GOVERNMENT PROVES INFLATION A BOGEY
By JOHN MITCHELL

The people of Great Britain have for so long been subjected by bankers, Government and Press alike to the absurd assertion that inflation is an evil which could only be prevented by restricting the purchasing power of the nation, that many people must have been astonished, on opening their paper of February 1, to learn that, not by any theoretical deduction but by practical demonstration, the Government have proved that without penalty to producer or retailer prices of consumers' goods can be prevented from rising.

The Daily Telegraph report of Sir John Simon's speech says:

"The cost of food index remained quite steady between December 1 and January 1. I will explain the reason."

"The position at the beginning of December was that further increases in food prices would have been found to be necessary if the working of the food control were not to involve a loss to the Exchequer. The Government then decided after a careful examination of the economic situation and of the principles which ought to guide their policy in that sphere that the Exchequer should bear for the time being the loss involved in an endeavour to avoid these further increases.

"It was due to this action that the cost of food index was unchanged between December and January. This policy of controlling retail food prices by the use of public funds is being continued, and I anticipate that as a consequence any increase there may be during the present month in the cost of food controlled by the Government will be of quite small dimensions."

This is an event of great significance. It means that bankers and their agents and dupes should no longer be able effectively to influence public opinion against any attempt to insist that credits, which the banks alone have the privilege to create, should be used to finance projects desired by the public, instead of taxation which involves diminishment of their power to purchase.

"Public Funds" are being used to compensate the price to the retailer of this financial innovation to the extent of about £1 million a week, or £50 millions a year. According to previous statements of the Chancellor of the Exchequer, "Public Funds" in the current year will amount to approximately £2,400 millions, and this sum is made up of £1,000 millions from taxes and £1,400 millions from "borrowings."

What are these "borrowings"? Recent Government statements show very clearly that only a small part of them come from savings. In nine weeks the national savings do not amount to more than enough to pay for eleven days of the war. At this rate savings during a whole year will not account for the cost of more than 64 days of war; whereas "borrowings", according to Sir John Simon, are to provide for 200 days in every year.

Mr. McKenna, chairman of the Midland Bank, in his annual address on January 27 this year, describes the source from which the "borrowings" to cover the remaining 134 days in the year will come. He says:

"The reality behind all questions of war finance is the huge demands which warfare makes on the power of the nation to produce goods for immediate consumption. The demand can be met to a large extent by the expansion of production to the utmost by the expansion of bank credit."

"The Government must pay for its supplies, and if taxation and borrowing from the public furnish insufficient means, resort must be had to the creation of new purchasing power by borrowing from the Bank of England and the joint stock banks."

A large part of Mr. McKenna's speech is given over to pious expressions of fear concerning the bugbear of inflation, and repetition of the ill-informed nonsense which has filled columns of the press recently on the subject of "vicious spirals." He says:

"But new purchasing power created without reduction of civilian purchasing power or increase in production brings us to the threshold of inflation. The inflation would become rapidly accentuated if the process, commonly stigmatised as the vicious spiral, were allowed to come freely into play—a spiral in which rising prices are followed by higher wages, to lead again to still higher prices as costs rise, and so on."

It is a fact, which is absolutely incontestable, that the productive capacity of this country has nowhere near reached the height to which it can rise. The hindrances to its development are traceable solely to false financial
restrictions, both in arbitrary restrictions of credit facilities to private enterprise and to insufficient purchasing power in the hands of the public to enable them, in accordance with their own unsatisfied desires, to remove goods from the retailers’ shelves.

The object of powerful financial interests in this country is to reduce the income left to the public, after taxation has taken its toll, to the minimum which they can be hypnotised into accepting. The results of the financial policy of this country are an achievement of that object; the false scares so widely spread about the dangers of inflation and vicious spirals, which emanate from the same sources as desire this result, assist in the hypnosis.

Co-incident with this state of affairs is the creation of an enormous amount of paid employment which is sheer waste, such as all the work which is done by an unnecessary army of bureaucrats, as well as that which they in turn cause to be done through “red tape” by those whose time is otherwise occupied in useful work. The artificial competition arising from the attempt to sell an excess of goods over available purchasing power is another instance of an immense waste of energy. Any talk about reaching the limits of productive capacity is idle while this gross sabotage of energy continues. At the same time tendentious propaganda fills columns of the press periodically, endeavouring to prove that the hosts of unemployed are not really unemployed or are unfit for work.

In all this is the result and the intention to play down the productive capacity of the nation to the people. If false financial restrictions were removed, the disappearance of social friction to which they give rise, the release of individual initiative and inventive power and the increased incentive to work which they stultify would cause the waste, such as all the work which is done by an unnecessary army of bureaucrats, as well as that which they in turn cause to be done through “red tape” by those whose time is otherwise occupied in useful work. The artificial competition arising from the attempt to sell an excess of goods over available purchasing power is another instance of an immense waste of energy. Any talk about reaching the limits of productive capacity is idle while this gross sabotage of energy continues. At the same time tendentious propaganda fills columns of the press periodically, endeavouring to prove that the hosts of unemployed are not really unemployed or are unfit for work.

The arbitrary power which the banks are allowed to exercise to dictate the life of the nation is exemplified by a passage from Mr. McKenna’s speech:

“It is in this diversion of purchasing power from the people to the Government that the banks can give practical assistance. They can restrict loans for non-essential purposes, and thereby effect the double object of curtailing purchasing power for purely civilian purposes and increasing their own capacity to lend to the State and to Government contractors.”

This is further exemplified by a debate in Parliament on January 31 on certain activities connected with the Ministry of Supply. Mr. Thurtle, M.P., was reported by the Daily Telegraph as saying:

“There was an old established firm in the Midlands area which had been for a considerable time supplying water-bottles and cooking-stoves for the Army. About May of last year the output was unsatisfactory, and a representative of the Ministry of Supply went down to the firm to investigate the reason. He found that the firm was in financial difficulties. It lacked the necessary working capital.

“As it was essential that the supplies should be forthcoming, the Ministry of Supply went so far as to write to a bank to ask it to give additional credit. The officer of the Ministry who wrote to the bank was Colonel Howell Jones. The bank declined to advance further credit.”

One may well wonder whether effective government in the country does not reside with the banks, instead of with the elected Government.

It is time that the nation abandoned acquiescence in the defeatist attitude so prevalent in official circles on the Home Front. Appeals for unnecessary sacrifice are a direct blow at the morale of the nation, and no less damaging because they do not come from our military foes. Let us take stock of the vast potentiality of our unused assets and it will be seen how false is the patriotism of these appeals. National security cannot be achieved by the destruction of private security; entirely to the contrary. Yet private security is being mortgaged and sacrificed wholesale to the seemingly limitless gain in power and privilege of highly centralised interests.

While it is clear from evidence referred to above and elsewhere that banks will contribute the major proportion of Government borrowings out of credit which they will create for the purpose at practically no cost to themselves and for which receive a security bearing interest in return, the taxpayer will have hard earned income confiscated and be given no security in return.

This is an anomaly which must be brought to an early end. As a first step to gaining access to his heritage, and to safeguard himself against loss of purchasing power after the war from the war-time activity of bankers, the taxpayer would be wise to insist that interest-bearing bonds be given to him in return for taxes.

Financial credit admittedly can be created; the Government has proved that all danger of inflation can be buried without detriment to anyone, and productive power can meet far greater demands than has yet been made upon it. Are we to buy military victory by capitulation to the Enemy at Home—vested financial interests? Or is the security and purchasing power of the individual to be protected and increased by the issue of interest-bearing tax bonds and the lowering of quite unnecessarily high taxation?

JOHN MITCHELL.
NEWS AND VIEWS

It is stated in the Daily Telegraph of January 26 that it is reported that the Allied Purchasing Mission had been asked to build £15,000,000 worth of new manufacturing plants in the United States before it could obtain £5,000,000 worth of aeroplanes, and that Mr. Morgenthau, Secretary to the Treasury, had assured enquirers, that nevertheless, "we are going to see that our own needs are taken care of, first."

We don't have to wait long to see who's winning the war, again, do we?

In connection with the sudden announcement by Mr. Mackenzie King of a General Election in Canada, the B.B.C., and every London newspaper gave the comments of the leader of the Conservative Party and the leader of the C.C.F. which is the Communist Party of Canada and has six members, but made no mention of the Social Credit Party, the second largest party in the Canadian Opposition. Isn't it odd how the Freedom of the Press works?

The new American Minister to Canada, Mr. Cromwell, was a partner in Pierpoint Morgans. Moved to a Branch Office?

Have you noticed the abounding benefits of centralisation conferred on the consumer by the Electricity Grid? Twenty-five per cent. or more rise in prices, more failures of supply than twenty years ago, much greater military vulnerability, multiplication of bureaucracy.

CAT OUT OF THE BAG

The United States has already gained much from the war in Europe. It evidently expects to gain more, to gain complete and more or less open control of Europe. The Times of February 3 reports:

In an address to the Political Union of Yale University, Mr. Adolph A. Berle, jun., Assistant Secretary of State, and a member of Mr. Roosevelt's original "Brain Trust," declared that at the end of the war it would probably be up to the United States to save Europe from collapse.

He pictured post-war conditions in which a stupendous task of re-adjustment would be complicated by a great movement of social unrest and dislocations in industry, finance, and trade. At least one-third of the life of Western Europe, he said, which was now devoted to making war and war supplies, would find itself without an immediate purpose. In that hour of crisis, the world Powers would probably be forced to pool their resources to bring order out of chaos. The United States then would find itself one of the last links with an older, slower, but freer development of affairs. The strength of that position would be that it would offer the world a tremendous picture of the possibilities of peaceful life. Its weakness would be that "many of our economies and institutions will no longer mesh with institutions overseas... Either we must contribute to re-establishing a classic system abroad, or we must reshape our own finance in order to be able to deal with the world at all."

Mr. Berle indicated the probability that the United States would have to give away some of its great hoard of gold to re-establish international currency, so that other nations might set their houses in order and thereby re-establish trade and normal life.

COLD AND COAL

The cessation of the cold spell has removed much of the intense resentment at the inefficient supplies of milk and bread, and above all, coal. The cold and the snow have been given their full sensational value in the press, which energetically chronicled the marvells and the horrors of bursting water pipes, break-down of communications, impassable roads and the other joys of cold weather, but the most serious aspect of its effect on peoples' morale was neglected. Those who had enough coal in the coalhouse to keep themselves warm were well off—they were able to concentrate on burst water pipes.

In Liverpool, which is certainly not the most distant town from the coalfields of England, the very poor, or those who buy coal in small quantities from the little local shops, were simply unable to get any at all, and to them the Government's advice to economise on fuel cut nearer the bone than was pleasant. Their despair was intense, undirected and potentially dangerous. It was not uncommon to see people "raving" about it in the street, talking loudly and incoherently to themselves. One old woman, openly in tears against a wall in the street, said that it was her rheumatism—the pipes in her house had burst three days ago and she had not been able to find a plumber. The house was flooded, there was not a dry bed to sleep in and no heating to get warm or dry.

Small shopkeepers have done their best; they were unable to obtain supplies and what little they could get they sold in quarters only, a sort of voluntary rationing. "I wouldn't go through another week like this for all the money in England," said one little coalwoman; and down the street a young woman remarked lugubriously to a complete stranger. "She was complaining that she couldn't get more than a quarter of coal—but I couldn't get one bloody bit!"

RUSSIA BUYS CANADIAN GRAIN

According to a Reuter report in the Daily Telegraph recently, "grain prices advanced on Russian purchases of 1,000,000 bushels for shipment to Vladivostock."

Feeding both sides?

THE IMPOSSIBLE PURITAN

A protest against people using motor-cycles or cars during the blackout except for essential purposes, was made by Mr. Arthur H. Emanuel, Southampton Coroner.

"They have no right to do it," he said. "The very object of the petrol ration is to prevent people from using their motor vehicles for amusement."

Mr. Emanuel was recording "Accidental death" at an inquest on a man knocked down and fatally injured by a motor-cycle.

The driver had said that at the time of the accident he was on his way to meet a young woman.

"I do not know," said the Coroner, "if the authorities will take notice of the fact that a motor-cycle is being used for purposes which are not necessary."

"It is no part of my duty to be a Paul Pry, but possibly if it does come to the ears of the authorities the driver of the motor-cycle will be told to surrender his coupons."

—"Yorkshire Evening Post," February 3, 1940.
General Election for Canada

Canada goes to the polls on March 26 in an election which has been precipitated with such haste as to arouse criticism of Mr. Mackenzie King, even amongst his own followers.

A general election was due before the fall, but it is a matter for some comment that a date should be chosen which the great farming community (to whom voting often means a long journey) must view with displeasure.

The snap election is a trick as old as the party system and it is invariably marked by a number of unconvincing excuses in support of its necessity. In this, the forthcoming Canadian election is no exception—although it may be so in other more urgent aspects—Mr. Mackenzie King first announced that criticism of the Government's war effort had made it imperative that he should receive, at once, a mandate from the country. Later he stated that his object was to insure that a new government was in office before any large-scale spring offensive. An additional reason given (again by Mr. King) for the short notice, was that delay would exclude from the ballot those Canadian troops, who were proceeding to France for whom voting often means a long journey.

Needless to say the only answer necessary to these excuses is that Mr. Mackenzie King was in possession of all the relevant information long before the end of January when he made public his intentions.

What then is responsible for the fear that the present Liberal Government, would be defeated in a normal election in which other parties and organisations were permitted sufficient time to prepare themselves?

The question is a difficult one and one which will not be answered fully for some weeks. It is, however, safe to draw certain conclusions upon a knowledge of present day Canadian politics and public opinion.

There are two aspects to the situation. First there is Alberta; and further, there is the growing demand throughout the Dominion that the old line parties (Liberal and Conservative) must give way to parliamentary representatives who will represent the people of Canada, and the people of Canada only.

This demand, coupled with the cry for debt-free money and increased buying power, has found a leader in the Hon. W. D. Herridge, late Canadian Minister at Washington. He recently created an organisation known as New Democracy and stated that his followers must prepare to contest every constituency in which sitting members refused to accede to the peoples' wishes.

There can be little doubt that the measures adopted by the Provincial Legislature of Alberta during the last two years have represented the greatest challenge so far presented to Canadian (or international) finance. Indeed, we may assume that this challenge has considerably hastened the advent of the present war which is intended only to destroy all possibility of individuals in association (in this and other countries) overcoming bureaucratic financial dominance.

Alberta is highly dangerous to international finance and she has considerably enlightened the people of Canada—particularly in the Prairie Provinces and in Quebec—in regard to the present puppet Dominion Government and their true behind-the-scenes rulers.

Just prior to September, 1939, vast numbers were gathering to end this imposed tyranny—the days of the old line parties were (and are) numbered. The war and the present war-election might well entrench them again for a few years—if Mr. Mackenzie King is able to ensure his re-election, or, and this is undoubtedly the scheme in view, the formation of a National Government endowed with drastic emergency powers to centralise all administrative decisions at Ottawa and to treat all propaganda against bureaucratic tyranny as unpatriotic or disruptive. This is the greatest danger Canada has to face, and all must depend upon the sanity and will to freedom of her citizens.

It is too early to make any reasonable forecasts, for it has not yet been officially stated whether or not Mr. Herridge and New Democracy will contest the election.

As for Alberta, it is unlikely that any candidate not prepared to represent his constituents first and last would stand much chance.
Someone has remarked that transatlantic architecture has apparently developed upon the theory that the average American needs must love the highest when he sees it. However that may be, the idea that there is something intrinsically valuable or meritorious in mere size (and therefore, presumably, that one cannot have too much of a good thing) is generally supposed to have had its origin in the same place, though in this respect there is little to choose between American and European civilisation to-day.

The phrase “Bigger and Better” probably started life respectably enough: two different, and by no means necessarily related, qualities were postulated. Mr. Babbitt, taking a pride in his home-town, began by desiring to see a bigger and better Zenith. But by an association of ideas, helped no doubt by a little interested propaganda, Mr. Babbitt was very shortly hoping for a bigger and therefore a better Zenith. Thus he, and millions like him, were set to work digging the graves of their own individualities.

For there is a definite limit, fixed by Nature, to the optimum growth of any thing—and that is especially true of the associations formed by men in order to get what they desire, both economically and socially. There is a maximum size beyond which there is a steady decrease in efficiency, and that holds true whether it is the social or the economic structure that is in question.

The word “better” implies some standard in the mind of the user, some result to be obtained: better for what? If we take self-development to be the end of man, then the word “better” applied to any of his associations must mean that they give the individual more freedom and security, either economically or socially, or both. That is the simple test by which we can judge whether an increase in size is better or worse, a test which the automatic coupling of bigger and better seems expressly designed to prevent our making.

If self-development is the end of man then it is the differences between individuals that require encouragement; it is the variations that are valuable, and the larger the unit, social or economic, the less it is possible to cater for individual idiosyncrasy. The more numerous the voters, the smaller the chance of any one of them to get his wishes attended to, and the less is his individual power in the community. The larger the economic organisation, the more it can afford to neglect the wants of the individual customer. Indeed, by its very size, it is forced to cater for the similarities and not the differences between its clients. The similarities are very necessary up to a point: we all want bread, but we do not live by bread alone.

Moreover, by this immunity from criticism, power is thus concentrated at the apex of the organisation, and it is unquestionably the seeking for such power that is the drive behind such apparently unrelated phenomena as the chain-store, the trust and Federal Union. And this power is gained at the expense of the individual.

Furthermore, it is impossible to run any organisation efficiently by remote control; as size increases, gains from unification of process and standardisation of parts are quickly offset by lack of flexibility, red tape, and loss of contact with the individual customer or voter. As Major Douglas has pointed out, the efficiency of large organisations is generally only a paper efficiency based upon an easier access to bank credit.

Since the organisation exists for the individual, therefore, and not vice versa, it becomes plain that “bigger” is most likely “worse”, and that the present-day movement towards centralisation is of the devil. It is the creation before our eyes of the Servile State, and if such a state is established, though it cannot long endure, its collapse must destroy much that is precious in human life and living.
The world is confronted with two fundamental policies which are diametrically opposed to each other. One is centralisation and the other is decentralisation. None of the other manifold divisions in policy, sponsored by the many opposing groups which exist, are fundamental.

Both of these fundamental policies have a philosophy behind them, from which they arise. These philosophies are diametrically opposed.

Social Crediters know this; and they also know that the causes of social evils and world unrest are directly traceable to the dominance of Centralisation of Policy. For years, in an ascending scale of immensity, violence and misery, crisis has given place to crisis. This is inevitable, because the dominant policy runs entirely contrary to natural law. This clash between a false policy, based on a false philosophy, and natural law is approaching its peak crisis. The decision reached then for or against centralisation will be effective for a long time. What is the relation of the past, present and future work of Social Crediters to this decision?

Major Douglas, as long as twenty years ago, when asked what would achieve the downfall of Finance, said "EVENTS." People have said many times since then, "events seem to be in the pay of Douglas." But the pre-eminent character of his work is that it has been directed to defining the nature of Reality, to which EVENTS are bound by inexorable natural law.

The work of Social Crediters has been directed towards encouraging thought and action which harmonise with Reality. The momentum of the stream of progress towards mature centralisation of Government has aborted achievement of the limited objectives of various social credit action campaigns which tend towards decentralisation. They failed because they ran contrary to the main stream; but consciousness of what action will bring human society into harmonious relation with Reality has been widely spread by them and will be decisive when events under the operation of conflicting forces—artificiality and reality—reach that climax which approaches. The Social Credit movement has kept a torch aflame. In the approaching storm the function of the Social Credit movement will be what Major Douglas has described "as a "lighthouse" to those human forces whose whole natural being draws towards where our light beckons, and which at that critical hour will instinctively array themselves against a FINAL capitulation to evil things.

Events will break a plan which runs contrary to natural law; but in the resulting confusion, when it breaks, guidance will be needed to show people the real alternative to that Bureaucratic Utopia otherwise awaiting them from which they instinctively draw back, but for which a mass propaganda has for long been endeavouring to prepare them.

The important thing about a lighthouse is the light. Social credit thought is receiving much more attention among the "higher-ups" and thinking people than can possibly be assessed from a Press which consistently suppresses almost all indication that this is in fact the case. This is Major Douglas's opinion. One of the most important, if not the most important, aspect of Social Crediters' work at the present time is publications.

Instruments are available, and more are being prepared, to assist Social Crediters in their task of throwing this light into those quarters which our strategy considers most suitable. It is our endeavour to make these instruments so that the burden of expense incurred by their use can be shouldered by a new public, and not by Social Crediters whose support is already generous. Leaflets, at present free of charge, are available for mass distribution. They will broadcast important information and at the same time select those who will become trial readers, from whom will be derived a smaller body of permanent readers.

The light must not only be kept shining, it must be made to shine brighter. Everyone can help in this, and they can use the instruments as they are intended to be used—so that the cost falls on those whom they are intended to benefit. The message of The Social Crediter should be kept continually before all people of influence.

J. M.

German Banks

A Central Bank has been set up in German occupied Poland, to issue notes against advances and against German banknotes. It will be secured by a 3,000 million zloty mortgage on the land in the part of the territory which has not been completely merged in the Reich economically.

The big banks of Berlin and Vienna, as well as those of the Czech Protectorate, are helping to finance trade in southeastern Europe by issuing guarantees to German exporters. The growing trade with Soviet Russia is being financed by the Berlin banks on the basis of an agreement with the Bank of the U.S.S.R.

Since the war started, high German exports have reduced Germany's clearing debts considerably, and there is an increasing demand for credit by German exporters.

In order to prevent the transfer of shares of the Reichsbank and Golddiskontobank into enemy hands, the Board of Directors of the former has decided that neutral holders of these bank shares should, besides the usual affidavit, produce a testified declaration, certifying that the coupons are not in the possession of citizens of enemy countries, or of any other persons resident in an enemy country.
Mr. WELLS versus CIVILISATION

By TUDOR JONES

Page 4 of The Times of February 2 was occupied by a row of nine portraits and some ‘display’ advertising matter for The Daily Herald.

The nine portraits are of Mr. H. G. Wells, Lord Sankey, Lord Horder, Sir Norman Angell, Miss Margaret Bondfield, Sir John Orr, Mrs. Barbara Wootton, Sir Richard Gregory and Mr. Francis Williams. They have constituted themselves a committee to draft a ‘final’ Declaration of the Rights of Man ‘whence all opinions have been considered.’

The draft declaration which the readers of The Daily Herald are to consider has been drawn up by Mr. Wells. It was first printed as a letter to The Times and is now reprinted.

In introducing his Ten Rights to the public, Mr. Wells’s thoughts naturally turn to similar declarations some of which are well-known, only less well-known, indeed, than the discrepancies between them and the actual experiences of the many millions of people who have lived in the countries where they originated since they were drafted.

America, or the United States, is the land where such a Declaration declared that it was the inalienable right of men to life, liberty and the pursuit of happiness. And the United States are a by-word for lawless violence, graft and uglier forms of misery than are known in the countries of Europe. Perhaps Mr. Wells’s thoughts, like those of some of the more aspiring of his characters, inevitably take form by pure association of ideas. Perhaps he fears that his United States of Europe cannot be without a Declaration of European Independence. Federal Union cannot be doing too well; so the Socialist-Internationalist Daily Herald permits Mr. Wells to begin at a fresh point.

Why should nine men and women know what the rights of a thousand millions are better than the thousand millions? It is beginning at the wrong end.

This, says Lord Sankey, “can be made a truly historic document.” The world is littered with truly historic documents. Millions of men and women for many generations have been ‘deeply concerned that out of this war should develop a better world order—one that will enable the people of all countries to live peaceably and in freedom.’ ‘This war’ has been going on for a long time. Philosophers have been setting forth the essential principles of human liberty since philosophers were a distinguishable race. It would be surprising if all the nine members of Mr. Wells’s committee did not know that. It would be surprising if more than half of them did not know the facts of the Social Credit case, and know them to be facts. It is not so long ago that Lord Horder was saying what he would do—to the Bank of England—if he were a Dictator. It was something which sounded quite humiliating to the institution whose Governor thinks the people hold it in affectionate regard. Sir John Orr allowed a broadcast of his to be republished in The Pig Tree: it showed a thorough understanding of what Scotland might become (not at the end of a war and world revolution, but almost overnight) freed from the shackles of Finance. Sir Richard Gregory, who thinks the brief formulae of Kepler and Newton not wholly insufficient to express the movements of the heavenly bodies, has been advised that Douglas has effected an oversimplification of the problems underlying the shifting of earthly goods and chattels: in other words, the Vastest Cosmos is the Chaos created by the London School of Economics. Perhaps it is, Mr. Francis Williams we know, and Sir Norman Angell, and Lord Sankey, and Mr. Wells, who leads the rest.

Have these Charters of 1940 never considered why it is that charters have never been achieved what their promoters desired? Or that when they have it has been entirely due to a misunderstanding on the part of the millions concerned about what they did desire? Mr. Wells does not know what freedom is, and if the millions accept his definition of it they will be bitten. Mr. Wells thinks it is freedom to trade when a man may buy or sell without any DISCRIMINATORY restrictions, which means, if it means anything at all, that a man is free to trade when he and everyone else is bound by restrictions. There is no need for a spectacular agitation to secure that much freedom: the world has it now: it is free to trade provided all traders are hampered by a chronic and progressive shortage of money. The plain English for ‘no discriminatory restrictions’ is ‘indiscriminate restriction’.

How does that fraction of ‘millions of men and women’ who will awake as buyers and sellers after the war, in a world ridden with the financial ‘restriction’ incidental to the collection of ‘as much as possible’ of the fabulous sums reputed to be ‘owing’ to the banks (who created them precious easily)—how do they look forward to the prospect of attainment of the Daily Herald’s Magna Charta? It will, Mr. Wells promises, be without any discrimination. It will submerge them all.

The ten clauses of the Charta are like ten commandments. The First ordains protection against violence. Here perhaps is a way out! “That no man shall be subjected to any sort of mutilation except with his own deliberate consent . . . ”—and if he is in prison “he shall not be forcibly fed nor prevented from starving himself if he so desire.” Thoughtful people!

The Fifth begins well: “That every man in this world is joint heir to all the resources, powers, inventions and possibilities accumulated by our fore-runners, and . . .”

Now. What conclusion might be deemed appropriate to follow on that start? What is the customary fate of an heir? To inherit, surely! If he is a joint heir, then to inherit jointly. But no! Mr. Wells promises only what is needed to keep the heir in a state of health from birth to death. True he says, also, ‘to realise his full possibilities of physical and mental development’; but what constitutes ‘full’ development in his mind is revealed in Clause six: “He is entitled to sufficient education to make him a useful and interested citizen . . . ” Useful to whom? If he wishes to become useful to himself, in, let us say, some unfamiliar or unrecognised employment, he is to be ‘free’ to go.
before some tribunal, "and have his claim publicly considered, accepted or dismissed." Habeas corpus is to be restored to him; and no "Orders of Council or the like, which extend the application of a law, shall be enforceable." Splendid! So it has been before; but the result was not peace and freedom! "There is no source of law before; but the result was not peace and freedom! ..."

Letters to the Editor

TREASURY OFFICIALS AND SOCIAL CREDIT

Dear Sir,

I have read with much interest the correspondence, printed in your issue of January 27, between Mr. J. M. Brunnitt and Captain Pilkington, M.P.

In the letter from the latter's Private Secretary, it is stated that an anonymous Treasury Official adduced, as proof that the Macmillan Committee were not of the opinion that my views, as expressed to them, were substantiated, that no allusion was made to them, in the Report.

If this is the only proof which the anonymous Treasury Official can think of, the statement is very damaging to his views. He must be aware, not only that the Macmillan Committee had originally very narrow terms of reference, but went out of its way to avoid any necessity to comment on my views by still further specifically narrowing the Report to an examination of the working of the Gold Standard (which was abandoned before the Evidence was published). The price of the Evidence is so high, that few people have seen the Official Version.

In order to put the matter beyond discussion, I may say that I have, in writing, asked the most competent Treasury Official with whom I have come into contact, for a specific refutation of my main technical contentions in connection with the working of the money system, and have failed signally to obtain any such refutation.

Yours, etc.,

C. H. DOUGLAS.

Temple, London, E.C.A; February, 1940.

THE SOCIAL CREDITER

Saturday, February 10, 1940.

MORGUES AND FEEDING STUFFS

Dear Sir,

1. I am informed by a Church of England clergyman living in the East End that one reason why the schools had not been re-opened is that on the outbreak of war they were converted into mortuaries, complete with marble slabs and stacks of collapsible canvas coffins: Warning in excelsis!

2. In Devon and Cornwall shortage of animal feeding stuffs is so acute that one year old pullets are being killed, which will result in great scarcity of eggs in a short time. On one farm alone the owner has had to slaughter his last ten litters of pigs.

I hear that Canada is overflowing with food-stuffs.

Yours, etc.,

HILDA M. CLIFFORD.

Beauford, North Devon; January, 1940.

BOUQUET

Dear Sir,

May a very new reader say how he is grateful for the inspiration provided by those who write in the pages of The Social Crediter? It supplies something on which to rest one's faith, when the bottom seems to have dropped out of much else.

Because Major Douglas has so thoroughly reasoned out everything, the average intellect does not find him easy to follow, but when one begins to grasp something of all that he gives of his own studies, there emerges a feeling of conviction that he has at least reached the source of some answers to many doubts and questions that have for long clouded one's horizon.

It is the way you look at things—as N. F. W. so exactly hits it off.

To ordinary people who are trying to absorb Social Credit in order that they may some day be useful, the plain words of Mrs. Palmer are specially valuable. The real difficulty is that one feels about Social Credit "if we could get it in simpler language." Yet one must admit that once one does get Major Douglas's real meaning, there is no other way of expressing the points he makes.

Yours truly,

E. H. BAZELEY.

Woodland, Ottery St. Mary, Devon; January, 1940.

RATIONING MONEY

The Daily Express of February 3, 1940, declares that "word has gone round the bank branches that war requirements must have first attention," and that "managers will make keener inquiries into the reasons for the advances they are asked to make."

Whether advances might be detrimental to the war effort will be decided by the bank manager after consideration of the plans of the customer.

The public is now far better informed as to the nature of money and the origin of the greater part of it in practically costless book-keeping, than it was during the last war.

It is to be hoped that it will stand neither for the absurd restriction of 'money' without reference to the real wealth from which money derives its value, nor for the increased license to tyranny by thousands of bank manager bureaucrats all over the country.
Freemasons have a secret. Every man in the street knows that, and the fact that he knows it is a tribute to the efficiency of freemasonry, for which it is probably the chief recruiting point.

Masonic writers preserve a strict silence regarding the mysteries of the Craft and for information about them we have to turn to non-masonic writers. The ceremony of initiation for the first degree of masonry combines the use of mystic pass-words—symbolic actions on the part of the candidate. The sign of the Viscera Piscis of ancient pagan rites—the phallic sign of the womb—is used to indicate that the candidate is being reborn, and a prayer is offered with the words “that assisted by the secrets of our masonic art, he may be better enabled to unfold the beauties of true Godliness.” The candidate then takes the oath not to betray the secrets of his degree “under no less penalty than that of having my throat cut across, my tongue cut out by the roots and my body buried in the sands by the sea at low water mark. So help me God.” He is now sufficiently reborn to be initiated into the secrets of some of the masonic symbols.

It is worth remarking that masonic symbols include the swastika, drawn on the walls of the house in Ikaterinium, the Jewish soldiers who shot the Russian Imperial family, and later adopted by the Nazis, and the five-pointed Star of David, which decorates the entrances of synagogues and the helmets of the Soviet soldiers.

The Masonic apron, which is worn by initiates, is in the shape of a square from the top of which hangs a triangular flap—if the flap is turned upwards there is once again the five-pointed figure, the Star of David. Another symbol is the ancient trifork, in mediaeval symbolism the sceptre of the ruler of Hades, but now put into the hands of the lady enthroned on the top of most of our public buildings.

The candidate for the second degree takes a second oath: to “conceal, hele and never to reveal any or either the secrets...belonging to the second degree...under no less a penalty...than to have my left breast cut open, my heart cut therefrom and given to the ravenous beasts of the air, and the devouring beasts of the field, so help me almighty God,” and the oath of the third degree goes still further: “to have my body severed into two, my bowels torn out...” followed by the clause: “I will also prefer a brother mason in all my dealings, and recommend him to others as much as lies in my power.”

Officially there are in English masonry no more than these three degrees, but according to certain authorities the successful candidates may pass from these into innumerable other secret international societies.

The completion of the third degree is the “Ascension” ceremony when the candidate passes “through the veils” into the Eternal Unknown, loses his personality and is swallowed up in “The Universal It.” The Ritual is essentially Hindu with the substitution of Biblical names.

One masonic writer, Brother Wilmshurst, gives us, perhaps unawares, a brief glimpse of one kind of secret laid open to the Inner Ring in his description of the mystic experiences of the candidate passing through the final stages. The candidate seems to be led by a guide into the Celestial Lodge above. Here celestial workmen are busy designing plans for use below—social systems, national constitutions and plans for the use of modern masonry. They have given up designing ecclesiastical constitutions, says the writer, God has no further use for the Church!

MASONRY AND REVOLUTION

The masonic blend of mysticism and secret society outwardly clothed in “charity” and “well-doing” which is now world wide, originated in England. In 1703 it was decided to abandon the guild model of masonry for a wider scheme “embracing men holding certain common ideals and aspirations irrespective of craft or art.” In 1717 the Grand Lodge of London laid down the actual basis of the new speculative masonry. The internationalist trend of the new masonry was shown by the fact that Sir Christopher Wren, said to be last of the Grand Masters of the older organisation, was followed in two successive years by foreigners. Most of the older lodges accepted the new constitution and affiliated themselves to the Grand Lodge of London.

The mystic atmosphere of abstraction that followed on the divorce of the Craft from all its practical associations with building was encouraging to the growth of “planning” and tendentious idealism in many forms. The lodges became centres which tended and spread abroad the conceptions of “internationalism,” “fraternity,” and “doing good,” inseparable from the idea of doing good by force—the results of a philosophy without solid base. These ideas were inculcated among the members of the lower orders by those with authority and in possession of the “secret.” It is a characteristic of the organisation of secret societies that they may be used by those at their heads to implement a policy which the members, cut off from realisation in their various degrees, would have repudiated unhesitatingly had they known their nature; and it is to be expected that such societies should be frequently associated with “revolutionary” movements.

George Washington was a mason, and for many years the master of an American Lodge; after the Declaration of Independence he accepted an invitation from the Philadelphia Lodge to walk in their procession. Washington took his oath to the constitution, a great number of the originators and drafters of which were masons, on the bible of his Mother Lodge. American Lodges were at this time still under control of the Mother Lodge in London, in the “enemy” country, and relations were not broken off until ten years later. The American brethren simply sent a letter to England: “We shall continue to receive your salutary counsels and brotherly advice, upon every occasion which may occur to you...”

One of the first members of the first American Lodge was Benjamin Franklin, who very soon became a master,
and produced the oldest draft of American Masonic Bye-Laws still in existence. When he was appointed Commissioner to France he became a member of the Paris Lodge "Neuf Soeurs", to which belonged many of the French revolutionaries including Condorcet, Danton, Desmoulins, and Voltaire.

**GRAND ORIENT**

Anglo-American Masonry is not anxious to be associated with Latin Freemasonry, known as the Grand Orient. The effects of Grand Orient Freemasonry are probably too inescapable.

The French off-shoot of the London Lodge was in 1772 reorganised and made independent, and in the decade from 1780 the lodges were used to spread the ideas of revolutionaries. Long before the revolution the slogan "Liberté, Égalité, Fraternité" had been current in the Grand Orient Lodges. At this time, too, French Lodges were permeated by, and finally allied with a Bavarian sect of masons with rites at once more mystical and pseudo-religious than the Grand Orient. The leader of this society, the Illuminati, was one Adam Weishaupt who had organised his followers on a practical basis, with the express purpose of absorbing existing societies and using the huge organisation to impose "a new world," a realisation of Rousseau’s theories. Continental societies were duly absorbed, an alliance that was ratified at a conference at Weishaupt’s headquarters of the Illuminati were moved to Frankfurt on the Maine, at that time the stronghold of the Jewish financiers.

It was at a masonic conference held in this city (according to the historian Charles d’Hericault) in 1786 that the deaths of Louis XVI and Gustavus of Sweden were decided upon. Cagliostro, the famous Jewish magician and impostor, was initiated here into Illuminism, and was later the author of an intrigue which all but compromised the French Queen*

Mirabeau, who had contacted the leading Jews of Berlin some years before, and written a pamphlet advocating the liberation of the Jews, was an ardent Illuminist.

In France everything went according to plan. In 1789 the revolution broke out, and on September 27, 1791, a member of the Jacobin club, as the former lodges had come to be called, one Dupont

"unexpectedly ascended the Tribune and said ‘I demand . . . a decree that the Jews in France enjoy the privileges of full citizenship’ which was granted under applause.”

It was only in 1784 that the Jews had been granted the right to settle everywhere in France.

After the revolution, France had incorporated in the new regime the calendar which Illuminists had drawn up years before, their use of Greek names, the slogan “Liberté, Égalité, Fraternité,” the Phrygian cap that was the ceremonial wear of one of the degrees of Illuminism, and the red banner symbolising universal love within the lodges. They had also incorporated changes in the criminal law worked out in one of the lodges, and the organisation of the citizen army worked out in another, as well as the ideas of internationalism and so on.

Only at one point had there been a hitch: in Bavaria the Elector, who was alarmed at the increasing power of the Illuminati had forbidden that organisation, and at an Inquiry held in 1785 some very interesting evidence given by former Illuminati came to light. The Government of Bavaria had the material published and sent as a warning to the European governments.

**MASONIC LABORATORY**

Proselytes were not to be admitted at once, but initiated step by step. “One must speak,” Weishaupt explained, “sometimes in one way, sometimes in another, so that our real purpose shall remain impenetrable to our inferiors.”

In a letter he wrote: “The most admirable thing is that great Protestant and reformed theologians who belong to our order really believe they see in it the true and genuine mind of the Christian religion. Oh! man, what cannot you be brought to believe!”

In the lower grades recruits were allowed to think that they were supporting the orthodox church, so that that time was allowed for studying their characters and weeding unsuitable individuals out if necessary. When the initiate reached the degree of Illuminati Major he was told “If, in order to destroy all Christianity, and all religion, we have pretended to have the sole true religion, remember that the end justifies the means . . .”

“It is necessary to gain the common people to our order. The great means to that end is influence in the schools.” Espionage formed a large part of Weishaupt’s programme. “Every person shall be made a spy on another and all around him he shall attempt to discover their strong side and their weak, their passions, their prejudices, their connections.”

This espionage was systematised, the information was to be taken down on tablets and sent in twice monthly to the superior.

One of the ideas that came to France with Illuminism was that of a Universal Republic; it was embodied in the oath of the initiate who swore “to avenge the people for the oppression under which they were held by princes and the great ones of the earth, and to found a Universal Republic.”

A Prussian Illuminist, Clootz, wrote in 1793: “The human race will live in peace when it forms only one body, the ONLY NATION.”

The establishment of the French republic, then, was only one step, and the revolution which resulted in its establishment (as well as in the liberation of the Jews) was only the first of a series of equally ‘Great’ upheavals. The post-revolutionary French lodges consequently all adopted the slogan of the Universal Republic and the conception of abolition of all frontiers, nationalities and languages, and it was in these circles that International Socialism, by the middle of the century, drew its inspiration. Thus in 1867 Freemasons under the Presidency of the German Jew, Bielefeld, held a Peace Conference in Switzerland at which it was carried “that Kings, soldiers and priests must be swept away to make room for the New Federation of Republics.” This Conference was attended by Dupont, Marx’ right hand, and Longuets, his son-in-law. As a result the United States of Europe was formally adopted by International Socialism.

When after the war President Wilson, who also was a mason, brought new life to the old idea which he presented under the name of the League of Nations he received many congratulations from the French Masonic circles which, true to their programme, continued their propaganda for a...
Universal Republic:

“The Convention draws attention to the International Masonic Federation for the League of Nations.”


“It is the duty of Universal Freemasonry to give its full support to the League of Nations.”


Emil Ludwig (Cohen) writes in “Genius and Character”:

“... when the United States of Europe becomes a reality, people will call Woodrow Wilson its founder”; and Mr. Gerald Barry in reviewing the book in the Sunday Times adds “... between the man Wilson and the man Lenin a remarkable similarity is discoverable. Both were idealists, both had the same dream. That dream was the United States of Europe.”

Masonry is still a very active force and its power should by no means be underestimated. The century from 1770 to 1870, however, marks a period of more open and obvious activity of freemasonry. During this period these societies, centrally controlled from the top of this hierarchy seem to have done for the ‘goyim’ of the world to some extent what the ghettos did for the poorer Jews—moulded and shaped them to be ideal instruments for the purposes of persons so high in the hierarchy as to be unknown. Through the lodges have been introduced “liberal” ideas, and abstractionisms so necessary for the final divorce of action from words. Through the lodges members have been induced to act according to a policy which they did not know or understand.

Recently freemasonry has reverted to a policy of complete secrecy. After the Civil War American freemasons tripled their numbers, and after the first World War both American and English freemasonry again increased. Thus freemasonry (like influenza and public debt) shows a tendency to expand at the end of wars.

B. J.

References:


1 The Jewish Encyclopaedia.

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NORMAN CONQUEST UP-TO-DATE

The usual crop of scandals arising from the conduct of the war is already sprouting. One of the rankest growths is that out of the 31 splendidly equipped Evacuation Camps, costing £1.4 millions of public money, one camp has been taken over by the Bank of “England”. It is greatly amusing that the most autocratic body in this “democratic” country should be able to commandeer any camp expressly designed for civilian use and built at the public expense, yet the village Hampdens at Westminster remain ingloriously mute at this monstrous misappropriation.

Why the necessity at all for evacuating the Bank of “England” staff from their reinforced-concrete stronghold that was only recently rebuilt on lines said to be impregnable as Verdun itself? Why should this privileged private company be permitted by an all-too-docile Parliament to “take over” premises for which the country has to foot the bill, while all other public and private companies and industrial concerns are legally compelled to provide their own A.R.P. services? For the Bank of “England”, despite its high-sounding name, is a private company that pays dividends to its shareholders in the usual way.

Householders have been under “voluntary compulsion” to receive into their once-private “castles” thousands of evacuees for an utterly inadequate money allowance, considering the war-time rise in the cost of living. Thousands of town households are being broken up by the “voluntary compulsion” to evacuate some or all of the children to the country, to be cared for by arbitrarily selected people who resent the necessity. Countless compulsory restrictions have been enacted, many more have been imposed by the dictatorial method of Orders in Council. Rates will soon rise in arithmetical proportion to the new level of prices. Income tax has risen to 7/-, with an extra 6d. for 1940-41.

Yet all Good Patriots must nevertheless be happy to know that part of their hard-earned money extracted one way or another from their pockets—not by Hitler, but by the Money Monopoly—has gone to pay the bill for building a funk-hole for the Bank of “England”’s slaves of the ink-well. For it is merely poetic justice that a civilian public stupid enough to permit the private control of the community’s credit—after 20 years’ exposure of the trick—should not only pay for the “cost” of the war, but also for housing the evacuated controllers’ robots writing figures in books, which will be presented for payment to the warriors lucky enough to return after the heroes of the Bank of “England” have won the war for them in the City. And a grateful public will doubtless also rejoice to see the Gold Standard again waving bravely on the roof of the Bank after the latest Norman Conquest.

WILLIAM BELL.

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The Monopoly of Credit ........ 3/6
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Social Credit Principles ....... 1d.
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By L. D. Byrne:—
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NEWCASTLE-on-TYNE Social Credit Group: Enquiries to W. Dunsmore, Esq., Hon. Secretary, 27, Lawton Street, Newcastle-on-Tyne.

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