

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 29. No. 15.

Registered at G.P.O. as a Newspaper.
Postage: home 1½d. and abroad 1d.

SATURDAY, DECEMBER 6, 1952.

6d. Weekly.

From Week to Week

"It is now realised that the Press is intensely competitive and that the idea of a few sinister figures issuing dictates to a monopoly is nonsense."

Before taking refuge behind the reflection that the source of this unsolicited testimonial is one of "the Press," reflect that the intenser the competition the more truly may subserviency to dictation be a condition of survival. "A few sinister figures" do not, of course, dictate to "a monopoly." If they did, there would not be a monopoly unless it were their own.

• • •

What bearing the state of opinion concerning Reform of the House of Lords has upon the possibility of restoring an effective part of the British Constitution is a question not easy to answer. It may have no bearing at all, the state of opinion on House of Lords Reform being merely a party-political question primarily; while the movement, obviously beginning, towards the more fundamental adjustment is certainly non-party in the widest sense, namely in the sense of a movement (by whom?) to restrain the lawlessness of parties in conspiracy with one another to invest lawlessness with a cloak of legality (by act of parliament: by act of a single-party-government parliament). We note in this connection, the "common ground of all parties" vouched for by Lord Salisbury in the House of Lords on November 25, the absence of any suggestion among them that "so far as the power to deal with legislation is concerned, the House of Lords should be anything more than a junior partner to the House of Commons."

• • •

That non-hereditary Englishman, Viscount Samuel, was asking when Mr. Churchill's undertaking to call an all-party Conference to consider House of Lords Reform would be implemented. Incidentally, he reminded us of the composition of the Conference which met several times in February and April, 1948. On behalf of the then Government those who attended were the Prime Minister, Mr. Attlee; the Lord President, Mr. Morrison; the Lord Privy Seal, then Leader of the House of Lords, Lord Addison; the Lord Chancellor, Lord Jowitt, and the Government Chief Whip in the House of Commons, Mr. William Whiteley. On behalf of the Conservative Opposition were Mr. Eden, Lord Salisbury, Lord Swinton and Sir David Maxwell Fyfe; and, on behalf of the Liberal Party, Mr. Clement Davies and Lord Samuel.

The Conference was abortive, but "to make it clear that it was not proposed to set up a new Second Chamber which could in any way become a rival to the House of Commons," the following provisions were adopted:—

"(1) The Second Chamber should be complementary to and not a rival to the Lower House, and, with this end in view, the reform of the House of Lords should be based on a modification of its existing constitution as opposed to the establishment of a Second Chamber of a completely new type based on some system of election.

"(2) The revised constitution of the House of Lords should be such as to secure as far as practicable that a permanent majority is not assured for any one political Party.

"(3) The present right to attend and vote based solely on heredity should not by itself constitute a qualification for admission to a reformed Second Chamber.

"(4) Members of the Second Chamber should be styled 'Lords of Parliament' and would be appointed on grounds of personal distinction or public service. They might be drawn either from Hereditary Peers, or from Commoners who would be created Life Peers.

"(5) Women should be capable of being appointed Lords of Parliament in like manner as men.

"(6) Provision should be made for the inclusion in the Second Chamber of certain descendants of the Sovereign, certain Lords Spiritual and the Law Lords.

"(7) In order that persons without private means should not be excluded, some remuneration would be payable to members of the Second Chamber.

"(8) Peers who were not Lords of Parliament should be entitled to stand for election to the House of Commons, and also to vote at elections in the same manner as other citizens.

"(9) Some provision should be made for the disqualification of a member of the Second Chamber who neglects, or becomes no longer able or fitted, to perform his duties as such."

• • •

With the list of names given, some others are worth while bearing in mind. They are those of contributors to "Parliament: a Survey," not all of whom are altogether dissatisfied with parliamentary control as it exists:—Lord Campion, Mr. Amery, Sir Arthur Salter, Mr. J. J. Craik Henderson, Sir Cecil Carr, Dr. Wade and Dr. Goodhart.

• • •

Specialist journals (*e.g.*, *Eugenics Review*, *Lancet*) quote a lecture by N. W. Pirie, F.R.S., of which the final paragraph is as follows:—

"One other kind of conception control is also possible. It removes all responsibility from the individual and gives it to the government. This is the possibility of diminishing fertility by means of substances added to the national diet—

(continued on page 8.)

PARLIAMENT

House of Commons: November 12, 1952.

Public Works Loans Bill

The Financial Secretary to the Treasury (Mr. John Boyd-Carpenter): I beg to move, "That the Bill be now read a Second time."

The main purpose of the Bill is to make further provision for funds to be made available for the Public Works Loan Board to make advances to local authorities. The House will recall that a similar provision has been made in recent years. As the House will see, provision is made in Clause 1 for a total of £500 million as the maximum amount of advances which can be made during the period between the coming into force of this Measure and the coming into force of the next Measure of this character.

The provision is not an annual one, but runs from the coming into effect of one Bill to the coming into effect of the next one. The amount in Clause 1 to which I have already referred is the same as in the Act of 1951; the Act of 1951 provides also for a sum of £500 million, and it may interest the House to know that of that sum, up to the beginning of the present month, £399 million has actually been issued, leaving £101 million in hand. As the present level of advance averages about £8 million a week, it is a perfectly simple mathematical calculation to see that that total sum will at the present rate be exhausted by about the end of January.

It may also interest the House to know the breakdown and the actual direction in which the £399 million advanced up to the beginning of November has been expended. Of that sum, £274 million has gone for housing, £45½ million for education, £14½ million for public health, £4½ million for stock redemption, and the remaining £60½ million for miscellaneous purposes, which include transport, water, land drainage, etc.

Clause 2 deals with the commitments which the Public Works Loan Board will be authorised to incur, including the amounts actually advanced. This, of course, equally relates to the period between the coming into force of this Bill and the coming into force of any subsequent one. The corresponding figure in the 1951 Act was £950 million. The figure in Clause 2 of the present Bill is £1,050 million. In this connection I ought to tell the House that of the £950 million authorised by Section 2 of the 1951 Act, £904 million had been expended—the commitments, that is to say, had been made—at the beginning of November, leaving only £46 million in hand . . . and at the average rate of £12 million per week at which those commitments are now running, the amount looks like being exhausted by about the end of the month. There is, therefore, a good deal of urgency about the progress of the Bill if the sources of local authority finance are not to be very seriously interfered with.

As I have said, these are the figures—the same as in last year's Act in Clause 1, and £100 million more in Clause 2—which we have inserted in the Bill, and they may be in some degree affected by certain considerations to which I shall come later in my speech. I want first to offer a comment on the selection of a proper figure.

There are really two conflicting considerations. One is

to make quite sure that the Public Works Loan Board is adequately supplied with funds for lending for approved purposes during the currency of the Bill when it becomes an Act. With the developments that are taking place, it is clear that the commitments figure, in Section 2 of last year's Act, ran things rather fine and for that reason we have provided for a higher figure by £100 million this year. On the other hand, if these figures are fixed too high, Parliament is deprived of its regular control over this matter, and that, too, we think would be wrong.

I now wish to deal rather more briefly with the other parts of the Bill, which are of much less general importance. Clauses 3, 4 and 5 deal with the different stages and aspects of the very sad process of writing off bad debts. The procedure is a trifle technical and involves two stages. It involves the writing off from the account of the assets of the Local Loans Fund, at which stage they become debts due not to the Fund but to the Exchequer; and then there is a subsequent stage of writing them off as debts due to the Exchequer.

Clause 3 applies the first process; that is to say, the writing off, as a liability of the debtor to the Fund, of a sum of £39,940 19s. 11d.—I hope the House will appreciate the precision of that figure—in circumstances which are explained fairly fully on the second page of the Bill as printed, on the back of the Financial Memorandum, and unless any point arises as to them perhaps I might be allowed to leave that explanation to speak for itself.

Clauses 4 and 5 carry on the further stage of remitting as debts due to the Exchequer both the item with which Clause 3 deals and also a number of other items all of which relate to various liabilities by various people under the Agricultural Credits Act, 1923. Each of these items has been investigated and recommended by the Public Works Loan Board as being irrecoverable. The sum involved—it has not been added up in the Bill and I thought I ought not to ask the House to make the calculation—is £130,525 11s. 2d. by way of principal and £4,183 18s. 1d. by way of interest. These have been recommended as irrecoverable, and all that we are doing is to take the procedural steps necessary in order to recognise the inevitable. . .

I ought to mention to the House a matter which, while not strictly pertinent to the Bill, is, subject to Mr. Speaker's Ruling, I submit, in order on the Second Reading of the Bill by reason of its clear relevance to the amounts which we are asking the House to accept in Clauses 1 and 2 of the Bill. The House will have noticed that the Expiring Laws Continuance Bill, which is now available to hon. Members, does not contain in its Schedule any provision for the continuance of Section 1 of the Local Authorities Loans Act, 1945, and that, as a consequence, that Section will lapse on 31st December of the present year. . .

. . . I am asking the House in this Bill to authorise the issue to the Public Works Loan Board of a certain sum of money—£500 million—and to authorise the commitment of £1,050 million. In my submission, it is clearly relevant to the question, aye or no, whether these figures are adequate that the House should say, aye or no, whether the Public Works Loan Board is going to be the only source from which local authorities, in substance, can borrow.

In my view, it is important that the House should

realise the considerations which affect the selection of the figure. The subsequent matter of the Local Authorities Loans Act and the sum to be used is relevant to that figure. . . .

. . . I was making it clear at this stage that, by reason of the matters to which I have referred and which you have ruled I was in order in referring to, the position will be, as from 31st December, if the House accepts the view which the Government will put forward, Section 1 of the Local Authorities Loans Act, 1945, will lapse and the prohibition which it embodies on borrowing other than from the Public Works Loan Commissioners, with certain minor exceptions, will also lapse. As I have suggested to the House, that is clearly relevant to the figures with which we are concerned in this Bill. It is for that reason that that Act is in some considerable degree material.

. . . It is clear that the authorities must continue to be given access to the sources of finance for meeting approved commitments, but the effect of this is that we propose to expand the methods by which the authorities raise their money. Since 1945 the Local Loans Fund supplied by the Exchequer has been the sole source of new money, apart from a small amount of borrowing from internal funds and by private mortgage. The time has now come, in the view of the Government, to add the stock market to the sources available to the authorities.

This does not mean that the Local Loans Fund will cease to lend. On the contrary, it will continue to provide for the requirements of the majority of the 1,500 authorities responsible for the housing programme. Indeed, that is the purpose of this Bill. But some of the largest authorities will be asked to assist the Government in financing their programme by issuing their own stocks. This development will enable the Government to release the authorities from the statutory obligation referred to. . . .

The local authorities have a big programme of commitments authorised by this Government and by the previous Government. While they are in this situation, it is clear that they must be given access to all sources of finance, including the Local Loans Fund as now. That is my answer to the hon. Member for Islington, East (Mr. E. Fletcher). We are simply adding the stock market to the sources of finance that will be available to them, but we have to see the extent to which such issues will be practicable and—this is the key to the whole thing—we intend to proceed in agreement with the authorities concerned, and we shall have regard to the capacity of the market to accommodate local authority borrowing on reasonable terms. . . .

. . . Under present conditions it is inevitable that the Local Loans Fund should continue to be the main reservoir of new capital for the local authorities. This fact is recognised by the provision for the coming year in this Bill which, as I have already explained to the House, exceeds the provision made in Section 2 of last year's Act.

For the majority of the authorities, therefore, the change will leave their normal sources of capital wholly unchanged, namely, the Local Loans Fund and the private mortgage market, but they will have the additional facility available if they so desire. Under present conditions, the Local Loans Fund remains the main reservoir. That being so, it is essential to provide the funds for the Public Works Loan

Board. Though the funds for the actual lending will run until the end of January, the capacity to incur new commitments will be exhausted by about the end of this month. . . .

Mr. Gerald Nabarro (Kidderminster): . . . All our deliberations have centred around two points—whether it is desirable, or not, that certain local authorities should have direct access to the money market and be freed from the monopolistic regimentation of having to go to the Public Works Loan Board, and secondly whether it is desirable that a certain interest rate should be paid for a certain loan.

I think that somebody ought to recount what were the circumstances in the early years of the war which caused the Treasury to require that all local authorities in respect of all loans should go to the Public Works Loan Board. It was merely in the economic climate created by war-time expenditure and the urgent need for drastic and precise control over capital investment by local authorities that it was deemed desirable, rightly I consider, that all capital investment authority should be vested through the Treasury in the Public Works Loan Board. That was a legitimate war-time purpose but, with the return to peace-time conditions, and particularly in the last twelve months, with the increasing freedom in our economy, I think it is desirable that there should be a closer return to the loan arrangements which appertained in the pre-war years.

Mr. Albu: Is the hon. Gentleman saying that it was necessary to introduce the Bill in 1945, when we anticipated a full employment economy, but that it is not necessary under a Tory Government, when we are to have a deflationary economy? . . .

Mr. Nabarro: I am saying nothing of the sort. What I said was—and evidently the hon. Gentleman did not listen to me—that the monopoly created for the Public Works Loan Board to lend all necessary moneys to local authorities, and to deny access by those authorities to the money market, was essentially a war-time measure.

Mr. Jay: What the hon. Gentleman calls this monopoly was not introduced in the war but was introduced by Sir John Anderson in 1945, specifically referring to the post-war period. Has the hon. Gentleman not read Sir John Anderson's speech in January, 1945?

Mr. Nabarro: What Sir John Anderson did in 1945 was merely a continuation of war-time arrangements and it gave legislation effect to arrangements made under Defence Regulations, introduced early in the war. . . .

. . . I want to continue on one point in connection with Sir John Anderson's speech, in view of the fact that the right hon. Member for Battersea, North has made such great play of it. He considers, and the Socialist Party have considered for the last seven years, that it is desirable in the Budget to account "below-the-line" and to require that the "below-the-line" expenditure is offset by additional taxation. They have considered it necessary to raise a Budget surplus varying between £350 million and £500 million in order to account for capital expenditure, much of which has been devoted to the housing programme.

But what the right hon. Gentleman never seeks to explain is, if it is desirable to have a Budget surplus to

(continued on page 6.)

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.

SUBSCRIPTION RATES: *Home and abroad, post free:*
 One year 30/-; Six months 15/-; Three months 7s. 6d.
 Offices: (Business) 7, VICTORIA STREET, LIVERPOOL, 2, Telephone: CENTral 8509; (Editorial) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: SEFton Park 435.

Vol. 29. No. 15.

Saturday, December 6, 1952.

Partyism in New Zealand

It is partly though doubtless not wholly to give impetus to ballot-box movements, pseudo-democracy, that Governments such as that recently constituted in British Columbia are allowed to gain entry into the realms of "power." It is, therefore, not unnatural that they *do* give impetus to such movements. It is only in settled orders of society that there is *cumulative* experience at an effective level. This seems to us a sufficient argument in favour of settled societies, and to outweigh arguments (progressivist, *etc.*) against settled societies. Opponents of settlement in social affairs know that unsettlement means loss of rate of accumulation of experience. The naive participant in the traditional political games doesn't.

Readers of "Social Credit in 1952" will recall a note there stating, to distinguish it a little from "loyal allies," that "the appearance of a *New Zealand Social Crediter* may be taken as evidence of a determination in the Dominion to extricate the movement there from misplaced reliance upon the good intentions of the Labour Party." Alas, the determination has waned, at least to the extent of handing over *The New Zealand Social Crediter*, temporarily perhaps, to party politicians. We know well that there are capable men in New Zealand who will contest the defection.

Cumulative experience *always* enjoins avoidance of a *wrong* course even when (as they say) "there is no alternative": there may be no alternative visible *course*; but remember the little swine in Mr. W. J. Brown's charming tale—asked to explain his presence, the last little pig of the Gadarene herd said proudly that his companions had gone down the slope declaring that 'they never gave any heed to negative criticism.' He survived. There were visible no *two* ways down the slope. There rarely are.

The disclosure begins "My executive considers" (*New Zealand Social Crediter*, November, 1952, page 5). Let us set aside this example of collective responsibility. The journal proceeds to quote an Australian source for evidence concerning what the Alberta Government has or has not done in order that "the other side of the story" should be presented. It is not the conflict of evidence that is interesting, but the reason given for its presentation: "this is only fair to the Albertan Government, and also, to the considerable number of New Zealand Social Crediters who are advocating direct political action on a large scale." Is there a distinction between direct action and direct political action? Or between political action and direct political action? Action in Alberta and British Columbia was the use of the electoral machinery

to gain power. It is seemingly impossible to wean even Social Crediters entirely from this milk of political babes, and we do not expect to do so. Sooner or later, and preferably sooner, we do expect to gain attention for two things:—(1) The utter falsity of the present foundations of economic society, and (2) The practical impossibility of changing them *until* those who sustain them are swept aside. Concerning the latter, we are no longer alone. Hear the Dean of the Faculty of Law in the University of London:—

"It is, in fact, the very existence of a formally unfettered Parliamentary sovereignty that is the main source of weakness in our existing institutions, when the legal sovereign has shown itself so willing to delegate its powers as Parliament has done during the past half century. If the temper of the times remains favourable to increasing interference with the lives of citizens, towards the destruction of individual initiative, and towards the concentration of economic wealth in the State, then any safeguards which legal and political ingenuity may devise will remain as ineffective as consumers' Councils within State-monopolies to-day. . . . In the end there will have been produced something approximating to the planned stagnation of the Chinese Empire. That would be an odd fate for a people who built the Common Law and who were responsible for Magna Carta, *habeas corpus*, and dominion status. Yet the threat is real, and the hour late. Our present predicament presents a challenge which it is impossible to ignore."

Our New Zealand friends are ignoring it. Why? Why dissipate their energies?

Proposed London Meeting of Social Crediters

The Chairman of the London Douglas Social Credit Group reports that no suitable meeting place can be obtained for a meeting of Social Crediters in London before the last week of January, although further enquiry might overcome this difficulty.

As suggested in our issue for November 8, an early meeting of Social Crediters and their friends is in prospect, and many, following the announcement to this effect, have made application for tickets.

In the view of the breakdown of present negotiations, and the desirability of adequate notice of a meeting, the Secretariat would be pleased to know whether its supporters have preferences for times and for places not solely determined by proximity to their own homes. The advantages which London possesses as a national place of meeting will in the coming months be reduced by crowding due to the Coronation.

SOCIAL CREDIT IN 1952

(Leaflet reprinted from *The Social Crediter*.)

Price 1d.

K.R.P. PUBLICATIONS, LTD.,
 7, VICTORIA STREET, LIVERPOOL, 2.

Christianity or Chaos

By H. E. B.

If the people of the so-called civilized world had gathered together and decided that a tiny minority of them should be styled bosses or dictators, and the vast majority should be slaves, they could not have chosen a finer instrument to achieve that purpose than the financial-economic set-up that we now endure.

The instrument itself has become a polished and deadly weapon since its early days when it was a simple but effective bludgeon in the hands of one Joseph the Hebrew. In those days by simply depriving the Egyptians of corn until they paid the price he demanded—their freedom—Joseph managed to reduce them to slavery inside two years. The blue-print for this masterly piece of slick dictatorship may be found in Genesis 47, vs. 13-26. If food, clothing and shelter can be kept in short supply, the path of the dictator is made very smooth; he can put over any scheme that pleases him, provided that he keeps a well-armed force in the background to deal with possible mutineers. To maintain his position without friction, it is necessary to educate the masses to believe in the sanctity of scarcity values. By mass hypnotism put over the people in their childhood, they are trained to accept gold as the ultimate measure of value. They are also led to believe that they are primarily workers, or producers. It follows that they are always ready to do a task for their bosses before they get their food, clothing or shelter. They feel under an obligation to perform some task or other, in order that they may feel justified in taking from the relatively short supply of commodities—scarce as a matter of policy—that to which they feel they are entitled. "Full Employment" is now the natural slogan for the slavedrivers to use, as the masses are so thoroughly hypnotised that they really believe that they *must* have a job to do for someone else—no matter how foolish or dangerous it may be—before they can live.

The mechanics of this remarkable piece of mass hypnotism are contained in the financial system, which is simply Joseph's principles of mass slavery hidden in the midst of arithmetical calculations. Gold, being accepted as the criterion of scarcity values, money, or credit is only created in accordance with the amount of gold held by the dictator. His slaves—although under hypnosis they protest that they are free—believe that money created and distributed, is in strict parity with the amount of gold. There isn't a lot of gold, so of course, there can't be a lot of money. In accordance with rules invented by themselves, the dictators—financiers—can, and do, multiply the gold base considerably whenever they wish to "extend credit." These extensions are used to lure those slaves who aspire to leading places in commerce. In return for titles to real things such as land and buildings, they get large extensions of financial credit. The price paid for this favour is called the interest. Although the credit soon gets used up, the interest payable remains, just as if, after buying an orange, one were to continue paying for it after it had been eaten. When it suits the financiers, strictly in accordance with the rules, they turn off the credit tap, and proceed to collect businesses which cannot stand the sudden drought. The unfortunate people who lose in this charming game of "beggar my neighbour," are hypnotised into believing that this is an act of God. When a really grand effect is required, this game

is played on whole nations, as in U.S.A. in 1929, and the hypnotised dupes are told that they are suffering from an economic "blizzard," *i.e.* an act of God. The "workers" find that their efforts are no longer needed, and, like all slaves in whom the Spirit of Life is low, succumb to what they believe to be the inevitable, and sink lower and lower, content to exist on meagre rations doled out with grudging hand by lesser slave-drivers, who, *via* competitive examinations have polished up their intellects, and lost their feeling for their fellow men. In a valiant effort to keep their precious "work" in being, the "workers" have even been known to go on strike for *lower wages* rather than give up their tasks! Even as Joseph's dupes in Egypt thanked him for saving their lives, when in fact he was enslaving them all, modern workers have pleaded with their slave drivers for the right to go on toiling—that they may live! Here is part of a letter from the *Daily Telegraph* of September 12, 1952, which shows the slaves keeping "alive" their precious jobs:—

"In 1884, sock-makers in Leicester requested their employers to reduce their wages by 7½%, their reason being that they thought thereby to secure more work. Their employers refused, and they came out on strike.

"Coalminers in Durham and Sunderland petitioned 40 years earlier not to be compelled to earn more than 3s. a day. When the managers refused to agree, 80,000 men came out.

"In 1937, brick-workers at Jordanov, near Cracow, decided on a stay-in strike for lower pay on the ground that if they were paid less, bricks would be cheaper and there would be less unemployment.

Yours etc.,

Catherine A. Sanders."

Considering the number of "labour-saving" machines made by these slaves who so love their slavery, we are obviously faced with the economics of Bedlam, from which there is no release, except under an entirely new hypothesis.

Even when they first start, they work for at least a week before accepting any pay, thus revealing the depths of their hypnotic state. There is, of course, a simple explanation. A "worker" starts as a youngster, still enjoying free meals, clothing and shelter provided by his parents, and this is naturally continued during the first week of work-for-his-living. If parents were as obdurate as, say, an Income Tax official, they would flatly refuse to allow board and lodging for the first work-week until pay-day. The unfortunate "worker" would prove, by the end of the first week, the fallacy involved in the orthodox economic policy, and its mechanism, the financial system. Another demonstration would be provided if some engineers were hypnotised into believing that steel *contracted* when heated, and built a bridge "while under the influence!" As long as a fallacy is believed to be true, so long will the end results of working to that fallacy prove disastrous. Wars, poverty, famines recorded throughout history bear witness to the workings of the fallacy. He believes,—and in this belief he is carefully tutored from his earliest days by nursery rhymes, and the compulsory "education" system—that he is primarily a "worker" who must work for his living. Observation should have taught man long ago that he is alone in this

respect, among all other living creatures. Savages, who are not perhaps counted as "men," are notoriously obdurate in accepting the fallacy, but most "civilized" men believe it. No other living being on earth has to perform a task for others of its kind, before being allowed the necessities of life. Before he becomes a "worker," *i.e.* when he is a child, man freely enjoys the necessities of life, *within the confines of the family circle*, but not outside it. (It may be remembered that Christ said: "Except ye become as little children ye cannot enter the Kingdom of Heaven.") So man demands "work" that he may be justified in drawing his rations each week. If an expert economist were asked to set out in tabular form the economic sequence, in accordance with the "worker" belief, it would appear as:—

PRODUCTION - DISTRIBUTION - CONSUMPTION

"Work	—	that you may	—	Live."
Money, <i>via</i>				as wages for
Production	—	is distributed	—	Consumption.

A sequence involves timing. If it is included to apply to the above statement we get:—

"We work (produce) in the *Present* (daily) that we may consume (Live) in the *Future* the products of the *Past*."

Relative to work-days, pay-day is always in the future, as is the carrot in front of the donkey's nose, and also for exactly the same purpose. In accordance with this belief, the Lord's Prayer needs altering from "Give us this day our daily bread," to, "Give us this day our daily WORK, that we may justify our right (to our fellow-men) to receive our bread at the end of the week." Abstract "work" is the modern idol whose worship has produced the modern equivalent of the Tower of Babel.

Man needs to become "as a little child" in order that he may correct the fallacy which is the cause of his undoing. Even before he was a child, nine months before he was born, in fact, Nature set the true course of the sequence which is invariable throughout his life. From the moment conception took place, feeding of the tiny egg started from the nutriment already present in the mother's blood-stream. Until the actual birth, that automatic feeding took place. When born, the tiny infant perforce had to inhale its first quantity of air, again establishing the priority of consumption over production. Without that first breath, no living child lives. For many years the child is too weak and helpless to do any "work," *i.e.* act as a producer, although it is freely granted its consumer rights—within the family circle. Though a loved and welcome physical asset to the family, it is a distinct financial liability, considered outside the confines of the home. Which is true? the family's conception of the child as a welcome asset with free access to the satisfaction of its consumer needs, or the "World's" conception of it as a financial liability? During the whole of its childhood, the child is forbidden by law, in most civilized countries, to accept any "gainful employment," yet he continues to enjoy his right to his "daily bread." Inside the home the child asks for, and freely receives his "daily bread," while outside, in the "world" father must accept "work" before he is allowed his "daily bread." "If a son shall ask bread of any of you that is a father, will he give him a stone?" asked Christ. Certainly the father does not offer a "stone," but the world does, the "stone" being the work which has to be done

before the "son" is justified, in the eyes of his fellow-men, to receive his "daily bread." Habits of thought are most difficult to eradicate, as Galileo discovered when he dared to support the Copernican hypothesis against the age-old hypothesis of Aristotle. In his case, difficulties arose which upset scientists, but which did not greatly affect the lives and well-being of ordinary folk. With the "Producer" or "Worker" hypothesis it is vastly different. If man persists in believing the ancient fallacy concerning himself, and does not turn from his idol, he will certainly bring about his own destruction. Man persistently accents his objective side, to the exclusion of his subjective side. According to the orthodox belief *what* a man is, matters much more than *who* he is. Unless this conception is reversed, so that man, the living being, is considered before the worker, (who is only permitted to live as a man after he has justified himself), then man is doomed.

(To be continued).

PARLIAMENT—

(continued from page 3.)

finance local authority loans for housing, why similarly, is it not necessary to have a surplus in the Budget to offset the capital investment programme, for instance, in the nationalised fuel and power industries? There is no difference in principle between the two.

Mr. Jay rose—

Mr. Nabarro: If the right hon. Gentleman will allow me to finish, he made the point in an intervention only a few moments ago, saying that if the Budget surplus were dispensed with, it would have to be offset by another form of saving. But surely we do not seek to offset the capital investment programmes of the nationalised undertakings by a Budget surplus? They are dealt with in another way. Presumably the Budget surplus which we have had primarily for local authorities for housing can similarly be dispensed with and the expenditure can be financed by private and corporate savings?

Our discussions this afternoon have dealt very largely with that form of local authority borrowing. I am not suggesting for one moment, that it is desirable to try to create a state of affairs in which a numerical majority of the local authorities seek to go direct to the money market for their finance. That is clearly impossible. . . .

. . . I want to make one further point which, I think, is valid and of outstanding importance. I believe that if a substantial part of the "below-the-line" expenditure on housing loans can be transferred from the public lending authority—the Public Works Loan Board—to the money market, that will create a direct economy in public expenditure which can be offset by a reduction in taxation. I believe so. That is a view shared by my right hon. Friend the Member for Blackburn, West (Mr. Assheton) and by my right hon. Friend the Member for Haltemprice (Mr. Law), who spoke of it the other day.

Hon. Gentlemen opposite sneered, when reference was made to this matter earlier today, "The Tories want a shilling off the Income Tax." I remind them that a substantial saving "below-the-line" in the fashion I have indicated, could lead to the removal of the whole of the Purchase Tax—the whole of the Purchase Tax; for there is a Budget surplus of something in the order of £400 million, and if only three-quarters of

that could be transferred to money market borrowing instead of Public Works Loan Board transactions, it could be offset by taxation reductions and the sweeping away of the whole of the Purchase Tax.

Mr. Ellis Smith (Stoke-on-Trent, South): May it happen soon.

Mr. Nabarro: I agree with the hon. Gentleman, though if I were asked for the priority in regard to these taxation measures I should say, in fact, Income Tax first, Purchase Tax next. But no hon. Gentleman in any quarter of the House would, surely, deny that I am correct in saying that nothing could contribute more greatly today to an increase in production, to a saving of labour, to an economy in administration than the sweeping away in entirety, of the Purchase Tax. . . .

Mr. Norman Smith (Nottingham, South): . . . It is extraordinary, but true, that this Conservative Government, which was returned to power on a programme of reducing public expenditure, should have done precisely the opposite. It is amazing, yet none the less incontrovertible, that the policies of the Chancellor of the Exchequer, from being at first disinflationary, are tending in the other direction.

I am well aware that this Government, this apostle of private enterprise, has by its financial policy taken away from the practitioners of private enterprise sums of money aggregating very large amounts. They have done that by the early deflationary tactics of the Chancellor.

The amount of money in the hands of all the people who constitute the nation may be measured with some reasonable approach to accuracy by the total of bank deposits at any given time. It is true that the immediate results of the beginning of the new deflationary dear money policy did have the effect of reducing the quantity of cash credit in the hands of ordinary people. Current accounts have gone down considerably since this Government took office—by £207 million. The banks' investments have gone down by £112 million.

On whether the banks invest or do not invest depends what amount of money is in the hands of the people because, if the banks invest, they buy your or my securities and give cash therefor. The banks have been disinvesting. Advances to customers are down by £177 million and the practitioners of private enterprise have been deflated to the tune of a net amount of £351 million, because there has admittedly been an increase of £145 million in deposit accounts.

But, while that deflation proceeded and has had that net effect in the period since the day the Government took office, a new and contrary tendency has risen in the last few months because of the profligacy of Her Majesty's Government in increasing Government expenditure. The increase in Government expenditure has been born of their very deflationary policy, their policy of dear money, which has necessitated largely increased payments of taxpayers' money to the recipients of interest at the new and higher rates—to the money-lending fraternity of this country.

My right hon. Friend the Member for Battersea, North (*Mr. Jay*) estimated at £100 million per annum the total burden on the taxpayer resulting from the policy of dear money. I think it may be more than that—I do not know but I submit to the Financial Secretary that in the last six months, since March, Treasury bills have gone up from

£678 million to £1,231 million, a formidable increase of £553 million, in order to supply the Treasury with ready money for the reason that the Treasury must meet its day to day disbursements, which disbursements had increased substantially by reason of this heavier burden of interest.

I do not know whether the "axers" or the "moderates" are sitting on the benches opposite, but I would be interested to know the reaction of each and every hon. Member opposite to this substantial increase in Government expenditure which has led to an increase of the order of £553 million in Treasury bills. . . .

House of Commons: November 20, 1952.

Cuban Sugar

Mr. Dodds asked the President of the Board of Trade what further discussions have taken place with Cuba since July with a view to obtaining some of the surplus sugar available in return for sterling to be spent in the country and with what result.

Mr. Mackeson: There have been no discussions.

Mr. Dodds: Is the hon. Gentleman aware that at the International Sugar Conference last month, in London, the Cuban representatives said that from a huge surplus of sugar they would like to sell 500,000 tons to Britain at 3d. a lb.? If it is a question of dollars could we not have fewer cigars and more sugar? Sugar should have the highest priority.

Mr. Mackeson: The hon. Member asked me if we had had direct discussions and the answer is "No." With regard to the question of payment in inconvertible sterling, the trouble is that we would be simply building up a contingent liability later on.

Mr. Profumo: Could we not get the sugar if we paid in gold, which we might save by stopping the importation of sugar substitutes from the Continent?

Mr. Mackeson: No, Sir. If we did we should be damaging our trade with Europe severely.

Supplies and Services (Transitional Powers)

The Secretary of State for the Home Department (Sir David Maxwell Fyfe): I beg to move,

That an humble Address be presented to Her Majesty under Section eight of the Supplies and Services (Transitional Powers) Act, 1945, praying that the said Act, which would otherwise expire on the tenth day of December, nineteen hundred and fifty-two, be continued in force for a further period of one year until the tenth day of December, nineteen hundred and fifty-three.

. . . Perhaps I should also remind the House briefly of the nature of the powers which it is about to consider. They are the economic and financial powers derived from the Supplies and Services (Transitional Powers) Act, and from the Regulations which have been made under it. The nature and scope of these powers can be gauged from the list of Regulations and codes of Regulations which are set out in pages 3 and 4 of the Command Paper which has been presented to Parliament.

The House will recall that, a year ago, the Government asked Parliament to maintain the *status quo* for a time, for the reason that they had not had the time to examine all these complex powers in all their details, and I undertook

that the Government would proceed with a careful review of all the powers in question, and that, in carrying out this review, we should keep four possibilities in mind.

The first of these possibilities was that we might find that some of the powers could be relinquished altogether before there was any question of their having to be renewed again. Secondly, we might wish to propose that some should be embodied in legislation requiring annual renewal by Parliament. Thirdly, we believed that it would turn out that a few of the powers in question ought to be embodied in permanent legislation. Finally, we thought that we should find that some of the Regulations required to be continued for a further period. I think it would be for the convenience of the House if I were to comment on each of those four possibilities one by one.

May I first deal with the powers that have been relinquished or are going to be relinquished? I have pointed out in our debates on this subject that Regulations can be revoked at any time, so that it was possible, as the year proceeded, to discontinue certain Regulations without waiting for the completion of the review that was in progress.

May I take, as an example, the fact that we revoked Regulation 60BA which extended the powers of the Miners' Welfare Commission, because that Commission was discontinued under the Miners' Welfare Act, 1952. Generally speaking, however, it has proved convenient to defer revocation until the first stage of the Government's review of emergency powers have been completed, and, as hon. Members will see from the White Paper, quite a number of other Regulations and codes of Regulations which were renewed a year ago, are not to continue in force after 10th December.

The instruments in this category are the nine separate Regulations and the code of Regulations set out at the bottom of page 2 of the White Paper which has been laid before the House. Since that time, my right hon. Friend the Minister of Housing and Local Government has completed discussions with the local authority associations and the London County Council about Regulation 68CA. My right hon. Friend is satisfied that it is necessary to keep a firm check on transfer of housing accommodation to other purposes. On the other hand, he is also satisfied that adequate powers of control are given by the Town and Country Planning Act, 1947, which was, of course, enacted after the Defence Regulations which I have mentioned. He has therefore reached the conclusion that that Regulation should not be retained.

But the process of revocation does not end with those Regulations which are not to be renewed. Hon. Members may have noticed the statement on page 3 of the White Paper, that it was also the intention to revoke in part some of the Regulations which it was intended to keep in force.

This is not unimportant because the process of partial revocation affects no less than 28 separate Regulations, and in the majority of cases the power conferred in the Regulation will be reduced by its partial revocation. In other cases the power will not be altered, but the authority to whom the power is granted will be precluded from making fresh use of the power in the future.

May I give an example of what I have in mind here? Regulation 68A and other cognate Regulations set up a licensing system authorising the reconditioning and there-

after the occupying of condemned houses for the purpose of homes for farm workers and homeless persons. No fresh licences will be issued, but houses now occupied under existing licences will continue to be available for occupation for that purpose.

I think it fair to say that, in some respects, the effect of the partial revocations which it is proposed to make are no less significant than those of revocation in full, and I should like to give the House a few examples of this. I will take as my first one the proposal to revoke paragraphs 1 to 3 of Regulation 62, which authorised the issue of directions about the cultivation, management and use of land for agricultural purposes. Hon. Members may remember that paragraphs 2 and 2A of this Regulation, which will not be continued, authorised the dispossession, if necessary by force, of a tenant of agricultural land who had failed to comply with a direction under the Regulation. That is a very important change which is made by partial revocation.

(To be continued).

The Ballot Box

The following is from *Freeman's Journal* of November 28, 1868:—

"In good old Virginia the *secret* ballot was never suffered. A man, to vote, had to go to the polls, be recognised as entitled to vote, and then *declare*, publicly, the names of the men he wished to vote for, for the various offices. He might read them off, from the ticket in his hand, or he might have a friend beside him, whom he trusted, and who might be better posted as to the names, and surnames, of the men he wanted to vote for. But the vote was an *open* one, and parties interested could record how the vote was given.

"In the first Constitution of the State of New York, ratified in 1777, under the pleas that tenants might be overawed by landed proprietors, it was provided that a *trial* might be given to the plan of secret ballot. But that Constitution specified that, if the experiment was found to work badly, the *Legislature* might restore the old *freeman's* right, of an *open* ballot. In our later experience the *secret* ballot—so called very falsely—has wrought *very* badly. It has proved a violation of every right of the voter. It has turned the whole matter of voting into a transparent farce. When we deposit our dumb ballot in the box, we have full conviction that our vote will be *counted* just the way that our Police Commissioners *wish* it to be counted. . . ."

FROM WEEK TO WEEK (Continued from page 1)

for instance, mixing some long-acting contraceptive in the national loaf. So far, perhaps fortunately, such a substance is not known, and the large funds probably needed for the successful prosecution of such research are not forthcoming. But they no doubt would be if someone saw that reduction of an opponent's fertility was a practicable method of biological warfare. The prospect of man's complete control over reproductive processes, which science promises him, is a frightening one indeed."

Somewhere surely, this fits in with the problem of the House of Lords?

Published by the proprietors, K.R.P. Publications Ltd., at 7, Victoria Street, Liverpool, 2. Printed by J. Hayes & Co., Woolton.