A few questions and considerations concerning

BUTTER

By B. M. PALMER

"This package contains National Control Butter. All other wording thereon should be ignored."

This information was printed on the wrapping paper on 1/2-lb. of butter bought in the Midlands. The "other wording" was the name and address of the maker. The price of butter is now 1s. 7d. a pound, an increase of about twenty-five per cent. over pre-war prices.

The Fabians and the Labour party have been urging "nationalisation" for years, and now a Conservative government is putting their ideas into practice, under cover of "rationing."

If you ask a member of the Labour party what is meant by "nationalisation," you will probably be told that the means of production should be under "national" not "private" control, which is no explanation whatever. Very few members of the Labour party know what is meant by "nationalisation." They are carried away by the grandiose sound of this abstract word.

It is, of course, obvious to anyone who is expert in any branch of practical knowledge that he does his best work when free from extraneous control, when he is responsible only for the results that he delivers.

"Nationalisation" means the exact reverse of this process; it means more and more government interference, more and more restriction of private enterprise. It means, ultimately, that all commodities would be supplied through organisations run on similar lines to the Post Office. A cheerful prospect.

Now it can be taken as fundamental that the only possible justification for rationing is possibility of food shortage during the war.

Let us examine the results from our rationing scheme up-to-date.

We were told that we must all eat less butter, so that there would be more room in the boats for war essentials from overseas. On the surface this seemed a reasonable request, though we might well ask why England cannot produce butter as easily as Denmark does.

After a few weeks, accumulation of unsold butter compelled the doubling of the ration; those who can afford 1s. 7d. a pound probably get as much as they can eat, while those who can't, more than ten millions of them, go without.

About one-third of the people can't afford to buy the food required to keep them in good health. This fact has recently been placed beyond dispute by Sir John Orr.

The disgraceful state of affairs which existed before the war is therefore intensified, for the higher price, unbalanced by a sufficient subsidy (which need not have been taken out of taxation) has put butter beyond the means of a larger number of people.

This sudden increase in the price of an important commodity, and the consequent rise in value of all investments in the making of a substitute (margarine) would have awakened widespread indignation if people had been in a position to attend only to their own business, as, of course, they are not.

But other factors have been introduced under the rationing scheme, which have put an end to individual enterprise on the part of producers, and individual choice among shoppers.

Butter is just butter now, or something that looks like butter.

It all comes out of the same tub. You may, of course, get permission to change your dairyman in case of grave complaint, but why bother? The butter will taste the same, whether Brown or Smith sell it. All penny stamps look alike. Nationalisation.

The maker's name can be "ignored." Devonshire butter, Irish butter,—good-bye.

This, then, is what the rationing scheme has given you. Do you like it?

Douglas has suggested that we should take "butter" as symbolical of all the things which we wish to attain for ourselves. Nearly every commodity in daily use is in one stage or another of a similar process. To you the result will be standardisation of individual life at the level of the chain store. "Standard" suits and frocks are already "on the way," as we have been told by the Daily Mirror. The two processes which are going on simultaneously, the cutting down of purchasing power by means of exhorbitant taxation, and the slow rise in prices, while at the same time the means of production and of distribution are being rapidly centralised, will compel us to buy in the cheapest markets, willy nilly, while the craftsman, the maker of hand tailored clothes and shoes, the expert individual cheese- or butter-maker, will be driven out of business.

It would be just as well if we were to sit down and think out carefully who is going to benefit from such a process, and write down their names if possible. The result might be illuminating. It is obvious, isn't it, that neither the shoppers
nor the independent tradesmen are benefactors.

It would be a good idea to study the reports of the company meetings of the chain stores.

We have also been told that England would never adopt large-scale planning except under war conditions.

Here is a further question. Who will benefit under large scale planning? It is clear that you and I will not.

The point, which I have been trying to make clear, is that we have been given something which is called a rationing scheme, but which is really something else. In a recent nine o'clock news bulletin the scheme was praised as an "extremely flexible" instrument. Taken, of course, with the national registration scheme, it is. We have not forgotten that we have been told that if we did not register ourselves correctly we might one day be short of food.

It must be obvious to the veriest child that a completely safe system of rationing could have been introduced without "national control" butter being forced upon us, and without a national register.

Which do you think was the real object of the scheme, "rationing", or "centralised control"?

You may ask at this point what connection there is between centralisation, the chain stores, and nationalisation?

I think this can best be explained by means of an analogy. The Banking system is the most highly centralised instrument of world government existing. During the process of centralisation, all small, independent banking businesses were absorbed or ruined. Not all of them were inefficient or fraudulent. They simply stood in the way. The next stage was the formation of the Big Five, and the last is intended to be nationalisation. "We welcome it," says Mr. Montagu Norman. It would make the banking business impregnable, and the directors completely secure because anonymous.

When the chain store is supreme is it difficult to imagine what the next step is intended to be?

I have heard women say that they cannot be bothered with politics, that they have enough to do with running the house and tending the children. Do you not see, you middle-class mothers of families, that the front line of battle is now close to your own hearth-stone?

You are the last line of defence, you and your homes. Until recently it was quite possible, though growing year by year more difficult, for you to maintain an individual way of life. You had a wide choice of foodstuffs, of tradesmen. You could choose a school for your children without being unduly worried concerning the cost of fees. You felt you had some say in the sort of life you and your family had a right to expect.

Can you say this to-day? A picture from early childhood is recalled to me. I can see a respected customer, comfortably seated, being invited to taste the different qualities of butter which the grocer had to sell.

Before those members of the Labour party have time to shout me down as an unprincipled bourgeoisie, may I ask them what objection they would have to being treated in that way themselves?

Sometimes I think it is nothing but a gigantic inferiority complex that prevents us from regaining the power to control our own environment.

But the steps that must be taken, and those quickly, are first to support every movement towards decentralisation wherever they may appear, particularly those in your own district.

And secondly, to try to get people to understand what is meant by "a functionally aristocratic hierarchy."

A woman who runs a home is "a functionally aristocratic hierarchy," or should be. While she should be ready to accede to any reasonable requests made by the members of the family, she should tolerate no interference in her kitchen, store, or linen room. She is the expert, responsible for delivering results.

A tradesman, farmer, or craftsman is also a functionally aristocratic hierarchy. While he is responsible for the quality and purity of the goods he supplies and should be judged by these results, there is no doubt that he will give better service while free from government interference, which simply means the control of a first class expert by one who is only second class.

That is a beginning. There is, of course, much more to it, as a few weeks study of social credit will lead you to understand. But the matter concerns you, and even more vitally, your children, if you wish them, and more especially the girls among them, to grow up to a life worth living at all.

**Directors of Marks and Spencer Limited as printed on their official notepaper:**
Simon Marks, chairman and managing director; Israel M. Sieff, B.Com., vice-chairman and assistant managing director; The Rt. Hon. L.S. Amery, P.C.; C. E. Benson, D.S.O.; Norman Laski, B.A.; Harry Sacher, M.A.

**Frying Pan and Fire**

Mr. Alwyn Parker raised the important question of Treasury control of the activities of other Government Departments in a letter to The Times of March 28, 1940.

It is not, however, the curtailment and distortion by the Tweedledum of the Treasury or the Tweedledee of the Bank of England, of the civil servants efforts to implement the public policy that worries him. No. It is the lesser evil of delay in implementing whatever policy is followed. To say that the latter evil is serious—as the points he cites (the failure to charter tonnage, in times of peace when freight rates were low, to transport cereals; the holiday-cum-evacuation camp delay) prove—is only to emphasize the enormous importance of the primary trouble.

His solution: a small business committee, consisting of a BANK CHAIRMAN, a young and energetic CHARTERED ACCOUNTANT, and the managing DIRECTOR of a GREAT BUSINESS CONCERN to settle disputes.

Now we do at least know who, legally, controls the Treasury and the Government Departments. It is, in the last resort, ourselves.

But who controls Bankers and Big Business Men?
NEWS AND VIEWS

OUR RELIABLE NEWSPAPERS

“It is interesting to note that the [Canadian] Government’s gains of ten seats are all from the more extremist parties, such as the Social Credit Party and the New Democracy Movement headed by Major W. D. Herridge, Mr. R. B. Bennett’s brother-in-law. This party only got seven seats, whereas they formerly held 15”—Daily Telegraph, March 28. (The Social Credit Party and the New Democracy Party are in fact one Party).

“The latest position of the parties in the elections is: Liberals 177, compared with 176 in the last Parliament; Conservatives 39, the same number as before; other parties unchanged”—Daily Telegraph, March 29.

“Social Credit, one seat”—Evening Standard, March 27.

“Social Credit seems to have disappeared”—The Times, March 28.

OUR UN-BIASED BROADCASTING CORPORATION

Announced the return to power of the Social Credit Government in Alberta a week after the event, and four days after an anti-Mackenzie-King victory could affect the votes of Canadians in Europe.

“SOAK THE RICH” EXPONENTS:

No. 2: Earl Baldwin of Bewdley.
Start: Near the rails.
Parentage: by “American Debt” out of “Coupon Election.”
Speciality: “Peace in our Time.”
Delivered the Bank of “England” to Wall Street 1922, and British Credit to the Bank of “England” 1928; and British prestige and safety to the League of Nations; responsible for the Rating and Valuation Act, 1925, and the return to the Gold Standard (with Winston Churchill) 1925; instituted abortion Sanctions against Italy; allowed Air Force to become obsolete. Probably the worst and most disastrous Prime Minister England has ever had, so far.

Results: Stanley Baldwin raised to an Earldom, and made administrator of a fund of £250,000.


The Finns are the salt of the Earth, and have a Bankers Government, beloved of Wall Street. They were whaling the tar out of Russia when they suddenly made a peace worse than they could have made without fighting. Odd, isn’t it?

The Finns now have a Capital Levy. Soak the rich. To pay for the war, you know.

The Swiss have a capital Levy. To pay for the peace, you know.

Oh, yeah?

Who do you think will get your Austin Seven when you sell it to pay your Capital Levy? Did I hear you say “the B---y B---r”? Wrong. Clarence, as well as coarse. Bankers prefer blondes—I mean Rolls Royces. The kind banker will lend you the money at ten or eleven per cent. to buy it back.

“INDISSOLUBLE BONDS”

Ever since the sixth meeting of the Supreme War Council in London on Thursday, the national press has been talking about the “indissoluble bond” that has been established between England and France. In a declaration of united policy it was announced that “neither government would negotiate or conclude an armistice or peace treaty except by mutual agreement. After the conclusion of the peace the two governments would continue to act together to safeguard their security and effect the reconstruction of an international order ensuring liberty, respect for law, and peace.” The phrase of the announcement disregarded in the above summary from The Times is “for so long as may be necessary to safeguard” . . . etc.

The people of England—and Scotland and Wales and Northern Ireland—will have plenty to say before being tied down indefinitely and in times of peace by an “indissoluble bond.” They can see it may be necessary for the completion of a specific policy—such as winning the war, and starting the peace. But not a day longer.

WORSE THAN THE GREAT SLUMP

The following letter, which appeared in the “Daily Sketch” of March 21, gives a graphic picture of the plight of London retail traders:


In November and December trade in various classes of goods ranging from hardware and furniture to clothing and food showed serious deficiencies as against the same months’ totals in the previous year.

The deficiencies varied from 19 per cent. to over 40 per cent. in November.

In December they varied from 16 per cent. to 37 per cent. There was a considerable improvement in January, and piece-goods even showed an increase of 7.2 per cent. At the same time there were still deficiencies up to 24.1 per cent. in furnishing and 39.3 per cent. in sundries.

Not even in the darkest days of the great slumps following the last World War was the position of London retail trade so serious.

The chairman of Messrs. Peter Robinson told the shareholders at their annual meeting a few days ago that “if London continued to be a distressed area so far as retail trade was concerned such exorbitant payments (averaging well over £1,000 per week) for Imperial and local taxation could not continue indefinitely.”

Does it mean nothing to the Government that trade continues to decline, property values decline, and rates and taxes rise in the world’s richest city and biggest shopping centre?

EDWARD H. SYMONDS,

THE GODLESS LEAGUE

In reply (?) to charges made by Ukrainian anti-semites in the Soviet zone of Poland that Jews controlled the Russian Godless League, the official organ of the League—Beboshnik—states that Jews constitute six per cent. of the members of the League, whose leader is Joseph Stalin.

ZIONIST WAR AIMS

Addressing a mass meeting in New York recently, Mr. Vladimir Jabotinsky, President of the New Zionist Organisation, demanded the creation of a Jewish army and the inclusion among Allied war aims of a covenant of equality for minorities; an international covenant outlawing anti-Semitism; and a Jewish State in Palestine on the basis of the Max Nordau plan for mass immigration into Palestine.
A witty person has recently referred to Mr. Wells as "Hg₂", the modern chemist's symbol for two associated atoms of the metal quicksilver.

Many may doubt whether he is either so bright or so heavy. Mr. Wells has just changed his mind. He meant to whisper in the private ear of the congress of university students which met at Leeds at Easter. But at the last moment he boldly swept the doorkeeper aside and admitted the press. The Federationists have been disturbed. They aren't sure whether to speak up and let the public hear them or to lie low and let themselves hear each other. Another thing they are not sure about is whether they are for Federal Union or only for transferring the universities for some time past.

It has been surmised that the reason is the growing recognition that there is only one Opposition at the face an infuriated public on the charge the universities for some time past have been chiefly foreign agencies. In this paper last week the rôle played by the Carnegie Endowment in this interference was exposed. It is relatively a small part.

If this evil is to be met successfully it will be on two lines: a complete unmasking of subversive agents everywhere and positive action of a kind which is not subversive but constructive.

A case in point is the central organization now in process of development in London “through which the study of the many new problems of surgery and medicine arising from the war will be allocated to expert groups for analysing and study.”

It is quite right that the demands of the individuals comprising the community should be “allocated” to experts not merely for study but for satisfaction. The people decide policy and experts (i.e., those who can and will carry it out) carry it out. A successful and stable society would soon result from application of this principle.

The threatened centralisation of our medical and surgical war effort is not quite like that. It is really something very different and deserves inspection.

Fatalious people are wont to attribute strange virtues to war, among them that shell-splinters and microbes disseminated in war-time conditions invent problems for our medical geniuses which no peace-loving missile or microbe could possibly think of. This is a myth which, but for the rise into prominence of Great National Dailies overshadowing the more varied, fruitful yet soberer common sense of the sound provincials of our grandfathers would not have gained currency. One of the greatest surgeons of the last fifty years, the late Sir William Macewen, when told that "she supposed there were one and the same time. A list of the pups the centralisers did sell is instructive:

1. A new ‘disease’ called ‘shell-shock’ and a world-wide movement to substitute a policy of making men psychologically ‘fit’ for their environment, however dreadful, instead of making men’s environment fit for men. This movement, centred upon Freudian Psychology, had also, by accident or design, the effect of detaching the rising generation from established rules of conduct without giving them anything more satisfactory in return. It was a subversive movement.

2. A new philosophy called ‘Bio-Chemistry’, replacing the older philosophy, vague but real, which lay behind the sagacity of the now-extinct family physician. This ‘result’ of the war of 1914–18 is, possibly, less well understood than any other. Populary regarded, and propagandised ad nauseam as a ‘natural’ development of ‘medical’ science, it was nothing more than a ruse to disarm a body of highly trained men whose services were suddenly superfluous unless a use could be manufactured for them. It was not a national daily which exposed this trick, but the scientific correspondent of the Manchester Guardian. He said a great centralised industry (which shall be nameless) had trained too many chemists. The country could, at a pinch, absorb the best of them; but an acute problem lay in the existence of a very large number of second-raters, and that propaganda in biological circles might lead to their absorption. Why second-rate chemists should be able to do what first-rate biologists had not yet done, the correspondent did not explain. It is a not unfamiliar suspicion that what they have done is to infuse a note of arrogance which medicine may have lacked before. It is said...
behind the scenes in france

This article by Renato Famea appeared in "Il Popolo d'Italia" of March 11, 1940. While the material will be of interest to Social Crediters this journal does not in any way endorse the opinions expressed.

Since the middle of 1939, almost without warning, there has broken out in the neighbouring democracy of France a kind of anti-bolshevik crusade, with the dissolution of the French Communist Party, imprisonment of its most active leaders, expulsion from the Chamber of the relative "honourable" deputies, and the confiscation of the dissolved Party's assets. The conclusions which have been somewhat generally drawn from these events—both by that classical example of the superficial, the "man in the street", and by certain critics evidently not very abreast with the times—call for an elucidation of the matter.

This French anti-communist movement is nothing more than the very mediocre result of the private economic interests of a group, or rather an exclusive economic oligarchy, now in power: the "Comité des Forges"; the "Comité des Forges" which, in fighting communism, is doing nothing more than fight the most dangerous ally of the "Haute Banque"* and thus the "Haute Banque" itself: which, for more than 21 years, has become its most unwelcome competitor in the industrial field.

It is necessary to review a short period of French history. In 1919—France, by the Treaty of Versailles, having seen an enormous increase in her resources of iron and coal—there was observed a phenomenon never before recorded: the claim of the "Haute Banque" to manage the iron and steel industry which had always been in the past the inviolable prerogative of the eight or ten members of the "Comité des Forges."

The "Comité des Forges" and the "Haute Banque"—it should perhaps be explained—are the two greatest economic powers, the two real oligarchies in fact, which, almost from the beginning of the last Republic, have ruled France. The former being the ally (or rather the financier) of the Right, for the simple reason that only the Right can force on the country a policy of armaments highly profitable for the "ironmasters"; the latter, because of its relative "honourable" deputies, is able to sweep them and their schemes to perdition. And that would be very greatly to the public advantage.

In the opening stages of a struggle which bids fair to be the testing point of our national existence, it cannot be made too plain that, while doubtless it is not impossible to make this world quite safe even for mediocrities, mediocrity cannot do it; and if mediocrity takes upon itself the responsibility for trying it will bring disaster not only upon itself but upon everyone else at the same time. To think otherwise is to harbour one of the illusions which this war is going to shatter.

Surely it would be a simpler matter to find a few experts, uncorrupted by recent courses and centrally fostered renown, who might be told: "You are to consider and advise the Government (not the Ministry) wherein medical science and practice are capable of contributing to a victory over the country's enemies, and you are to exclude from consideration all other questions whether of policy or of investment of interest: men are to come before institutions."

If that were done, there might be some hope that surgeons who know more about spinal injuries than anyone else in the world might be employed in treating them as when and where they occur, and that the public and the profession do not emerge from the war with fresh shackles about their necks.

---

* Collective name for a group of private banks which finance big capitalists, foreign Governments, etc., all founded before the middle of the 19th century, including de Rothschild, Heine, de Neuflize, Mirabaud, Verves, Mallet, Hottinguer.
Socialisation and Sacrifice

In its annual report for 1939 the Liverpool Steamship Owners' Association strongly criticises the Government's decision to give up the licensing system in operation since the outbreak of the war in favour of requisitioning. The Association points out that during the first two years of the last war commercial enterprise equipped the armed forces and provided for the needs of the nation without a serious fall in supplies or rise in prices. But during the last two years, when the state was in control, the quantity and quality of supplies were reduced; prices were forced up; the power to pay by means of exports was crippled and the foreign debt was greatly increased.

This is only the last example of the 'Socialisation' of industry irrespective of efficiency in our aim of winning the war. Protests are made, but all the same it continues; it is, so far, much the most prominent result of the war. The very real desire of the people to win this war in the right way and then get down to more productive pursuits has been exploited to oust the individual himself from his independence and to put across the great socialist experiment. A particular threat was necessary, of course, as well as the general one. At the beginning of the war this was found in the devastation of the Air Raids. When the Air Raids didn't occur another bludgeon had to be found, and there are signs that the economic strength and resistance of Germany to the blockade are being written up to this effect in the popular press. The use of such a threat is well displayed by the results of a recent poll of the British Institute of Public Opinion (Have you stopped beating your wife? Answer yes or no) published in the News Chronicle:

A survey taken by the British Institute of Public Opinion indicates that a majority favour the Government policy of cutting home consumption, but more think it should be carried out voluntarily than by some form of compulsory rationing.

The Institute asked the question: "To increase our war supplies the Government say that every person should buy as few goods as possible. Do you agree or disagree?" 15 per cent said disagree; 60 per cent said agree; 25 per cent said don't know.

Do they realise how many of their sacrifices are unnecessary? That the increasing productivity of this country would allow of quite as good a way of living as well as the prosecution of the war? Do they realise that the key-stone is the matter, not of producing but of financing production? That someone behind the financing system is using the war as an instrument for gaining complete direct power over the people of this country, in addition to the indirect control exercised through the monetary system? Do they realise that in using these methods of fighting Nazi Germany we are tending closer to a system of control in force there? Do they realise the tremendous increase of vigour and enthusiasm in prosecuting the war there would be if taxation were lessened and the living of the 'small man' assured. A result which could quickly be obtained if we insisted on it?

Australian Success

Mr. V. J. Dury writes from Australia:

"... Just recently all local roads boards acting on advice tendered by a Social Crediter defeated a Government Bill to take away certain revenues and put in their place revenue which by legislative enactment could only be spent in one certain direction ... in this case it was roads. This, of course, was taking the right initiative, as far as road boards members were concerned, who would have simply been ciphers doing as they were told. That over one hundred boards combined to defeat this measure, and did so, signifies an awareness in regard to their power over a parliamentary representative. Thus the Electoral Campaign in Western Australia is quietly, by methods outlined by H.E., moving into a position of power without any spectacular bands and public meetings which we have decided are unnecessary, unless something is to be gained for DEMOCRACY by so doing . . . ."

Sideline of War--Greater Productivity

The House of Representatives, in the U.S., was worried lest the sale of aeroplanes abroad would interfere with the supply for the American Defence forces. The Secretary of State for War, in setting their minds at rest, spoke of the increase in American productive capacity brought about, and of its encouragement of the training of thousands of mechanics. "His description of the system of adjustment of domestic orders and foreign sales to the needs of an always increasing productive capacity and swift improvements in design was found by the committee to be a 'complete answer' to recent criticisms."

"The Times," March 29, 1940.

"TAX-BONDS or BONDAGE"

and

THE ANSWER TO FEDERAL UNION

By JOHN MITCHELL.

Price - One Shilling.

K.R.P. PUBLICATIONS LTD.,
12, LORD STREET, LIVERPOOL, 2.
Report of the Alberta Social Credit Board

The Annual Report for 1939 of the Social Credit Board was submitted to the Legislative Assembly of the Province of Alberta in February, 1940.

Part 1, which is not given here, deals with the trend of world events and the basic issues at stake, providing a background for Part 2. The conclusions reached and the general analysis of world affairs are similar to those set out in “A Canadian View of Federation,” by L. D. Byrne.

Part 2—PROGRESS IN 1939

1. In Retrospect

(a) The objectives of Social Credit reform are the objectives of a democratic order, namely:

i. To confer upon the people the maximum degree of personal security and personal freedom rendered possible by available resources and modern production methods.

ii. To decentralize power in both the political and economic spheres so that, to an increasing extent, individuals can secure from their institutions the results they want.

iii. To carry out the necessary reforms to achieve the foregoing in a manner which will ensure a smooth transition from the existing order to the new order.

iv. In short, Social Credit reforms aim at the establishment of political and economic democracy without disrupting the social life of the people.

(b) The position facing this Assembly immediately after the election of its members in 1935 can be summarized thus:

i. With abundant resources within the province to provide adequate food, clothing and homes for every man, woman and child in Alberta, there existed widespread poverty, crushing debt burdens and restricted production; at the same time a serious unemployment problem existed.

ii. This state of affairs was the direct result of the operation of the financial system which, as elsewhere, provided the people with inadequate purchasing power.

iii. The policy of credit restriction leading to financial poverty, intolerable debt burdens and unnecessarily harsh economic stringency was being imposed on the people through the financial system and was in direct conflict with the conditions desired by the people. Thus it was the bankers’ policy which prevailed—not the people’s. In fact, the democratic right of the people to determine policy was being usurped by the financial interests. Instead of democracy, financial dictatorship had the province in its grip.

iv. The people had given their duly elected representatives a clear and definite mandate to reform those conditions in accordance with their wishes, so that economic security and freedom for all would be established.

v. The constitutional right of the people to confer this mandate on their representatives, whose constitutional right it is to legislate accordingly, surely cannot be disputed. The province is sovereign in matters coming within its constitution-
al jurisdiction—and civil and property rights are reserved to the province. The primary and basic civil right of a provincial democratic electorate is the right to determine the results and conditions they obtain from the management of affairs coming within provincial jurisdiction. (Otherwise the term “civil rights” becomes meaningless.) “Property rights”, if it has any meaning, is the right to determine the allocation and use of property within the province—i.e., the resources of the province.

vi. However, before steps could be taken to reform the foregoing situation, an immediate problem which had to be faced by the administration was the chaotic state of affairs in the finances of the province and in organization of its services.

i. After a thorough revision and re-organization of the finances of the province and initial measures to systematically increase the efficiency of its services, the administration turned its attention to the reforms for which it had received such an overwhelming mandate.

ii. The preliminary steps taken to this end were immediately met by implacable and carefully organized opposition from the financial interests. It was deemed advisable to invoke the constitutional right of the province to assert the civil and property rights of the people.

iii. The Credit of Alberta Regulation Act provided for the supervision of credit institutions operating within the province to the limited extent of ensuring that in their administration of the monetary system under Dominion charter they should conform to the democratically expressed policy of the people in this province and refrain from usurping the civil and property rights of the people. No interference with the administration of the banks was involved, and the government undertook to provide the banks with the necessary assistance in carrying out their responsibilities under the Act. In short, the Act merely provided for the establishment of a democratic social system in the province, without interfering with the affairs of any other province.

iv. Following the expression of anger and panic expressed in the financial Press of the world, this Act was disallowed by the Federal Government. This action was a denial of the elementary democratic rights of the people of Alberta, and displayed, in an acute form, the clash between centralized power and the will to effect decentralization of power.

* In The Social Crediter, February 24, 1940.
v. After a series of legal battles, clearly indicating the implacable determination of the financial interests to exercise to the full all their power and influence to prevent the province from freeing itself from their domination, a carefully prepared course of action was introduced as an interim step towards the province gaining control of its credit resources, which control is the key to its economic freedom.

2. Purpose of Interim Programme.

It is necessary to review briefly the purpose for which the Interim Programme was established before proceeding to a statement of the results it has yielded during the current fiscal year.

When it was evident that the province would be denied its rights in the legislative field in connection with any essential measure which threatened the powers of the financial institutions, it became necessary to pursue the struggle for reform by other methods.

The domination of the economic life of the province—and, for that matter, of the nation—by International Finance operating through the financial institutions is rendered possible to the extent only that the people acquiesce. This acquiescence is forced on them by the fact that the financial institutions have an absolute monopoly and the people have had no alternative but to use the banks in the transaction of their every-day business. Given the alternative of institutions under their own effective control, through which they could obtain the necessary facilities for doing their business, (in the exchange and transfer of goods and services,) the people would be in a position to gradually discard the use of the private institutions whose domination they have had to accept. In other words, the people could, by their actions in transferring their support from financial institutions controlled from outside the province to their own institutions, use their power in the economic sphere to establish their democratic rights.

Therefore the primary step which had to be taken was to provide the people of this province with the facilities for conducting their exchanges of goods and services through institutions under their own control.

For this purpose it was not necessary to set up an alternative banking structure, as such. One of the major functions of the financial system is to provide an elaborate system of book-keeping to record the transfer and exchange of goods and services—and obviously such a service could be provided for the people without necessarily going into the money creation business, at any rate at the outset.

In framing the initial stages of the Interim Programme, cognizance had to be given to its development along sound lines which would, in the process, yield the maximum results to the people in terms of increased purchasing power.

The administration of the Programme was organized under two branches:

(a) The Treasury Branches and Agencies coming under the Treasury Department.

(b) The Marketing Board organization coming under the Department of Trade and Industry.

The objectives of the Interim Programme, (which, it must be emphasized, involves a progressive course of action to be developed systematically over a period) were:

(1) First and foremost to provide the people with a province-wide network of Treasury Branches and Agencies which would progressively provide them with the means of gaining increasing control of their own credit resources.

(2) To encourage the development of Alberta industries by securing an increasing demand by consumers for Alberta-made goods—thereby bringing into play factors which would progressively stimulate the development of provincial resources and yield increasing purchasing power to the people.

(3) To demonstrate on a small scale the inherent rightness of the measures being advocated for more extensive application—and towards the establishment of which the Interim Programme would be developed.

(For particulars of Treasury Branches system, see leaflet “How to Use Your Treasury Branches.”)

3. Progress Under Interim Programme.

(a) As at January 31, 1939, there were 13 Treasury Branches established and Treasury Branch Agencies operating at 66 points.

On January 31, 1940, there were 30 Treasury Branches and 6 sub-Branches operating at key points throughout the province, in conjunction with 315 Agencies.

This programme of expansion was, in the main, carried out during the seven months prior to the outbreak of war, since when, consolidation of the facilities already established has taken precedence over expansion of the Treasury Branches system.

(b) In spite of the difficulties in establishing an entirely new organization over an extensive area and involving training of staff, explanation to the public and so forth, and in the face of the hostility and opposition this action invoked from quarters sympathetic to the financial interests, the results have been spectacular during the first full year’s operations.

These results are summarized below:

(c) Summary of Main Features as at December 31, 1939 from Inception of Treasury Branches

i. Total number of Branches and sub-Branches ..........36

ii. Total number of Agencies .......................... 315

iii. Total deposits .....................................$1,705,623

(Representing a steady expansion of demands on Canadian Currency, net for the most part in use, as the transactions were being carried out with cash orders and non-negotiable vouchers. This temporarily immobilized fund provides, under orthodox methods, the basis for a potential credit expansion of about $16,000,000.)

iv. Total number of accounts ............................ 31,265

(This number represents over one-tenth of the total number of persons in the province in a position to open accounts.)

v. Total turnover of Treasury Branches...............$43,322,553

vi. Estimated total of actual transfer of goods and services (approx.) ..............$18,000,000

vii. Estimated total of transfer voucher business included in vi. above (app.) $ 6,000,000

viii. Total bonuses paid to consumers ...........$ 69,927
ix. Expenditure in establishing and operating Treasury Branches and Agencies (including consumers' bonuses) $326,702
x. Deduct refund on consumers' bonuses $69,927

Actual net cost of establishing and operating Treasury Branches and Agencies $256,775

Summary of Improvement in Economy of Province Under Operation of Interim Programme, during 1939

i. Increase in Wholesale Sales (approximate)
   
   1938  | 1939  | Increase
   $ 89,000,000 | $ 92,000,000 | $3,000,000

ii. Increase in Retail Sales
   
   1938  | 1939 (approx.) | Increase
   $161,491,000 | $168,000,000 | $6,509,000

iii. Decrease in Unemployment—Monthly average of persons in receipt of Unemployment Relief
   
   1938  | 1939
   (11 months to Nov. 30) | (11 months to Nov. 30)
   Monthly Average 55,435 | 44,566
   Decrease 10,869

NOTE: For the five months in 1939 prior to the outbreak of the war, Alberta lead the whole of Canada in its decrease of unemployment.

(e) It may be argued that the consumers' bonus shown above as a deduction from the cost of establishing and operating the Treasury Branches structure should be shown as an expense.

This is an entirely false view, as the bonus allocations represent claims on goods and services being transferred from one account to another, and need no more become a claim on the cash funds of the province than, for example, the aggregate credit balances of the banks will have to be met by the cash holdings of those institutions. The essential difference is, of course, that the consumers' bonus is a clear debt-free addition to purchasing power, and represents a modest instalment of the "credit in association" of those using the Treasury Branches. For book-keeping purposes, it is shown as a liability for which provision need be made only in the event of liquidation being contemplated, which is not the case. However, because of the buoyant condition of provincial revenue due to the marked improvement in conditions, there is being maintained at present 100% cash reserve against all consumer bonus allocations.

(f) A criticism has been raised to the effect that the Treasury Branches have not shown a profit. On the contrary the Treasury Branches have shown an amazingly large profit—to the people of the province.

Owing to the false accountability methods employed under orthodox rules, there is a tendency to view this matter from a false angle.

An orthodox book-keeping profit could be shown by the Treasury Branches only if they had withdrawn from the people more purchasing power than they had distributed. For example, the banks can make a book profit only at the expense of the public's purchasing power. As the purpose of the Treasury Branches is to increase and not decrease purchasing power, it would have been an alarming situation had an orthodox book-keeping profit been shown as a results of the year's operation.

The real measure of the profit shown by the Treasury Branches and Interim Programme is the increase in purchasing power, as reflected by increased retail sales, obtained for the actual net cost of maintaining the Treasury Branch services. On this basis, reference back will show that for the expenditure in establishing and maintaining Treasury Branches since the inception of the scheme, the public obtained a very marked gain in purchasing power as reflected by increased retail sales. After making full allowance for all factors contributing to this improvement, the result shows a highly satisfactory return to the people to say the least of it.

But when it is borne in mind that no newly established business is expected to yield profitable returns for three or four years at the earliest, the full significance of the first year's operations of the Treasury Branches System can be appreciated.

The foregoing result was obtained though the Treasury Branches system did not handle even as much as 10% of the trade transactions of the province. Some measure of the effects to be expected from the development of the Interim Programme can be gauged from this.

The report then deals with the activities of the members of the Board in developing the Interim Programme, and describes the formation and work of the Publicity Bureau.

Part 3—LOOKING FORWARD

The supreme task facing Canada and every nation within the British Empire is to ensure the speedy and decisive defeat of the totalitarian enemies of the British peoples. Upon our success depends the future of civilization and ordered society.

In these matters there arises a question of priority in regard to the action which has to be taken. For example, a nation at war is faced with one single dominating and immediate objective, namely, to mobilize its resources in order that it can concentrate force of overwhelming strength against the enemy at the right time and in the right place to ensure the decisive defeat of the enemy's forces. In this matter, nothing dare be left to chance, neither can the demands of war take cognizance of purely arbitrary or artificial barriers to the attainment of the objectives of victory over the enemy.

War is a means to an end, and not an end in itself; and in the prosecution of war, cognizance has to be taken of the end to which it is directed. The purpose may be negative, such as the prevention of an enemy power from imposing its will upon and dominating the nation. On the other hand, the purpose may be positive—for example, the attainment of some objective desired by the nation which involves the defeat of the enemy power.

The final objective in the present war cannot, in the very nature of the situation, be negative for Canada, or the other British nations fighting the menace of totalitarian Nazi Germany and its possible allies. There are three dominating aspects of this question.
In the first place, there can be no return to the old economic order after the war. The tremendous problems of huge and pyramidizing power, ever mounting taxation and diminishing purchasing power, problems which were acute before the war, will be increased by the exigencies of war conditions to dimensions which will wreck all national economies, unless they are met courageously and solved in time to avert disaster.

Secondly, it will be obviously impossible for Canada or any other of the British nations to put forth their maximum effort in mobilizing their resources for war purposes under a ramshackle economic system that could not serve the requirements of peace, let alone stand up to the tremendous strain which the demands of war will place upon it.

Finally, if the aspects of the situation reviewed in the first part of our report are considered, it will be evident that the fight of the British people against the totalitarian powers is not confined to the war against Nazi Germany, but also against the same forces of totalitarianism which are undermining and attacking all democratic peoples from within. For the most part, the persons engaged in this attack from the rear are the unconscious tools of those whose cause they are serving, which renders this menace all the more dangerous.

With the foregoing considerations in mind, your Board has viewed the future development of the Interim Programme and other steps towards the attainment of a Social Credit order—i.e., towards an order yielding political and economic democracy.

The first and dominating factor to be kept in mind is the need for every part of Canada to put forth its utmost contribution in the national war effort.

Secondly, to do this in a manner which will ensure that, in the process, sound foundations are being laid for the new order which, of necessity, we must establish after the carnage and destruction of the present conflict is ended. That new order can be only a virile and functioning democracy—both political and economic: in other words, what we know as a social credit order.

Finally, in these matters we must recognize the basic principles involved in the struggle between the conflicting social philosophies of democracy and totalitarianism, and we should resist to the utmost any and every attempt to further totalitarian principles, while at the same time the democratic principles are being progressively established as the basis of the new order.

We have already reviewed the nature of the struggle for economic reform which has been proceeding in this province, and we have shown that it is essentially a conflict between the democratic forces of the people and the totalitarian forces of International Finance.

Interim Programme was introduced and its purpose in providing the people with the means of overcoming financial domination.

If the situation is viewed dispassionately in the light of all the factors involved, it should be evident that it is indeed fortunate that the Interim Programme has been developed to its present stage. With this steadily growing means of self-help, the province will be in a position to increasingly expand the contribution it can make towards the national war effort. Without it the people would have been obliged to accept as the sole means at their disposal, the dangerous limitations and restrictions of a financial system which had already rendered their plight desperate and left practically undeveloped the vast resources of the province.

Moreover, the development of the Interim Programme will enable the people of Alberta to demonstrate, within the limits rendered practicable by circumstances, the possibilities of reform on a nation-wide scale, while at the same time a sound foundation is being laid for meeting the problems and dangers which will confront our country as the war progresses. Thus can our province give invaluable leadership to our nation at this critical time—and, at the same time ensure making its maximum contribution towards the defeat of the forces of totalitarianism.

Taking the situation as it is, the clear indication for the development of the Interim Programme is to provide additional facilities for the greater use of their credit resources, by the people of Alberta.

While this can be done to a limited extent within the existing framework of the Treasury Branches system the development would be slower and the difficulties greater than would be the case if the province could operate under a suitable bank charter granted by Parliament, to ensure non-interference from the Federal Government. Provided the scope of the charter was sufficiently comprehensive, the province could, within a reasonably short time, demonstrate conclusively the inherent soundness of the reforms it is advocating, and which it has elaborated in Part II of The Case for Alberta.

Broadly speaking, this feature of the development of the Interim Programme covers the main requirements of:

(a) Providing increased facilities to enable the province to put forth its maximum contribution in the national war effort,

(b) Establishing a social foundation for the new economic order towards which we are striving,

(c) Concurrently providing for the rapidly improving social conditions which will accompany the systematic development of the enormous resources of the province.

In conclusion, it is necessary to refer to some of the dangers and possibilities which face the nation and the people of this province at the present time.

The evidence is overwhelming that the objective of International Finance in the present struggle centred in the war is the destruction, for all practical purposes, of the British Commonwealth of Nations as the bulwark of democracy.

There can be little doubt that the forces controlled by International Finance will be invoked to concentrate on the

LECTURES AND STUDIES SECTION

Prospectus: Price 3d.

For prospectus of Courses A and B apply to:
THE ASSISTANT DIRECTOR, Lectures and Studies Section, Social Credit Secretariat, 12, Lord Street, Liverpool, 2.
The rapid increase of the debt structure as a result of the war, the introduction of large scale planning under bureaucratic central control, the imposition of harsh regulations and the rapid increase of taxation are methods which have already proved successful in consolidating financial control in the past under the pretext of war conditions. Therefore they are likely to be the methods used by International Finance at the present time in the pursuit of its objective of world domination, while the attention and energies of the nations are directed towards the successful prosecution of the war.

It will be surprising if we do not witness a determined drive for the rapid centralization of power during the coming months. And to anyone who realizes the danger, it will be evident that nothing short of a determined resistance against every move directed towards the centralization of power will avert the disaster towards which it is deliberately designed to lead us.

Thus we face a future never more pregnant with possible disaster for humanity, and yet never richer in its possibilities of building out of the chaos and carnage of a dying social order, a civilization of unbelievable beauty, dignity and prosperity for humanity.

All of which is respectfully submitted by your Board to honourable members of this Legislative Assembly of the Province of Alberta.

G. L. MacLachlan, Chairman.

F. M. Baker, A. J. Hooke, G. L. MacLachlan, Dr. J. L. McPherson.

“Behind the Scenes in France”—continued from page 5.

From this moment there was waged, in the free and democratic land of France, for the private financial advantage of not more than forty individuals, a furious political war which, as it bound the gun merchants still more to the Right, likewise still further reinforced the close bonds between the “Haute Banque” and the Left, stirring up the masses and dividing the unwitting citizens against each other. Badly beaten by the victory of the Left, the “Comité des Forges” attacked the Government immediately on financial ground with that tragic devaluation of the franc which, on July 22, 1925, reached its maximum (240 francs to the £) and which led, on the following day, to that truce between the two parties which was named “Cabinet of National Union” presided over by Poincaré, and this time no longer Rightist as in 1914, but neuter, the bankers. Strikes, riots and disturbances brought France, more than once, to the brink of revolution. At length, however, the “Comité des Forges” and “Haute Banque” again resume control, then the “Comité des Forges”, the worst of the oligarchies surreptitiously sharpened their weapons and prepared their plans. It was from this moment that the “Haute Banque” determined to win at any cost, plunged headlong, making use of masonry again, into relations not only with the Left in general but actually with the Communist party, in order thus to menace, by means of social upheaval, the power of the gun merchants. Typical and highly significant in this connection is the following resolution of the Grand Orient of April 20, 1934:

“We hope for an agreement with Russia and with bolshevism, and we earnestly beg all our brethren to overcome every preconceived fear and to give themselves to the common victory.” How the “Haute Banque” completely succeeded in its plan is as perfectly known as it is shameful. Nothing was rejected: not even the humiliating Franco-Russian Pact, as counterpart to the orders given to the French Communist Party by the Comintern to make common cause with the bankers. Strikes, riots and disturbances brought France, more than once, to the brink of revolution. At length, however, the “Comité des Forges” and the Right were overcome and the ascent to power of the “Front Populaire”, with Leon Blum at the head, was a fait accompli.

This stroke of the bankers was certainly sinister. The “Comité des Forges” replied with the same weapons, and with tripled violence: the Stavisky scandal. And so strong was this reply, so much emphasis was laid on the 25 dead and 900 wounded of the tragic 6th of February, that there came about the new short-lived armistice which bears the name of Gaston Doumergue. However, the violent conflict, notwithstanding the new truce, was still carried on beneath the surface; and both the oligarchies surreptitiously sharpened their weapons and prepared their plans. Typical and highly significant in this connection is the following resolution of the Grand Orient of April 20, 1934:

“We hope for an agreement with Russia and with bolshevism, and we earnestly beg all our brethren to overcome every preconceived fear and to give themselves to the common victory.” How the “Haute Banque” completely succeeded in its plan is as perfectly known as it is shameful. Nothing was rejected: not even the humiliating Franco-Russian Pact, as counterpart to the orders given to the French Communist Party by the Comintern to make common cause with the bankers. Strikes, riots and disturbances brought France, more than once, to the brink of revolution. At length, however, the “Comité des Forges” and the Right were overcome and the ascent to power of the “Front Populaire”, with Leon Blum at the head, was a fait accompli.

Such, briefly, are the facts. What, now, were the consequences or the damages suffered by the “Comité des Forges” from this communist victory of the “Haute Banque”? These are the principal: 130 industrial concerns passed into the hands of the “Haute Banque”; the loss of control over the Bank of France which—by means of an astute reform of its statutes put through by Blum in August, 1936—entered into the possession of the bankers. Confirmation of this may be had in its new President: the freemason Jouhaux.

As will be readily appreciated, the misfortune of 1936 was most serious for the “Comité des Forges”, the worst of the whole series. It was a result of the action of communism which unscrupulously stirred up the tranquil French proletariat... The gun merchants quite understood this; and once they succeeded in defeating the “Front Populaire”... it was logical... that they should have desperately thrown themselves against communism with the same ardour... with which the “Haute Banque”, years before, had made an alliance with it.

The present anti-communist crusade of Daladier appears, therefore, as a reconquest of the “Comité des Forges”; a vendetta, a punishment and, above all, a preventive war so that their adversaries may never again in the future meet a Communist Party on their way with which to make another alliance. Nothing more... Should the “Haute Banque” again resume control, then communism would reappear once more. Daladier himself, who passes to-day as the upholder of French nationalism, does not act on his own account, but as a “man of straw” of the “Comité des Forges.” Blum acted as nothing other than the figurehead of the Jewish-masonic bankers.

(—Reprinted from “Italian Press Digest.”)
**Books to Read**

*By C. H. Douglas:*  
- Economic Democracy ............. 3/6  
- Social Credit ................... (edition exhausted)  
- Credit Power and Democracy ... 3/6  
- The Monopoly of Credit ......... 3/6  
- Warning Democracy ............. (edition exhausted)  
- 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 .......................... 6d.  

*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.,\textsuperscript{1}**  
**12, LORD STREET, LIVERPOOL, 2.**

---

**ANNOUNCEMENTS AND MEETINGS**

**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:** Enquiries to R. J. Northing, 11, Centre Street, Bradford.

**CARDIFF Social Credit Association:** Enquiries to Hon. Sec. at 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:** 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.

**NEWCASTLE and GATESHEAD Social Credit Association** are compiling a register of Social Crediters on the Tyneside. Register now and keep informed of local activities. What are YOU doing? Let us know, we shall be glad of suggestions. Write W. Dunsmore, Hon. Secretary, 27, Lawton Street, Newcastle-on-Tyne.

**PORTSMOUTH D.S.C. Group:** Enquiries to 115, Essex Road, Milton; 16, St. Ursula Grove, Southsea; or 50 Ripley Grove, Copnor.

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

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

---

**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.)

---

**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** ..................................................

(Cheques and Postal Orders should be crossed and made payable to the Social Credit Expansion Fund.)

---

Published by the proprietors, K.R.P. Publications Ltd., at 12, Lord Street, Liverpool, 2.  
Printed by J. Hayes & Co., Woolton, Liverpool.