

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 29. No. 6.

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

SATURDAY, OCTOBER 4, 1952.

6d. Weekly.

CLIFFORD HUGH DOUGLAS 1879 - 1952

IT IS WITH THE DEEPEST REGRET THAT
WE RECORD THE DEATH OF MAJOR C. H.
DOUGLAS ON THE MORNING OF MONDAY,
SEPTEMBER 29.

*“But they shall sit every man under his vine and under
his fig tree; and none shall make them afraid.”*

PARLIAMENT

House of Commons: July 31, 1952.

National Institute of Houseworkers

(Cost)

Sir H. Williams asked the Minister of Labour what is the present cost of the National Institute of Houseworkers; and how much this works out per head of those trained.

Mr. Watkinson: During the year ended 31st March, 1952, the total expenditure of the Institute was about £170,000, of which approximately £90,000 was spent on training, the average cost being about £170 for persons of 18 and over, and £220 for younger girls, who receive a longer course. These figures include maintenance allowances.

In order to meet the pressing need for economy the Ministry's grant to the Institute is being reduced to an annual level of £60,000, of which only about one-fourth will be available for training. Figures of cost per head during the present period of running down and closure of centres would not be representative, but it is estimated that, after completion of re-organisation, the average cost will be approximately £155 for the shorter courses and £200 for the longer.

Sir H. Williams: What is the money which is not spent on training being spent on?

Mr. Watkinson: The rest of the money has been spent on the maintenance of these centres, which are now being reduced to 100.

European Recovery Programme

(Marshall Scholarships)

Mr. Herbert Morrison (by Private Notice) asked the Secretary of State for Foreign Affairs what action Her Majesty's Government propose to take now that the European Recovery Programme has come to an end to demonstrate their gratitude to the United States Government and people.

The Secretary of State for Foreign Affairs (Mr. Anthony Eden): Her Majesty's Government have decided to give effect to the proposal of the late Government to express the United Kingdom's gratitude for this generous and far-sighted programme for European recovery by founding at British universities 12 scholarships to be competed for annually by United States students. These scholarships will be open to men and women and will be tenable at any British university. General Marshall has agreed that these scholarships shall be known as "Marshall Scholarships."

The Committee of Vice-Chancellors and Principals of the Universities of the United Kingdom has promised its full co-operation in giving effect to this scheme.

Further particulars will be announced in due course and Parliament will be asked to make the necessary financial provision.

Mr. Morrison: I am sure that the House will have received the statement of the Foreign Secretary with pleasure. It is right that we should do this and it will be helpful to Anglo-American relations. We are all very pleased about it. I presume that as and when the details of this scheme

become available the Foreign Secretary will be able to make the information publicly available?

Mr. Eden: Yes, Sir, and we would come to the House for approval of the small financial requirements.

State Security

Major Beamish asked the Chancellor of the Exchequer how many civil servants have been compulsorily transferred, by reason of membership of the Communist Party, or association with Communist activities, such as to cause doubts about their loyalty; on what dates these transfers were made and within which Government Departments; and to what extent he is now satisfied that no persons whose loyalty is suspect are employed in positions of trust which could involve the security of the State.

Mr. Boyd-Carpenter: Fifty-eight civil servants have been transferred at various dates since June, 1948. The list of Departments to which or within which they were transferred is given below. No security system can be certain to be 100 per cent. satisfactory but I would remind my hon. and gallant Friend that the system introduced in 1948 has recently been reinforced by the new procedure of special inquiries about those employed on exceptionally secret work.

Following is the list of Departments:

Admiralty.
Ministry of Agriculture and Fisheries.
Air Ministry.
Central Land Board.
Central Office of Information.
Customs and Excise.
Department of Scientific and Industrial Research.
Ministry of Education.
Ministry of Food.
Forestry Commission.
Ministry of Fuel and Power.
General Post Office.
General Register Office.
Government Chemist.
Ministry of Health.
Home Office.
Ministry of Labour and National Service.
Land Registry.
Royal Mint.
Ministry of National Insurance.
National Parks Commission.
Board of Trade.
Ministry of Works.

Soviet Embassy Staff (Diplomatic Immunity)

Sir H. Williams asked the Secretary of State for Foreign Affairs what are the numbers of subjects of the Union of the Soviet Socialist Republics at present enjoying diplomatic immunity in the United Kingdom; and what were the numbers of such subjects enjoying that immunity in 1938.

Mr. Nutting: Sixty Soviet citizens are employed on the diplomatic and clerical staffs of the Soviet Embassy in London in capacities which entitle them, in the view of Her Majesty's Government, to claim diplomatic immunity. The corresponding figure in 1938 was 20.

In addition, 34 Soviet citizens, employed as servants in the Ambassador's personal household and in the Chancery of the Embassy, are officially regarded as sharing the Ambassador's diplomatic immunity. Nine Soviet citizens were similarly employed in 1938.

House of Commons: August 1, 1952.

D. C. Thomson, Ltd. (Dispute)

REPORT OF INQUIRY

The Minister of Labour (Sir Walter Monckton): With your permission, Mr. Speaker, and that of the House, I should like to make a statement about the position reached in my discussions with the representatives of the firm of D. C. Thomson and Co. and the printing trade unions, following the report of the Court of Inquiry.

I am glad to say that both the firm and the trade unions have shown themselves ready to co-operate in finding a solution to the questions at issue, which involve important points of principle affecting the public interest. Both the firm and the trade unions have indicated the steps which they are prepared to take in keeping with the Report.

The firm have stated that, subject to certain safeguards which the unions mainly concerned have already agreed to provide, they would be prepared to cease to insist on any undertaking by their employees not to join a trade union. A document has been prepared in consultation with representatives of the firm and the printing trade unions, embodying the points to which the firm and the unions attach importance and it is in an agreed form for signature by the parties as a complete settlement of the issues affecting the points of principle. The firm have informed me that they are prepared to sign and implement this document as soon as the unions are prepared to do likewise.

The executive of the Printing and Kindred Trades' Federation are meeting on Wednesday next to receive the report of their representatives, and I am awaiting a communication from them.

Mr. Robens: I am sure the whole House will be very gratified at the statement the Minister of Labour has made, and we congratulate him and all concerned on the happy outcome of these negotiations. I should like to ask one question; could he say what is the position of the men at Glasgow still seeking reinstatement?

Sir W. Monckton: The right hon. Gentleman, to whom I am obliged for his observations, is quite right—the difficulty so far as the unions are concerned is the position of the men at Glasgow who are seeking reinstatement. The unions have informed me that they are prepared to have the matter settled by arbitration, but the House will appreciate that consent of both parties to such a course is required and the position is being explored.

Mr. Lee: We are all very happy to hear the report, but the right hon. and learned Gentleman will agree that signature has not yet been effected by both sides and that the issue at stake is of great importance. In the event of a settlement not being possible, would he agree to set up the arbitration necessary to finish the whole question?

Sir W. Monckton: I would rather not say more than I have said. I am certainly prepared, but, as I have said, it requires the consent of the two parties. I am exploring, and will explore, the possibility.

Mr. Strachey: While congratulating the right hon. and learned Gentleman on the settlement, may we be assured that his Department will in future do its utmost to see that hitherto this benighted firm—[HON. MEMBERS: "With-

draw."}]—Mr. Speaker, I am inclined to withdraw the word "hitherto"—that this benighted firm, to correct myself, which must be one of the very last in the country to refuse to recognise trade unions, does not discriminate against those of its members who wish to become members of trade unions?

Sir W. Monckton: Like the right hon. Gentleman, I am sure that what we want to see is the light of peace come into this. I am sure that the less we say the more likely it is to come.

(To be continued).

The Sound Barrier

By hearing we attain to maturity: from childhood we are taught to desire the 'hearing' ear. Planted in a universe in which time may be one of the dimensions, we must not neglect its rhythm. (Putting the clocks forward and back. Have we come to a time when the majority is out of step?—out of Time?) Time and rhythm concern the ear. Primarily we need to hear before, above and beyond (and this is only an enlarged form of thinking), and find on these planes the true rhetoric *and* the barrier to the jangle of untruth. (And truth is not only expressed in the achromatic). Sounds have been utilized (to coin an ugly word), and have not the quality they and we once enjoyed. We *can* no longer believe our ears.

Sound has become unsound, noise. (And we cannot hear the Word for the sound). Our interest and duty as Social Crediters is to analyse the spoken and written word and extract the word from the noise, and in the light of our trained ear of Social Credit test each pronouncement of the noise-chorus with our "counter-test," applying the "counter-sign" of the true ring, not false coin, unalloyed.

Somewhere is the Barrier to untruth where the Spiritual hearing-sense disintegrates resulting in "a bang." Nothing may carry us in our supersonic hearing before, above, beyond "the missing *d* from data." The way of hearing (in this flight) which is the Christian and the Social Credit way, is to be able to notice the missing *d* even if we are not able to supply it. For the marvellous machine of the ear is built to reason and instinct and is jarred by the expediency of political-party-power-propaganda, for instance.

For here is the Barrier and with it the "bang"—the protest of Right and the Nature of Things against assault and disintegration, destruction.

The past, present and future is a Trinity, not three but one, and on this is History built. It is for us to remember though others transgress. We have to do this for ourselves. [*]

G.S.

[*]Our correspondent may be interested in the contribution of Professor Battaglia, Rector of the University of Bologna, to a discussion of the philosophy of history at Gallarate this month in which he "made a distinction between 'Sense' (*sensò*) and 'meaning' (*significato*). The 'sense' of history can be found in the empirically-known order of events; but the 'meaning' of history is something more; and the raising of the problem of the meaning of history is connected with man's power to transcend the order of immanence. For any final answer to the problem of history we have to look to divine revelation." (Quoted from *The Tablet*, September 27.)

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: GENtral 8509; (Editorial) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: SEFton Park 435.

Vol. 29. No. 6.

Saturday, October 4, 1952.

Captain A. H. M. Ramsay

"Here is the story that people have said would never be written in our time,—the true history of events leading up to the Second World War, told by one who enjoyed the friendship and confidence of Mr. Neville Chamberlain during the critical months between Munich and September, 1939. There has long been an unofficial ban on books dealing with what Captain Ramsay calls 'The Nameless War' . . ."

The Nameless War has just been published by the Britons Publishing Society, price 8/6. From time to time and in one way or another the facts which the book relates have been well advertised in the pages of this review, most of them before Captain Ramsay's incarceration under the iniquitous 18B Regulation, or while it lasted. The publisher's "Here is the story," therefore, evokes the question, "Thank you; but why the delay?" We cannot for the life of us make out what the answer can be. Among the rapidly diminishing fragment of the population who may be said to know anything at all and to be able to care a little more than less, it seems to us that what Captain Ramsay relates must be fairly common knowledge. It is not common knowledge, and indeed we do not know the grounds for the author's apparently unshakable belief that while all the other great Power-merchants of our time are villains, Hitler wasn't. We believe the answer has something to do with his, also apparent, ignorance of the nature of the iniquity practiced by Finance. It is, in our opinion, useless to condemn a thing unless you understand what it is to be condemned for. What it is to be condemned for is the reason you condemn it, is the thing in it which you condemn. Hitler did not condemn either Finance or the Jews for any fundamentally valid reason. (Racialism, with or apart from Hitler's erroneous notion of the blond Teuton, does not go deep enough.) Hitler's policy was a Jewish policy, and Hitler's campaign was a part of the Grand Campaign, as much a part of it as Stalin's campaign. Alone, Mussolini's was,

in its origins at least, different—and you notice that the lowest notes of vituperative oratory sounded by Mr. Churchill during the war were reserved for the Italian dictator. He really got 'under their skin.' Why? He knew and understood what Hitler did not know and understand. Hitler was destroyed. Mussolini was beaten before he was destroyed.

More About The Bang

The friendly writer who on another page speculates concerning the analogy between the 'bang' recently added to the conscious experience of many citizens who wander abroad in search of sensations and the spiritual blindness which makes Social Credit incredible to (for example) Mr. Dandy may have disregarded the current explanations meant to reduce just another phenomenon to the meaningless plane of pure mathematics, but the notion that the majority has got 'out of Time' is novel and refreshing. Perhaps the 'bang' may startle the race out of its coma (though here we deem ourselves again to be victims of the temptation to allow hope to triumph over experience.)

The newspapers say 'the fact is . . .,' and proceed to draw pretty pictures of a troupe of happy children graded between two and ten all arriving at mama's apron-strings at the same time despite their unequal speeds, simply because they had started from suitably different places. This, say the newspapers, is a 'fact.'

What the world speaks of as facts are not facts. A fact is a complex and indeed an organic thing. It is not something which exists on one plane, but on all planes at once. That may be why facts are so hard to produce: each entails the Universe and only a sufficiency of imaginative grasp of the Universe is capable of embodying one fact, let alone a whole collection of them. But we may be getting a little nearer to a state of consciousness (in some people) of our defects.

The other day a reviewer of a foreign book let it out that the author had resorted to the English word 'uncanny' to describe the mysterious qualities of the painter, Vermeer. He did not say so in so many words, but it was evident that what was really 'uncanny' about Vermeer was the same thing that is 'uncanny' about all great painters, all great composers of music and most (the greatest) of great writers (which, of course, means poets). It seems to reside in this: that you can see what they did; but you cannot see them. You can see that what they did was done by some-ONE; not because *he* is evident but because all he does is one, and one with him. If Bach, Vermeer, Velasquez, Chaucer had to say 'Bach speaking, Vermeer speaking,' etc., had to put their beastly thumb-mark on everything they did, the only thing you would believe about them would be that greasy smudge, and you would not believe the thing they had put their mark upon. That is where 'individual expressionism' will lead you. The police are well aware that we are all individualised in our finger-prints. It is a thing that only matters to the police. They make use of them to identify criminals. The 'some-ONE' who is invisible is perhaps the only non-criminal Person there is. "Politics is the art of the possible."—Anna Gammadion.

THE SOCIAL CREDIT SECRETARIAT.

Social Crediters and others are invited to apply for the Statement published in July, 1949 (postage 1d.)

K.R.P. PUBLICATIONS LTD., LIVERPOOL

Money Power and the Constitution Italian Bankers in Medieval England

By DRYDEN GILLING SMITH

(continued).

The uses made of the Italian banking services were many and varied. "In the first place, the English sovereigns did not use them in England only, but in every other place where British policy required funds." For example when Edward III sent William de Twenge to the King of Sicily asking the latter to hand over Thomas de Gurney, one of the assassins of Edward II, he instructed the Bardi to pay out 1,000 marks sterling through their branch in Naples. An agent of the Frescobaldi was instructed to accompany Edward II, when he, as Prince of Wales, went to pay homage on behalf of the duchy of Gascony to Philip the Fair so as to supply "the funds needed for representation expenses as well as for the personal needs of the young Prince." Later when Edward II celebrated his ascent to the throne he instructed the Frescobaldi who resided in his province of Bordeaux to send 1,000 "dolei" of wine to London. Outside court circles we find that in 1299 the City of London applied to a group of seven Tuscan companies for financial aid to enable them to redeem from Edward I the municipal freedoms which, granted in 1191, had been repealed in 1285. The Knights and government officials who were in debt to the Italians were innumerable. "Amongst the crowd of minor feudal vassals are to be found the best names of every county."

Unfortunately Armando Saporì does not supply the evidence on which we could decide whether the operations of the Italian money-lenders could, *theologically* speaking, be classed as usury. All we can go by is that at this time the Church paid more attention to usury than it has ever done since. It was careful to define what sort of money-lending was allowed and what sort came under the canonical prohibition on usury. In broad outline the distinction was between *partaggio* ("we share in the cost of the ship and cargo and take returns in proportion") and *usury* ("We share in the expenses; I take a profit if there be one; but if the ship sinks I take your house"). We do not know enough about the degree to which the Italian merchants agreed to share risks, or much about their rate of interest. We find the companies failing when the king's campaigns failed so in practice they must have had to share his risks. In addition their close contact with Church matters would surely have aroused many ecclesiastical voices of condemnation had their activities been easily classifiable as usury. Saporì tells us that "The small loans which the Italian merchants had probably granted to begin with had caused them to be included indiscriminately in the class of 'caorsini' (money-lenders of Cahors) and 'lombards,' synonymous with usurers. But the large Companies left usury to the Jews before they were driven out *en masse* in 1290, and afterwards to the local usurers. It was not worth while, for a case involving a matter of a few pounds, to appeal to the courts, which were anything but impartial, and it was imprudent to arouse the anger of the populace, who already attributed the poverty of the country to the profits of the Companies."

There is much to show that the Companies did share the risks of their debtors. Not all medieval kings were as accommodating to moneylenders as modern rulers. In 1294

the French king Philip the Fair arrested the agents of the Riccardi Company to prevent them financing Edward I. The branch in Lucca complained "we have been solemnly forbidden under pain of life and honour to pay any money in any place to any man in England." This was followed by a rush on the other branches of the bank by panic-stricken depositors. One feels that had the political figureheads of the Rothschild era had the guts or honesty to employ such an elementary physical sanction, as the taking of hostages, to the financiers who backed both sides and took all the winnings, they might have found themselves in more respected and enviable positions to-day.

On the other hand there is a good deal of evidence for the "if you lose I take your house" argument of the usurer, in the type of security which the Italian bankers succeeded in obtaining. "The guarantees naturally consisted in the allocation of the yield from the taxes of the kingdom, and especially from the customs . . . at the beginning an order had been issued to the receivers in all ports to hand over all moneys to the Florentine Company." In Ireland the Frescobaldi Company obtained one of the two keys to the coffer where the customs seal was kept and during the reign of Edward II it gained the right to appoint its officials as controllers and receivers of customs. These also obtained the salaries attached to the official posts. Later we find that the Bardi and the Peruzzi "the two Florentine firms, which in a not inconsiderable number of dioceses had been allotted the clergy's tithes and many 'aids' and 'tallages,' as well as the yield from the fifteenths, sixteenths, eighteenth, twentieth and so on, were given the collecting office of the Cornish and Devonshire mint from 1332 onwards."

"In 1299, moreover, the Frescobaldi obtained the 'custody of and contract for' the Devonshire silver mines, and the tax-collecting office of the counties of Ponthieu and Montreuil, situated in France between the Artois and the Duchy of Normandy, which were under English control. In 1300 they received 'the custody and the government at pleasure'—or, in other words, for as long as they wanted—of the 'Exchange' in a number of counties, and in 1301 those of London and Canterbury; duties which, in addition to the changing of money, entailed coining also; with the relative percentage rights of money-changers and coiners; while in 1307 they were given the tax-collecting office of the Duchy of Aquitaine and of the Agenois . . . Partners and 'factors' were able, if they so wished, to occupy all public posts . . . and had the right . . . to leave them, if accepted, when they did not find them to their advantage; they were also exempted from the payment of tallages, aids, wakes and other feudal rights due to the king, as well as from the taxes established, by royal concession, by the towns." They were often in practice exempted from laws against contraband gold trade and the importing of false coins. Royal pardons for such activities quashed sentences pronounced by the courts. "Sometimes, moreover, the offenders not only went scot free but were given the posts of their accusers and judges . . ."

The charge of usury is a misleading one to lay against these Italians, and it is perhaps for this reason that our medieval ancestors, who were more careful of their terminology than we are, did not accuse the bankers of usury when they could make out a very much better case on other charges more to the point. These Italian companies were

treating the English national credit as if it belonged to them; this could be considered as theft. They could be accused of charging more than a just price for their services in making that credit available in the form of cash. They could also be brought to book for usurping the sovereign right of coining money. "*Undoubtedly the coinage of money is the expression of sovereignty, and for this reason the Kings of the great States claimed it for themselves, while elsewhere it was sought for by princes and cities as the symbol of their autonomy and as a source of profit.*" Under these circumstances, it was impossible that indignation should not be felt with the strangers who were appointed to the "Exchange" of a disputed country like Scotland, and even of London, the very capital of the Kingdom, and granted the mines from which the scanty supplies of coinable metal were obtained.

Criticism was bound to be forthcoming against Companies able to grant Edward III, for the opening year of hostilities alone, 100,000 gold Florentine florins "guaranteed by all the personal and real estates of the Crown . . . and 140,000 with the King's dearest friend, the Earl of Derby, as hostage; while the hereditary crown of Great Britain, pledged for 50,000 florins, had been handed over to the Archbishop of Treves"; especially when the more discerning would have noticed as Saporì has pointed out, that "*compared to the vast extent of their business, based on deposits and in any case on credit, the capital belonging to the companies was negligible, and the private means of the members, who were jointly and unlimitedly liable, amounted to little.*" [my italics]. It should have been sufficiently obvious whose credit the Bardi and Peruzzi were using when they were made responsible for financing Edward III's first two campaigns in France from 1338 to 1340. These, after contributing to the expenses connected with the preparatory alliances, were instructed to pay out the salaries of the King's officials in England and to provide for the army abroad, "*selling veritable mountains of wool on the continent . . .*"—the old export racket. The discerning Englishman would no doubt have realized who in fact paid for the French hundred years war had he asked the question "Whose wool is it anyway?"

That such and even more violent reactions against the privileged Italians did occur is amply evidenced by Saporì. The decline in their power in the mid 14th century was caused by various factors, but the popular one of "economic causes," "a decline in trade" is here examined and shown to be completely fallacious. "It has been supposed that the smaller volume of trade, accompanied by the reduced scale of credits granted to the crown, depended on the fact that wool manufacturing in Florence and throughout Italy had lost much of its importance with the rise of fustian and silk manufacturing. As a matter of fact, the course of events followed other lines. It was not the depression in the wool manufacturing that led to a decline in the demand for English fleeces; it was the impossibility of securing the former supplies of that commodity that reacted to the injury of the wool trade." In other words the decline in trade arose because the English put a stop to the export racket and not *vice versa*. The dependence of the trade on English exports has been questioned but Saporì gives further reasons for the accuracy of early estimates. "Sombart may laugh if he likes at the figures that Villani

gives for the output of fabrics in Florence, and claim that the fleeces imported from England would not have sufficed to make even one third of those mentioned by the Chronicler. Let us remember however the 10,000 sacks 'owned' by the Bardi and the Peruzzi, that they pledged themselves to sell in Flanders to victual Edward III's army, and we shall know for certain that not only did the Companies cover amply the needs for the workshops of their own town, but that they dealt in wool on other markets, both Italian and foreign . . . On the other hand, the native wool was not only of poor quality but was scanty, for the soil of Italy was cultivated to produce oil and wine, and above all cereals." Even had the political situation in Spain or Africa made imports of wool from those regions possible the demand for quality would have remained unsatisfied "for the English fleeces gave wool superior in length of staple and softness to the merino wools themselves."

The decline in 'international trade' then resulted from something which took place in England, an opposition to the Companies' monopoly of credit which expressed itself partly by means of a constitutional struggle. "*The Frescobaldi, whose misfortunes arose from a lot of circumstances, were however affected more especially by the struggles that arose about the English constitutional charter.*" The opposition to the Companies came, of course, from many quarters. The Merchant Guilds were up in arms when they found the king making exceptions of strict guild regulations in favour of the foreigners, and were particularly annoyed when they found themselves, as administrators of the towns compelled to apply to their Italian rivals for the loans needed by the town communities. The Pole family, also merchants and bankers, were not pleased to lose the lucrative task of financing the royal household, and the king's Gascon creditors, who were almost organised into a trust, entered a strong protest at the granting of a monopoly of revenue from customs to the Italians. The Gascon group were important as they could easily go over to the French side in the wars that were frequently waged across the Channel. More important than all these was the Archbishop of Canterbury who had been deprived of his right to coin money by the handing over of the London Exchange to the Frescobaldi. He was stronger than the Italians however when it came to the testing of powers and, within a year of this loss, he was again in 1308 authorised to make use of "the three *curreos*, the dies with which three officials in his service had, with the permission of Henry III, stamped coins, and he also obtained permission to claim from the Florentine Company damages for the loss he had suffered in the meantime." The Archbishop had, of course, the support of the Monasteries, Abbeys and prelates who had to pay to the Italians money due to the King and to the Holy See.

Saporì disputes the view that there was no 'national dignity' in the Middle Ages just because the 'national state' did not exist in the sense in which it later came to be regarded. He points out that if in Parliament even the clergy objected when Pope Boniface VIII attempted to interfere in matters outside the sphere of his authority, it was most likely that any ordinary foreigner who came to England and usurped sovereign prerogatives, such as the right of coining money, would meet with sharp criticism. "Now, if we can note undoubted signs of national feeling in their

relations with the highest religious authority in a profoundly religious age, how could it be supposed that keen mortification would not be felt, leading to acts of rebellion, against a group of foreign 'capitalists' who were growing rich (at least so it was thought) at the expense of the country of which they were the guests and where they behaved as masters, bending even the King to accept their wishes, forcing him to make exceptions to one law by placing them on a footing of equality with his native subjects, and even granting them privileged positions?" The Italian bankers however did not start an Italian anti-defamation league nor succeed in persuading large numbers of Englishmen that 'anti-Italianism' was a psychological disease proceeding from no external cause, but rather reflecting internal defects of the mind.

"How not rebel when Englishmen were required to yield obedience to Florentine merchants acting as State officials, as feudal lords of castles, as the heads of counties? Such a state of affairs could not but have an echo in the parliaments and the Lords Ordainers . . . could not fail to strengthen them . . . as the champions of the dignity of the nation." In 1310 the Barons revolted after Edward II had made enormous concessions to the Frescobaldi rather than recognise his indebtedness. The Barons therefore determined "to take once more in hand the government of the State, and above all to control the finances" and to bring all revenue under the Exchequer. Edward saved the bankers from arrest by arresting them himself and then allowed them to escape from the country, forwarding their movable values through others. The Lords Ordainers, though annoyed at this escape "were under the mistaken impression that they had up-rooted the 'foreigns' and no less mistaken was the rejoicing of the Londoners of all classes who believed that the long struggle against the proud Italian usurers who were eating them out of house and home was at an end."

The Bardi and the Peruzzi were to carry on the same operations under Edward III in support of his claim to the crown of France until the failure of this colossal venture caused a slump in the credit which they could raise on English wool. They probably realized that there was not the faintest chance that the English taxpayer, always touchy about his constitutional rights, would agree to pay for debts the King had contracted, most of them without consulting Parliament, and often as a deliberate means of avoiding the taxpayers' power in Parliament. Most of the Italians left the country without any popular demand for their arrest, for it was known that they had been defeated along with the King.

One other political factor in the decline of these last two companies was the change already taking place in the governments of many city states in Italy by the mid 14th century. Sismondi's apostrophes on tyranny and the way in which it can be introduced through 'popular' government, were mainly directed towards the state of affairs which the Bardi and the Peruzzi had to face on the home front in Italy. The new despotic rulers of Florence ceased to be helpful to their merchant adventurers or mindful of the prosperity they had brought and could bring to the city. The Medici had not yet established their dictatorship but as merchants and bankers their organisation was already spread all over Europe, though in England they had nothing like the position held by the four big Companies we have

dealt with. There is however an interesting parallel to the way in which modern financial houses make use of popular movements 'against financiers' as a simple mechanism to destroy their rivals. Sapori observes as symptomatic the fact that "during the struggle that started in September 1343 and ended with the destruction of twenty two houses belonging to the Bardi the signal for the attack on these 'mansions' was given to the 'popolani' by the Medici."

As a final reproof to the historians who speak to us of the simple men of the dark middle ages, or talk of men ignorant and helpless against the 'economic factors' which buffet them, Sapori remarks "I trust the gentle reader will not come to the conclusion that the reflections I have been making are derived from recent experiences (so similar in many respects to those of the period we are studying that it needs no great effort of the imagination to draw a comparison between them) and from interpretations suggested by modern economic and technical approaches. All I have done is to make use of the views expressed by the merchants themselves. I have already referred to the lack of discernment of those historians who would have us believe that extremely shrewd men were artless innocents."

If the English tax payer has forgotten the lesson which the adventures of the Italian companies should have taught him, others, who are out to rob him, will certainly not have neglected to improve their technique by observing what has been tried out before. Were history taught with a view to helping the future tax-payer to look after his interests, this mediaeval episode would not be forgotten. In fact, if it were common knowledge among an educated electorate it would provide a field of reference upon which Social Crediters could build in explaining the more complex situation which exists at the present time; for it is more within the canons of good teaching to let the student master a simpler problem, real and complete in itself but presenting similar features to the problem he must eventually tackle, than to risk confusing him by 'simplifying' the ultimate problem, letting him become familiar with it stripped of important elements thought to be beyond the beginner's capability. However the unlikelihood of our Ministry of Education wishing to make school history useful in this way is evidenced by the Handbook of Suggestions to Teachers which 'suggests' that recent history "which involves political and economic considerations" should be left to the last year at school (normally the General Certificate year)." History prior to the French revolution is presumed not to require the introduction of such considerations, so most pupils see the last of their medieval history at the age of 12.

Perhaps the most important lesson which Sapori's writing elucidates is the constitutional one. It shows quite simply what happens to the best of constitutions if the country's credit power is not distributed to its rightful owners, but left to be monopolized by any shrewd foreigner clever enough to notice its unexploited existence. If England with a population of under four million could provide enough credit, from the backs of its sheep, to enable a king temporarily to overthrow such a constitution as our own traditional one, then what can we expect to happen when the national credit expands so phenomenally as it did with

the advent of the machine, a huge population and the release of solar energy? Because this credit was centralised and not distributed it became a vast source of power that dwarfed and eclipsed all the other centres of power that had been so neatly balanced in the British Constitution. Since a workable constitution must take into account ALL power, no constitution can hope to fulfil its purpose which does not make provision for the splitting up and separation of credit power as much as any other form of power. Jefferson understood this when he emphasised that the safest place for the national credit was in "the pants of the people." The perfect decentralisation and distribution of credit power is contained in the proposals for the national dividend and the just price. With this responsible and individual control of credit power, there would be none left lying around for the benefit of crafty irresponsible financiers in league with over-ambitious politicians. As there would be no other sources of money the Commons would really possess the 'power of the purse' over the executive, and, were the proposals outlined in *Realistic Constitutionalism* put into effect, the responsible tax-payer might find that even a government was quite a manageable proposition. What is important is that the distribution of credit power, advocated by Major Douglas and the Social Credit movement, is not only necessary for the well-being of the individual's 'economic life,' but necessary for a true balance and division of powers in any constitutional government.

The A.A.

We wonder whether readers cold-shouldered by the A.A. when they displayed unwelcome interest in the insurance of motorists' risks might find an ally in His Royal Highness The Duke of Edinburgh. As president of the Automobile Association, he has intervened in the dispute now advertised in the newspapers.

Mrs. Attlee's Annuity

Mr. Clement Attlee has received an annuity for his wife in payment for newspaper articles. "Mr. Attlee has never been able to afford any insurance. We have had a family of four to bring up, you know." So much for the Welfare State. We wonder if The British Housewives' League could compute the number of poor widows now being robbed of the last of their little all by top-ranking Mr. Bloodsucker (L.S.E.-trained).

If

"... It is ... important that he who treats disease should be first well trained in the diseases of the body, and this is the first requirement for those who wish to practice in the disease of the mind.

"I believe that the way of life as presented by the Christian ethic offers us the highest in the realm of the spirit. If this were applied to what we already know about the mind and the body, we as physicians and priests would soon help to bring about such a wholeness of man as has been never known and the good health of all nations would be our reward." ("A Medical Psychologist" in *The Sunday Times*.)

3,600 Per Cent.

Discharges from the Army for stomach ulceration between August, 1914, and the end of 1915 were only 709, whilst in a comparable period in the second war they amounted to 23,574.

Office Hours

For the convenience of callers, in person or by telephone, we are asked to state that arrangements have been made for regular attendance of staff at the Victoria Street office of K.R.P. Publications, Ltd., during the following hours:—

Monday	}	1 p.m. to 3 p.m.
Tuesday		
Friday		
Wednesday	}	noon to 3 p.m.
Thursday		

While there is attendance at other times, these are not fixed.

BOOKS TO READ

By C. H. Douglas:—

The Monopoly of Credit	12/-
The Brief for the Prosecution.....	8/6
Social Credit.....	3/6
Credit Power and Democracy.....	6/6
The Big Idea	2/6
Programme for the Third World War.....	2/-
The "Land for the (Chosen) People" Racket.....	2/-
The Realistic Position of the Church of England.....	8d.
The Tragedy of Human Effort.....	7d.
Money and the Price System.....	7d.
The Use of Money.....	7d.
The Policy of a Philosophy.....	7d.
Realistic Constitutionalism (<i>Reprinting</i>).....	6d.
Security, Institutional and Personal.....	6d.
Reconstruction	6d.
Social Credit Principles	1½d.

Also

Introduction to Social Credit by Bryan W. Monahan.....	5/- (cloth 8/6)
Elements of Social Credit, 6/-.....(<i>Cloth Edition</i>)	7/6
Protocols of Zion.....	2/6
The Rulers of Russia by the Rev. Denis Fahey, C.S.Sp.....	1/9
(Please allow for postage when remitting).	

From K.R.P. PUBLICATIONS LIMITED,
7, VICTORIA STREET, LIVERPOOL, 2.