The Editor, The Social Crediter.

The two aspects of the matter were closely related. The centurion did not say why he was obeyed, and did not mention "all the weight and majesty of the Roman Empire." He was praised for his faith, not for his understanding. The choice of this incident for the reading on the third Sunday after Epiphany is spoken of as though it had been determined in consideration of current events: "It is fitting." Clearly, this column is not so subtle that our enemies don’t understand it. (It is addressed, nevertheless, to our friends.)

A letter to The Scotsman for January 16, signed E. W. B. Grotrian, suggests that instead of grants of subsidies to private schools Income-tax rebates should be paid directly to parents. He writes: "The owner of property can, on production of receipted accounts, claim rebate or even refund of Income-tax, and it seems to me that a similar scheme for all persons paying for the education of children would be easy to work and less liable to abuse than would direct grants to the schools themselves. This scheme would automatically safeguard the schools from State interference and would require little or no additional administrative staff, since it would be worked by reducing taxation instead of by having to raise additional State or Local Authority funds."

Such suggestions, leading in the direction of a real decentralisation of policy, are interesting in view of the hint which has been given that decentralisation of Scottish administration is likely to be an early candidate for consideration by Mr. Churchill. What it will amount to will have to be seen to be believed; but, if undertaken, it will not, seemingly, be discussed in vacuo.

A Sunday newspaper columnist counts "120-odd" directorships in which he calls "the Ministerial kitty," barely a score of which have been reallocated following the boardroom reshuffle before Parliament assembles. "Ministers may find comfort in the situation. For it offers the hope that should politics bring them disaster refuge is kept ready in the City." Four "Tory beneficiaries" are named: Viscount Hudson, Mr. Walter Fletcher, Mr. Maurice Macmillan, and Mr. Frederick James Erroll. We sympathise with a remark made in America: "On the political front you are fighting a rear guard action."—Which is to say, that on the political front you (whoever you are, bent upon defeating the political front) cannot win. Unfortunately the observer, accurate in this case, drew the unwarrantable conclusion that you could win on the educational front, although he admitted that the victories won on that front were always a generation late—and, we should add, are always proved to be fallacious by their fruits—a generation after they are 'won.' He was Frank Chodorov, writing in Human Events on the subject of "The Unimportance of Candidates."

From Week to Week

Writing this note before they are delivered, we cannot say what line the sermons of the clergy of the Church of England took last Sunday, or whether they followed closely the Gospel for the day—the first thirteen verses of St. Matthew ch. VIII. The Times of the day before gave this prompt: —"A Roman officer, on duty in Palestine in the first century, explained to Jesus that he understood what authority meant. He was himself under authority, he said, having soldiers under him. When he gave commands, they were obeyed. The two aspects of the matter were closely related. His orders were obeyed because he himself was under orders; behind him stood all the weight and majesty of the Roman Empire. His lightest word carried the authority of Tiberius Caesar."

Since the words begin the article, there is no previous context to explain "The two aspects of the matter were closely related." The centurion did not say why he was obeyed, and did not mention "all the weight and majesty of the Roman Empire." He was praised for his faith, not for his understanding. The choice of this incident for the reading on the third Sunday after Epiphany is spoken of as though it had been determined in consideration of current events: "It is fitting." Clearly, this column is not so subtle that our enemies don’t understand it. (It is addressed, nevertheless, to our friends.)

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export trade is a complete gamble. To-day, we are facing two ways of closing the trade gap—one is by an increase in milk production and the other is by an increase in groundnuts. We hear complaints from industrial representatives of competition from increasing production in many countries. We hear them. It is time that we realised that surplus food has cost us millions of underfed Africans and if they have to do the work that we are doing, we must face up to this problem if the development of our Colonies and Dominions are extended.

I think that sort of thing is doing a great deal of harm. It is comparable to the statement made by the Socialist Party about two or three years ago about the tremendous output of food coming from Africa. But there are many millions of underfed Africans and if they have to do the work necessary to produce that food they will desire better feeding themselves. It is time that we realised that surplus food from Africa does not exist. We have had debates on the development of these Colonies over the past two years and we have squandered money on various schemes—such as groundnuts in Gambia—and I hope that we will not try any more of them.

If we do not face up to this problem, this country will face starvation or migration on a very vast scale. There are two ways of closing the trade gap—one is by an increase in the export trade and another is by more production from our agricultural land. We say that an increase in our export trade is a complete gamble. To-day, we are facing increasing production in many countries. We hear complaints from industrial representatives of competition from Japan, Germany and other countries and that competition will increase. What this country is faced with is not an increase in export trade but the possibility of a decrease. It is, therefore, about time that we made up our minds to alter the present economic set-up of this country and paid more attention to agricultural policy and less to industrial policy.

Little mention of agriculture was made during the Gracious Speech, although in that Speech a vigorous policy was promised. I hoped the minister of Agriculture would have made a vigorous speech then, pointing out what he proposed to do to carry out the proposals in the speech. Possibly my hon. Friend will give us some idea when he replies as to what he proposes to do. We must face up to the fact that there has been a decline in agricultural production during the last 12 months. There has been a decline in arable land and in horticulture with a drop in egg and milk production. Primarily the reason is that the late Government did not face up to the rising costs of production.

The November Price Review was held after the increased cost of production had risen to £75,000,000, but only £44,000,000 of the increased cost was recognised in the Review. In fact, I understand that when the negotiating committee started they were only prepared to admit 7 per cent. of the increase, but in the end they did get 16 per cent. The impression has been that it was a Review based on a great deal of guesswork, with the help of so-called experts. In the February Price Review I hope that we shall have more practical men, knowing agriculture, dealing with it...

The cause of decreased production was the refusal of the Government to face the increased cost of production, and the increased prices announced last Thursday will not stop the decrease for very long. That is only playing with the problem. Costs have risen by £40 million, and the prices suggested will in no way cover that. When the Price Review committee starts to work they should recognise the increased costs and make adjustments accordingly. It is difficult, because the prices that enable the big mechanised farmer to make a profit are insufficient for marginal land...

The next source is common land. My hon. Friends tell me that I am touching dynamite in suggesting that anything should be done with this. I do not think I am and I have no hesitation in saying that the time has come when our common land ought not to be wasted as it is at present. I do not want to do any harm to the common holder, or to anyone else. What I am suggesting will do the common holder good. I know that it will be necessary to pass an Act of Parliament. We have had many Acts of Parliament in the last six years.

Mr. Speaker: The hon. Gentleman must not, in an Adjournment debate, introduce subjects requiring legislation.

Mr. Baldwin: I bow to your Ruling, Mr. Speaker.

I will content myself by suggesting that the commoners, the agricultural executive committee for the county, and the rural district council ought to be called together so that they could deal with any common land under their jurisdiction. No action could be taken which would suit every commoner. Every one must be treated on its merits. But there is common land today which is not worth a shilling an acre, while over the fence there is land which is producing £20 to £25 worth of food an acre. It is criminal to allow that land to lie idle.

I am not suggesting that all commons ought to be done away with. We must leave the holiday-maker sufficient verge at the side of the road upon which he can throw his bottles, cigarette packets, and his paper bags. The rest of the land ought to be brought into production. Why should we be under-fed while such land is producing nothing? I could give many instances of what was achieved in production from common land during the war...

The 1947-48 Act was passed to give security to the good farmer. It has given security to the good and the bad farmer. It is time that the agricultural executive committees were instructed that they must watch the farming and see that they do not uphold bad farming. The fact that this security is extended to the under-average farmer will be that in the course of time the tenant farming system will be done away with, and thus the possibility will be removed of young farmers being able to start farming. Nowadays, because of the rigidity with which this Act is interpreted, few farms become vacant. The result is that every time a farm becomes vacant the owner sells it with vacant possession, and gets a fantastic price. The Parliamentary Secretary ought to tackle this position.
In reply to a Question a few days ago the Minister of Agriculture said there were over 1,500 farmers today still under supervision. I suggest that the taxpayer of this country cannot afford to provide nursemaids for those farmers under supervision. They should be told that they will have a period, one or two years, in which to bring their farms back into production, and if they are not able to do it without having someone there to tell them how to, it is time they made way for someone else.

I hope the Parliamentary Secretary will not take the same line as the right hon. Member for Belper (Mr. G. Brown) took on the occasions when I raised this matter with him, by reminding me of the marginal land scheme and the Livestock Rearing Act. I know about this legislation, but what we want behind these Acts is a little more jet propulsion. If we tackle our land like a battle operation, we could feed 40,000,000 people now. I think we can increase production by 200,000,000 tons a year. That would make a tremendous contribution towards closing the trade gap. Some time ago I had the pleasure of showing some farmers from overseas around the House, and they told me they were astounded to see the waste land in this country. They thought we must be mental—and I did not argue with them.

Not only is it important from the point of view of closing the trade gap, but it is tremendously important from the defence point of view. It is no good spending £4,700,000,000 on armaments and training men unless we have the reserves of food in this country with which to feed them. Twice in our lifetime we have nearly faced defeat by starvation and we are heading for another defeat if war comes again. It comes like a bolt from the blue, and our shipping could be put off the seas. If we have not a reserve of food, the war will be over so far as we are concerned.

The Joint Parliamentary Secretary to the Ministry of Agriculture (Mr. G. R. H. Nugent): . . . The first point he [Mr. Baldwin] made was with regard to the machinery of the Annual Price Review. He called attention to what he regarded as a serious decline in the volume of food production. I think my hon. Friend, in his anxiety, has perhaps a little overstated the position. It is true that the September returns have shown some sign, in one or two aspects, of a slowing up of the expansion programme. But it would not be true to say that they threw up a situation where there was a serious decline. The system of guaranteed prices and guaranteed markets for the main agricultural products is, I think generally agreed by everybody to be the basis of our farming economy to-day, and to be the best basis.

It is not perfect, of course. But no system devised by human beings would be perfect. It has been running now for some years and was given statutory effect in 1947. I would say, by and large, that during these years there has been a general development of our farms and the volume of food produced on them has increased.

I agree that the system has been under strain for the past two or three years while prices have been rising continuously and so steeply. Nevertheless, with all the defects we may attribute to it, it is a system which is serving us well.

. . . I must pass on to the next important point which my hon. Friend raised—that about the use of commons. A number of these commons have been brought into production and have yielded useful crops during the past 10 or 11 years.

In the past few years the less productive of them have been allowed to go out of production and the requisition has been removed, but there are still some 13,000 acres of common land under requisition and in useful production.

I can relieve my hon. Friend of his anxiety about the immediate danger of their going out of cultivation. The power to keep them under requisition flows from the Defence Regulations and lasts until 1954. My right hon. and gallant Friend is now considering the desirability of extending the requisition beyond the end of next year, and in the meantime I can assure my hon. Friend that his point about the potential food production of the commons is very much in the mind of my right hon. and gallant Friend . . .

House of Commons: December 4, 1951.

National Finance

Pound Sterling (Purchasing Power)

Mr. Osborne asked the Chancellor of the Exchequer what is the internal purchasing power of the pound sterling to the nearest convenient date, as compared with 20s. in July, 1945.

Mr. R. A. Butler: About 14s. 3d. in October, 1951, as compared with an average of 20s. in 1945.

National Savings Certificates, 1945 (Value)

Mr. Osborne asked the Chancellor of the Exchequer how much interest has accrued to the nearest convenient date on a National Savings Certificate purchased for 15s. in July, 1945; and how much is both capital and interest worth allowing for the subsequent fall in the purchasing power of the pound.

Mr. R. A. Butler: 3s. 2d. and 13s. Od. respectively.

Local Authorities

(Exchequer Grants and Interest)

Mr. Blackburn asked the Minister of Housing and Local Government what was the amount paid in subsidy to local authorities for housing for the year 1950 and to the last available date of 1951; and the amount due from local authorities for interest on housing loans for the same periods.

Mr. H. Macmillan: The amount paid in housing subsidy to local authorities in England and Wales for the financial year ended 31st March, 1951, was £22,963,837, and for the subsequent eight months to 30th November, 1951, £13,882,290. Interest on housing loans for the year to March, 1951, was £37,337,321. Interest figures for later periods are not yet available.

(Continued on page 7)

On Planning The Earth

By GEOFFREY DOBBS.

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

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The Village Shop

Mr. George Schwartz, who writes for The Sunday Times, is fearful lest we may, before we know where we are, find ourselves back in the village shop. The universities, in their English and Logic Departments at least would be doing their business if they turned their attention exclusively for the next six months to the logical curiosities of the "City" columns of our newspapers. They might then find themselves back with Chaucer and Jevons in a year's time with greatly strengthened finances and enhanced economic freedom. What, we wonder, would happen if a tenth of the ingenuity and skill devoted to textual criticism and analysis were expended upon exposing the tricks of argument which are the stock-in-trade of writers about economics. What, for example, is the exact relevancy of Mr. Schwartz's proposition: "And there isn't enough business in the village for 50,000,000 people"? Almost the total production of necessary things of which these islands are capable is done by people living together either in villages or hamlets (which is a size smaller in villages). The waste of human energy goes on in towns, and the larger the town the greater the wastage. Is it not self-evident that, however many people there are or come to be, they would be doing better for themselves by securing that as many as possible, not as few as possible, were contributing to the making of necessary or near-necessary things (among which we are willing to reckon works of art and services of the Spirit), and as few as may be, not as many as can contrive, were engaged in upsetting the optimum ratio between capital and genuine consumption.

We know that I.C.I. could not find a market or supply its present market if restricted to the boundaries of a village. But from the point of view of an English villager (who could at one time live within the economic boundaries of a village), I.C.I. is a very expensive luxury, and a considerable cause why villagers can't live any longer in villages. What's wrong with villages? Under the present dispensation, the idea of optimum as humanly understood does not apply to capital expansion: the sky's the limit, and, in this connection, the sky is the equivalent of general damnation—another instance, doubtless, of daemon est deus inversus.

At The Sign of The Double Cross

(1) "Churchill has set his heart on persuading Truman and Acheson to cast him in the key role of broker between Washington and Moscow: Churchill would then sell Truman, while Eden sells Acheson."

(2) "Stalin has set his heart on securing the services of Mr. Churchill in a 'tension-easing' mission to Moscow. Those who have access to transcripts of Soviet broadcasts since he took office confirm that fomenting fundamental antagonisms between Britain and U.S.A. is the new line of Soviet propaganda."

(3) Mr. Acheson has set his heart on securing recognition for the thesis that "the ferment at work in Egypt and Tunisia is nothing less than the contagious ideas of liberty, justice and independence expressed in the French and American revolutions just a century and three-quarters back... Our long-term interests are best served if peoples' aspirations for representative and responsible government are filled in a peaceful and orderly fashion."

(4) John Citizen is backing any double-cross there may be, believing that, while quite wrong, of course, it is being done purely out of admiration for his blue eyes, and in his sole interest.

"And Then There Were Only Two"!

"However this may be, would it not be a gracious and timely gesture on the part of the Royal Academy if, with the consent of the Sovereign, Senor Picasso were invited to accept Honorary Membership of that historic body." (Mr. Augustus John at the close of a piquant article on Picasso in a Sunday Newspaper.)

Parliamentary Government and the Economic Problem

(Mr. Winston Churchill's Romanes Lecture given in the Sheldonian Theatre, Oxford, June 19, 1930.)

EXTRACT: Speaking of the Economic issues about which great numbers of intelligent people are in honest doubt he affirmed: "The classical doctrines of economics have for nearly a century found their citadel in the Treasury and the Bank of England. Whatever we may think about these doctrines—and I am not today pronouncing upon them—we can see clearly that they do not correspond to what is going on now... It is certain that the Economic problem with which we are now confronted is not adequately solved, indeed, it is not solved at all by the teachings of the text books, however grand may be their logic, however illustrious may be their authors..."

"If the doctrines of the Economists no longer serve for the purposes of our Society, they must be replaced by a new body of doctrine equally well related in itself and equally well fitting into a general theme..."

"Beyond our immediate difficulty lies the root problem of modern world economics, namely, the strange discordance between the consuming and producing power. Have all our triumphs of research and organisation bequeathed us only a new punishment—the Curse of Plenty?"... Surely it is this mysterious crack or fissure at the basis of all our arrangements and apparatus upon which the keenest minds throughout the world should be concentrated. Are we really to believe that no better adjustment can be made between supply and demand? Yet the fact remains that every effort has so far failed. All have failed, both Capitalism and Communism. We have advanced little further in this quest than in barbaric times."
The Debt-Export Treason

By NORMAN F. WEBB.

There may be something wrong with our make-up, but we still feel ourselves unable to understand the almost complete absence of reaction to the debt-export treason. (From Week to Week, T.S.C., December 29.)

The absence of the expected reaction—of righteous indignation, obviously—which so exercises all Social Crediters according to the intensity of their sense of reality, is undoubtedly due to the same cause as the failure to appreciate the truth and realism of the Social Credit whole exposition and analysis of the Monetary System. The "treason" that outrages our sense of justice and right, is simply the working out logically and mathematically of the accountancy system demonstrated by Douglas to be faulty, which no public body of any kind whatsoever, excepting ourselves, has had the vision—call it courage if you like—constructively to challenge.

The Note under review cites the case of India, now practically an independent state, to whom a debt of fifteen hundred million is shown in our national Accountancy Books, now presided over by Mr. Butler, as owing by us, mainly for her co-operation with us in her own defence in the recent war. It might be argued that the question of the reality of that debt involved a moral issue rather than one of accountancy. The important point, however, is that Great Britain is being forced to acknowledge it in goods delivered as and when required, although we have withdrawn from the country leaving behind us for its benefit the real wealth, in the form of irrigation-works, harbours, railways, social and legal organisations, etc., almost all of which is due—that is, owing in the non-financial sense—to Great Britain and to the personal exertions, skill and capital (savings) of its inhabitants.

The correct reaction to this particular issue, therefore, is impossible and not to be expected until the nation as a whole, or those deputed to act for her, can be induced to react correctly to the implications of Douglas's writings, which amount to an unanswerable indictment of the formula upon which bank credit is made socially available.

What we see demonstrated specifically here is that under the operation of this false logic which the country has failed to challenge, the real indebtedness of the modern world to Great Britain is inverted so as to appear as a financial indebtedness on the part of Great Britain to the world. In short, the citizens of that country, of whom it may truly be said that, whether for good or ill, they have been chiefly responsible for the creation of this present international civilization by an act of faith (credit), as well as by the sweat of their brows, and who have been in the front line as well as the H.Q. in at least two world wars to preserve that civilization from break-up, have as a consequence been put into financial debt to all its other parts.

The truth, of course, is that the financial failure which threatens Great Britain today, as the first victim in the line, and which hangs over all national societies in their turn, is the result of a general ethical failure; a failure in the courage necessary to re-examine the fundamentals of that same financial system and to make sure of their realism. It is all of a piece with the induced resistance to Social Credit itself, the apparent inability to understand it. We are well aware that the concentration of our Movement and textbooks on economics—its detractors call it Monetary Reform, or "funny money"—is in fact only superficial. The immediate threat of failure, as has been said, is in the widest sense of the word, a religious failure; a failure in realism; a failure to face up to Reality. Douglas is unique in shewing up the practical aspect of the matter as distinct from the moral and hopelessly confused one, and in putting it forward as a priority, if not in importance at least one in time. Most certainly if there is any value or use in the survival of the British Way of Life, or Great Britain as a national entity, he is correct. It is this conviction that is at the back of his insistent references, dating back over the years to the "Debt-Export treason," treason, not only to Great Britain, but to the whole of humanity.

To recapitulate what is said of the nature of the false premises of orthodox Debt-Finance, as it is dealt with in Chapter Three of the "Monopoly of Credit," just re-issued: In it Douglas instances, in hypothetical circumstances, the first bank creation of credit. This is in the form of an advance (over-draft) of £100 on the banks part to one of ten depositors with it of £100 each, on the well-worn formula that the chances are that all of them don't want to withdraw their deposits simultaneously. We know that apart from other and more abstruse factors—but even more decisive in their effect the repayment of the temporary accommodation and its cancellation in the books of the Banking System leaves an unrepayable fraction owing to the system as a whole. This is composed of the bank interest charge (profit), plus the profit of the borrower on his product which must be got from the public, i.e., the nine other depositors, in the form of a further advance of credit (overdraft of some kind). All that, so to speak, by the way, we know it only too well. But the psychological essence of the matter, quite apart from its mathematics, is that the book-keeping demand for repayment in full is based on a psychologically false assumption. Not the assumption that the repayment in cash is a possibility when in fact it is not, as anyone who takes the trouble to study the elements of the transaction must see; but on the false assumption that the basis (or origin) of the loan (or advance) is cash, i.e., that it is really made on the strength of the other nine depositors' hundred pound deposits.

It is true, no doubt, that they constitute a sort of technical security for it; but that is a guarantee to the borrower that the bank can fulfil its undertaking in making the loan; more an inducement to him to accept the loan and the good faith of the lender, than anything else. In fact, of course, deposits constitute a bank's liability, which as a factor is not, and never could be, the psychological basis of a loan, no matter what banking theory may have to say on the matter. All bank loans (creations of costless credit) are actually made, as has been shown, in the form of a further advance of credit (overdraft of some kind). The immediate threat of failure, as has been said, is in the widest sense of the word, a religious failure; a failure in realism; a failure to face up to Reality. Douglas is unique in shewing up the practical aspect of the matter as distinct from the moral and hopelessly confused one, and in putting it forward as a priority, if not in importance at least one in time. Most certainly if there is any value or use in the survival of the British Way of Life, or Great Britain as a national entity, he is correct. It is this conviction that is at the back of his insistent references, dating back over the years to the "Debt-Export treason,"—treason, not only to Great Britain, but to the whole of humanity.
may be, actually threaten to over-balance the real assets of the total credit area, i.e., the world, which thereby become progressively mortgaged to the Banking System.

This state of affairs, incipient, universal financial insolvency, arising, in part from the cause analysed above, constitutes the present world sickness; and no person or country is exempt from its effects. But of its very nature its primary pressure is focussed on Great Britain and the British Commonwealth, for the quite obvious reason that for the last three or four centuries at least, the English genius has been the centre of world activity, and especially during the last 150 years, representing the Industrial Revolution. Knowing, as we do, what is outlined above as the actual process of orthodox accountancy, it is plain that the most dynamic and active groups, those that is with most potential, and who therefore automatically promote, or attract, the maximum amount of credit-creation, would likewise be the nation's debtors for cash, or financial wealth though they have in fact been the greatest creators of real wealth. (The United States of America, please note!) And as long as we are prepared to give our support to this fallacy on which the system operates, that result—in strict book-keeping—is inevitable; the whole increment (increase) of social activity and enterprise and invention goes ultimately to the professional operators of the temporary financial credit-creation. The greater the temporary financial activity and the greater its success, the greater the financial liability chalked up against the active and successful ones, the creators of the real wealth.

This is the theoretical claim of world-indebtedness; the claim to potential ownership of the capital assets of what is called civilization on the part of the Banking System. I say theoretical, because intelligent individuals, in which category we can include the Joint Stock Bankers, are all fully aware that such a potential claim is in fact unrealizable, foreclosure being actually impossible. No doubt, if such as they represented the whole banking picture, the worst results of the temporary financial credit-creation. The greater the activity and the greater its success, the greater the financial liability chalked up against the active and successful ones, the creators of the real wealth.

But the real danger, and the really effective resistance to the truth about banking theory comes from the political manipulators, and not the functional operators of credit. It is true, as we have seen, that the idea of world-wide foreclosure from the commercial banking aspect, is pointless and untenable. Employed as a threat, however, negatively so to speak, it is invaluable to the financier-politician, the International Banker, for the furtherance of his political ends. No human interest, as we know, not even the proponent of orthodox Banking, would seek to remove anything but good from the disclosures of Social Credit. The one sufferer, in the sense of losing something he was possessed of and valued, would undoubtedly be the international financier, the power-politician. He is the one individual of whom it is provable, by the strongest circumstantial evidence if by no more, that he is fully conversant with Douglas's writings and the truth they contain. The author of Social Credit has never had any illusions as to that.

It is obvious that from the earliest times of modern banking, there has been a certain constitutional type of individual, not necessarily of any particular race or creed, who has instinctively sensed the mentally enslaving grip given to the professional operator of credit creation. This he has done without necessarily understanding intellectually its nature. The collective aspect of the matter, however, is quite different. From our experience of the nature of large organisations we know that there is always a natural coming-together of groups at the top with common political ends of their own, which automatically strive to constitute themselves policy-directors; and at this point cultural grouping (race) is bound to be decisive.

With these thoughts as a background, then, let us consider the persistent "winding-up" of the British Empire, which proceeds according to plan regardless of the injection of the Conservaties into the political scene. It may be rather early to look for any signs of change, but there has not been any effective protest, even, from the new Party in power at the continued shipment to Pakistan of machinery against debts incurred by our country to a recently constituted area, the name of which was unknown ten years ago.

It is obvious that we are up against the fundamental issue of Internationalism versus Nationalism; in short, the Group versus the Individual. This is an issue that until Douglas's time has never been properly understood, certainly not by leaders of British culture and politics; chiefly, no doubt, because it is so closely linked up with the hitherto unperceived flaw in accountancy. International interests are generally admitted to be to a certain extent opposed to national ones. But what is not so evident is that for that reason they are opposed to the individual's interest, to Individuality itself.

It is not surprising therefore that during the whole period while this country was engaged in developing the modern, industrial world, since the City of London was the centre from which the operation was financed, the impression given to the average British citizen was that Great Britain was financing herself; that is, going forward—as in fact she was most certainly doing—on her own unaided Faith; on her own credit. That surely was the implication behind the term Sterling. Financially, however, we see now, the transaction was not only different, but the exact opposite. The City was not national, was not London, except in the limited, geographical sense in which it had been Amsterdam and is now New York. It was international (anti-national), and what is more, in the hands of the guardians of a psychologically perverse and inverted system or formula, that was engaged in debting this country with the financially unrepaid, and unrepayable part of the cost of all the created real wealth—the irrigation schemes of India and Egypt, and railways of America, both North and South, and What-have-you—that was the increment of her hitherto unprecedented activity, arising from her cultural and technological association.

"It is obvious that the 'conservatives' either do not understand, or do not feel any ability to deal with the major materialistic feature of our economic policy." A note of very guarded optimism allows that it is possible that after the long interval in the wilderness represented by the 1939-45 war, followed by six weary years in Opposition, the Conservative Party might find sufficient grace to make them react realistically to the implication of their Chancellor's Export Ramp. While there appears to be a depressing lack of change of economic heart, "it is nevertheless true that a subtle and encouraging change is apparent, or seems to be apparent, in our foreign policy." "This...is in accordance with tradition. The Whigs (Liberals, Labour-Socialists, etc) have always sacrificed British external interests as being a threat to International Finance. The Tories, who have in
the main been prevented from knowing anything about Finance by the insertion into the premiership of puppets of the financiers such as Disraeli and Palmerston, have been handed Foreign Affairs, as a present, to keep them too busy to learn much about home policy. The pseudo-idealism of the Whigs has, if left to itself, served the ends of the International Jew; but the common sense of the Tories has been and is, a danger that requires steering from within. This has nothing to do with Party Politics, but everything to do with Party temperament.” Of the two Leaders named above, the one was a Jew, the other reputed the official head of World Masonry.

The present situation conforms, in appearance at any rate, to this traditional pattern: a Tory reaction, of an extremely moderate character, considering the recent saturnalia of Central-Bank-Policy, with a Whig nominee as Prime Minister. What can he do without the information contained in Douglas’s books? In reaction to baffling reverses and events generally, a return must be made to them and their informative message, or else any government must go down along with the whole created fabric known as the British Commonwealth of Nations, if not our whole rather blatant technological world-civilization—a possibility which the present writer cannot accept.

What, one wonders, was the gist of Mr. Churchill’s recent talks with his friend Bernard Baruch in his fifteen-room apartment in Fifth Avenue?

PARLIAMENT—(continued from page 3).

Scotland

Hypnotism (Public Performances)

Dr. Barnett Stross asked the Secretary of State for Scotland how long Margaret Proctor, who was recently hypnotised at a public entertainment in Airdrie Town Hall, has been detained in hospital; and what steps he will take to protect the public against illness of this type.

The Secretary of State for Scotland (Mr. James Stuart): This girl has been in hospital since 12th November. I have no powers under which performances of this type can be prohibited, but I hope that this case will serve as a warning to parents and the public of the dangers involved in stage hypnotism.

Dr. Stross: Noting the answer that the Secretary of State has given, may I ask whether he has the power to suggest that, at least, no other adolescents or no people under the age of 30 should be subjected ever to this type of assault?

Mr. Stuart: I am afraid that I have not got the power, and I believe that it would probably present difficulties to define hypnotism legally in any Act, but I will be glad to consider the point.

Mr. Ede: Will the right hon. Gentleman consult with the Secretary of State for Home Affairs with regard to seeing if something cannot be done jointly for Great Britain?

Mr. Stuart: Yes, Sir.

Decorated China and Earthenware

Mr. S. Marshall asked the President of the Board of Trade, when he thinks it possible to allow more quantities of decorated table chinaware to be available to the home market.

Mr. P. Thorneycroft: I am sorry to say that I see no prospect of releasing decorated china and earthenware for sale on the home market, since this could only be done at the expense of our exports. My hon. Friend will know that certain quantities of export rejects and frustrated exports are already available.

Housing

The Minister of Housing and Local Government (Mr. Harold Macmillan): I now come to the last point. . . . It is the proposal to allow the sale of existing council houses in certain circumstances. It is solemnly asserted that any such proposal by any authority, whatever may be the conditions in the locality, is either revolutionary or reactionary. I forget which . . . .

. . . I know that it is commonly said that the sale of council houses is a retrograde step because it interferes with the proper management of properties as a whole. It is alleged that it tends to create slums. No doubt there is a certain truth in this, if the policy were wantonly embarked upon and foolishly carried out. There is much evidence to the contrary. The Bourneville Village Trust, in giving evidence to the Faringdon sub-committee—a very respectable authority—of the Central Housing Advisory Committee, said the exact opposite. They said that the scattering of a certain number of privately-owned houses in those large estates had a most beneficial effect. [HON. MEMBERS: “No.”] I am only saying that there is a conflict of evidence which I am entitled to take into account. I would not expect to receive foolish applications from local authorities, and if I did they would not have my approval.

There is the question of the terms. What might have been quite proper before the war might be very unsuitable today. There was then, if not a buyers’ market, a reasonably free market. Now there is a sellers’ market. It is therefore necessary to make sure that in such proposals from a local authority there should be proper safeguards to prevent the quick or speculative profit that might be made by a purchaser immediately re-selling to another buyer. Just the same safeguards as we propose to make have been made successfully for six years with regard to houses built to private account under the ratio.

Before the war, the important thing was to see that a local authority did not ask too low a price. Now we have to make sure that a local authority does not become a profiteer on the shortage any more than anybody else. All these matters are being carefully considered, and I have no doubt that we shall be able to give the necessary guidance to authorities who may wish to take advantage of the permission that I am prepared to give in the proper cases.

There is one final argument used against this proposal. It is that, however carefully and scrupulously it might be applied, the sale of any house which is now occupied by a tenant automatically reduces the total of houses to rent. I would find that argument much more convincing if it were consistent. I have had many questions from hon. Gentlemen on the other side of the House who are interested in the working of the Small Dwellings Acquisition Act. It seems to me that they are in something of a dilemma.

On the one hand they are anxious to promote, and they take pride in, expenditure by local authorities to help
the private purchase by a tenant from a private landlord of a house normally let to rent. I think the figure for that is something like £40 million in the last few years. On the other hand, they deplore any extension of this practice to municipal houses. Can they seriously maintain that the sale of a privately-owned house to a tenant does not take the house out of the field of tenancy and that only the sale of a municipally-owned house does so? That proposition would not stand a moment’s test. Like so many other arguments, it proves at once too little and too much.

Mr. Douglas Jay (Battersea, North): Surely the hon. Gentleman must see that sale from a local authority to a private owner takes a house out of the field of allocation to let according to need, and thereby reduces the pool.

Mr. Macmillan: “Such sale reduces the total pool of tenancy”; that was the argument. I say that the pool of tenancy is as much reduced under the one system as it is under the other.

... I cannot help thinking that, in spite of the right hon. Gentleman’s disclaimer, the real objection to the Government’s proposals rests upon a confused but none-the-less genuine dislike of the whole principle of freedom and the whole conception of private ownership. If that be the challenge, we are quite ready to accept it.

Devout practising Socialists really believe they can manage everybody else’s affairs much better than the people themselves can. They believe that sincerely, and they believe that it is necessary for their purpose to concentrate property. Curiously enough, this view has been held by many sections and institutions in our country during our long history. At one time it was the Church; at another the King; then the feudal barons; at another, the great Whig landlords; and then the great industrial magnates. Like so many of their predecessors, Socialists only approve of property if they can control it. They only support landlordism if they can be the universal landlord. In the same way, they disapprove of tied cottages—unless, of course, they belong to the nationalised industries—and they have a tied newspaper of their own.

Our purpose is very different. We wish to see the widest possible distribution of property. We think that, of all forms of property suitable for such distribution, house property is one of the best. Of course, we recognise that perhaps for many years the very large majority of families will need houses to rent, but, whenever it suits them better or satisfies some deep desire in their hearts, we mean to see that as many as possible get a chance to own their own house.

A few years ago there was the strange incident—I am sorry that the Deputy Leader of the Opposition has left the Chamber—of a poster issued by the National Savings Committee to support the National Savings Campaign. It depicted a man leaning over a gate and looking longingly at a cottage in a garden, and the caption was “A bit of land of his own.” But that was too dangerous. It might be held by the thoughtless or the ill-instructed to imply that the Government of the day was urging people to save in order to own property. This was rank heresy and might lead to a schism. So Lord Silkin went quickly to work the inquisitors were put upon the job, the poster was withdrawn, and the artist was no doubt duly reprimanded and perhaps liquidated.

Yet, through all these centuries a little property, a home of one’s own, has been the people’s dream, and if we can do anything to make that dream come true for some, without injuring the rest, we shall be content. . . .

Mr. Derek Walker-Smith (Hertford): The Motion refers to “need,” and hon. Members opposite are seeking to defend themselves upon that basis. After six years of Socialism, it is pertinent to inquire whether, under their policy, need is being met, and insofar as it is not being met, whether it is likely to be met. Under the policy of the right hon. and right hon. Gentlemen opposite, the maximum potential of house building is anchored down to 200,000 houses a year and the actual result is less. That figure means that post-war needs cannot be met, because post-war needs in housing consist of two main elements, that is the provision of new housing and the replacement of obsolete housing by way of slum clearance. It is demonstrable that those two things cannot be achieved together on a basis of only 200,000 houses a year.

My second observation is that it would, obviously, be very foolish if anybody suggested that housing need was in exact proportion to a man’s means or earning capacity; and nobody has said so foolish a thing. But it is only one degree less foolish to say, as so many hon. Members opposite suggest, that housing need is in inverse ratio to a man’s means or earning capacity. I believe that after experience of the last six years, and with need not being satisfied and not being on the way to be satisfied, some new deployment is necessary in housing policy. I congratulate my right hon. Friend in substituting a policy of practicality for a policy of prejudice.

I believe the truth to be this. Means must be found of expanding house production while retaining the basis of provision according to need. There are those two aspects of housing policy: house production, which is the technical aspect, and the allocation of houses according to need, which is the social aspect. But it surely is true that without an expanded housing production, need cannot be satisfied, and, therefore, the social aspect will also lag behind. The provision of more housing is bound to ease the pressure of demand, by whatever means it is achieved, and thereby contribute to the social aspect of the housing problem.

In regard to the technical problem of expanding house production, I believe that we have reached the stage where there can be no substantial advance unless there is a significant contribution from private building. I have for the last six years argued for a parallel advance by both these agencies in house production. Private building has always been the pacemaker in house building, and one of the reasons why we have had such slow house production in the last six years is that the pacemaker has been shackled so as to be unable to fulfil that function. . . .