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## WHOSE SERVICE IS PERFECT FREEDOM (XII)

By C. H. DOUGLAS

This chapter is in the nature of a digression on Social Dynamics. I feel that it will tend to produce much the same irritation amongst Economists of Repute, World Planners, and Builders of a New Order, as that with which the A + B theorem was received.

It may have been noticed that large-scale, Comprehensive, Planning in-a-Big Way, is in the main, the ambition of people with a clearly marked disinclination to make anything concrete. This may be due to the fact that when anything concrete is made "wrong", it is difficult to disguise the fact, and a certain amount of distrust in regard to the maker is engendered. But if you can induce people by a large scale confidence trick, to surrender all their liberties to an omnipotent organisation (which is what Big Plans generally amount to), it really doesn't matter much whether The Plan is found to consist, at bottom, in a Scheme to set all the World to Work on the Extraction of Sunbeams from Cucumbers. It's just too bad, and it's too late anyway.

But, on the other hand, Jesus of Nazareth was a carpenter. His ways were more humble. "Consider the lilies; how (do) they grow?"

Christianity, Democracy, and Social Credit, have at least three things in common; they are all said to have failed, none of them is in the nature of a Plan, and every effort of some of the most powerfully organised forces in the world is directed to the end, not only that they never shall be accepted, but that as few persons as possible shall even understand their nature.

It would not occur to me to attempt a comprehensive definition of what Christianity *is*; but negatively, I think I can do better. The curious amalgam of tabu and folk-lore which most of us derived from the teaching of our school-days in the hours devoted to religious instruction, bears about the same relation to Christianity that the real Government of England does to democracy, or the policy of the Bank of "England" does to Social Credit.

At this point, I can sympathise with any reader who might ask, "Why do you want to drag Christianity into a discussion of, *inter alia*, the defects of the bureaucratic system? What has the Civil Service, the monetary monopoly, or the Jewish Problem, to do with either Christianity, or 'Perfect Freedom'? Or, more immediately, with an Allied Victory." The short answer, is, "Everything—if there is a European culture."

Everything of which we have any knowledge, is relative.

The fact that the Dark Forces seem in the ascendant is a proof that they are temporarily in the ascendant over something else. You cannot know light without shade, you cannot know what anything is, if you don't know what it is not. If you are able to believe that this is a country whose effective Policy is that of a Christian Philosophy, or if you think that Politics (in the real sense) has nothing to do with Christianity, then you will be able to agree that it is reasonable at one and the same time to fight a war for a return to the Gold Standard, the enthronement of International Finance, together with the culture of Hollywood and Tin Pan Alley and the bureaucracy of the Russian Ghetto, while proclaiming that you are fighting to preserve Christian Standards against the onslaught of Paganism. But otherwise, not.

It is just as certain as anything can be in this uncertain world, that Christianity is not a Plan, it is a Philosophy which we have hardly begun to grasp. As such, it must have a Policy. That policy was and is rejected by the Jews, consequently it cannot be a Jewish Policy. That is to say, Jewish Policy is what Christianity *is not*. What is Jewish Policy? That is much easier to answer, because the present state of the world is the result of it. The short answer, is, "Power Politics—The Servile World." The Philosophy from which it proceeds is that of non-immanent Sovereignty. That this is so, in my opinion, is the *negative* justification for the present war. While there is no clear indication that we are fighting *for* anything worth having, there is, I think genuine justification for the statement that we are *against* one particular form of Power Politics leading to a Planned State; the crude military form. When we have exhausted ourselves in defeating that, we shall, unless we modify our own policy both radically and quickly, find that we have established the Power Politics of International Bureaucracy and Finance. If anyone can direct my attention to an organisation which, having comprehensive power, has not misused it, I shall be prepared to consider the idea that World Sovereignty over persons in these or any other forms would be an advantage to its subjects.

This question is quite basic and quite vital. Once admit the principle of institutional Sovereignty over the Person (functional sovereignty over matters of "common user" is basically different) and the rest follows as a mere matter of detail. In England, we knew that before Runnymede; but Magna Carta has gone to the United States, and

is to stay there, as it isn't safe with us. I don't know that it is too safe, there, either.

One of the delusions skilfully fostered by those Dark Forces which assail us, then, is the idea of human equality under a non-immanent Sovereignty. It is quite probable that this conception, held, where it is held, in defiance of everyday experience, observation, and history, arises from inability to grasp the meaning of words, an inability which is coming under skilled observation in many quarters. It is perhaps unnecessary to pursue the disproof of the first aspect of it further than to suggest that, if no two persons in the world possess *one* attribute, a finger-print, alike, as experts contend, then it is hardly probable that even two persons could be found to possess *every* attribute alike.

But this idea underlies the whole Socialist-Bureaucratic-Totalitarian propaganda. They are all the same, as any observer of events in Russia and Germany can see for himself. It is insinuating itself into such phrases as "the standard of living." There is only one place in which there is an effective "standard" of living, and that is a goal.

It would probably be impossible to find two individuals in this country, who, given an income of £500 per annum, would have a common measure of expenditure of much more than £100, by which I mean, would buy exactly the same articles to more than that amount, or would spend their time to more than 25 per cent of it, in the same way.

The point I am at some pains to make is, I hope, becoming a little more clear. Every extension of extraneous control—if you prefer it, of non-immanent sovereignty—is demonstrably against the inherent nature of the human individual, i.e., is contrary to reality. If this non-immanent sovereignty possesses virtues *in itself*, i.e., has some reality peculiar to itself, superior to those possessed by any individual—let us say by Jesus of Nazareth—then it ought to be possible to point to them. Where are they? Certainly not in the Jewish Jehovah. Certainly not in any Government with which I am acquainted.

Our kindly sympathy for the under-dog is being exploited to secure the creation of a permanent world of under-dogs.

The Work State is the basic idea of the World Planners. Modern technical production is essentially and inevitably hierarchical. While actually operating the productive

system, it is essential that discipline be observed and if you can in fact or by convention put or keep everyone in the framework of the Work State, hegemony is achieved. But, in fact:

- (1) This hierarchy has no essential connection with the distribution of the product, or the constitution of the State.
- (2) The Power State has no inherent moral rights. We did not repudiate the Divine Right of Kings, who, at any rate, were bred and trained in a tradition of reciprocal responsibility, in order to set up the Divine Right of, say, Mr. Stanley Baldwin. Or, if we did, we got what we deserved. Still less does any World Power State possess inherent validity.

- (3) The primary business of the genuine State is to distribute dividends. They did not need to be monetary dividends until money became supreme.

Its continued existence depends on this. These dividends are inherently based on the unearned increment of association, and are now in the main represented and controlled by the invisible reserves of Financial institutions, against which reserves, "Banks create the means of payment out of nothing." (*Encyclopaedia Britannica*). Taxation is a complete inversion of the function of the genuine State, against which the British people have, until the foundation of the Bank of "England" and the Police System to maintain it, consistently rebelled.

- (4) The taxation of dividends, accompanied by greater production per unit of labour and the determination to "put the Nation to Work", results in excessive capital production, forced exports, competition for markets, sabotage, and war, which is merely sabotage in delirium tremens.
- (5) It is no more possible to win this war by the methods of Wall Street and the Bank of "England" than it is possible to win a prize fight by hitting yourself on the head with a hammer.

(To be continued).

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C.S. Douglas

"The Financial Abyss"—the first part of this article will be found on page 6.

provided by our Hebraically-controlled Picture Houses, it is to be anticipated that Internationalism would be blown sky-high.

This is, of course, pure speculation. But point number two is important. On the supposition that a more or less genuine National party appeared in opposition to a Financial peace move, it will be necessary to remember that Major Douglas's dictum regarding "experts" is true of all experts, and not only financial ones. If the people do not keep at least a provisional grip on their liberties, there is little to choose from the individual's point of view be-

tween the military and the financial Dictatorship, as Europe can show to-day. Some dictators like the public stage and the glare of limelight, while others prefer cellars with invisible rays and a flooding apparatus. That is all.

More than ever it will be necessary for social crediters, and all those who wish to lend themselves to keeping the balance, to avoid identification with either party. No doubt it will be difficult, for feelings are likely to run high. There will be temptations in both directions; for on the one hand there will be the hope of a realistic effort being made to solve the problem

of war finance and supply; and on the other, the dire need of the people of Europe, if they would preserve some of their civilization, of peace.

But it must not be forgotten that the Social Credit movement holds a self-appointed brief for the individual under all collective circumstances. The actual word "party" connotes a division, an incompatibility of interest between individuals which we do not admit. Major Douglas frequently uses the word "advisory" to describe his own position, and it can be applied also with advantage to the movement as a whole.

N. F. W.

## FINNISH RETROSPECT

The Finns, a race of asiatic origin, from time immemorial have practised those principles of association which are restated so clearly in the works of Major Douglas. The following quotation from a Finnish work on Agriculture shows how by working together they obtained for themselves dividends in kind:

"Since time immemorial common enterprises have been carried on among the Finnish people in all spheres of pure economy in kind. Such common enterprises consisted, for instance, in the sphere of fishing, of drag net crews that have preserved these old forms down to our own day along the sea coast and on the shores of the larger lakes. In the sphere of forestry there were common associations, hunting teams for the purpose of destroying wolves in particular, in the sphere of reindeer breeding, grazing crews, in the sphere of cattle farming, common pastures, in the sphere of agriculture burn beating companies. In all these associations there were . . . co-operative societies, equal membership and democratic management; they were voluntary and the surplus they yielded was divided according to what each member had contributed as his share in establishing the association."

—*Pillervo-Seuraj*, "Agricultural Co-operation in Finland," Helsinki, 1936.

This practical state of affairs persisted until values were everywhere monetised, and then "the authorities" proclaimed loudly that they had found a method of perpetuating this real co-operation into a monetary age. It is only necessary to consider the condition of Finland in 1938 to see how the Dark Forces have used this tool in their pressure for the control of the individual.

To-day, Finland is largely run by a few immense and centralised co-operative societies (the outcome of the translation of the ancient good-will of the Finns into money values) which appear to monopolise the greater part of the retail trade of the country. They also play a large part in political movements there.

The institution "Elanto," of which Mr. Väinö Tanner—the Foreign Minister in the present Finnish Government—is managing director, has branches all over Helsinki and for many miles round. They have shops for most things from chemists goods to bread. Many of the foodstuffs are made by the society itself, in its own huge factories. In the manner of multiple shops the society is killing retail trade wherever it puts in an appearance. It also runs a chain of cheap cafés where one of the attractions is the continued strains of wireless loudspeakers.

The work-people in its factories, etc., are very well treated (they are even provided with a nursery complete with "aunties" at which to leave their children while they work) and, in fact, the society "does everything for the individual except allow him to do things for himself"—the peak of Whig-Puritan organisation.

There is a co-operative bank for the supply of credit to the small-holder. This bank professedly only lends the deposits of its thousands of members, but it has a credit at the Central State Bank at Helsinki. Central registers are kept of every person who has credit with this institution or who is likely to want it, and of their solvency and in general

the factors that influence their ability to pay. To such a negative system of inspection has the sound old method of co-operation for a National Dividend developed under the influence of financial methods!

The Swedish speaking population of Finland, which is the remnant of the old aristocracy from the times when Finland was part of the Swedish Empire, have a co-operative society of their own.

It is reckoned that in Helsinki not less than 70 per cent. of the population is 'co-operated'.

Finland, once part of the Swedish Empire and later of the Czarist-Russian Empire, obtained her freedom after the war and the Bolshevik Revolution.

"The Constitution begins with a bill of rights containing nothing that is not to be found in most nineteenth century democracies except that it guarantees legal protection of the health as well as the property of Finnish citizens, and of their labour-power as well as their personal liberty . . . "\*:

Before a bill becomes law it must be signed by the President who has the right of veto for three months. The President has also extensive rights of issuing administrative edicts, providing that these do not contravene existing laws. He appoints the Cabinet Ministers, not necessarily from members of the Diet, and is not obliged to take their advice. The direction of foreign policy and of the armed forces is in his hands. He may call special sessions of the Diet and may dismiss the Diet at will, and in general has greater powers than the Presidents of any other democracies except the late Czechoslovakia and the United States.

It was after the war, also, that Jews were admitted into Finland and allowed naturalization. Most of the 2,000 Jews now in Finland, the majority of whom originated from Russia, received full citizen rights and now play an important part in trade, industry and the professions. They live mainly in Helsinki, and according to the *Encyclopaedia of Jewish Knowledge*, throughout the republic "they admit that of any of the states of Central and Eastern Europe the position of the Jews is the best in this republic."

The chief change in Finnish finance since the last great war has been the introduction of an income and property tax.

The economic crisis started in Finland in 1928. There had been a rapid expansion in the timber trade, Finland's chief industry, during the 1920's until by about 1928 the country could no longer supply the financial capital to back it. The small-holder could no longer obtain short term loans for his agricultural activities. Unemployment increased rapidly and the crisis set in. With the crisis, for the first time Finland knew serious unemployment. They put it down largely to the machinations of Soviet Russia who at that time had been undercutting the timber market by subsidising her timber exports. The psychological tension within the country increased, coming to a head in the Spring of 1930 when the small farmers of the Lapuan district vented their rage and irritation on the members of the League of Communist youth who were holding a meeting in the district. They thrashed them all soundly and sent them home. Then, organising themselves,

\* "Finland", by J. Hampden-Jackson; Allen and Unwin, 1938.

they demanded that Communism should be outlawed in Finland and Communist papers suppressed. It should be remembered that Finland and Russia were traditional enemies and that there was extant at the time a law forbidding Communism, but one which was easily evaded by change of name. The modifications demanded by the farmers, however, involved a considerable change in the constitution of the country, and the government did not yield at once. The Lapuan farmers began a reign of terror; beatings, kidnappings, threats, and violence in all its forms, became the order of the day, and eventually they got their way by this threat of civil war.

Finland, therefore, under the strain of the economic crisis transformed "one of the most democratic constitutions in Europe" into a mild dictatorship. The Dark Forces had won on the swings although they had not gained on the roundabouts. It should be noted that the Lapuans were largely financed by one of the three main co-operative societies, and that the private banks of Helsinki paid about 15 million Finnish marks into their funds. From the point of view of the individual the situation between the forces of Finland and Russia is not entirely simple. The Finns, too, have an enemy in the rear, no less important although much less immediate than the menace of Soviet Russia. Their leaders in the fight are bankers and business-men. Mr. Risto Ryti, the Prime Minister, is a lawyer by training, a "financial expert," a Governor of the Bank of Finland and "enjoys a great international reputation and is particularly appreciated by his colleagues in the other Northern Capitals."— ("Daily Telegraph," Dec. 16th, 1939).

Mr. Juho Kusto Paasikivi, Minister without Portfolio and "elder statesman", was general manager of Kansallis-Osake-Pankki, one of Finland's Big Three Banks, from 1914-1934. He is also president of the Export Association and chairman of the Central Chamber of Commerce, a former prime minister and minister to Stockholm.

Mr. Väinö Tanner, Foreign Minister, has been Finance Minister since 1937, a supervisor of the Bank of Finland since 1919, and managing director of the co-operative society "Elanto" since 1915. At one time he was considered a "dangerous Red."

The Ministry of "National Welfare" is in the hands of Mr. Raines von Fieandt, foreign manager of the largest private bank of Finland. Of him, the *Daily Telegraph* remarks: "It is no exaggeration to say that he is an international banker of outstanding ability and that he enjoys a high reputation in the City of London, in New York and in many other countries."

The leaders of the Finns in this struggle are all financiers. At the moment one cannot do more than state the fact. If they honestly wish to represent their people and to mobilise the whole forces of the nation in its fight against Russia the first necessity is for a realistic system of financing the war with the least oppression of the people.

Finland is known in the U.S. as an exemplary client of the money-lenders of Wall Street, since she has continued to back her previous war debts in full.

Are the Finns again to be subjected to the "discipline" of paying back bank-created credit? B. A. E.

## NEWS AND VIEWS

### FINLAND AT BAY

Finland continues to resist Soviet Russia, and according to the reports in the daily press, it has been not unsuccessful. Rumours were current last week that Hitler and Stalin had arranged to divide out the Scandinavian states between them—Finland and parts of Norway to Russia, Denmark and Sweden to Germany. Swedish resentment at the invasion of Finland was said to be intense—3,000 Swedish volunteers for the Finnish cause are leaving for Finland immediately. But on the other hand the strongest party in Sweden, the Peoples Party, is against all active expression of sympathy, in order to preserve the "safety" of Sweden.

### DAILY EXPRESS HITS OUT

Much trouble was taken by the *Daily Express* to sabotage before it had occurred the suggestion that peace should be concluded with Germany in order that she should join with England and France in attacking Russia. We are

unable to find a reason for the astonishingly vehement blackguarding of the sane review of a plan that at least deserves some consideration.

### SPIRIT IN COURT

At a recent session of the Liverpool Conscientious Objectors Tribunal, loud applause greeted the retort by a minister, who was giving evidence, that a question put to him by one of the tribunal was not relevant.

In answer to a question as to what his own views were, the Minister, the Rev. Hubert L. Watson, replied that he did not think his own particular views were relevant, as it was Fairburn's (a conscript of 20) they were considering. There was considerable applause by means of stamping of feet, and the judge threatened to clear the court. He further said that had Mr. Watson's views been the opposite to Fairburn's they would have been "valuable."

This incident is indicative of the growing consciousness of bureaucratic suppression in the people of this country.

### U.S.A. LOAN TO FINLAND

"The Reconstruction Finance Corporation to-day announced the grant of a £2,500,000 credit to Finland for the purchase in the United States of "agricultural surpluses and other civilian supplies." Similar credits to Norway are under consideration.—Reuter."

—"Daily Express," Dec. 11th, 1939.

### LENIN IN OCTOBER, 1918:

"I am often accused of making this revolution with German money. I never denied it and do not now. I will make the same revolution in Germany with Russian money."

### MAGNA CARTA IN ECLIPSE

Lord Lothian, the British Ambassador to the United States, yesterday ceremoniously entrusted Magna Carta, which had been shipped to America for display at the New York World Fair, to the Congressional Library for the duration of the war, states an Exchange Washington message.—"Yorkshire Post," 29th, November, 1939.

## A BALLAD ON TAXES

*We should perhaps emphasise that the author's views on Britain's progress in the 'war', are definitely not those of the social credit movement on the present 'war'; but we could not resist quoting the poem as an introduction to our contribution on Licences.*

Good, people, what, will you of all be bereft—  
Will you never learn wit while a penny is left?  
You are all like the dog in the fable betrayed,  
To let go the substance and snatch at the shade;  
With specious pretences, and foreign expenses,  
We war for Religion, and waste all our chink,  
'Tis ripped, and 'tis clipped, 'tis lent and 'tis spent,  
Till 'tis gone, 'tis gone to the Devil I think.

But the end on't, the end on't the Lord above knows,  
At home we are cheated, abroad we're defeated,  
Yet for all our expenses get nothing but blows.  
We pay through the nose by subjecting foes,  
They begin at our head and tax down to our tail.  
To show that our powerful senate don't fail,  
We pay if we're single, we pay if we're wed;  
We pay for our new born, we pay for our dead,

We parted with all our old money to show,  
We probably hope for a plenty of new,  
But might have remembered when we come to the push  
That a bird in the hand is worth two in the bush.  
We're now like poor wretches all kept under hatches,  
At rack and at manger like beasts in the ark,  
Since our burgesses and knights make us pay for our rights,  
Why should we, why should we be kept in the dark.

—Edward Ward.

(Seventeenth century).

## LICENCE TO LIVE

Freedom has been defined as the ability to choose or refuse alternatives as they arise. As well as the automatic restriction of this ability brought about by a shortage of purchasing power in the hands of the individual there is another way of reducing freedom by penalising one alternative more than another. This method is called licensing. Every license is a reduction of somebody's freedom, and nowadays most of them involve money payments.

The most formidable forms of licensing are local and central taxation. The power of the licence is felt by all householders who are obliged to move into a smaller house 'because of the rates'. They have to move not because they cannot keep up the house, but because they cannot satisfy the preliminary (monetary) condition imposed by a central body. Similarly taxation is a licence to have more than a small amount of wealth. You have to pay for permission before enjoying the wealth you have produced. Indirect taxation on the commodities one uses is a permission to use them. Every time you have a drink you have to buy permission to have it—and that holds with tea as well as beer. The ramifications of the system of licences are intricate and they enmesh the whole of our society.

The following list is only indicative:

a complete list would take up a complete issue of *The Social Crediter*.

If you want to use sugar, tobacco, alcohol, tea, patent medicines, wines and spirits, vinegar (!), playing cards and hundreds of other articles that are taxed or have import duties on them

... you are licensed.

If you wish to have a carriage drawn by horses or mules, a mechanically propelled vehicle with or without pneumatic tyres (including a locomotive, a tractor, and a ploughing engine), a yacht, an aeroplane, a wireless, a coat of arms, a gamekeeper and a gun, a dog, a railway restaurant car, a refreshment house, a still . . .

... you must be licensed.

If you are a printer, a preacher, an auctioneer, a house agent, a hawker and vendor, a publican, a barrister, a solicitor, a law agent, a public notary, a conveyancer, a pawnbroker, a money lender, a banker\*, a street collector for charities, a physician, a midwife, an architect, a methylated spirit maker or retailer, a sugar manufacturer, a plate dealer or a table-water manufacturer . . .

you must be licensed.

If you want to be born, married or

\* But "Banks create credit; they create the means of payment out of nothing."

*Encyclopaedia Britannica.*

die, travel abroad (you need passports and visas), drive a car or an aeroplane, cross toll bridges, anchor your yacht in harbours, or place bets on horses, take out an insurance policy, enter into a hire purchase agreement, give power of attorney, receipt sums of more than £2, conduct business by cheque, draw up an agreement or a statutory declaration, value an estate or transfer it, transfer Bank of England stock, and stock of the public debt of any colony, form a company or a corporation, take out a bill of exchange—payable on demand, or a bill of lading or a bond for payment of money, be apprenticed . . .

you must be licensed.

Recent additions to the art of licensing to come into force in January include the rationing of foods and of fuel. In these cases, of course, the rationing is licensing only in so far as there is no genuine shortage of the articles licensed.

If, after this, you wish to retire to an inebriates home or a lunatic asylum . . .

you must be licensed.

And finally, before giving up the ghost and dying, think of your dependants who will have to pay death duties

... they will be licensed.



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## The Financial Abyss

By N. F. WEBB

A Minister's job is to inspire, not to dispirit the country. What Sir John Simon meant when he described the budget which bears his own name, as "surely one of the most inhuman inventions that ever entered the human mind", is beyond comprehension. It is a statement that might quite consistently be made by Major Douglas, but coming from an orthodox Chancellor of the British Exchequer, it conveys nothing but an impression of sheer, inarticulate panic.

Has Sir John looked into the abyss? And if so, what has he seen? Quite obviously he has seen national bankruptcy in the figures of the present accountancy system. And has he possibly been also shewn—perhaps for the first time—Britain's real enemies in the present struggle?

Whatever it was that he saw, we have the disquieting spectacle of one of the chief ministers of a great nation, at the very beginning of a life-and-death contest, with such misgivings although the nation itself is in good heart and potentially at any rate, is equipped with enough real resources and skill and courage to make it a match for any other nation in the world.

The trouble with our present civilization, as this journal has always pointed out, is that the "financial mind" is in control of Government everywhere. Any business-man will understand the mental affect of a purely financial outlook on a problem. Financial advice is a very necessary, and too often neglected adjunct to enterprise of any kind. But it is purely specialist, and only one of several factors.

To-day, we in England have the financial specialist, not in an advisory capacity, as he ought to be, but controlling the whole of the nation's

activities.

Except for a specific purpose, general control by any expert is wrong, as Major Douglas long ago pointed out. At the present time, however, the nation is committed to a policy of war, and it is obvious that if anyone is to control the whole situation, it must be the "military expert."

What has happened is that a challenge to the undisputed dominance of finance has emerged in the shape of the Military Machine, put into action for the purpose of the war. And it may be said with certainty that one cause, at least, for Sir John's state of mind is the fact that he is between two fires—on the one hand the Military Expert, and on the other the City.

It is obvious that there must be a military plan already worked out in detail, a plan largely of expenditure and defence production. But simultaneously, and almost certainly, without the least reference to it, another plan was taking shape. According to the *Belfast News Letter*, 30th November, 1939, Sir John "disclosed that draft regulations covering the whole field of war-time financial operations had been prepared and printed before war broke out. This was possible owing to the infinite patience of Lord Hankey and a skilled staff, who went through all the financial records of 1914-18."

Dominant material power when it is challenged, is, to put it very mildly indeed, "the very devil." Is it perhaps, that picture that constitutes the abyss from which Sir John draws back so shudderingly, when he sees ahead of us, as he says, "fearful sacrifices such as we have hardly begun to dream of."

No doubt he is being terrorised, as the peoples of the world have been terrorised systematically for years now—

by threats of air-raids and what-not. It is a pity he has not got a little of old Isaiah's robust spirit! "When they shall say unto you, seek unto them that have familiar spirits, and unto wizards that peep and that mutter; should not a people seek unto their God?" A touch of that would do Lord Hankey and his "infinitely patient" minions a world of good.

It would be senseless to call attention to such a deplorable exhibition as the above, unless there was some lesson to be learned from it: some warning to be read. Conspicuously, there are two.

Number one is the anticipation it affords of the split which it would seem that the stresses of the present situation are almost bound to produce in all nations, and especially in our own.

Superficially it looks as if it would be the Military Experts (Army) on the one hand, and the "financial interests" on the other—that is if the army and the nation retains its spirit.

The impression given by Sir John's words is that those very City interests that precipitated the war, are already getting "cold feet" and may be soon seeking to impose a damaging peace. We must be prepared for anything. The financial mind is one of hasty and uncertain movements; of the kind that always wants to change seats in the boat no matter how rough the weather.

If the army opposes this move, that will inevitably precipitate a national crisis—for the financial mind is explosive and cannot brook opposition of any kind. That will automatically create a national party, out for the Empire (whatever that is?) and a clean finish to the war—a Peoples' party—a term which events must define.

Opposed to it will be what? At a guess, all the abstractions, the Institutions. The Churches, the State, the Banks, Big business, and those individuals who are allied to them, and who showed their allegiance in the recent Constitutional Crisis.

Then will be tested out the reality of the lip-service given by all the Peace Parties and Leagues and what-not, and especially the Labour Party, to that further and final abstraction—Internationalism. For surely, whatever flag is flown, it will be evident then that Internationalism and Finance are one. Assuming that there is still some of the original Anglo-Saxon character left after so many years of the mental diet

(continued on page 2)

# NOT SO QUIET ON THE ALBERTA FRONT

*There appears to be a conviction among English social credit 'experts' that the Canadian Government would never 'send bayonets into Alberta' to uphold the Federal constitution.*

—Article in *The Times* newspaper, "The Alberta Experiment. Another Shirt. Mr. Aberhart and His Counsellors", August 24th, 1937.

## BAYONETS!

### THE CONSTITUTION!

Not bayonets, surely; and not the Constitution. The bayonet is a weapon, bright, broad and trenchant, only a rifle's length removed from the sword, which is a gentleman's weapon. The snake uses neither the bayonet nor the sword; though he often places these or worse instruments in the hands of a stricken and fact-blind public. No English social creditor expected the bayonet. Even the report was labelled 'from Edmonton', not 'from Printing House Square'. Presumably it was not read in Edmonton. There is little evidence that it was read very widely outside 'The City', where doubtless it bred encouragement. The M.P.'s who were about to plead with Mr. Malcolm Macdonald to 'do something about it' may also have read it and rubbed their hands.

### The Constitution?

"We in Canada can hardly expect that the verdant visitor to our shores, or rather the visitor to our verdant shores, should know anything about our Government . . . The Government of Canada is the Governor General according to the British North America Act . . . Another popular misconception is that Canada is, or was, a Confederation . . . The stories of Confederation have long been recognised as exploded myths . . . The principle which governs a Confederation is agreement. There was no agreement, accepted or signed, by the Provinces of Canada . . . In an interview with the Chief Justice of British Columbia, I was assured that, although no certified copy of the British North America Act was the property of that Province, a signed copy would undoubtedly be found at Ottawa . . . I decided to embark on a trip of 3,500 miles to see it.

"Presenting myself at the Archives, I was most courteously received by Colonel Hamilton, Custodian of Manuscripts . . . I requested to be shown a certified copy of the British North America Act. We were disappointed, however, in locating this, so Colonel Hamilton, suggesting that the most

likely place would be the Privy Council, obligingly arranged for me to meet the Chief Clerk, Mr. Lemaire . . . Mr. Lemaire instructed his Secretary to conduct me to the Governor General's office, where undoubtedly this Act reposed. Mr. Pereira, Chief Secretary of the Governor General, was so sure that the Act was in the Parliament Library that he wrote a note to the Parliamentary Librarian, instructing him to permit me to examine it . . . At the Library I was informed, (etc.) . . . Mr. Coleman . . . delegated three assistants who searched the West Block . . . Having explored the East and West Blocks of the Parliament Building, I was now admitted to the Central Block, the heart, so to speak, of Canada. Dr. Beauchesne, however, registered surprise. 'Why should I have it?' was the Doctor's reply to my request. 'No valuable documents are kept here; just see Mr. Blount, Clerk of the Senate . . . ' At last I had reached the end of my quest. I was to be shown the Act which is the corner-stone of Canadian law and jurisprudence . . . Conscripting the services of an assistant with keys and a step-ladder, we descended to a large vault . . . I suggested that the Act might have been destroyed in the 'fire' which destroyed the main building in 1916. Mr. Blount assured me that all documents had been saved . . . I inquired if there were records in the State Journal of the British North America Act having been placed before that body [Federal House of Commons] 'Then I think for the purpose of my investigation we can assume that no CERTIFIED copy of the British North America Act was ever brought to Canada. Is that so?' 'I am very much afraid you are correct' . . . How can we expect any man in Canada seriously to contend that he knows anything about the British North America Act, for if confronted with the question he will be compelled to admit that he has never examined a certified copy."

This is from "Canada Calling" by Mr. Rogers Smith, published in *The Fig Tree* for September, 1937. An amusing interlude, is it not? A diversion. There can have been few diversions in this struggle by a people for effective control

of policy, and of their representatives for power to do what 'democratic' governments are presumed to be in a position to do. If there is an instrument of 'The Art of Government'—the Art, that is, of constraining people to do what they would on no account do if they knew what it was they were doing—which has not yet been used in Alberta (bayonets, which are bright instruments, alone excluded) it is still a secret. In our present circumstances, it is probably stale and unprofitable to mention any but the latest. The Acts passed by Mr. Aberhart's Government were, of course, 'disallowed'. They were, however, re-enacted, and again disallowed. Between July 23rd, 1937, and October 23rd of the same year, *The Times* published over three full pages of news and comment; in the whole of the following year less. There was an appeal to the Privy Council, concerning which Mr. Lapointe, the Federal Minister of Justice, reported that "these enactments were unjust, inasmuch as they confiscated the property of one group of persons to the benefit of another group." By such decisions is the fiction maintained that the wealth of all the countries of the earth rightly belongs to those who create the means of payment [for it] out of nothing—which is the *Encyclopaedia Britannica's* description of what banks do.

Surely any impartial observer would say that it shows singular timidity concerning the possibility of success of any project to go such lengths to stop its being tried? And what is fair comment if, in addition, the legend is circulated that it HAS been tried, but it has failed?

In May, 1935, two full years before these matters came to a head, Major Douglas, in his report to the Alberta Government of that day, said:

"At the outset, it must again be emphasised that a distinction must be drawn between any particular plan for the utilisation of the public credit, when control of it has been acquired, and a strategy for acquiring the power to deal with the public credit. If this distinction be understood, it will be

realised that plans for dealing with the public credit are wholly premature, while the power to deal with it has not been attained. For this reason I propose to confine myself in this preliminary report to possible methods and strategy in regard to the preliminary objective, that of obtaining access to the public credit."

Wise words! Their meaning, it may confidently be asserted, is now plain to every honest and intelligent citizen of the Dominion of Canada, and, less widely, in many a country besides. They give intelligibility to the swaying movements of Men in conflict with the Institution of Money and with all other Institutions everywhere. In their light, the impudent attempt is being resisted to foist a Central Mortgage Bank upon

Canada which would centralise control of the debt structure under the Bank of Canada and render this control superior to any rights of citizenship or the authority of provincial governments. In their light Alberta, and indeed the whole of Canada, was moving when war broke out towards the establishment of a true democracy. Action taken in their light made Alberta the most prosperous province of Canada on the outbreak of war. Even *The Times* recognised (July 16, 1938) that "All parties in Canada are now agreed that the existing distribution of authority between the Dominion and the provinces must be changed if it is to conform to present-day needs." —But, which way? Whose needs? Now *The Times* records that the War has, at last, killed Social Credit

in Alberta. It is a tediously recurrent obituary.

The "Western Farm Leader" for November 17th speaks, through the pen of Mr. Watson Thomson, for Federal Union, that plan for a United States of Europe, which seems to spread from an obscure body in Gordon Square. The journal of the United Farmers' Association, the newspaper reflects the full circle of a movement not founded upon a rock. It has fallen to internationalism and to communism.

If not before Armageddon, then in its midst; if not in the midst then after —some men, somewhere, will discover by practice the CORRECT mode of association. No other mode can support a successful and a stable society.

T. J.

Mrs. PALMER'S PAGE

## "... ACCORDING TO YOUR CLOTH"

### The War and Finance

Last week I suggested that the economic problem, so far as the British Empire and the war is concerned, was similar to that of a woman who has a length of good material with which to make herself a new frock. She knows there is enough material, but she must be certain she has a good pattern, otherwise the garment will not fit and the material be cut to waste.

We know that the resources of our Empire with that of our Allies are sufficient to win the war if they are rightly used, but day after day brings confusion in industry and business. In the naive words of a correspondent to *The Times*, "there is a suspicion that we are not utilizing to the full our manpower, our resources, or our natural capacity for initiative and adaptation."

But there is one enormous difference between the woman and her needlework and organisation for war. The woman will wear her frock, while the bulk of our war work must be pure economic waste. But it has got to be *well-organised waste*, such is the fantastically tragic fate of modern men and women. This fact should be borne in mind while reading what follows.

Let us now examine our pattern.

The war is costing £2,000 million a year, or £6 million a day. Douglas has explained that the government uses three kinds of money to pay for it.

*Bought money.* This is money which

is actually in the hands of the general public in the form of unearned incomes, wages or salaries. The great bulk of it was obtained in return for personal services. The government "buys" this money from the people, giving them in exchange Bonds or Certificates.

*Counterfeit money.* About 80 per cent of the loans are provided by the banks and issuing houses. This is "credit created out of nothing," as explained in the *Encyclopaedia Britannica* (Vol. 15 "Money") H. D. Macleod in "The Theory and Practice of Banking" says,

"It (a bank) only begins to make profits when it creates and issues credit in exchange for debts payable at a future time."

*Confiscated money.* This is money taken from the public in the form of taxation. The taxpayer loses this money permanently.

Now one of the fallacies of present-day finance is that the "counterfeit" money, which is brought into existence by the stroke of a pen, ought to be repaid by "confiscated" money, and, in addition, interest paid upon it. As a result there is a ruinous increase in taxation, and a consequent loss of trade, accompanied by bankruptcies and the writing down of capital.

It would be funny, if the probable results were not so disastrous, to read the pitiful attempts made by politicians, leader-writers and economists to skate

gracefully over these difficulties. We have to save to pay our taxes, and yet we have to spend so that the shopkeepers can pay theirs! We have to save so that more money can be spent on war materials, but we have to spend so that the trade of the country shall not be lost!

A "Times" leader says: "Sir John Simon no more wants people to indulge in an orgy of indiscriminate saving than Sir Samuel Hoare wishes to encourage them in an orgy of indiscriminate spending."

The ordinary citizen\*, immortalized by Mr. Reginald McKenna, looks at the cash in hand when he has paid his income-tax and rates, and decides to waive the rest of that article.

It is to the common sense of business men that we must appeal when we repeat the statement that of the three kinds of money, "Bought" money is the only kind which is justifiable."

This article is written for new readers who have not seen the issue of *The Social Crediter* which was published on October 28th. On the front page article of that number, Douglas set forth a plan for financing the war out of

\* "I am afraid," said the Midland Bank Chairman, some years ago in a candid speech, "the ordinary citizen will not like to be told that the banks can, and do, create and destroy money."



"bought" money. His first suggestion is that whenever we pay a tax instalment we should receive in exchange, not a valueless receipt, but a tax bond bearing  $2\frac{1}{2}$  per cent interest during the war, with interest rising to  $3\frac{1}{2}$  per cent afterwards. Only 10 per cent of total taxation is to be paid by individuals.

Readers should refer to that article for further details, which cannot be repeated here.

The citizen would also benefit from the fact that the reduction in taxation would be accompanied by a reduction in retail prices. It is recognised that war conditions might mean a scarcity in certain commodities. This difficulty should be met by rationing. No Bank, Insurance Company, or Discount Company should be allowed to hold National Bonds of any description.

The net result of these arrangements would be that during the war there would be nothing to stop trade, or diminish our war effort except actual lack of raw materials. The ordinary citizen would not be crippled by taxation or rising prices, and at the end of the war, instead of owing thousands of millions to the bankers, he would himself own the war bonds.

These proposals were published on October 28th. They were immediately brought to the notice of Members of Parliament.

A few days later Mr. J. M. Keynes, the economist, produced his scheme of compulsory savings. His suggestion embodies part of Douglas's proposals, with a twist of his own. Much comment and discussion followed in the Press. No mention was made of Douglas's proposals.

On November 28th, Mr. Keynes wrote in *The Times*, "Few have questioned the urgency of the problem. *None has suggested an alternative solution.*"

New readers are referred to a comprehensive criticism of Mr. Keynes's scheme which appeared in this paper on November 25th.

Our task is to learn first, and then to pass on our knowledge. The ordinary citizen is not so stupid as some would have us believe. He has been told that the war is costing six million a day. He is asked to rejoice that the "nation" has "saved" nearly six million in one week. That is, they have succeeded in collecting enough money for one day's war. Even if they keep this up week after week, what about the other six days?

Perhaps it will not be so very long before the tangle in people's minds will straighten out, and they will see it as *two* problems.

- (a) Winning the war.
- (b) Adjusting the financial system to this purpose.

There are signs that enlightenment is a little nearer.

A writer in the current number of *The Round Table* states that the problem transcends the sphere of public finance as generally understood. It is not how to divert to the State by taxation or loan a portion of the national income, but rather "how the given productive resources of the community and its accumulated stock of capital assets can be mobilized for the task of prosecuting the war with the maximum effect."

(*Times* report).

That is in a nutshell. He has no

new suggestions to make however, but concludes that the task should occupy the attention of some member of the War Cabinet.

I feel I cannot leave this article without a glance at the future, lest new readers imagine that I have not thought of what is to follow the war.

Lord Snell in the House of Lords on December 5th said it needed no vision to foresee that there might be 5 million or 6 million unemployed when the millions of men now withdrawn from industry for national service returned to the labour market. It would be wrong to assume that they would accept such a situation with docility.

What situation? Lord Snell takes it for granted that if they are unemployed they shall also be living on a pitiful dole, insufficient to keep body and soul together.

*The Social Crediter's* reply is that there is absolutely no reason for five or six million people to be penalised while the country is reorganised from a war-time to peace-time effort. There are financial experts here who are perfectly capable of arranging that the 2,000 million a year now being spent on war waste shall be spent on peace-time wealth, in such a way that our credit shall be greater than ever.

But before this can be done there are two prejudices to be killed. The first prejudice is that only work entitles us to the means to live. And the second prejudice is that the financial system cannot be adapted to the Age of Plenty.

Social creditors say that the pattern must be made to fit the wearer.  
B. M. PALMER.

## THE POLICY OF THE JEWISH RACE (XII)

# THE BIRTH OF FEDERATION

Last week a brief sketch was drawn of the role played by certain influential Spanish-Jewish court-officials in the fitting out of Columbus's trip to America and of the Jewish contribution to early colonisation of the North American continent. Some knowledge of the Marranos or Conversos of Spain and Portugal is necessary for the proper understanding of the conflict which some historians call the Revolutionary War and others the War of Independence, a conflict which rapidly spread over the whole civilised world and ended in the establishment of what is now known as the United States of America.

The Marranos were wealthy Jews who avoided the ban of expulsion from Spain by conversion to 'Christianity'. Some members of these families went to the East and West

Indies and later from there to the New England colonies, principally to New York. Some settled as bankers in Amsterdam and London, others represented Spain and Portugal, in the capacity of diplomatic agents at the various European courts, and these latter were, according to Lucien Wolf\* instrumental in forming European Alliances against Spain in the 16th century and against France in the 17th century. Business alliances, too, were formed between the families of the Old and the New world:

"They [the Marranos] conducted a large business with the Levant, East and West Indies, Canary Islands, and Brazil and above all with the Netherlands, Spain and Portugal. They formed an important link in the network

\* Essays in Jewish History. — The Jew in Diplomacy.

of trade spread especially through the Spanish and Portuguese world."<sup>2</sup>

They subsequently transferred their businesses ('trade') further north:

"There can be no doubt that the decline of Spanish commerce in the 17th century was due in large measure to the activities of the Marranos of Holland, Italy and England, who directed trade from Spain to those countries."<sup>2</sup>

And now for the story of how 'trade' was directed to, and enthroned in, the metropolis of the Western World.

#### DECLARATION OF INDEPENDENCE

*Encyclopaedia Britannica:*

"On May 15th, 1776, as a result of various earlier applications and especially of one from certain Whigs in New York [most of the early Jewish families who had served in the British administration sided with the Revolutionaries, and one Haym Solomon aided financially] the Congress recommended to the assemblies and conventions 'to adopt such government as shall in the opinion of the representatives of the people, best conduce to the happiness of their constituents.'

"The pre-amble to the resolution set forth as facts the statements that the Colonies had been excluded from the protection of the Crown . . . and that the whole force of the Kingdom was to be used for their destruction.

"Though the preamble was warmly debated, it was adopted. And this act marked a turning point, for the progress of events from that time to the Declaration of Independence was rapid and decisive. One after another the Colonies—now becoming States—in response to letters from Philadelphia [to which city the chief rabbi of New York with the larger part of his congregation had moved] empowered their delegates to concur in declaring Independence.

"On June 7th, R. H. Lee of Virginia introduced in Congress a resolution 'that the United States are and of right ought to be free and independent states', and that it was expedient to secure foreign Allies, and that a plan of confederation should be formed."

"Steps were taken to draft a plan of treaties and articles of confederation. A board of war and ordnance, the earliest germ of an executive department was also created by Congress."

It was while committees were busily drafting articles and clauses that news was received of the British general Howe's landing with a large force at Sandy Hook:

"Under the impression of this stirring event the Declaration substantively in the form given by Thomas Jefferson was agreed, only three adverse votes being cast."

"Viewed from one standpoint the Declaration of Independence was apparently an act of the utmost recklessness. The people were by no means a unit in its support, and in several of the States widespread indifference to it, or active sympathy with the British prevailed."

"The U.S. as yet had no international status, and it would seem that that must be secured it by a series of victories which would ensure independence. But how was this possible against the greatest naval power on the globe, supported by veteran armies of continental and British

troops?"

In due course Foreign loans, Allies, subsequent Victory, Independence and International Status were all achieved, much to the surprise of the world and the New-Englanders themselves.

#### FOREIGN LOANS AND ALLIES

"It early became necessary to resort to foreign loans . . . these loans were obtained from the Governments of France and Spain and from private bankers in Holland [in Amsterdam "the Jews were very rich at this time, many of them lived in palaces more magnificent than those of princes"] to the amount of 7,830,000 dollars."

In December Franklin had been appointed commissioner to France, which in February, 1775 signed treaties of commerce and alliance with America, and in the following summer war between England and France began. The influence of France brought Spain into the alliance. Shortly afterwards the Netherlands were forced into war with England.

"With the other states of Northern Europe they undertook to defend the interests of neutrals against the arrogant enforcement by Great Britain of the right to search at sea . . . the war now became to a large extent a contest between the two navies, the principal evolutions of which occurred on the West Indian and European seas."

This development was very fortunate for American 'Independence', as the complete defeat of the Revolutionaries by the British was only avoided because the British commander was prevented from following up his successes by the red-tape of the British administration ("some individuals are recorded as being in the Government's service at a time when no Jew was so employed in England.")

It is for instance recorded that a bold plan including invasion from Canada came to nought "by the neglect on the part of the British officials to instruct General Howe as to his part in its execution.

"Thus the conflict expanded into a commercial and naval war, Great Britain being confronted by the larger part of Europe."

#### THE HOME FRONT

"While the war and foreign relations were thus developing, the States were organizing their governments and Congress was beginning to consider articles of confederation between the states. From the outset the framers of these articles met a good deal of local opposition; so the federation idea had to be put over in various stages.

"The institutions of local Government, the town and county systems, were left intact. It was therefore easier to construct the Governments of the States than to define and develop the general Government. At first little else was intended than that the Congress should be the mouth-piece of the patriot party. It proceeded mainly by way of recommendation and looked to the States rather than to itself as the ultimate source of authority. As the war proceeded the States grew jealous of the central body and tried to prevent appeals to it in prize cases. Under the pressure of war the enthusiasm, which had been strong at the outset, declined and it became increasingly difficult to secure co-operation or sacrifices toward any general enterprise.

"At the same time the war devolved upon Congress

an enormous burden of work. It was forced to devise general policies, and also to attend to an infinite number of administrative details. Most of the able members were drawn into the army, or into the diplomatic service . . .

"But as time passed rudimentary executive departments beginning with the board of war and the postmaster-general, were developed . . . in 1781 the offices of foreign secretary, superintendent of finance, secretary of war and secretary of marine were created."

The first draft of the articles of Confederation was prepared by John Dickinson in the early summer of 1776, but in the following year the feeling in favour of state sovereignty had grown so strong:

"that the impossibility of securing assent to the articles in any form had begun to be feared. But the document was completed and submitted to the States in November, 1777 when all were encouraged by the news of Burgoyne's surrender. The system for which provision was made in this document was a 'confederacy' or 'firm league of friendship' between the States. Congress received authority to establish a court of appeal which might pass judgement finally on all disputes between States."

#### TREATY OF PEACE

"From the first the acknowledgement of Independence, the settlement of the boundaries and the freedom of fishing were insisted on by the Americans as necessary terms. The three points were early conceded by the British. They also agreed to restrict Canada to its ancient limits . . . it was also agreed that creditors on both sides should meet no lawful impediment to the collection of their debts. Both France and Spain considered the demands of the Americans to be excessive and were not inclined to yield to them. But the Americans negotiated directly with the British, and the articles were signed without consultation with the French Government. Peace was formally ratified on September 3rd, 1783.

"The American army was now disbanded. Since the close of active military operations both officers and men had been striving to secure their pay, which was hopelessly in arrears. Congress had voted half-pay to the officers for life and many had agreed to accept a commutation of this in the form of full pay for a certain number of years. Certificates for the amount were issued, but in this as in other cases it was found impossible to procure the money for the purpose from the States. Parts of the army repeatedly mutinied and it was only the influence of Washington which prevented a general out-break. When the disbandment was finally effected, the officers found their certificates depreciated in value and the States indisposed to honour them. They consequently received only a small part of their due, and the privates scarcely anything. The country was left in a most demoralized condition."

#### FINANCE

"The complete financial collapse of the Confederation Government in 1786 was the primary motivating factor in the establishment of a new Government. The country itself was economically sound and its resources inexhaustible. Yet attempts to collect sufficient revenue from the States had failed as had also attempts to levy national taxes. The interest of public debt had gone unpaid and was increasing at a rapid rate. It was this situation which led statesmen to meet to remodel the government in the direction of

giving increased power to the central administration. The constitution which resulted gave the national congress the power to levy and collect taxes, duties, imposts and excises, to coin money, and to regulate its value, to pay debts, to borrow money upon the credit of the United States and to provide for the common defense and the general welfare of the country.

"The individual states were forbidden to levy duties and imposts on imports and exports, but retained the power of taxation. They were also forbidden to coin money, emit bills of credit, or make anything but gold and silver legal tender in payment of debts. Money was to be drawn from the public treasury only according to appropriation voted in Congress. Thus the Constitution laid down the broad principles upon which the income and expenditure of the nation are based. Of the amendments since added only one, the 16th, ratified in 1913 and allowing a graduated income tax to be levied, relates to finance."

"The new Congress met a month before Washington's inauguration to provide revenue by a Tariff Act levying customs duties on imported goods. Differences of opinion over details of the schedule developed between the members, and the debate lasted for seven weeks. Opposition also developed between those who wanted a tariff for revenue only and those who hoped that the duties might be made high enough to protect manufacturers also. This conflict was also destined to be permanent in American financial history.

"With the Revenue Bill passed the House began to consider the establishment of a Treasury Department, the chief matter of discussion being whether it should be under a commission or a single head. The latter was decided upon and Washington appointed Alexander Hamilton to the post. Hamilton immediately tackled the third problem, the funding of the public debt. Obligation to foreign countries, to individuals at home, and the debts of the various States were fixed and funded through loans . . . a mint was established at Philadelphia. Thus with the power to tax in its hands, with its financial machinery established, and with rich resources in wealth behind it, the new Government became at once stable and effective."

#### *Jewish Encyclopaedia:*

"The organisation under which the Stock Exchange of New York was formed originated in an agreement in 1792 to buy and sell only on a definite commission and to this document was attached the names of four Jews. Since then the Jews have been very active on the Stock Exchange and in banking circles in New York and elsewhere."

And, in conclusion, a last quotation from the *Encyclopaedia Britannica*:

"The growth of the Government's financial operations fall quite definitely into four periods. Before the war of 1812 Treasury receipts and expenditure were with few exceptions less than 10,000,000 annually. Between the war of 1812 and the Civil War they could be expressed in tens of millions, from the Civil War to the World War in hundreds of millions and after the World War only in thousands of millions."

B. J.

#### *References:*

? *The Jewish Encyclopaedia.*

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