monetary Conference in London in June of 1933, where the Second World War was planned. Members of the two Rothschilds agencies, the Council on Foreign Affairs and the Royal Institute of Foreign Affairs in London, decided how much of Hitler's announced programme they would help him carry out before starting the war. Mrs. Ludendorf testified that James Paul Warburg lent Hitler \$34,000,000 to carry out his plans. In 1941 James Paul Warburg organized the Office of War Information, official United States propaganda agency, which concealed from American soldiers the fact that they were dying for international Jewry's planned programme of world conquest for Zionism. James Paul Warburg was the London director of the OWI from 1942-44, and dictated the pro-English policies of General Eisenhower. He is a director of Nederlandsche Crediten Financiering Maatschappij, President of the International Manhattan Co., Polaroid Corp., and controls the Bank of Manhattan. As the head of the Council of Foreign Relations, he controls the State Department.

The Schiff-Loeb-Warburg union is the ruling family of the United States. Their personal assets are conservatively estimated at two and a half billion dollars. Since the Warburgs arrived in America, the United States have had three major depressions and two World Wars. They played an active part in bringing on each of these disasters. The Third World War seems destined to bring true their insane dream of world conquest, and the American people are helpless to avert the approaching calamity. Jews have found democracy an ideal system of government for their sinister purposes. If we continue to let them lead us, we can expect nothing but destruction.

Four Thousand Years of Price Control

We are indebted to *Congressional Record* ("Not printed at Government expense") for the following report of a speech by the Hon. Ralph W. Gwinn, of New York, in the United States House of Representatives on August 7, 1948, reviewing four thousand years of price controls. Mr. Gwinn said they had heard from time to time that experience with price controls dated only from Leon Henderson in 1942. He continued:—

That American passion for economic freedom has deep roots in our history becomes clear when one reads the words of the president of Princeton, John Witherspoon, in a letter to George Washington:

Fixing the prices of commodities has been attempted by law in several States among us, and it has increased the evil it was

meant to remedy, as the same practice has done since the beginning of the world.

Is that really true? What does the historical experience of mankind teach about this fundamental issue, which touches the life of every man, woman, and child.

The temptation for people in power to tamper with prices and production seems to be a very ancient human game. Thus, in the Laws of Hammurabi, King of Babylon—2285-2242 B.C.—we find wage controls for boatmen, reapers, threshers, shepherds, labourers, artisans, bricklayers, tillers, stone cutters, milkmen, and carpenters. Regulated also were builders' fees and warehousing, as well as rental of cows in milk, calves, oxen, wagons, and freight and passenger boats. On the basis of historical evidence, we know that ancient history throughout the changing centuries is characterized by a never-ending succession of popular upheavals against tyrannical rules and regulations imposed upon the people from above. This continued strife reveals one of the fundamental themes of human history—a struggle between regimentation and freedom.

We find later laws in ancient history, like, for example, the Hittite Code—1350 B.C.—which was discovered in Baghaz Koi in Asia Minor, that attempted to establish provision for wages and prices. The very fact that such laws had to be abolished or drastically revised under popular pressure indicates that even in ancient times rulers met with deep-seated resentment against their attempts to block the activities and trade of their citizens.

History tells us that the Roman Republic, under a constitution guaranteeing freedom, became the envy of the "barbarians" of other countries. Its soldiers were increasingly victorious in their conflicts with the half-hearted mercenaries of neighbouring nations that enjoyed little freedom. The glory that was Rome extended throughout what is now western Europe and northern Africa because Rome was the centre of freedom. There were no planned economies. As Gibbon tells us, freedom, honour, and justice were universally recognised virtues. And the freedom of Rome extended to its colonies.

The recurrent famines of earlier days were experienced with less and less frequency. Rome gave the civilized world the highest standard of living then known to mankind. But what happened? The leaders reached out for power. The republic became an empire. At first the emperors were cautious. They talked freedom as they planned a police state. Gibbon says, "Augustus was sensible that mankind is governed by names; nor was he deceived in his expectation, that the senate and the people would submit to slavery, provided they were respectfully assured that they still enjoyed their ancient freedom. A feeble senate and enervated people cheerfully acquiesced in the pleasing illusion." And so the people were fooled by bread and circuses. They looked to the government to supply more and more of their needs. Production declined everywhere. Prices skyrocketed.

Emperor Diocletian decided to maintain his popularity with promises to fix prices and reduce the cost of living. So in A.D. 301, he issued an imperial edict fixing the prices of commodities for the whole Roman Empire. His grandiose scheme was ushered in with a fanfare of benevolent propaganda. In fact, in the preface to the edict, the Roman Emperor shows an insight into the laws of psycho-

logical propaganda technique which is as startling as it is up to date. He assures his people that the coming economical control system is built on the highest motives of making the whole nation participate "in the blessings of that peace for which we have laboriously striven." He continues that in order to make this price-fixing system work, it is necessary for the rulers like "watchful parents of the whole human race" to help the people with remedies from above, and that such measures have become necessary since humanity cannot achieve such good results by its own free action.

The edict goes on to explain how the people have become greedy; how exorbitant profits were being made; how monopoly was running wild, and the people, therefore, needed protection from foes within as well as foes without. The only cure was a complete over-all control of food, clothing, wages, and so forth. Reading the list of commodities which the Emperor asked his Chester Bowles of that day, Maximianus, to take control of, reads astonishingly like our own modern OPA lists: Farm products, dyes, needles, feathers, filling for upholstery, seeds, wine, oil, meat, poultry, fats, sea food, building timber, wooden posts, finished wagons, agricultural implements, and so on ad infinitum.

In order to enforce his imperial law, Diocletian built up a huge bureaucracy to administer his universal price-control system. A contemporary observer has characterized the situation in the following words: "The number of ministers, of magistrates, of officers, and of servants who filled different departments of the state multiplied beyond the example of former times."

The price-control police forces of Diocletian had as their legal weapon, severe penalties against any breach of the law. Death was the punishment for those who dared sell above maximum prices. Death also for the buyer who aided and abetted him. Death, too, for those who bought and sold illegal stocks. However, human nature being what it is, these penalties did not affect the general picture, and no bureaucratic machinery or legal apparatus could prevent a complete break-down of the law of supply and demand with all the economic and social evils resulting from it.

Economic historians of the Roman Empire find that a situation developed which was as tragic as it was prophetic. Because the scarcity of production was heightened by the interference from price-control laws, prices on consumers' goods in the actual market rose to catastrophic heights. The control system which was put into operation to combat inflation, in this manner actually created inflationary trends which broke the backbone of the economic life of a great empire. Everywhere the results soon became visible: Building and construction stopped entirely. The arts and sciences fell into decay to such an extent that modern historians can recognise immediately the crudity and puerility of the craftsmanship of this period. Artistic creativeness and inventive skill did no longer thrive in this new atmosphere of economic tyranny.

History goes on to point out that while the economic waste was incredible the trades sank to ever lower levels. Poverty was created among the broad masses, while the merchants and small entrepreneurs were impoverished into bankruptcy. Landowners and manufacturers, who were the hardest hit, lost interest in a system of economic slave control that took away the private inventiveness and enterprise of the human genius.

In the realm of agriculture the situation became so bad that the Emperor found it necessary to order the farmers and the farm labourers controlled by serfdom under state supervision. That this measure could only lead to a worsening of the agricultural situation is perfectly explainable by the well-known historical law, that soil tilled by slave labour never yields abundant fruits such as land cultivated by free farmers.

To meet this general extremity of national economics, the Emperor, therefore, naturally turned to the device which is as common as it is artificial, namely, of exorbitant taxation. Taxes and surtaxes multiplied in a hopeless effort to fill an ever-empty treasury.

Thus ends the only total price-control system which the history of the Roman Empire records. Diocletian alone, of all the Roman emperors, was foolish enough to attempt it. If he had listened to the history of his empire he might have observed how earlier attempts of partial price fixing under emperors like Tiberius, Commodus, and Alexander Severus all had broken down. However, like many panic-stricken tyrants in the history of mankind, Diocletian apparently fancied that, if the price-control system only could be made totalitarian and foolproof, it would work where partial attempts have broken down. He lived to see the tragic mistake of his economic tyranny over a whole nation's life, since his experiment ended with such a complete failure that the edict had to be repealed as useless and unenforceable. Soon after the poverty-stricken and indignant people forced his abdication, on May 1 A. D. 305.

The more serious lesson of this Roman price control experiment is grasped, however, only if one realizes that its long-range effect on the Roman Empire was directly connected with the economic destruction of the greatest empire of ancient history. As the historian, Jules Toutain, has pointed out, the economic break-down of the Roman Empire made it fall an easy prey to the attack of the barbarians who, a few generations later, poured in over the borders of the Empire south of the Danube and west of the Rhine. What had once been a proud and great nation had deteriorated into a mass of people which had lost both the productive initiative and the national self-esteem which make a people strong and healthy. One of the fundamental laws of national defence is that only a nation in which freedom has been preserved under law is able and willing to take up arms in defense of human rights and human dignity.

Upon the grave of the Roman Empire the well-known historian, Samuel Dill, of Oxford, has written the following epitaph, which we may do well to remember:

The system of bureaucratic despotism, elaborated finally by Diocletian and Constantine, produced a tragedy in the truest sense, such as history has seldom exhibited: In which, by an inexorable fate the claims of fancied omnipotence ended in humiliating paralysis of administration; in which determined effort to remedy social evils only aggravated them until they became unendurable: in which the best intentions of the central power were, generation after generation, mocked and defeated alike by irresistible laws of human nature and by hopeless perfidy and corruption in the servants of government.

It is not surprising that kings, who were notorious for their excessive egotism, should be found in the list of rulers bent upon price control. There is Philip IV, of France, who, in 1306, antedated Hitler's Jewish pogroms by six centuries, and who created a dire scarcity of wheat, bread, and clothing throughout his nation by his price-control system.

There are English kings, like Henry III and George II, who tampered with prices of grain and bread until Parliament rose up in indignation and repealed these royal price-control attempts.

There was Edward II, who, on an island like England, hit upon the ridiculous scheme of safeguarding production level on sea food by a control system which was inaugurated as a benefit for the people, but actually turned out to be such an impossible flop that all fish disappeared from the markets in the British Isles.

A complete survey of ancient, medieval, and modern price-control systems proves that they created scarcity instead of production and ill-will instead of co-operation. One of the most illustrious and meaningful examples of this historical law we find as we turn to the history of the French Revolution.

When the leftists of that day—the Jacobins—decided to destroy French culture and French enterprise, they made use of the old tyrannical medium of a violent price control. Being experts in revolutionary technique, they chose to place iron control upon 39 necessities of life under the agency called committee of public safety.

(To be continued).

“Education is Propaganda”

“It is inaccurate to say that the professorial community is propagating Communism. But it is a fact, underlined by much evidence, that our college curricula are impregnated with Statism (of which Communism is only a species) and that the indoctrination of students in Statist tenets is a major enthusiasm among faculties.

“Recently we were asked by a student of Northwestern University to supply her with material for the negative side of the subject: ‘Resolved, that the Federal Government should adopt a permanent programme of wage and price control.’ The very title immediately suggests that a programme—temporary or permanent—of price and wage control is possible; that it can be made operative. The underlying premise ignores or rejects the existence of economic laws that make such a programme impotent to achieve its declared objective. The topic is ‘loaded.’

“We learned upon investigation that the subject for debate has been selected not by students acting independently, but by a body under professorial guidance, and that it would be debated by college teams throughout the country. The selection committee consists of five faculty members, four of whom are designated to it by four intercollegiate debating fraternities, one by the Speech Association of America. This committee receives suggestions for debates from some 500 colleges at the beginning of each year. From all these, five topics that seem to fit a consensus are selected by the committee and resubmitted to the college for another vote. The one receiving the highest vote becomes the subject of the year.

“All five subjects chosen for the final vote this year were ‘loaded’ in favour of Statism. The one mentioned was selected for 1951-52. Those taking the affirmative side will certainly have the advantage, simply because the audience will have learned about the virtues of a controlled economy from their economic textbooks. Those taking the negative side will be hard put, for they will have to disprove what they have been taught; they will have to refute not only

their opponents but also their professors. If they win the debate, will they flunk in their examinations?

“It is this kind of indoctrination in Statism that is far more threatening to American individualism than the outright teaching of Communism.”—(F. C. Hanighan in *Human Events*.)

PARLIAMENT (continued from page 3).

outbreak of war, they could easily introduce a Bill to amend the termination clause of the existing Act by providing that its operation shall be forthwith suspended, and saying that it can be brought into play again by means of an Order in Council if the necessity arises. In the interval, until such time as it is wanted again for the sole legitimate purpose for which it ever ought to exist, it can repose happily in the Downing Street deep-freeze.

Let the Government remember that most of us know, if not what we are, at least who we are, without documentary proof. Let them also remember that if the Government wish to know who we are, they have open to them every method which was at the disposal of any Government of this country for that purpose up to 1939. If that is not satisfactory, then let them at least have the decency to come to Parliament and say to Parliament that they require a renewal of these powers after fresh investigation of their need—if they like, with photographs and fingerprints attached for good measure. For it is certain that the powers which they now persist in misusing are not only obnoxious and oppressive but obsolete as well. Above all, let the Government not forget that administrative convenience can be purchased at too high a price in personal freedom and public propriety. I beg to move.

Moved to resolve, That in present conditions the use of identity cards is unnecessary and oppressive, and should be discontinued without delay.—(The Marquess of Reading).

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