

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

Vol. 3. No. 19. Registered at G.P.O. as a Newspaper  
Postage (home and abroad) 3d.

SATURDAY, JANUARY 20th, 1940.

6d. Weekly.

### WHOSE SERVICE IS PERFECT FREEDOM (XV)

By C. H. DOUGLAS

"We shall create an intensified centralisation of Government in order to grip in our hands all the forces of the community. We shall regulate mechanically all the actions of the political life of our subjects by new laws. These laws will withdraw, one by one, all the indulgences and liberties which have been allowed the *goyim*, and our kingdom will be distinguished by a despotism of such magnificent proportions as to be at any moment and in every place in a position to wipe out any *goyim* who oppose us by deed or word."

"*There is nothing more dangerous than personal initiative*: if it has genius behind it, such initiative can do more than can be done by millions of people among whom we have sown discord. We must so direct the education of the *goyim* communities that whenever they come upon a matter requiring initiative, they may drop their hands in despairing impotence."

*Protocols of Zion, No. 5 (Marsden Translation)*  
*Italics in original. "Goyim" = cattle.*

I suppose that if the various reasons for the chaos in society were to be synthesised, they could be expressed as too much morality, and too little common honesty. The word "common" is here used in the sense of "plain", rather than "widely distributed." It is a little difficult to expect common honesty from a population which is being just sufficiently educated to appreciate the fact that the primary object of politics, industry, trade, advertising, and journalism, is to sell delusion; and to do the general population justice, it is beginning to better its instruction.

Morality, which began by meaning "manners", has, of course, been corrupted into meaning Law, divine by implication, but slightly sub-human in general character. It is grimly humorous that, while we are told that the New Order is to be the reign of Law, we always begin wars for its realisation by abrogating all the best laws (such as Habeas Corpus) which have been wrested from the interests behind Law. But the worst and most reactionary laws, such as those which authorise flogging and state robbery, by taxation or plain confiscation, are never abrogated by a closer approach to this Mosaic Millennium. Might is always right if it is strong enough.

It is said that hypocrisy is the tribute which vice pays to virtue, and on much the same line of reasoning, legalism or statutory Law might be described as the tribute fraud pays to reality. I have elsewhere emphasised that genuine or Natural Law is characterised by an invariable and

automatic relationship between cause and effect, which is so far from being true of Statutory Law that we are faced with the alternative of concluding either that the sum of the objectives of Statutory Law is bad (because the total result is bad) or that mankind is incapable, in the main, of drafting laws which produce the results which he expects them to produce. Probably both of these are largely true. The general method of lawmaking appears to be to state as an axiom something which is highly debateable, and then, with the ostensible objective of utilising this "axiom", to pass a law which achieves something both irrelevant to the axiom and to the general interest. Not, of course, irrelevant to some *special* interest. The working of this technique is well exemplified in the Income Tax Laws, which, as was freely admitted in the course of the Royal Commission on that fascinating subject, are purposely made obscure and unintelligible because even a docile House of Commons would revolt at their outrageous provisions if it understood them.

One of the "axioms" scarcely questioned is that law-making is a contribution to national efficiency. The value of this idea can be more readily assessed if Law is simply regarded as absentee management.

Both consideration and experience, seem to prove that this is a practical mistake of such importance that no real progress in civilisation is possible while it persists unchallenged. For my own part, I am convinced that if nine-tenths of the energy devoted to legislation and the administration of legislation were devoted to inductive education, and at the same time, administrative units were made far smaller, the remaining tenth would become redundant in one generation. Which would of course be a desperate prospect for the Labour Party and the Reign of Law.

Quite a good example of the over-elaboration of laws even in functional management is afforded by the modern railway systems. As in every question of this nature, it is essential to remember the tremendous strides made by technical progress in the last hundred years. It is no justification, either of British Railways (which are now practically branches of the Bank of "England") or of social conditions generally, that they may be a little better in some ways (by no means in every way) than they were fifty years ago. They both ought to be incomparably better.

Now, it is well known that the most deadly form of railway strike is that known as "working to rule." It

consists in observing scrupulously every regulation which is laid down both by the railways themselves and the body of general and trades-union law to govern every action of the railway employee. Such a strike will paralyse any railway in half a day. It is so deadly that no railway management will tolerate it. In other words railway employees are asked to subject themselves continuously to possible penalties for exercising initiative.

But to anyone familiar with the inner working of a railway, it is obvious that the creeping paralysis of centralisation (which is merely one aspect of the "reign of law") has laid a heavy hand on the British railway system in its everyday and normal working. That passenger and freight charges are both relatively and absolutely higher than fifty years ago ("A square deal for the Railways") is perhaps a less important matter than that the service given is hardly better (if it is absolutely, it is far worse relatively). It may be contended that certain notoriously backward sections have been improved, and this may be conceded. But that they were backward, before the "grouping" which was the result of the imposition of American policy upon them by the Bank of "England" after the 1914-1918 war, was due, not to independent management, but to financial restriction. Anyone who remembers the great trunk systems such as the London and North Western, the Midland, or the Great Northern, in the early years of this century, will agree that their faults even then were those of undue economic power, but that in the *esprit de corps* of their employees, their technical standards, their passenger and restaurant services, they were a model to the world. If, as is the case, a well standardised process such as railroading can be crippled by law, the effect on activities requiring constant initiative can be estimated.

The Grouped railways were instantaneous profiteers on the declaration of war on September 3rd, 1939. Without a day's delay, "cheap" fares (higher than ordinary fares of fifty years ago) were abolished, and within a few days (during which alternative transport was eliminated) services were drastically curtailed. While, of course, all of this was done under the plea of "public interest" it was unquestionably done at private expense (and to the Railway Authorities benefit) and gave conscious encouragement for a rise in general prices. Four months after the declaration of war, when so far as ordinary observation is a guide, many of the lines are working not merely below maximum capacity, but much below pre-war traffic density, these inferior services and higher charges continue. At the same time, drastic petrol

restrictions, fantastic licence taxation, high cost and low quality of fuel, force the general public to use the railways practically on any terms which can be obtained. The public exist to serve the railway—man is made for the Sabbath.

There is more than a suspicion that this is all part of a far reaching policy intended to kill private transport while "nationalising", i.e., centralising under the Bank of "England", public transport, and reserving private transport for a privileged few. Control of communications is a vital part of Jewish policy—so vital that it may almost be said to be the policy in itself. A little consideration of the ownership or control of cables and wireless, news agencies, and foreign exchange, will illuminate the ramifications into which this control has already penetrated.

This is exactly what the Reign of Law is designed to facilitate. That curious phenomenon, the Marquis of Lothian, appointed Ambassador to the United States when war was inevitable, and as Mr. Philip Kerr, secretary to Mr. Lloyd George in the last war, is enthusiastically acclaimed by the *New York Times*, Mr. Adolf Ochs's paper, as being willing and anxious to hand over the British Empire to some nebulous organisation when its unfortunate constituent individuals have won another war.

Mr. Lloyd George was, I understand, solicitor to the Zionist Committee. Lord Lothian may perhaps be excused for supposing that the British Public will stand anything. There is plenty of evidence tending to support that view. Lord ("Sacrifice") Stamp also assures us that it will.

But I think that a certain amount of variety is essential in the pups which are sold to us. After seeing the treatment of Austria, the fine flower of European culture, by the League of Nations; the disallowance of Social Credit Legislation in Alberta (which had probably more popular support behind it than any legislation proposed in the past hundred years) by the Federal Government at Ottawa, and the results in Great Britain of taking our instructions, and/or Rulers, hereditary or otherwise, from Wall Street, I don't think that merely changing the pup's name from "Bank of International Settlements" to "Federal Union" is quite enough. And (what is more important) I don't think that Mr. Chamberlain thinks that it is, either. Not the same pup twice, Lord Lothian, thank you.

(To be continued).

(World copyright reserved).

*C.S. O'Connell*

## I.R.A. AND U.S.A.:

Some members of the Irish Republican Army recently stole some ammunition from a governmental arsenal, knocking in the head of the guard by way of a preliminary: further affrays in Eire with the Irish Government have also occurred, with the result that on January 5th, the President, Dr. Hyde, signed the Emergency Powers (Amendment) Bill, which gives the Eire Government the right to intern citizens suspected of activities against the State without bringing them before a court of law.

The result, that is to say, for the people of Eire is a vast increase in the powers of the State over the individual, of the *servants* of the people over the people. All the governments of Europe are going down with this disease like patients in an influenza epidemic.

With respect to the pretext for the introduction of restrictive legislation in this case, it should be noted that at the trial of members of the I.R.A. at Manchester last year a close association of at least one with the United States was established. It was also said in connection with the stealing of the ammunition that the I.R.A. was financed

from America.

The pattern is complicated by the fact that Mr. de Valera, Prime Minister of Eire, used to be a member of the I.R.A.; he used also to hold unorthodox views on the subject of finance, but he has disposed of these in favour of the establishment of a central bank.

### For THE TRUTH IN ALBERTA

Read "Today and Tomorrow"

Send your sub. to TODAY AND TOMORROW  
1016-118th Street, Edmonton, Alberta.

Subscriptions \$1.50 a year  
(at the present rate of exchange about 6s.)

You can subscribe by International Money Order, obtainable at any Post Office.

## Mr. MACDONALD CAN'T FIND HIS KEY

"The struggle is between the old system of force . . . and a new system in which free . . . nations can live amicably and peacefully together." Mr. Malcolm Macdonald has said it!

"What needs discovering are the means by which this new order can be brought into actual being." Not 'discovering': for the last twenty-one years the means have been clear to those who have eyes to see and ears to hear. . . . Nations are aggregations of individuals; and when individuals live amicably and peacefully together nations will follow suit. A combination of freedom and security in the lives of human beings is the *condition* which will bring this conclusion, and this it is easy to arrange by sensible use of the money system. *The key in technique* is the recasting of the financial system to modern requirements. *The key in action* is personal initiative—the mastery by individuals of their own institutions to the effect that this 'freedom in security' is made the specific objective of institutions; of the Government, the Financial, Industrial and Legal Systems. Paradoxical though it may sound it holds that were liberty, peace and plenty the overriding aim of such institutions (as it is of individuals) that condition would be *easier* to attain than it is to maintain the unacceptable conditions which we now strive to survive. Easier because acceptable.

"No people are more qualified than the British people to lead mankind to realising it at last." Mr. Macdonald lays stress on our experience. There is no need wholly to discount that factor in laying the emphasis on a surer foundation. "The Anglo-Saxon *character* probably remains the strongest bulwark against tyranny that exists in the world to-day" (Major Douglas). Just a little more than, say, the Germans, will we resist encroachment on our personal affairs and liberty of action. Just a little more than the Americans will we refuse to be gulled and "taken up the garden path." Just a little more than the French do we rely upon an innate common sense, keeping logic and argument in its place. And there is that touch of humour which pricks balloons.

Recent events show the right reactions in this nature which, sound though it is, is ever slow to move. But a time is coming when the Anglo-Saxon character will have its way, breaking

through the crazy fences which keep us and the peoples of the world in insecurity, crime, misery and war—which prevent this new order from coming into existence. And as we wake up we shall see that these fences are the product of diseased imagination; they have no basis in reality and will disappear like mist before the sun.

H. E.

## STAY-IN-LONDON STRIKE OF CIVIL SERVANTS

As a protest against the Government decision to evacuate them to Blackpool, hundreds of Civil Servants have adopted tactics which might almost be described as a "stay-in-London" strike.

A considerable number of the staff of the Ministry of Health who should have reported for duty at Blackpool have failed to travel there, and thirty-five girls in the department have not only defied the evacuation order but have sent in their resignations from the Civil Service.

This action follows repeated protests made by staffs affected against their evacuation from London.

Mr. J. R. Simpson, secretary of the staff side of the National Whitley Council, said:

"I understand that a certain number of people have resigned. A good many have also failed to arrive at Blackpool, but I believe there has been an epidemic of colds and influenza."

He added that, in view of the unsatisfactory reply from Sir Horace Wilson to the representatives of a recent deputation, it was decided to try to see Sir John Simon and convey to him the view of the Council that evacuation must stop.

This decision was taken not only because of the effect on the domestic and family life of the civil servants, and the heavy financial burdens imposed, but because of the serious menace to the satisfactory performance of public business.

The Inland Revenue Department has held a protest meeting in London and passed a resolution urging the Chancellor of the Exchequer to reconsider his decision to proceed with the preliminary evacuation of two branches of a staff of 500.

About 15,000 civil servants have already been evacuated.

## MORE AND GREATER SACRIFICE

In a speech at Glasgow, Sir John Simon called on the nation to take "drastic and unpleasant medicine" to save itself from the more unpleasant disease of inflation and a post-war slump.

"Let no one suppose that the war could be carried on to the only conclusion which free men and women would tolerate without incurring immense burdens and making heavy sacrifices. . . . There could be no better service to our Democracy than to tell them the truth as to the sacrifices we must face."

He said that if civilian consumption remained the same as before prices would be forced up. If, at the same time, private incomes increased, and there was more money to spend, the danger would be re-doubled. We should find ourselves in that "vicious spiral" of alternately rising prices and wages which constituted inflation.

Sir John's absorption appears to be with the abstract images of the case rather than the concrete assets at the disposal of our chosen government in this job of fighting a war—the ability of our people, their willingness to get down to it and "beat Hitler" and the wealth of substance at our disposal, which are the raw materials for this business of "winning the war". It is Sir John's business to see that the ill effects of bad monetary technique do not affect the lives of the millions of people bent on getting something done, it is his business to fit the technique to the effort, not to cut down the efficiency of the effort to a poor technique (it is poor because it doesn't work).

These considerations, however, are all discarded in favour of such abstractions as 'sacrifice', 'liberty' and 'vicious spirals' (he referred later to 'the most dangerous type of spiral which faced us to-day'. We now await the face of a 'vicious parabola', and what they will find to correspond to it in our natural existence).

"We have," he said, "the greatest cause in the world—liberty—and the whole nation is prepared to sustain that cause by all necessary sacrifice."

It is vital that we be sure that sacrifice is necessary before we make it.

## THE WAR DEBT TOUR *de FORCE*, 1922

### A Brief Account of the Social Credit Movement by W. L. BARDSLEY (III)

When Orage relinquished the editorship of *The New Age* in September, 1922, the paper was taken over by Major Arthur Moore, formerly a foreign correspondent of *The Times*, and for the next nine months it ceased to propagate Social Credit, except for some signed articles by Orage. The new editor was more interested in foreign affairs than in the readers, whose support dwindled.

Fortunately the Labour Party Committee had issued its report on the Douglas-New Age Scheme in time for Douglas to reply to it before Orage retired.

The personnel of the committee was such that its findings were a foregone conclusion, and as Douglas remarked "To those painstaking students of 'Economic Democracy' who have grasped the bearing of the analysis of centralised organisation contained in the earlier chapters of the book, or the more obviously practical conclusions of the later chapters, the spectacle of a committee appointed by a centralised Labour Party to examine the Douglas-New Age Mining Scheme, reporting almost automatically in favour of "Nationalised" Banking, will not lack a certain acid humour."

The report was indeed a shabby document, undated and even unsigned by any member of this committee of Socialist doctrinaires<sup>7</sup> and Trade Union officials, none of whom had any first hand knowledge either of finance or industry. In fact, the report stated that the Committee "had the advantage of the active co-operation of an experienced Bank official", unnamed; not the evidence be it noted, which would have been quite proper, but "active co-operation." Small wonder that the report's alternative recommendations received a full length leading article in the *Financial News* which gave effective publicity to the proposals for "nationalising" banking while successfully avoiding any mention or indication of the Social Credit proposals.

As a criticism of Social Credit, the report was of no importance, being comparable in value to the criticism of a proposal to extend licensing hours by a committee of temperance reformers.

It was not a judgement; it was not even a prejudgment. It was the supple riposte of a bevy of skilled debating society leaders to a set of ideas which they regarded as a menace to their own vested interest of intellectual superiority. Here was a stranger, and they threw a corkscrew at him.

The genesis and background of the report did, however, have an important and salutary effect in convincing Social Crediters, some of whom had been inclined to look to Labour and Socialist circles for effective support of the new ideas, of the sterility of this procedure. Perceiving now that official "Labour" would never support a movement one of whose major premises is that Labour is a diminishing factor in production, they were persuaded, if not forced to abandon the attempt and adopt fresh tactics.

In pursuance of this there was held a meeting of groups of Social Crediters in London to discuss the possibility of

<sup>7</sup> Sidney Webb, R. J. Davies, Frank Hodges (now a Bank of England official), F. B. Varley, G. D. H. Cole, Hugh Dalton, J. A. Hobson, C. M. Lloyd, Sir Leo Chiozza Money, R. H. Tawney, Arthur Greenwood.

issuing a Social Credit Currency and forming a trading and exchange society. Every opportunity was taken of addressing Rotary Clubs and similar organisations, and the stream of pamphlets, designed to attract newcomers by "simplifying" the subject, began to appear. One was even published in Germany. Some idea of the activity of the movement may be gained from Douglas's own schedule of addresses for a month.

- Oct. 4—Community of the Resurrection, Mirfield, Yorks.
- „ 5—Wakefield Rotary Club.
- „ 6—Leeds Rotary Club.
- „ 15—Leicester Secular Society.
- „ 25—Institute of Cost Accountants, London.
- „ 27 & 28—Education Committee of the Bristol Co-operative Society.

Before the year 1922 closed another event of great interest in the history of Social Credit occurred. The American War Debt situation was due for revision and the Balfour note had been despatched, provoking a great deal of animosity against Britain in the United States; and the way was being prepared for the settlement which was ultimately reached, and which broke down so dramatically ten years later. Major Douglas sought an interview with the Prime Minister, which was not granted, but he was asked to send his written suggestions.

It is a measure of the progress that has been made by the Social Credit Movement that the proposals which follow, and which were probably incomprehensible to Mr. Lloyd George, though not to his advisers, are capable of comprehension by most people to-day almost at a glance. That progress has been partly due to demonstration on the largest possible scale that payment by orthodox methods was impossible, and partly to the efforts of propagandists over the intervening years.

To the Right Honourable David Lloyd George, M.P., P.C.  
September 11th, 1922.

Sir,

I have received your letter of September 8th, and regret that you are unable to afford me an interview. I note, however, that you are prepared to give attention to suggestions on the subject of finance.

In view of this I have the honour to submit for your consideration the following concrete suggestions, which, you will appreciate, are of necessity in outline only.

(1) That the British Government address and publish a further note to the United States Government setting forth with the maximum clarity: (a) That the debt contracted to the United States by the Allied Powers in general, and Great Britain in particular, was a debt for *goods*, and that the capital appreciation incident on the supply of those goods accrued to the United States nationals, together with the financial media representing that appreciation. (b) That the Allied Powers, and Great Britain in particular, are now prepared to deliver at the same rate, over an equal period of time, at prices ruling during the period at which the various debts were

contracted, goods to the value of the debt, in return for U.S. War Bonds, which will be cancelled on receipt

(2) On the acceptance of this proposal by the United States Government, the Allied Powers will notify the late Enemy Powers that raw materials and semi-manufactures are required for the purposes of (1).

(3) During the period covered by (2) the credit-capitalisation of all manufacturing firms in Great Britain will be assumed to be ten times the yearly profits. At the outset of this period the credit-capitalisation of such firms will be assessed as ten times the profits of 1922.

(4) At the end of each three-monthly period subsequent to agreement as to (1) a fresh estimate of the credit-capitalisation of British firms will be made on the basis of (3), and the collective increase will be taken as the increase for that period of the general credit. Fifty per cent. of the financial equivalent of this credit will be applied to the provision of floating credits required to finance (1), and fifty per cent. will be applied to enable retailers to supply goods for home consumption at reduced prices.

Should it be found, as may well be the case, that the influences effective through the United States Government are not concerned to secure the liquidation of the debt, but rather to use it as an instrument for the imposition of policy, it is clearly a matter of the gravest concern to the people of Great Britain and the United States.

I feel confident that you will raise no objection to the publication of this correspondence, but will take no action to that end before the 16th inst.

I am, Sir, yours faithfully,

(signed) C. H. DOUGLAS.

It will be observed that the proposals contained in the letter, which are, of course, in principle, would, if put into effect, mean the inauguration of a Social Credit financial system in Great Britain. The mechanism of compensated prices and of National Capital appreciation and depreciation accounting are neatly applied in a few words to the otherwise totally insuperable problem of (a) the British-American War Debt complex, (b) the German reparations muddle—to solve both.

It would be difficult to imagine a more triumphant demonstration of the universality and completeness of the Douglas Social Credit financial proposals.

The republication of the War Debt proposals at this time affords an opportunity to restate an aspect of the work of Douglas which must be fully comprehended for any appraisal of the history of the subject, as well as for a proper understanding of the nature of any particular formulation of the proposals, such as the formulation quoted above.

It is necessary to draw a sharp distinction between the principles of Social Credit and any specific plan or scheme to put those principles into application, and this applies equally to the financial and to the political proposals. Expressions such as "the Douglas Plan", "the Social Credit Scheme" are frequently used and are almost invariably incorrect.

The financial proposals have been formulated in principle in four books by Major Douglas and in his Statement of Evidence to the Macmillan Committee.<sup>8</sup> These

<sup>8</sup> Appendix 1 of "The Monopoly of Credit" by C. H. Douglas.

are the main formulations in addition to the letter to Lloyd George. It is quite incorrect to describe any of them as schemes, since they are all statements of principle.

There have actually been three entirely different applications of the principles in the form of schemes which are available for study. Two are draft schemes—that is to say they are not specific schemes, but are exemplary schemes drawn up to show how the principles might be applied to a particular situation. They are the Draft Scheme for the Mining Industry which has already been mentioned, and the Draft Scheme for Scotland.<sup>9</sup> There is only one specific scheme extant—the scheme for New Zealand which, owing to special circumstances which were unnecessary but imposed by the Government's attitude, was only a partial application of the principles. The interim proposals for Alberta<sup>10</sup> were not a Social Credit Scheme but a plan for obtaining the power to introduce any scheme at all.

Inability to distinguish between principles and a scheme for applying them, or downright refusal to distinguish between them, has been an accompaniment of Social Credit expansion—not only on the part of the general public but frequently on that of propagandists, who have not always been able to confine themselves to an exposition of principles without being drawn into interminable discussion of possible administrative details which would in all probability never arise in practice.

The letter to Lloyd George was, in this respect an object lesson. If three hundred words sufficed to explain all that was required, there was a ready and *sufficient* answer to all the silly questions about whether a National Dividend should or should not be paid to children, and what should be done to prevent fraudulent use of the price discount by retailers.

A further object lesson was shortly to be given, for Douglas was now invited to Canada to give evidence before the Select Standing Committee on Banking and Commerce of the House of Commons in Ottawa. The next chapter of this review will be devoted to an examination of this evidence which was full of interest and subtlety.

(To be continued).

(All rights reserved).

<sup>9</sup> Appendix to "Social Credit" by C. H. Douglas.

<sup>10</sup> Appendix to "The Alberta Experiment" by C. H. Douglas.

## NO ONE ELSE CAN

Have you ever thought how good it would be to Ride?  
Swim across the river? Grow roses? Paint your room  
as you would have it painted? Take down the ugly  
picture and burn it? Say what you think? Give  
something? Why didn't you?

Have you ever seen the tiny patches of light with  
curved edges on the eye, felt, in imagination, the moulding  
of the angle of a jaw when the chin is raised, or the  
ridges at the wrist where the tendons play when the thumb  
is out-stretched? The shadow that is sea and the shadow  
that is sky when the moon is "like a slender shaving of  
gold thrown up from the rim of the ocean"? And have  
you made these marks over again with some instrument,  
it does not matter what? Why didn't you?

Have you ever seen the whole, when all others saw but  
the part, and the words to tell it came to your lips and  
you would have spoken them? Why didn't you?

Why don't you? No one else can.



## 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.

VOL. 3. No. 19.  
SATURDAY, JANUARY 20th, 1940.

12, LORD STREET,  
LIVERPOOL, 2.

Telephone Bank 5260.

## The Two Triangles

It will be apparent to readers of Mr. Bardsley's account of the history of the Social Credit Movement, and will become plainer as additions are made at intervals to his brief story, that, according to circumstances, many facets of Social Credit have been exhibited to different people at different times, in the hope that each selected audience might at least see undistorted what was before its eyes.

All the time, there were people about who were able and willing to explain the relationship between one facet and another, possibly most of the others, on demand. The process still goes on, and is dictated not by any strong belief in the virtue of explanations but by the very strong determination of our rulers not on any account to allow Major Douglas's ideas of what constitute the correct outlines of social organisation to be put to any valid practical test. Our opponents are clearly so strongly convinced that our views are loaded with what we say they are—freedom in security for everyone—that they will do anything rather than let anyone pull the trigger.

In these circumstances, Social Crediters have had to try to make a coherent picture of the minute fragments of knowledge concerning a workable society current in the community, by piecing the bits together in sight of the individuals concerned. This is a work of creative imagination which calls for co-operation on the part of the other fellow, and has shown itself to be rather above the capacity of more than a small

fraction of people in general.

Discouraging? Not at all; or, rather, discouraging if your grasp of the immensity of the task is relatively weak, your sensitiveness to the pulse of the World weaker, and your courage not outstanding. Probably it is a 'reasonable' assessment of our chances to say: 'Yes, we expect ourselves to see the first steps, the irreversible beginnings of it.' Douglas thinks we shall. Why not?

What is the next step? The order of society foreseen by Social Crediters has been epitomised (by Douglas himself) as consisting of a 'functionally aristocratic hierarchy of producers accredited by, and serving, a democracy of consumers.' 'Aristocratic' is an adjective not often heard nowadays. Mr. Hore-Belisha doesn't use it. Both it and its alleged opposite are loaded with prejudice. It has been suggested that the Jews themselves, so far from sharing many of these prejudices, have so thorough an understanding of them as to have embodied that understanding in the familiar little diagram which, painted on shop windows, indicates where one may purchase 'kosher' meat, or, on walls, where Jews may stay with friends.

The little diagram (mnemonic?) is constructed from two symmetrically-intersecting equal-sided triangles. Together, they form a 'Star of David'. The sign has become so ubiquitous that even *The Social Crediter* displays it in its asterisks, in place of the eight-pointed star which used to be common. The 'square' and compasses of the freemasons leave out one side, which, if added, form the same figure.

Whether these are conscious uses or not, we may take the two triangles to represent faces of two pyramids, related to one another, welded into one another: the pyramidal organisation of productive industry with its brain at the apex, and the pyramidal form of public demand, with its broad basis of common power arising from common demand (or policy). Relate these pyramids to one another in the *wrong sense*—secure that the people shall eternally decide HOW TO DO what they don't want done—and you secure an inherently unworkable society, which is what we have got.

One thing at least which distinguishes Man from the rest of creation is possession of a *cumulative* knowledge of how to do things; but Man in the abstract doesn't possess this knowledge; and it is just as false to suppose that one man possesses the lot. In a sense, no man possesses it, neither do all men

taken together: it exists and is available in the productive *actions* which each generation, as it comes upon the scene, may see under its nose in the field, the factory and the workshop. It is the cultural heritage.

Douglas's sentence expresses the *correct* relationship in society between the two mutually dependent pyramids, assuming common advantage to be the standard chosen to assess correctness. The present organisation of society expresses the opposite.

The *facets* mentioned above as being the object of special attention from Social Crediters have all been exhibited. Each, demonstrated without discretion, offers temptations to prejudice. Viewing the broad base of the democratic structure it is easy to foster the notion (and to harbour it) that the fruits of liberty are *especially* for those among us of delicate constitution whose inherent defects render them incapable of attaining mastery of any situation which presents itself. It is as absurd, but not more absurd, to think an unendowed democracy exists to push the wheels of industry around as it is to think a democracy endowed with a national dividend exists to keep the functionally aristocratic hierarchy of producers supplied with opportunities.

Generally, Social Crediters are members of the community distinguished by their holding strong opinions clearly rather than hotly. If that is true, the present may be a useful time to develop quite strong opinions about the essential structure of the apex of the *functionally* aristocratic pyramid, and to hold them clearly. In the approaches we may have opportunity for making in the near future—rather, *in the present*—and under pressure of circumstances, let us remember *who* it was who solved the problems of production (they are solved: scarcely any other problem is). Producers solved them. While we hold fast to our sheet-anchors of Social Credit: the right of the individual to contract out of associations which do not embody his policy, and to form others which do, let us remember that these leave untouched the most productive part of the social heritage. They attach freedom to service; but they do not necessarily alter the acts in which service consists. Then we may listen (in quarters where we wish to be heard) "with the mind of the speaker"—as Marcus Aurelius exhorted us to do; and so he may listen to us. We are not Ishmaelites.

T. J.

# THIS IS THE WAY TO WIN THE WAR

By JOHN MITCHELL

It is useless for anyone to consider what measures are necessary to remedy the misery, the chaos and the manifold evils with which this country and the world is beset unless he has a clear recognition of their origin and of the nature of the forces operating against social stability and individual well-being. Wartime finance is directly bound up with these matters, and cannot be effectively discussed except in relation to them. It is for these reasons that so much space is occupied in *The Social Crediter* in analysing, criticising and informing about events, institutions and persons.

The supreme struggle in the world can be stated in brief to be between Freedom and Authority, between external compulsion and internal initiative.

Authority and external compulsion in this struggle have their instruments in Debt, Taxation and Bureaucracy, and these are the product of super *centralisation* in every sphere of national activity. The first principle governing any effective action which may be taken to secure the victory of freedom and internal initiative for the individual is therefore decentralisation of control and initiative. To deny individuality is to deny Christianity—"The kingdom of God is within you."

Decentralisation being recognised as the first principle of constructive action, it is necessary to understand that the bulwark of Authority and Compulsion is Finance, at once the pivot and mechanism upon which the phenomenal growth of centralised control works and grows. No action to remedy the present situation or win the war for the individual citizen can be successful which does not give priority to action directed towards decentralising *finance*.

The first step towards dealing with this problem is therefore a recognition that the vast credits which the banks create for Industry and Government, and which have been and are continuing to accumulate into a stupendous super-structure of debt, are communal property: property which the banks unjustly claim as their own.

A clearer understanding of the correctness of this statement will be gained by reflecting upon certain features of the financing of the last war. The National Debt between 1914 and 1918 increased by £7,000 millions, whilst during the same period something like £1,000 millions was paid out of taxation towards the cost of the war. Evidence presented in the report made to the Government by the Cunliffe Committee (chairman, Lord Cunliffe, Governor of the Bank of England) revealed that a large part of this £7,000 millions of war debt consisted of credits created at practically no cost by the banks. Probably as much as £6,000 million of the war debt was created in this manner, and for the past twenty-five years the British taxpayer has been paying approximately £200 million in interest charges upon it every year without reducing it.

Had this part of the War Debt been recognised by the Government for what it was—*communal* property, it could have been liquidated at once and the taxpayer could have been saved £200 million a year in taxation, with consequent increase in post war prosperity.

It should be stated here that there is no intention in

this article to enter upon a discussion of detailed technique for financing the war, but only to describe those broad lines of action defined by Major Douglas. The detailed technique is a matter for the expert when the public has forced the Government to change its *policy* in the right direction.

Recognition that the vast credits which (without publicity) are being created by the banks to finance *this* war are communal property leads us to the first proposal which Major Douglas has put forward for transferring their ownership to the public. This is that all wages and direct costs incurred by producing organisations in carrying out Government war orders should be met out of bank credits issued for the purpose. The producing organisations when delivering the materials ordered to the Supply Ministries should make no charge (so that no debt is accumulated against the taxpayer in their respect), but the credits created at practically no cost by the banks (communal credits) should be cancelled against a percentage of the prices attached to these materials, but not charged for. This percentage would be adjusted so as to allow the producer a fair profit (or salary) and the banks a reasonable fee to cover the very small book-keeping costs involved in creating the credits. This proposal alone, had it been carried out in the last war, would have reduced the National Debt by £6,000 million.

When this proposal has been adopted, with consequent elimination of debt and removal of liability to the taxpayer to pay interest charges, the public is left in possession of a larger income than it would otherwise have. Fears will be expressed that this will cause a rise in prices—inflation—and pressure upon certain consumers' goods, of which, owing to the war, there may be a scarcity giving rise, from competition to purchase, to a danger of unequal distribution. Major Douglas, however, has put forward two specific proposals which completely eliminate these possible dangers. These are:—

- (1) That consumers' goods shall at once be reduced by the amount of indirect taxation already upon them, subject to such prices bearing an agreed ratio to the retailers' costs. The retailer is therefore assured of a fair margin of profit as agreed by the Government, and is also assured (as a result of the increase in purchasing power resulting from lower taxation) of a larger market for his goods. If he attempts, however, to profiteer by charging more than the agreed price he will at once be penalised by having to pay *himself* the taxation which is otherwise removed. This will effectively destroy all danger of inflation through a rise in prices, whereas, as everyone knows at the present time inflation is causing much hardship and may be a grave danger as the war goes on if the measures described above are not resorted to.
- (2) Should it be desired *for the period of the war only* to reduce consumption of any article this should be done by rationing, and not by price raising or taxation. That is obviously the most equitable arrangement for all concerned and one to which the Government is already partially committed.

The only possible "objection" which could be made to

these proposals is that owing to an enormous production during the war of non-consumers' goods, such as munitions, the public will possess a surplus of purchasing power in excess of the consumers' goods available. The answer is, that any danger to which this could give rise has been removed, since in the first place prices are to be regulated as described, and in the second place rationing will secure an equitable distribution of any product of which there is a scarcity.

In these circumstances, if there were an excess of purchasing power over goods available no harm would result to anyone. In any case it is abundantly evident that in peacetime under present monetary arrangements there is an enormous excess of consumers' goods over consumers' income. It is doubtful whether the increase in non-consumers' goods (e.g., munitions) produced even in a modern war is sufficient to translate this excess of consumers' goods over purchasing power into an excess of consumers' purchasing power over consumers' goods; certainly not into a large excess.

Major Douglas's proposals, however, make provision for a limited form of taxation. This taxation, however, is not to exceed a certain proportion of the total sums required by the Government, i.e., 10 per cent. of the total sums required. This being an approximate computation of what amount of taxation is practicable without causing a deficiency of public income in relation to consumers' goods available.

In this respect it is worth noting that present taxation in relation to the total sums required by the Government is under 50 per cent.; the remaining 50 per cent. being "loans", and it is clear to any dispassionate observer that as things are at present there is, in spite of the war, a large excess of consumers' goods over the consumers' income available to purchase them. It is for all to see that apart from a few articles, the production of which has been deliberately restricted, there is in factory and shop a "surplus" of goods over effective demand, inspiring a great waste of energy in the artificial competition to sell, and behind this a vast potential output in idle professional and skilled labour and

plant, waiting for employment only upon that increased effective demand which the proposals for increasing purchasing power described above would bring.

Furthermore, it is proposed by Major Douglas that all taxpayers should receive in return for the money taken from them, tax bonds bearing interest at  $2\frac{1}{2}$  per cent. during the war and  $3\frac{1}{2}$  per cent. afterwards.

If it is objected that consumers being in possession of the increased purchasing power which these proposals will effect may, by their purchases, cause a shortage of certain materials required for the war the answer is, that articles required for war purposes can either be withdrawn from the market or rationed, but it is not necessary to tax the public to pay for them.

Finally, Major Douglas proposes that "no National Bonds of any description will be issued to or permitted to be held by, any Bank, Insurance Company or Discount Company." This will decentralise financial power in favour of the citizens of the country and deprive the great financial interests of the power which they at present exercise anti-socially over the national life, through a scandalous manipulation of the public's credit.

To sum up, these proposals will (1) bring into useful employment every resource of the nation that is required for the prosecution of the war, eliminating at the same time an enormous amount of the wasteful effort going on at present; (2) immensely increase the incentive of the individual to co-operate in all forms of useful and essential enterprise; (3) remove the power of those anti-social vested interests which at present are interfering with and restricting the initiative and enterprise of the individual, the small businessman and the producer; (4) by fostering the initiative of the individual, multiply improvements in process and raise the efficiency of all effort to much higher levels; and (5) (by no means least important) regenerate the morale of the nation.

It will win the war for the individual and prevent the financial collapse which otherwise seems certain to come.

## FROM WEEK TO WEEK

Sir Walter Citrine, foaming at the sad fate of his friend, Mr. Hore-Belisha, says, "We're not going to be ruled by any tin-pot Hitlers." Quite right, Sir Walter, you've said it.

• • •  
Including professional Trades  
Union leaders.

• • •  
Whoever made this war, it wasn't the professional soldier. He's only got to fight it. And whoever is going to get us out of it, it is not the professional Trades Union leader. All he does is to insist that profiteering in war-time is the special perquisite of bankers and labour. Playing both ends against the middle, in fact.

• • •  
Where Mr. Hore-Belisha crossed his feet, was in confusing policy with ad-

ministration. When it is a question of whether to have a war or not to have a war, the representatives of the public (if they have any) ought to be supreme. But when war has been declared, it is a technical problem, and results are the only aspect in which representatives of policy have any interest.

• • •  
There is nothing more fatal to the success of any undertaking than to permit someone who is not carrying it out to amass cheap credit by being philanthropic at the expense of those who are carrying it out. But of course, if you want to have a revolution, it's a splendid scheme. In fact, you can guess whose revolution it's going to be.

• • •  
It is quite an easy guess who got us into it, but Mr. Chamberlain, Lord Gort

and General Ironside want to get us out of this mess with credit and security. Would anyone like to assist that aim by emulating the 180,000,000 Russians who are having the tar whaled out of them?

• • •  
"While hundreds of thousands of Jews are perishing from hunger, massacre and pogrom under the Hitler regime, an editorial in the *Forward* (New York) says, it has been established in New York that the number of Jews in the United States has reached the figure of five million . . .

"These five millions constitute a source of strength, hope and encouragement for the rest of Jewry."

—*The Jewish Chronicle.*"



## Mrs. PALMER'S PAGE

## SOCIAL ENGINEERING

"Two days wrong!" sighed the Hatter. "I told you butter wouldn't suit the works!" he added, looking angrily at the March Hare.

"It was the *best* butter," the March Hare meekly replied.

"Yes, but some crumbs must have got in as well," the Hatter grumbled: "you shouldn't have put it in with the bread-knife."

The March Hare took the watch and looked at it gloomily; then he dipped it into his cup of tea, and looked at it again: but he could think of nothing better to say than his first remark, "It was the *best* butter, you know."

There is some one very dear to me, whose childish pranks as she capered about disguised as the Mad Hatter are among my brightest memories. When I opened the dog-eared copy of "Alice" this morning, it was as though she stepped out of the pages in her blue and yellow suit and her grey topper with its enormous price label. We all knew the tea party scene by heart, and it was acted over and over again during the Christmas holidays.

I remember her a few years later among the paraphernalia of a laboratory, turning over sheaves of what seemed to me the most amazingly intricate drawings. "Why so many experiments?" said I, not being scientifically trained.

It was gravely explained to me that when one wrote a thesis it was a point of honour that every link in the chain of evidence must be perfect. You dealt with your facts first, and formed your theories (if any) afterwards.

On another occasion she expressed her scorn of an acquaintance who had ridden off on some hobby horse which she described as "a mere theory, backed up by no evidence."

These things made a great impression on me. They were my first introduction to what is known as the inductive method of reasoning.

Where does the Mad Hatter come in? Without going into further details it may be said quite definitely that neither he nor the March Hare used the inductive method. Their conversation in fact, is extremely useful in showing what induction is *not*.

Now the same dear person writes to ask me "Why won't Federal Union

work?" Quite a lot of space lately has been devoted to this subject\*, but the words "won't work" bring forward another aspect of the question.

Federal Union may be considered in relation to Social Engineering.

In January, 1938, Major Douglas addressed these words to the Women's Engineering Society:—

"The mind of the engineer ought to be applied to the working of the world. At the present time the world is in very bad case. It is like a huge and powerful engine which is being run by a lot of half-baked theorists and idealists who have no notion how to control it . . .

"There is a type of engineering for which there is a clamant need in this country. I will call it Social Engineering, and it is perfectly possible to go to work on just as sound principles as those which are used for bridge building, and just as, when you are building a bridge, there are certain principles which must be followed or the bridge will not stand, so there must be principles of social engineering which, if respected, will produce workable results."

No engineer would embark on the construction of, say, the Sidney Bridge without a complete grasp of the principles of bridge building, and the study of half a dozen small scale models.

When he was quite sure that the thing would work on a small scale (allowing, of course, for such differences in the small scale model caused by the difference in size—as for example the greater ratio of the edges to the total surface area) he would then proceed to the large scale undertaking bearing in mind that any error in the model would be magnified a thousand times in the bridge.

Nothing worth while in this world has ever been done by people who depart from these principles. Yet the extraordinary thing is that those who are experts in their own particular branch of knowledge, and are practical enough to understand the mechanism of their own motor cars, write letters to *The Times* on Federal Union that might well

\* Particularly in the issues of *The Social Crediter* of November 11th, December 2nd and 30th.

be signed by the March Hare.

Federal Union proposes that only "democracies" shall be eligible for membership, that, in fact, the whole federation shall be one enormous "democracy."

"There would be special federal elections and parties would compete for popular approval. Secret voting and the protection of civil liberties would be guaranteed."

—(*Federal Union leaflet*).

All this sounds glorious, but meanwhile suppose we examine some of the small-scale models of democracy which we already have.

As we can only proceed from the known to the unknown, let us begin with our own local government, both civic and parliamentary. These are our small-scale working models. What are the principles that govern them?

"There are three simple principles which must be observed if any organisation in which human beings are concerned is to be continuously successful. They need not be taken too literally, but the fact is that they are universal in their application. The first of these principles is called policy, the second administration, and the third technique."

—*Douglas*.

Although it would be almost impossible to define "normal" conditions, the present state of parliamentary and local government is decidedly abnormal. For the present purpose I will ask you to think of your home town as it was in the decade before August, 1939. The question to be answered is "How did our 'democratic' model work then?"

It is impossible for people to work together satisfactorily for any length of time unless they are agreed upon policy. Policy may be defined as the aim or result desired from the association.

We will look at our working model and from careful observation answer the following questions:—

Did the citizens agree together as to the policy or the definite results they required from their local government?

Did they instruct their representatives on the local council to this effect?

(They might have asked for lower rates, or a new school to be built, or an

alteration in the 'bus service or a better water supply).

Did the administration pass on these instructions to the technicians, to the town clerk, borough surveyor, medical officer of health?

Did the technicians immediately carry out orders, or if they found themselves unable to do so, did they explain the reasons fully to the councillors?

Did the councillors report back to the people?

Were alternative technicians consulted who might have undertaken to do what their competitors alleged to be impossible?

That is how your small model should work.

The model at Westminster should work in exactly the same way.

If we are honest with ourselves we shall have to admit that we are not satisfied with the results of either local or parliamentary government. A large number of people stay away from the polls. Of those who do vote, only some understand what they are voting for, because they are trying to choose between two or more party programmes offered to them by their councillors or prospective members of parliament.

Thus they are not instructing their representatives to give them definite concrete results. They are choosing between *theories* which they do not understand, socialist, liberal or conservative.

We are told that in a democracy the will of the people should prevail. Yet, although we have all the machinery of democracy the party system has so confused vital issues that whatever else prevails it most assuredly is not the will of the people.

The only links between the people and their government are their representatives. Their policy can only prevail when there is a very definite and vital connection between the electors and their members, when desires and orders are transmitted as surely as the clutch transmits its orders to the driving shaft.

Making things bigger and bigger will not cure the defect, but only enlarge it. Every fault to be found in local government will be magnified a thousand times. How can one man represent about a million people? and what sort of understanding about policy can there possibly be when people differing as

widely in their real desires as, say, the Dutch and the Scots, are asked to vote on a *party* system?†

The March Hare thought butter would make the watch go, and some people think that good-will would make federation work.

Suppose a motorist took his car to a garage, and was told, "The connection between the clutch and the driving shaft has gone, but I've poured in about a gallon of oil, and now I have no doubt you'll be able to drive to York in record time!"

The plain fact is that the citizen can have no possible say in international affairs until he has established effective control over his own environment.

Until we can control our own representatives all talk of Federal Union is not only futile but positively dangerous. For if we create an enormous machine which we cannot ourselves guide, we need not imagine that it will be left idle. *Others will turn it to their own uses.* It will be controlled by the same people who control the international financial system, centralised in New York. And the machinery of Federal Union would enable them to establish complete economic control over every one of us.

It would mean in fact that "no man, woman or child would have access to any things hoped for except by licence, and that licence could be withdrawn at the whim of an omnipotent sanhedrim."

The watch would not merely be two days and a quarter wrong; the hands would turn backwards.

B. M. PALMER.

† Soldiers returned from France report considerable resentment towards the B.E.F. on the part of the French; not on the field of war, but in affairs of everyday life.

## BANGOR GROUP'S CHRISTMAS HAMPER

Those of the Belfast Group and other Northern Ireland Social Crediters who assisted in the Bangor Group's Hamper drive will be pleased to know that as a result of their efforts and in accordance with the co-operative arrangement, the Director of Revenue has received from Bangor and forwarded to the Treasurer the sum of £2 10s. 0d.

## NOTICES

### THE SOCIAL CREDIT SECRETARIAT

Directors of the Social Credit Secretariat have, as is well known, individual responsibility for the conduct of their several departments. It would greatly facilitate the working of the Secretariat in a time which is likely to prove one of expansion if correspondents would kindly forward their communications to the Directors concerned at their homes. Initial correspondence addressed to the Secretariat at 12, Lord Street, Liverpool, 2, will, as at present, be forwarded promptly after sorting. Letters dealing with matters concerning more than one department will be circulated, so that the matters raised are dealt with in order of their urgency.

### K.R.P. PUBLICATIONS LIMITED.

Mr. John Mitchell has been appointed Manager of K.R.P. Publications Limited.

### Books to Read

By C. H. Douglas:—

Economic Democracy .....	
	( <i>edition exhausted</i> )
Social Credit .....	3/6
Credit Power and Democracy ...	3/6
The Monopoly of Credit .....	3/6
Warning Democracy .....	
	( <i>edition exhausted</i> )
The Tragedy of Human Effort ...	6d.
The Use of Money .....	6d.
Approach to Reality .....	3d.
Money and the Price System ...	3d.
Nature of Democracy .....	2d.
Social Credit Principles .....	1d.
Tyranny .....	1d.

By L. D. Byrne:—

Alternative to Disaster .....	4d.
The Nature of Social Credit ....	4d.
Debt and Taxation .....	2d.

ALSO

The Douglas Manual .....	5/-
The Economic Crisis:	
Southampton Chamber of	
Commerce Report .....	6d.
The Bankers of London	
by Percy Arnold .....	4/6
Economics for Everybody	
by Elles Dee .....	3d.

All from

K.R.P. PUBLICATIONS LTD.,  
12, LORD STREET, LIVERPOOL, 2.

# THIS OVER-PRODUCTION

By "THE WALRUS"

*When all this wheat overproduction trouble recently started to get into the news, I had a brainwave, a solution so obvious that the more I thought about it the more worried I became, lest someone else should get there first.*

So I rang up Canberra.

"Put me through to the Ministry for Overproduction, please," I requested in my best official voice.

There were the usual noises at the other end: hooking up and fragments of intimate conversation, and so on, so I felt hopeful, especially when, after the usual blank, came the usual enquiry "Did you get them?"

"Not yet," I replied patiently, when simultaneously a languid voice asked, "Who is that?"

"Walrus!" I answered eagerly.

The voice became quite matey.

"Oh, how are you, old man? And how is Mrs. Walters?"

"Walrus!"

"Always what?"

"Look here, never mind that now. Are you the Ministry for Overproduction?"

"No! Why?"

"Well, who are you?"

"This is the Department of Public Instruction."

"Number, please!" demanded the operator.

"I want the Ministry for Overproduction," I said, firmly.

"Number, please!"

These operators have got all the wood on a man. But I didn't give up right away. I decided to try Brisbane.

"I want the Ministry for Overproduction." I announced with waning confidence.

"Who?"

I repeated my demand.

"Just a moment."

Then a crisp voice asked, "What do you want?"

"I want the Ministry for . . ."

"Yes, yes. I understood that. But what for? What are you overproducing?"

"I'm not overproducing anything."

"Well, what d'you want me to do about it?"

I began to get a bit annoyed.

"Look here! Are you the Min-

ister for Overproduction, or not?"

"No!"

"Well, who, then?"

"This is Goodna!"

It's a nice state of affairs when they allow the inmates of a mental institution to answer the telephone. I decided it would be cheaper and more efficient to go by train, and might very possibly save time.

I discovered to my amazement there was no Ministry for Overproduction. And nobody seemed to know what became of everything after it had been overproduced. This seemed strange, and, to anybody with a methodical mind, quite unthinkable. A thief has to be caught with the goods, and you can't nail anyone for murder without producing the corpse. But somehow or other, in this overproduction business, there is no exhibit "A." It was annoying to find a portfolio for a thing like Transport—which would probably be better left alone—and to find no ideas at all on the subject of the thing transported, which after all is the real centre of human interest.

I dug up the Hon. member for Woop-Woop, and put the matter before him. He agreed with everything I said, and then proceeded to disagree.

"I don't see how we can do anything without interfering with private enterprise."

"You never do seem to be able to do anything without doing that," I pointed out. "Besides, all I'm asking you to do is to find out where all this overproduction goes. What I'm getting at is this. Take last year's wheat and butter, for example. It was overproduced. But it disappeared. My belief is that it must have been eaten by unauthorised persons."

"Rubbish!" exclaimed Woop-Woop. "If food got eaten, how could you say it was overproduced? Especially truck like that."

"Ye-es," I had to agree. "I hadn't thought of it that way. Bit barmy, isn't it? Then you don't think anyone ate it?"

"I dunno."

"But its rather important. I've got to find out. Otherwise it's impossible to do anything about it."

"The best thing to do, obviously," he said, "is to stop overproduction. Then

you won't have to bother your head about it."

"But you just said there wasn't any overproduction."

"No fear, I didn't. That's your imagination."

"Then where is it?" I demanded.

"Look here! You're being silly. Now I'll ask YOU one. D'you know where my son is?"

"No!"

"Well, believe it or not, I've got one. And now, if you'll excuse me . . ."

And he didn't give me time to retort that not only might his son be considered as overproduction, but also somebody at any rate, knew where he was.

Before giving up entirely I managed to get a sympathetic audience with a member of the Opposition.

"Just outline your scheme to me," he requested, "and I will see what can be done about it."

This was decidedly better, I thought, without stopping to consider that it is the usual gambit for the Opposition.

"Well, you see," I explained, "I thought if we could only get our hands on all the stuff that's overproduced we could tabulate it, and get science interested in it . . ."

"But why should science be interested in it? Science has done its job once in putting the stuff there."

"Wait a minute," I begged. "This is different. But first of all, would you say that a thing overproduced is a thing nobody wants?"

"Decidedly!"

"And that therefore it doesn't matter what we do with it?"

"Quite!"

"Very well, then. If science says the word, what's to stop us from making synthetic substitutes out of it."

He looked at me in stupefied admiration. At least I think it was.

"You mean make margarine out of butter, and so on?"

I nodded.

"Boy, oh, boy!" he gasped. "This is genius. Just wait till we get the Government again!"

And it looks as though that is what I WILL have to wait for.

—From "The New Times."

ANNOUNCEMENTS AND MEETINGS

Will advertisers please note that the latest time for accepting copy for this column is 12 noon Monday for Saturday's issue.

Special One Month's Trial Subscription Form

K.R.P. Publications Ltd., 12, Lord Street, Liverpool, 2. Please send THE SOCIAL CREDITER to me for the four weeks commencing ..... for which I enclose 2/6.

Name.....

Address.....

(Cheques and Postal Orders should be crossed and made payable to K.R.P. Publications Ltd.)

BELFAST D.S.C. Group. Monthly Group Meeting on First Tuesday in each month. Special Open Meeting on Third Tuesday in each month, to which the public is invited. All meetings in the Lombard Cafe, Lombard Street, at 8 p.m. Correspondence to the Hon. Sec., 17, Cregagh Road, Belfast.

BIRMINGHAM and District. Social Crediters will find friends over tea and light refreshments at Prince's Cafe, Temple Street, on Friday evenings, from 6 p.m., in the King's Room.

BLACKBURN Social Credit Association: Weekly meetings every Tuesday evening at 7-30 p.m. at the Friends Meeting House, King Street, Blackburn. All enquiries to 168, Shear Brow, Blackburn.

BRADFORD United Democrats. All enquiries welcome; also helpers wanted—apply R. J. Northin, 11, Centre Street, Bradford.

CARDIFF Social Credit Association: Members and friends meet at 10, Park Place on Tuesday, 23rd January at 7-30 p.m. prompt. Enquiries to H. Steggles, Hon. Sec., 73, Romilly Crescent, Cardiff.

DERBY and District—THE SOCIAL CREDITER will be obtainable outside the Central Bus Station on Saturday mornings from 7-15 a.m. to 8-45 a.m., until further notice. It is also obtainable from Morley's, Newsagents and Tobacconists, Market Hall.

LIVERPOOL Social Credit Association: Weekly meetings of social crediters and enquirers will continue, but at varying addresses. Get in touch with the Hon. Secretary, at "Greengates", Hillside Drive, Woolton, Liverpool.

LONDON Liaison Group. Next meeting Saturday, January 27th, at 4, Mecklenburgh Street, W.C.1. from 2-5 p.m. Subject "Action Now." Tea 3d. Enquiries to B. M. Palmer, 35, Birchwood Avenue, Sidcup, Kent.

LONDON Social Crediters: Lunch-time rendezvous. Social crediters will meet friends at The Cocoa Tree Tea Rooms, 21, Palace Street, Westminster (5 minutes Victoria) on Wednesdays from 1-30 to 3 p.m. Basement dining room.

The Social Crediter

If you are not a subscriber to THE SOCIAL CREDITER, send this order without delay.

K.R.P. Publications Ltd., 12, Lord Street, Liverpool, 2.

Please send THE SOCIAL CREDITER to me

Name .....

Address .....

For Twelve Months—I enclose 30/-
Six " " 15/-
Three " " 7/6

(Cheques and Postal Orders should be crossed and made payable to K.R.P. Publications Ltd.)

NEWCASTLE D.S.C. Group. Literature, The Social Crediter, or any other information required will be supplied by the Hon. Secretary, Social Credit Group, 10, Warrington Road, Newcastle, 3.

PORTSMOUTH D.S.C. Group: Weekly meetings every Thursday at 8 p.m., 16, Ursula Grove, Elm Grove, Southsea.

SOUTHAMPTON Group: Secretary C. Daish, 19, Merridale Road, Bitterne, Southampton.

TYNESIDE Social Credit Society invite co-operation to establish a local centre for Social Credit action in all its aspects. Apply W. L. Page, 74-6, High West Street, Gateshead.

WOLVERHAMPTON: Will all social crediters, old and new, keep in contact by writing E. EVANS, 7, Oxbarrow Avenue, Bradmore, Wolverhampton.

Have You Noticed?

- Have you noticed that among the best 'pamphlets' are selected issues of The Social Crediter?
• While informing on the vital matters of the day, these back numbers contain other paragraphs which, no longer topical, illuminate the transit of events.
• They reawaken vigilance among those who love liberty.
• Search your files and order from— K.R.P. PUBLICATIONS LTD.

EXPANSION FUND

To the Treasurer, Social Credit Expansion Fund, c/o The Social Credit Secretariat, 12, Lord Street, Liverpool, 2.

I enclose the sum of £ : : , as a donation towards the Social Credit Expansion Fund, to be expended by the Administrators at the Sole Discretion of Major C. H. Douglas.

Name .....

Address .....

Name.....

Address.....

TO THE DIRECTOR OF REVENUE, THE SOCIAL CREDIT SECRETARIAT, 12, LORD STREET, LIVERPOOL, 2.

I wish to support Social Credit Policy as defined in the terms of association of and pursued by The Social Credit Secretariat under the Advisory Chairmanship of Major C. H. Douglas.

I will, until further notice, contribute

£ : : , { per month, per quarter, per year,

towards the funds of the Social Credit Secretariat.

Signature.....

I herewith enclose the sum of £ : : , as a donation towards the above mentioned funds.

Signature.....