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FOR POLITICAL AND ECONOMIC REALISM

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The Social Credit Secretariat

Since 1949, subscriptions for the support of the Social Credit Secretariat have been collected by one of two alternative methods according to the convenience of the individual subscriber. The first of these is the use of the "Bank Order" form printed on page 8, and the second the use of a promissory form, also printed. The use of either form has enabled the Treasurer to gain some idea of receipts in prospect.

Thus office work was reduced to a minimum by obviating the necessity for letters of reminder, which it had been the practice to send out under the previously existing Voluntary Assessment scheme.

A minority only of readers of *The Social Crediter* support the Secretariat in any other way than by subscribing the price of their paper, which increasingly fails to cover cost. If the present circulation of the paper were doubled, there would be no need to call for subscriptions to defray the costs of conducting the routine business of the Secretariat, or, alternatively, the personnel of the Secretariat would be enabled to devote a greater proportion of its time to the improvement of the service which both the Secretariat and the paper provide. Thereby a vicious spiral of crippling effects, would be converted into a broadening spiral of effects contributing mutually to enhance one another for the success of our movement. Assuming that we have developed a type of organisation which is relatively immune from destruction by inimical forces, whether internal or external, a considerable assumption admittedly, we desire to use it. Use has been made of it, with effects which those best able to judge believe to be positive and far reaching. This has been achieved at the cost of enormous sacrifice by a very few individuals in the face of persistent obstruction. We do not advertise the former, and it is better to allow the veil of anonymity to rest over the features of a great deal of the latter. To shun the Devil is wiser than to offer open combat: the best place for Satan is behind you (if you can get him there). For that reason, we do not join issue with those who are particularly active at present in persuading themselves and others that the further advance of *The Social Crediter* is possible only if concessions are made to opinion and particularly their own opinion. There are opinions to which we are most anxious to defer. We are denied opportunity. Doubtless that is part of the game, and we will abide it cheerfully as long as we are able. We are asking that our task may be lightened.

Whenever we have asked help, we have not done so in vain. We have not done so often. In organic growth two phases are observable: a shooting-up phase and a filling-out phase. It has been remarked by physiologists that they seem to occur in the human family at the most inappropriate times having regard to external circumstances. Whether

that is so or not, in our Social Credit case, we have completed a period of mental fattening (very noticeably against the inclinations of a minority considerable on account of its pretensions, and its qualities of articulation).

The words in a darker type inserted at a late hour in the main article last week were Major Douglas's "Politics is the art of the possible." *Something* is demonstrably possible under the name of Social Credit. What is it, and is it Social Credit? Alternatively what is not possible is not interesting."

We start from there—with adequate support if it is forthcoming. If not, without it. The business mind—the mercantilist mind—understands perfectly the uses of the money vote. What often he does not understand is the effects of the use of it, on himself, and on what he deems to be the world. If what we would accomplish is impossible, with or without a money vote in favour of it—very well, then "it is not interesting." What we have accomplished has been with a powerful money vote against it.

Newspapers and 'Public' Opinion

The theological aspects of marriage and divorce, like all matters of theology, are not within our range of criticisms. The effect of Mr. Eden's marriage on the chances of the 'Conservative' Party at an election are as much a matter of indifference to us as the sudden discovery by a Sunday newspaper that both Mr. Eden and Mr. Churchill have royal ancestors. Many people living doubtless have royal ancestors, and are probably none the worse for that. The dates of the emergence of both Mr. Eden's and Mr. Churchill's family into greater prominence than is necessarily bestowed on the progeny of kings seems more significant. But as a matter of purely topical interest we prefer the disclosure of the *Manchester Guardian* that five to one of its correspondents commenting on adverse criticism in *The Church Times* favour that newspaper's opinions, while the *Daily Express* received twenty letters criticising *The Church Times* for every one praising it.

"World's Press News"

We note in *The Scotsman* for August 14 that Mr. Arthur J. Heighway, who has been mentioned in these columns, is to give up his post as editor of *World's Press News*. The newspaper says "a statement agreed between Mr. Heighway and his board said that Mr. Heighway's agreement had been terminated by mutual consent 'following differences' of opinion on policy."

"Mr. Heighway became editor of *World's Press News* in 1940 after coming to Britain from New Zealand in that year."

PARLIAMENT

House of Commons: July 25, 1952.

Agriculture (Calf Subsidies) Bill

Order for Second Reading read.

The Minister of Agriculture (Sir Thomas Dugdale): I beg to move, "That the Bill be now read a Second time."

The House will recall that in April when I announced the results of this year's Annual Review of Farm Prices the Government had decided to renew the subsidy, originally introduced in 1947, to encourage the rearing of calves. The legislation passed by the last Government—the Agriculture (Miscellaneous Provisions) Act, 1949—provided for a subsidy on calves born during a period of four years only. The provisions of this Act came to an end last September. As the position is, no calves born after 30th September, 1951, are eligible for that subsidy. In the course of the annual review we set aside the sum of £4½ million to meet the cost in the first livestock year of renewing the subsidy on steer calves and of paying one on heifer calves of beef type. In this Bill I am seeking the authority of the House for a scheme to pay this subsidy to farmers.

The Bill is a short one, similar in form to the Agriculture (Fertilisers) Act and the Agriculture (Ploughing Grants) Act which were considered by the House earlier this year. It does not in itself contain details of a subsidy scheme, but simply gives the Agricultural Ministers power to make schemes for subsidies on calves. If this Bill commends itself to the House, which I hope it will, I shall then put before the House a draft of a calf subsidy scheme which will need an affirmative resolution before it comes into force. That is in keeping with the other Bills, and in keeping with the Government's view, which, I think, is shared by the Opposition on this particular point.

The renewal of the calf subsidy is intended to encourage the rearing of more calves. We are hopeful that we may be able to increase the present number, in due course, by at least 400,000 a year. That aim was placed in the forefront of our discussions with the farmers at the last Annual Review.

I do not think that the House will wish to be wearied this morning with another review of the world meat situation. I do not think that there is now any disagreement between us that we are most unlikely in the foreseeable future to obtain from abroad anything like as much meat as we did before 1939. In this connection, I need only refer to the figures given by my right hon. Friend the Minister of Food on Monday last, in reply to a Question, which showed that imports of beef have steadily dropped from 478,000 tons in 1947 to a little over 150,000 tons in 1951. These figures in themselves, although we may see some improvement—and I think we will—in the imports of beef, are a clear indication that we must produce more beef from our own farms in this country. When I came to review the state of our livestock industry last winter, I found a rather disturbing trend of events. I found not a steadily expanding number of beef cattle but the very reverse—a steady decline.

Between December, 1949, and March, 1952, there was

a decline of about 300,000 in the number of cattle being reared. There were very few more heifers being reared than in 1947 and a great part of the increase in steers which had occurred between 1947 and 1949 had also been lost. In other words, we were steadily sinking back to the stagnation of 1947. At present the output of beef—and I should like to draw the attention of the House to this—in the United Kingdom is still expanding because of the increased rearing which occurred between 1947 and 1949. Cattle reared in those years are now coming out fat to add to our meat rations. But the decline in rearing will inevitably mean a drop of beef production in this country during the next year or two; nothing can now prevent that.

I suggest that what the House now has to consider is how to reverse that trend and again increase the production of beef. The essential thing is to get a rapid increase in rearing at the earliest possible date. The Government considered the position very carefully and decided that the best way of quickly stimulating the rearing of beef cattle was to re-introduce the calf subsidy. The Government decided—and I am sure that we are right—that this will be more effective than simply using this £4½ million to give a further increase in the end price of beef.

That brings me to a point which I should like to discuss with the House in a few moments. I know that some Members on both sides of the House dislike the principle of making these special grants or subsidies to farmers. They feel that it would be simpler and sounder to give the whole increase by raising the price of the end-product. In this connection let me emphasise very strongly that these grants are not something given to farmers on the top of proper prices for their produce. They are simply an alternative way of paying to farmers a proportion of the money necessary to meet their costs. To call them subsidies may be misleading; that is why I prefer to call them production grants.

In the present circumstances, I think that dealing with the problem in this way has two main advantages. First, they can produce a quicker response and encourage a quicker and larger increase in production of the things we want than if we simply raised the end prices of farm produce.

As an example of the way the same kind of thing occurs in a sphere other than agriculture, a doctor can sometimes get a quicker response from a patient by injecting direct into the blood stream instead of waiting for a drug taken through the mouth to be absorbed into the blood. So these production grants, injected at the right point, can bring quicker results than higher prices, particularly where, as with cattle, the man who rears the calf is seldom the one who sells it as a fat beast at the end of its life.

Second, these production grants help with the financing of production. One of the greatest difficulties which has faced farmers during the last few years has been the enormous increase in production costs, in the cost of everything which they have to buy to run their farms and maintain production. We have tried to keep these increases to a minimum this year, as the House knows. For these reasons I think that there is justification for the calf subsidy.

I know that many of us on both sides of the House had doubts and hesitations about the wisdom of introducing

a calf subsidy when we discussed this matter in 1949. Certainly I myself had doubts and fears, some of which have been justified by experience of the actual running of the subsidy. But I supported it then in principle because I could not think of any better way in which we could so quickly increase the amount of beef produced in this country. For the same reason I have come to the conclusion that the subsidy ought to be kept on now. . . .

. . . I now turn to the cost of the scheme, bearing in mind that the total sum available is £4½ million during the year. The rate of subsidy will be £5 per head for both steers and heifers. This is the same as for steers under the old scheme. The cost of the scheme in the livestock year, April, 1952, to March, 1953, will be something less than £4½ million. This is the figure given in the explanatory memorandum to the Bill. . . .

Mr. Emrys Hughes (South Ayrshire): . . . There is another question which I should like to mention, and that is, how can we get an increase of food production and encourage agriculture in this country if we give subsidies with one hand and with the other take away the farmers' labour? I have dealt with this problem before, and I believe that it is a problem on which there is some support on the other side of the House. Last year the decision was made to remove the restrictions on the call up of agricultural workers.

I know that there is a very elaborate system of machinery which allows the farmer to appeal for the farm worker, but that machinery is not working out in a way that really solves the problem. I have had farmers from my own constituency urging me to take up cases because their farms have been absolutely undermanned—cases in which the farmer is trying to do far too much work while his agricultural worker is being called up and taken to the forces.

I remember when my right hon. Friend the Member for Ebbw Vale (*Mr. Bevan*) was Minister of Labour and said, in a defence debate, that the then Government were going to remove the blanket from the agricultural worker. I remember that, in that debate, my right hon. Friend was unanimously supported on both sides of the House because of his great speech in winding up that defence debate—the only criticism came from me. But that criticism of mine has turned out to be right. It has turned out that it was a fundamental mistake to say, "We have such a supply of labour on the land at the present time that we can afford to comb out the agricultural workers for service in the Forces." That was quite wrong, and I believe that that policy will have to be revised before any of the subsidy schemes will be successful, and before we can hope for any increased agricultural production. . . .

Agricultural Fertilisers

Sir R. Glyn asked the Minister of Agriculture what information he has as to the extent to which home-grown seed is dressed by the farmer before sowing; what has been the total quantity and value of fertilisers bought by farmers in the United Kingdom for the past three years, respectively; and what has been the increase in the cost per ton during a similar period.

Sir T. Dugdale: I have no information as to the extent

to which home-grown seed is dressed by the farmer before sowing.

The following table shows the total quantity and cost to the farmer of fertilisers bought in the United Kingdom for the past three years:

Year 1st July-30th June	Quantity	Cost to farmer
	Tons	£
1949-50	4,316,000	37,487,000
1950-51	4,027,000	47,535,000
1951-52 (Estimated)	3,182,000	54,689,000

In 1951-52 the farmer received a direct subsidy on phosphatic fertilisers estimated to amount to £8 million, which is included in the £54,689,000 given above. On the basis of net costs, the increase in the cost per ton during the period was approximately 69 per cent.

House of Commons: July 28, 1952.

MINISTRY OF FOOD

Danish Cheese

Mr. Dodds asked the Minister of Food what were the reasons for the breakdown in the negotiations to purchase at least 5,000 tons of Cheddar-type cheese yearly from Denmark.

The Parliamentary Secretary to the Ministry of Food (Dr. Charles Hill): There has been no breakdown. We were unable to take up an offer of a small quantity of cheese this year for currency reasons.

Mr. Dodds: In view of the present microscopic ration cannot something else be done to get this cheese? Is not it a fact that the difference in price is very little?

Dr. Hill: We would have wished to take this cheese, which amounted to between 1,000 and 2,000 tons, but we were unable to do so as we had not the right kind of money available for its purchase.

Sugar

Mr. Osborne asked the Minister of Food what information he has as to how much surplus sugar is available for purchase in Cuba; at what price it can be purchased; and what steps he has taken to purchase it.

Dr. Hill: The Cuban surplus is estimated at two million tons. The market price is about 4.20 cents per lb. but my right hon. and gallant Friend cannot buy more Cuban or other dollar sugar than we need to meet current consumption so long as our present balance of payments difficulties persist.

Mr. Osborne: May I ask the Minister two questions: First, what does 4.20 cents per lb. mean in shillings and pence, and secondly, what will be the total cost of this surplus sugar in English money, if we have the money available to buy it?

Dr. Hill: To interpret the cost in pounds per ton, it means a figure of £33 12s. Perhaps I might leave the rest of the arithmetic to my hon. Friend.

(To be continued).

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Saturday, August 30, 1952.

"Public Investment"*

Further sacrifice is advocated in Australia by Fabian Socialist Professor H. W. Arndt. Professor Arndt stresses the importance of ensuring that "private investment" is curtailed in favour of "public investment." His views are reinforced by his fellow-Socialist, Sir Douglas Copland, who in an address at the Construction Industries Fair in Sydney on April 6, said that any tendency to reduce "public investment" "is a policy of despair and does not show a proper realisation of the role that investment plays in the economy." Sir Douglas developed his views further by saying that "Any reduction of public investment, as well as slowing down the rate of economic development, would also reduce the demands for labour and resources and could cause a fall in national income beyond that necessary to correct inflation."

Sir Douglas Copland's statements are a tacit admission that the production system does not distribute sufficient purchasing power to individuals to buy goods produced. There are various ways of masking the deficiency of purchasing power, and Sir Douglas mentions two of them. A "favourable balance of trade" simply means that the local volume of money is increased without any increase in local consumer goods for sale. New credits are created and paid to producers and exporters for goods sent out of the country. The supply of goods is reduced and the supply of money increased. Under present financial rules all industrial nations are compelled to strive for greater export markets, not primarily because there is a necessity to import goods from other countries, but to prevent economic collapse at home. There is practically nothing which the Americans require from other countries, but it is an indisputable fact that, failing a modification of internal financial policies, the American economy would have been in chaos if it had not been for big dollar loans abroad—and, of course, the Korean "police action."

"Public investment" is not merely another technique for seeking to overcome a deficiency of purchasing power; it is an important aspect of the conspiracy to bring every aspect of human activity under centralised control. The very use of the term "public investment" by the economists and other power-lusters, is dishonest. The suggestion is that the members of the public voluntarily invest their money in various Government activities. The hundreds of millions of pounds which are to be spent on the Snowy River Scheme will be compulsorily taken from the individual by the Federal Government. Even if portion of the money is made available by the expansion of new credits, it is still being filched

*From *The New Times*, Melbourne.

from the individual, who has no choice of how his money shall be invested.

As we have repeatedly said, all capital production means an immediate lowering of the potential standard of living. The rate of all capital expansion should, therefore, be freely determined by the individual, who would probably prefer that the hundreds of millions to be spent on a Snowy River Scheme which may not benefit him for 30 or more years, might be better spent on improving his immediate standard of living. And if new credits can be created by the Government, or acquired from individuals who find that a Government-dominated banking system will lend them credit to invest in "essential industry," then it is obvious that the same credits could be made available to ensure that the individual had sufficient purchasing power to buy all the goods and services he and his fellows had produced.

Fiftieth?

A large photograph reproduced with the distinction which marks *The Scotsman's* half-tone printing depicts an episode in "the Highland Fair," a ballad opera at Edinburgh. Soldiers and clansmen clash and new tartans "specially designed for the production" (to match the American tartans?) are in view, while a Scots lassie on the right hoists the flag. We were surprised to see that the design incorporated the five-pointed star. Indeed there was no design but the five-pointed star, and of five-pointed stars there were just exactly two—one for England and one for Scotland? Or one for Elizabeth I and one for Elizabeth II?

Tacitus

"It is strange to us who live in the twentieth century that periods existed when Tacitus was considered to have given a morbid and partial picture of humanity and to have been no more than a 'romancier de génie.' The natural history of tyrants! Is there any point he can make, any theory he can advance, which has not been substantiated by our own times? We can almost reduce their behaviour to a mathematical formula. The tyrant X seizes power from the group Y. He is therefore unsafe until he has eliminated all the group Y. To do this he must enlist the aid of the group Z, but he will then be unsafe until he has eliminated group Z, etc. At some moment during one of these eliminations he will weaken and be assassinated, for however many people he liquidates there will always be one survivor: his own murderer.

"The group from which the murderer emerges then replaces him with another tyrant. Anyone capable of succeeding him either through birth, ability or popularity must therefore be suspect, together with his family and retainers. The tyrant must always lose, but would lose much sooner were it not for the state of servile and timid apathy to which people are reduced under a dictatorship; courage and the love of liberty are abnormal, servitude is not, and so tyranny, under one name or another, will always continue as part of the 'ludibria rerum mortalium.'" (Cyril Connolly reviewing the *Annals of Tacitus* by B. Walker.)

REALISTIC CONSTITUTIONALISM*

By C. H. DOUGLAS

Notes for an Address by Major C. H. Douglas to the
Constitutional Research Association at Brown's Hotel,
Mayfair, May 8, 1947.

My Lord President, my Lords, and Gentlemen,

Most of you will recall the proverb said to originate in China, that when struck by a thunderbolt, it is superfluous to consult the Book of Dates in order to ascertain the exact meaning of the Omen.

But there are calamities no less tragic, if apparently less sudden, in respect of which we flatter ourselves that mitigation, or even salvation, is possible by taking thought; and although the events of the past half century, during which the affairs of the British Empire have been woefully mismanaged and insidiously as well as openly attacked, seem to cast some doubt upon that hope, I hold it myself, and, no doubt, so do you, or we should not be met here today in times which can well be described as critical.

The justification, if any, which I should advance for my temerity in addressing an audience of such wide and distinguished qualifications both in Statesmanship and Law, is that I am concerned with what appears to be a somewhat neglected point of view—objective reality. I do not think we realise the extent to which Absolute Idealism, to use its technical name, has tintured thinking on this subject—that nothing exists outside the mind of the beholder and that, for instance, totalitarian Government only requires mass propaganda to be just as good and much easier, than any other variety. Put quite shortly, my main thesis is that this is not true; that the rules of the Universe transcend human thinking, and cannot, in the ordinary sense of the words, be altered, and therefore must be ascertained and obeyed. In this sense Constitutionalism is an extension of the very comprehensive subject we call Social Credit.

Before passing to the more constructive aspect of my subject, it appears to be desirable to glance at the nature, the reality or otherwise, in short, the validity of the sanction we pretend to accept as dominant in our political affairs—an electoral majority for a Party Programme combined with a panel of Administrators.

It is impossible to deal comprehensively in the course of a short address with a matter into which so many complications have been introduced, but it is sufficient for my

*The continuing discussion of the relation between the alleged transgression by Mr. Aneurin Bevan of the rule of Cabinet Secrecy and what remains of the British Constitution, the consideration by Taft and MacArthur supporters in the United States of a proposal to introduce a third Party into American Politics, and the revival (as *The Scotsman* states, "for the second time in this century") of efforts to create a 'new Europe' for spurious reasons, on a false foundation, for an undeclared purpose are grounds why the Notes hitherto distributed under the title *Realistic Constitutionalism* but for some time past unobtainable in convenient form, should be placed immediately in the hands of readers for dissemination. Initial printing in *The Social Crediter* reduces the cost of production in pamphlet form and is the reason why this is resorted to now.

present purpose to emphasise the direct and intimate connection between a majority mandate, whether genuine or fictitious, and war, either civil or foreign. A mandate is a recruiting device, and its morality is neither greater nor less than that of war of any description. *Vox populi* is not only not *vox Dei*, but such empirical psychologists as Gustave le Bon have demonstrated beyond all reasonable doubt that in itself it is far more likely to be *vox diaboli*.

Perhaps the most revealing statement from an important source which has been made in the last twenty years was that proceeding from the peculiar organisation known as P.E.P. in 1938—"Only in war, or under threat of war, will a British Government embark on large scale Planning." That means, of course, that a mandate obtained from a political majority can, more especially in wartime, be manipulated for purposes which, while not understood by the electorate, will be passively accepted if they can be put into a form of words suitable to a negro revivalist orgy.

With their blood brothers, the New Dealers, the Planners achieved their war, and we know what is happening to us and the British Empire, and who is collecting the stakes.

The holders of a centralised mandate, however it was obtained, always turn to war of some kind, if they are in danger of losing their centralised power, because centralisation is the essence of war.

The point I am attempting to make is that Constitutionalism must take the subject of war *in relation to stable policy* as its fundamental consideration. It must be the master not the servant. War is the ultimate earthly sanction, and there is no Law without a sanction. A Constitution which cannot make war is merely a framework for a mock parliament; but no Constitution ought to admit of war for un-Constitutional reasons. Please do not suppose that I am condoning war. It is *involuntary* war which is the factor with which a realistic Constitution must be able to deal, before it can deal with anything else. No nation, as such, desires war; but a nation which engages *involuntarily* in war, not merely endures the war but almost invariably loses it. We have only to recall the history of the Baldwin Administrations with their subordination of defence policy to electoral expediency to see that by 1936 we had lost the peace and the initiative.

Turning to what has become known as the climate of opinion in regard to the subject of Constitutionalism in general, there are two factors in the background which should be brought to more general attention. The first of these is a legacy of the French Revolution and the nineteenth century intellectuals brought up on its fallacies and the specialised Darwinism which appeared to confirm it—that, without being clear as to what you mean by progress, progress is inevitable and automatic. Curiously enough, this idea seems to carry with it something in the nature of a cosmic Statute of Limitations—history is episodic, the past is past, tradition doesn't matter, everything is of transient importance. Tomorrow is another day, and you are free to begin making all the same dreary mistakes, afresh, but not to re-enthroned the principles which led to your past successes.

The second factor in contemporary, and superficial political thought is that political equity and political equality are the same thing—a subtle example of the fallacy known as *petitio principii*—"begging the question." As a general-

isation, there is no such thing as political equality. Politics in the ordinary acceptance of the term is subject to a special form of Gresham's Law of Currency—"Bad money drives out good." This factor is highly important, as I hope to suggest to you in connection with the vital issue of Common, or "Natural" Law.

Neither of these ideas is indigenous to these islands—they are importations from the Continent and the Middle East, but it is not unlikely that they play a considerable part in producing that state of mind to which Mr. W. L. Burn refers in the *XIX Century* writing of "Contemporary Conservatism": "Political thinking is at too low an ebb in this country to be fit for the task of writing a new Constitution." As I hope to suggest to you, the conception of writing a new Constitution for this country is inherently misleading, if anyone entertains it; we grew a Constitution, and our business is to free it from the weeds which are choking it, and to restore its power and effectiveness.

There are many evidences that for some rather obscure reason, the British people are the object of an attack not merely of a military and economic nature, but directed even more against their culture, which is to be broken down and obliterated by cross-breeding with inferior stock, as well as by subversive propaganda. Professor Karl Pearson's assistant, Miss Elderton, in "The relative strength of Nature and Nurture," states "Heredity is four times as potent as environment." It is an established fact that the general level of intelligence in this country is declining, and is lowest in those strata of society which produce large families, have probably the largest admixture of alien stock, and have predominant voting power under present conditions. Yet the claims of heredity were never so derided, whether under the cloak of "racism" or class privilege, and we have Professor Laski as authority for the statement that the supremacy of Parliament (by which he means the House of Commons elected by a majority of declining intelligences) is the core of the British Constitution. Professor Laski joins his opinions of the British Constitution to statements that Christianity has failed and that Russia is the hope of the world, and I think we ought to be grateful to him, because his statements confirm what in a most practical sense I believe to be true; that the crisis through which we are passing is a war against practical Christianity, which has a real bearing on Constitutionalism. A Constitution is either an organism or an organisation. All organisation is what used to be called magic, and a good deal of it is black magic—the manipulation of metaphysical forces for questionable materialistic purposes. We all know what happens if you put copper wires into a wrong relationship with a powerful electric current, and there is ample evidence to show that our ignorance or disdain of everything but materialism is causing a spiritual "short-circuit." The real British Constitution—not Professor Laski's—is an organism. The Russian Constitution—attributed to the Fabian Society and Mr. Sydney Webb—is an organisation.

I want to put to you that this obsession with pure materialism—a special kind of monotheism—can be identified with both Professor Laski's idea of the British Constitution, as a mon-archy, a unitary sovereignty, the drive towards industrial and financial monopoly, and the World State propaganda. It is tempting to digress at this point upon the

economic frustration which confronts us at a time when the apparent mastery of man over nature has reached the highest point in modern history, but to keep my subject within bounds, I should like merely to emphasise that Constitutionalism and economics are, or ought to be, only related in the same way that the coal under the boiler is related to the policy of the factory which is driven by the coal. When the coal becomes a dominant issue, instead of a mere incident to the policy of the factory and what the factory makes, there is something wrong besides lack of coal.

Whatever may be the case at the moment, in the centuries of greatness and prosperity associated with our history, these islands never were a mon-archy. In some form or other sovereignty in the British Isles for the last two thousand years has been trinitarian.

Whether we look on this trinitarianism under the names of King, Lords and Commons or as Policy, Sanctions and Administration, the Trinity-in-Unity has existed, and our national success has been greatest when the balance (never perfect) has been approached.

The present Administration of this country is of course purely mon-archic and monotheistic, and as a natural consequence, "Common" or "Natural" Law has lost both its meaning and its sanctions, since the House of Commons, with its Cabinet which is the unitary locus of Sovereignty, has become a rubber stamp for administrative works orders, masquerading under the name of Laws—a function for which it was never designed and for which it is grotesquely unfitted. It is not without interest and bearing on this aspect of the problem that one of the ablest commentators on "Origins of the American Revolution," John C. Miller, observes: "In rejecting natural law, Englishmen also denied the colonists' contention that there were metes and bounds to the authority of Parliament. The authority of Parliament was, in their opinion, unlimited: the supremacy of Parliament had come to mean to Englishmen an uncontrolled and uncontrollable authority. Indeed the divine right of kings had been succeeded by the divine right of Parliament . . . It was the refusal of Americans to bow before the new divinity which precipitated the American Revolution."

Speaking, not of course as a lawyer, but as a student of history and organisation, it is my opinion that the restoration of the supremacy of Common Law, the removal of encroachments upon it, and the establishment of the principle that legislation by the House of Commons impinging upon it is *ultra vires*, is an urgent necessity. The locus of sovereignty over Common Law is not in the electorate, because Common Law did not derive from the electorate and indeed ante-dated any electorate in the modern sense. In the main, it derived from the Mediaeval Church, perhaps not directly, but from the climate of opinion which the Church disseminated.

There is, of course, nothing very novel in what I am saying; much of it is in Magna Charta, which is not so widely read as it should be, and I am not sure that it cannot be found in an older document, the Athanasian Creed—a far more profound political document than is commonly realised. Some of you may remember the interest aroused 25 years ago, more especially on the Continent, by Dr. Rudolf Steiner's "Threefold Commonwealth." For my own part, Dr. Steiner did not appear to contribute anything very helpful to the practical solution of the problem, while recognising its nature,

and his followers seem to have little to add to what he said. With some of his conclusions, if I understand them rightly, I should disagree. The main point to be observed is that to be successful, Constitutionalism must be organic; it must have a relation to the nature of the Universe. That is my understanding of "Thy Kingdom come on earth, as it is in Heaven." When England had a genuine trinitarian Constitution, with three inter-related and inter-acting loci of sovereignty, the King, the Lords Spiritual and Temporal, and the Commons, these ideas were instinctive and those were the days of Merrie England. Since the Whig Revolutions of 1644 and 1688, and the foundation of the Bank of England under characteristically false auspices in 1694, the Constitution has been insidiously sapped by the Dark Forces which knew its strength, and the obstacle which it offered to treachery. We now have only the mere shell of the Constitution, Single Chamber Government dominated by Cartels and Trades Unions, (Mond-Turnerism), based on unitary sovereignty, to which the next step is the secular materialistic totalitarian State, the final embodiment of power without responsibility.

To an audience of this character, I do not need to enter into a discussion of the merits or otherwise of democracy, because whatever else it may be, Great Britain is not, and never has been, an effective democracy, and was never less so than at present. Nevertheless, short of a *coup d'état*, I do not think that the idea of democracy, which is of course very nebulous, can be abruptly abandoned. It has been too much propagandised, and means too many things to too many men. But whether by the strengthening and elevation of Common Law, and its repository in the care of an effective Second, non-elective, Chamber, or by some other method, clearly defined limits must be placed on the power of a House of Commons elected on a majority principle. It ought to be clear to any unprejudiced individual that a majority is *always* wrong in its *reasons* for a given situation, and cannot, therefore, possibly be right in its remedies, although a homogeneous, native-born majority is often instinctively right in its judgement of the *nature* of a situation.

But, admitting this, the individual voter must be made individually responsible, not collectively taxable, for his vote. The merry game of voting yourself benefits at the expense of your neighbour must stop whether by Members of Parliament who double their salaries as the first-fruits of an electoral victory or by so-called Co-operative Societies which acquire immense properties with the aid of Bank of England created money. There is a clear method by which to approach this end—the substitution of the open ballot for the secret franchise, and allocation of taxation according to the recorded voting for a programme which incurs a nett loss. This would also imply a large measure of freedom to contract out of legislation of a functional character, with a consequent discouragement of the spate of so-called Laws which are little more than Works Orders.

This may be a convenient point at which to notice that the economic, as distinct from the political, system had a marvellous voting system, continuous and flexible, until the same influences which have perverted the Constitution were brought to bear upon it. I refer of course to the money and price system, which continuously registered the opinion of the consumer, who is the natural locus of sovereignty of

the economic system, as to the respective merits of the articles submitted to his choice. But of course all the well-known tricks of the subversive Forces have come into play—price rings, monopolistic practices in both labour and material, standardised products, chain-store distribution, *etc.*, so that the very considerable amount of economic democracy which we enjoyed forty years ago has almost entirely disappeared. The consumer now gets what the distributor cares to let him have, the producer makes anything which the various bureaucracies, Governmental, Trades Union, or Industrial Association will sanction, and then passes it on to the distributor on take-it-or-leave-it principles, and the bureaucrat sanctions whatever will give him the least trouble and please his political backers. There is a great deal to be learnt in regard to a desirable political democracy by considering the calamities which have befallen economic democracy.

To summarise, so far as it is possible with so wide a subject, the ideas I have endeavoured to present to you, it is firstly necessary to recognise that we have allowed ourselves to accept a false theory of sovereignty, false not merely politically but structurally; a theory which is a departure from our own Constitution. To a very considerable extent, we must retrace our steps, in the face of many false guides, to the fork in the road somewhere about the time of the so-called Reformation.

It is necessary to provide individuals, as *individuals*, not collectively, with much more opportunity to judge political matters by results, and to be able to reject, individually and not collectively, policies they do not like, which involves a large measure of power to contract-out. Common Law is something which, if it changes at all, ought to change very slowly indeed, and the greatest difficulty should be placed in the path of an attack upon it, both by insisting on its supremacy over House of Commons enactment, and by making it subject only to something at least as arduous as an Amendment to the United States Constitution. It appears to me that a properly empowered and constituted House of Lords, Spiritual and Temporal, is the natural guardian of Common Law, as the Barons demonstrated at Runnymede.

The essential soul of a nation is in its character, its culture and tradition. The King is the natural embodiment of Honours and Sanctions—of Culture and Tradition and, as such, is naturally the Supreme Commander of the Armed Forces. So that our problem seems to resolve itself into a real understanding and restoration of the functions we have allowed to decay.

I should be most sorry if anything I may have said produces an effect either of spurious romanticism or abstract Scheme-building. Close attention to the evidence has convinced me of degeneracy from a marvellous Constitution in the last three hundred years, accompanied by the atrophy of a sense of continuity—the idea that history is disconnected episode, instead of being, as it is, crystallised policy. The main agency through which that degeneracy has operated has been the Bank of England and its credit system, the Ways and Means Account, the National Debt, and the usurpation of the taxation power.

All these matters have gone to magnify the powers of bribery and corruption, and these in turn have logically been directed against the strength of the pre-Cromwellian Constitution.

You will notice that I have confined myself rigidly to the Constitutional aspect of the problem with which we are faced, together with some slight suggestions as to possible methods of approach. That does not, of course, imply that a mere rectification of the Constitution is all that is required—far from it. But conditions have developed in this century, beginning in their modern phase after the South African War and the Parliament Act, but taking more sinister form in 1931, which make it imperative that we put the framework of our house in order to enable us to rectify both our housekeeping and our external business. Our present situation is not adventitious—it is the outcome of a venomous hatred and envy of our indigenous qualities. If anyone is foolish enough to suppose that the prestige of this country and the Empire, and with them, the welfare of the population, can be restored by an appeal to an anonymous, irresponsible, and misinstructed ballot-box democracy, I can assure them that, if their opinion should prevail and our destinies be submitted to decision by that process, the outcome is a mathematical certainty—our final eclipse.

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