

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 8. No. 7.

Registered at G.P.O. as a Newspaper
Postage (home and abroad) 1d.

SATURDAY, APRIL 25, 1942.

6d. Weekly.

FROM WEEK TO WEEK

It has been disclosed by MR. WINSTON CHURCHILL that the Navy, Army and Air Force are under the control of CAPTAIN LORD LOUIS MOUNTBATTEN as Chief of Combined Operations. Captain Lord Louis Mountbatten is the son of the Marquis of Milford Haven, better known as Prince Louis of Battenberg. His mother was a daughter of the Grand Duke of Hesse. His wife is the granddaughter of Sir Ernest Cassel, the close friend and associate of Jacob Schiff, of Kuhn, Loeb and Company. He is a co-director with Moses Israel Sieff of Messrs. Marks and Spencer, Ltd.

“Pandit” Nehru the leader of the so-called Indian National Congress, is a low-caste Hindu, of a wealthy merchant family (wealth has nothing to do with caste in India). He was educated at Harrow and Balliol College, Oxford.

The effect of educating Hindus, and particularly low-caste Hindus, in Great Britain, has been so uniformly bad that the India Office imposed severe restrictions on it. Many of the Colleges of Oxford and Cambridge, while accepting a limited number of Mahommedan Indians, barred Hindus entirely.

“Believe it or not...”

Chancellor of the Exchequer (in the Budget statement):
“I am not concerned so much with the moral aspect—that is to say, with the desirability on its own merits of that hard living which many consider must be associated with total war—but with the inexorable pressure of economic facts.”

Mr. Shakespeare, M.P., (in the debate which followed):
“Everyone is anxious to pay taxes till it hurts.”

Particulars of the share holdings in *The Daily Mirror* have been circulated by the Home Secretary in the official report. In reply to recent questions in the House of Commons, he states that he understands that there have been no substantial changes in shareholdings since the following information, relating to the 1940 return, was tabulated.

The particulars are as follows:

“DAILY MIRROR” NEWSPAPERS, LIMITED

Total nominal and issued capital: £2,200,000.

Ordinary share capital: £1,400,000 in 5,600,000 shares at 5s.

Holders of 15,000 Ordinary shares and over:

Frederick G. Burt and Sir John Ellerman, Bart., 21,

Moorgate, E.C. 2, 153,725; Mrs. Evelyn K. Staines, care of Messrs. Coutts, 440, Strand, W.C. 2, 92,672; Thomas Sanders and Joseph Sanders, both of 48, Thomas Street, E. 14, 47,536; Jack B. Joel and Frederick L. Johnston, of 10-11, Austin Friars, E.C., and Dudley J. B. Joel, Moulton Paddocks, Newmarket, executors of Solomon B. Joel (deceased), 43,000.

*Wallace D. Roome, 17, Bell Moor, Hampstead, N.W. 3, 43,176; Mrs. Daisy H. L. Long, The Manor Farm, Bourn, Cambridgeshire, 37,280; John Cowley, Three Oaks, Courtenay Avenue, Highgate, N. 6, 34,542; Alfred Bell, Arranmore, Woodhouse Road, North Finchley, 30,000; Prudential Assurance Company Limited, 142, Holborn Bars, E.C., 20,000.

Messrs. Drummonds Branch Nominees, Limited, 49, Charing Cross, S.W. 1, 250,000; C.O. Nominees, Limited, 72, Lombard Street, E.C. 3, 222,740; Midland Bank Executors and Trustee Company, Limited, 27-32, Poultry, E.C. 2, 92,580; Barclays Nominees (Branches) Limited, 4, George Yard, Lombard Street, E.C., 33,579; Messrs Barclays Bank D.C.O. Nominees Company, Limited, Circus Place, London Wall, E.C. 2, 27,750.

Lombard Street Nominees, Ltd., 3, Change Alley, E.C. 3, 34,000; Messrs Branch Nominees, Ltd., 15, Bishopsgate, E.C., 30,346; Strand Nominees Ltd., 6, Adelaide Street, W.C. 2, 19,624; Coutts and Co., 440, Strand, W.C., 16,500; Royal Bank of Scotland Nominees Ltd., 3, Bishopsgate, E.C., 16,000.

Total 1,245,350.

*Died November, 1941.

Lord Mayor of Birmingham backs Small Associations

The Lord Mayor of Birmingham in his speech to a recent meeting of the Birmingham Council for Community Associations, said that, in the tendency toward bigger and bigger associations, there was danger that smaller associations might cease to function. All who had watched the growth of Birmingham were painfully conscious of that. Before the extension scheme, residents had a greater community pride and displayed a greater community interest in their own affairs than to-day. There was indication of that in the percentage of votes cast in the last municipal elections. The average was about 25 per cent. through the city. A lack of interest in civic matters had been regarded as inevitable in big undertakings, and yet it need not be. In the old, small, personal workshop, the employer knew everybody. When employees increased to hundreds and thousands, personal contact became impossible. One reason why the

small Birmingham manufacturer in so many cases could beat the big producers was that the personal touch, so often absent in the larger organisation, was maintained.

Another point the Lord Mayor made was that much war-time organisation could be the basis of post-war endeavour. The whole of the A.R.P. services after the war might be developed under the title of the Civil Defence Fellowship or some equally suitable title. The criterion of communal development should be not "Is it new?" "Does it conform to long-established and hoary precedent?" but "Can it be done better communally than individually?" Communal services must be extended to the limit of their efficiency, desirability and acceptability, but they must not be compulsory. They must only extend as the community desired them to extend. In other words, citizens would not be made to wear the standard suit after the war; they would not be compelled to sit in a British Restaurant. But if they thought that standard suits were better value, and if they preferred meals at British Restaurants, they would insist on them and any other form of communal service which was better than an individual service.

That some things are more conveniently done in company no one denies, and the Lord Mayor of Birmingham's insistence on the desirability of standard rather than unique suits may be dismissed as a personal taste in view of his equal emphasis on the need for being able to 'contract out'—an ability, incidentally that must presume the existence of some alternative. His attitude to schooling is less clear:—

"He looked forward not only to community halls for adults, but to community halls for children, where the son of the duke and the son of the dustman would sit side by side in the better England of the future."

It sounds as if education were not to be quite as free from compulsion as to kind as the standard suit? We are concerned about the dustman's son: the little fellow may think that sitting next to a mere duke's son is *'infra dig.'*

The Child and the School

"The personality of the child is sacred," declares the new Education Fellowship, in drawing up a charter for the children of Allied nations.

What—even to the educational system?

A vivid description of the present educational system was given by Mr. H. C. Cooksey, headmaster of George Dixon Grammar School, in a recent address to Birmingham Rotary Club. Education, Mr. Cooksey said, is no more independent of the society that creates it than are commerce and industry. Like them it is a practical expression of Society's scale of values. The main system of English education to-day is the product of a mercantile era principally concerned to meet its own demands for cheap literate labour. Its chief aim

has been to inculcate an outline of factual knowledge grouped in categories of largely unrelated subjects, and tested by a series of more or less competitive examinations open to youth from the age of ten to about the age of twenty-five in the case of the more ambitious.

This scramble on a shrinking market for certificates of proficiency in a narrowing syllabus has been accorded too much dignity by bestowal of the name of education. Despite many widespread efforts to preserve some humanism and some sense of the importance of personality, the process has been, and is, primarily designed to serve business, not to set people free from the prison of ignorance and superstition. The present world-wide pain is a sufficient indictment of man's basic error in scaling life's values. That these husks of education fail to satisfy man's hunger is sufficiently shown, even outside the school, by queues of the spiritually enervated and emotionally dyspeptic waiting for mechanical amusement, by the distaste of the Services for schemes of further education and by the proceedings in juvenile courts.

"We are all honourable and mean well; yet I tell you that the modern industrial society for which we are responsible brings up its children in a narrow, jejune world of artificial values, a monotonous competitive world haunted by the fear of economic insecurity, stifles their generous idealism, denies them creative scope and drugs them with shallow amusement."

That is the challenge to the educationist. Mr. Cooksey's constructive proposals are less original and show no realisation that the immediate problem is for the people of this country to get the sanctions to regain effective control of the policy of the educational system, and, even more urgently, to prevent its further perversion to produce still more standardised individuals, which is being urged by so-called 'progressive' reformists under cover of the war.

"The true gospel of democracy is that each man and woman is of potentially equal value in the sight of the Creator, has an equal right to the conditions most favourable to his own development, and an equal duty to make the fullest use of such opportunities in the service of his fellows. Nothing but the establishment of this democratic ideal in its entirety will be sufficient to inspire men to answer the challenge of the authoritarian conception of the nature of man."

The Double Role of the Citizen

By P. R. MASSON

There is little doubt that a good deal of difficulty exists in applying a principle of men being free and equal in regard to their rights and yet having to give and take orders. Perhaps the question can be clarified by examining the essentials of co-operation and leadership first on a small scale and later on a larger scale.

In amateur sport we can see the principles in correct operation. Suppose the members of a party wish to climb a mountain of some difficulty and danger in relation to their skill and experience: however informally it is done one individual will be a natural selection as leader of those who wish to follow. If he accepts, then he automatically takes his orders to lead his party up the mountain and he must automatically assume both responsibility and authority. He has then a

Democratic Victory or The Slave State?

By L. D. BYRNE.

PRICE: FOURPENCE.

From K.R.P. Publications Limited,
49, Prince Alfred Rd., Liverpool, 15.

right to comment and advise on footwear, clothes, food and so on, according to the severity of the object. His advice and comments are, in effect, orders and if they are not obeyed he is automatically absolved from responsibility if the objective is not attained. It should be noted that the power and authority vested in the leader would extend only to orders relating to the successful accomplishment of the immediate objective. No doubt it is difficult at any time to determine exactly at what point authority has exceeded the requirements inherent in the objective, but it will be found that success and failure in true leadership are intimately bound up with an intelligent understanding on this point.

If we study the democratic organisation which has been developed in Britain—which should work on the same fundamental rules—the conclusion is soon reached that it is not working well and that the fault lies not only with the machinery of democracy, though no doubt this could be improved, but also with individuals who do not use it properly. The real objection to such proposals as Proportional Representation and even to such carefully thought out, intricate and probably brilliant proposals as that of Rudolf Steiner, is that, if representation is false in our present mechanism there does not seem much hope of it becoming true, in an incidental way, merely because we alter the mechanism without reference to this objective.

The principle of equality of rights is already in existence in that every adult has a vote and an equal right in the control of the country. The vote is simply a method of giving orders to the executive, through a representative, as to general policy: at least, that is how it should be used. The methods of prostituting the vote will be more readily seen if we refer again to the mountain objective: in the first place the vote was used to give an order of a general nature—that the members of the party wished to climb a mountain and an indication of the leader who was to be invested with the necessary authority and responsibility. It will be clear that if we attempt to give instructions as to how the mountain is to be climbed—by this shoulder or up that face—then we automatically relieve the leader of much of his responsibility for the successful achievement. Above all, we should not be inveigled into voting for 'X' or 'Y' as leaders if we did not want to climb the mountain at all.

Climbing a difficult mountain is a technical job requiring skill and experience; it must not be thought that leadership in this activity is comparable to a representation in the political sense—the function of an M.P. or a Councillor—although the two are often confused.

In the political world there is a need for this intermediate step, as a matter of expediency, because there are so many voters; it saves time and trouble if one representative can act for so many thousands and obtain the same effect. The device is a failure when the effect is not identical.

In choosing a representative we should not expect quite the same qualifications as from a "leader" in a technical enterprise; in fact we should expect no more technical qualifications from a representative than the fidelity to give us good honest representation. But he should have qualities of shrewdness and honesty to prevent him from choosing the wrong men to put in charge of technical enterprises, or from choosing even good leaders for some mountain we don't wish to climb anyhow; but,

above all, he must represent our wishes as a collection of individuals and refuse to be influenced in the slightest by any other interest or consideration.

It seems nowadays to escape attention that there is very little relation between such honesty of representation and the ability to make speeches—sometimes rudely described as the "gift of the gab"—for which qualification most of our representatives appear to be chosen. It is, of course, our own fault if we are tricked on this or on any other point.

The technical experts to whom our representatives should give orders of a general nature can be illustrated by taking the case of a General. His orders are to win a war, and he is chosen because he is believed to have the technical knowledge and capacity to give the best chances of success. This means that a General should be carrying out policy which came, originally, from his Privates in their capacity as ordinary voters.

It is usual to make fun on the stage of many details of Army discipline and etiquette; while there is everything in favour of the wholesome effects of contrasting different standards of behaviour, there is another aspect to the matter.

The General and the Private are engaged in an organisation in which discipline is possibly of greater value to the successful execution of a project than in any other activity in which man engages. It is highly important that the relationship between men which should be uppermost in the minds of both General and Private—at least while on duty—is that of authority and responsibility and the need for the prompt and unquestioning execution of orders which may, and often do, oppose many instinctive impulses.

Observed in this light it will be seen that the elaborate ritual of the army has a useful aspect. It helps to put aside their inherent recognition of equality of rights and keep foremost in their minds that the objective to which they are committed demands that their relationship is primarily conditioned by their functional positions in the military organisations, for the sake of the efficient prosecution of the project—war. Whether the war itself is necessary or meets with the approval of General or Private is a separate consideration.

It will appear from these considerations that even in a truly democratic or Christian social order such devices may well be carried on with little superficial change because they serve a useful purpose in helping to remind an individual which of his two roles he is living, master or servant. The civil servant when he signs himself "Your obedient Servant" to his milkman is helping to maintain a correct relationship. The milkman—as a milkman—is a servant and may not discriminate, even against a tax-gatherer, because he serves him as an individual.

The Christian concept requires that the individual should realise his authority and responsibility as a master in shaping that policy, and as servant or functionary, in carrying it out. In the latter capacity there are the formalities of assumed dignity of rank, and of outward respect for such rank, to help him.

There can be little doubt that in a truly democratic state, in which the individual felt a responsibility for *his own* policy, he would be willing and able to make the necessary mental adjustments to take part in its instrumentation and, in particular, in order to do so would submit to authority limited to the necessities of the enterprise.

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: *Home and abroad, post free:*
One year 30/-; Six months 15/-; Three months 7s. 6d.

Offices: (Editorial and Business) 49, PRINCE ALFRED ROAD,
 LIVERPOOL, 15, Telephone: Wavertree 435.

Vol. 8. No. 7.

Saturday, April 25, 1942.

THE BUDGET

There runs through every Budget a false note, detestable by every mind not completely swamped by symbols. The 1942 edition is no exception; but it is remarkable in that for the first time in history it contains odd glimpses of reality, or rather of the realities on which its provisions infringe. The limits of direct taxation, apparently by common consensus, having been reached, there was no necessity for the same amount of hypnotic passes being made in front of the taxpayers' eyes. Almost frankly the whole object of the Budget this time was to cut down the consumption by individuals and it tries to achieve this by raising the prices of luxuries and 'vices.' In view of the sorry pass in which the British people find themselves, thanks to previous Chancellors of the Exchequer, Prime Ministers, their hidden masters, and others, no one can quarrel seriously with that objective, if real progress towards victory were secured thereby.

The Budget proposals are on the whole "humdrum" as one M.P. describes them, mainly increased Purchase Tax and Excise Duties. The Income Tax provisions concern themselves mainly with an attempt to prevent workers of all classes realising that Income Tax is a means of cutting down remuneration and getting the latter as near equality as possible. A man whose services are worth £400 per annum is paid little more than £300 per annum. A man who earns £800 per annum is left little more than £500 per annum. Every attempt is made to hide this obvious fact from the general public; this curious type of sabotage preached by the Socialists, that payments should be equal irrespective of the value of services rendered. The position was particularly blatant where married women's earnings were concerned, so these are given a special concession.

The farmer is almost singled out for attention, because for the first time since the last war he is making decent profits. All those occupying farms of £100 per annum, and over, now have to pay tax on their actual profits "like traitors generally," as an amusing misprint in *The Times* puts it.

The most important indication that two and a half years of war have taught even the Treasury some sense of reality is the statement that the figures quoted "were the financial tokens of real events and concrete needs." If the figures in a Budget are not that, they can have no meaning whatever. The *Daily Telegraph* comments: "No longer is the nation confronted with vast arrays of semi-meaningless figures." Splendid! a lot of people seem to be learning. Let us assume that after the war, when consumption need no longer be curtailed, these people don't forget the realities. Sir Kingsley Wood prepares for such inhibition in his

speech. After the war "we could" (our italics, he does not say "will") "release the pent-up demands . . . to provide employment" (not leisure) ". . . for several years." He also refers to "a natural psychological reaction against a policy, the need of which was easily understood in war time but which might not be so readily accepted after the war finished." Most of us will try and see to it that it is completely reversed.

The figures in the Budget are interesting only in that they give an indication of our war effort. U.S.A. Lease-Lend receipts will have been about £600,000,000 up to March 31 and will be about double in the current financial year, a most welcome contribution and a sign that at long last the U.S.A. is making a useful war effort. Total expenditure will be approximately £5,300,000,000 or £530 per annum per average family. Of this, National Debt charges are £325,000,000 and in so far as this is payable to a very large extent to banks and financial institutions who have no earthly right to it, it is wasted. This sum constitutes about one third of the Income Tax payable, a pleasant thought when you get your final notice to pay. No wonder Sir Kingsley used the phrase "the weapon of taxation." Weapons imply war, defensive or offensive. As the taxpayer is clearly not the aggressor it is another pleasant thought to wonder who is using the weapon and to what purpose, at any rate in peace times. A clue may be seen in the E.P.T. provisions. The post-war credit on this impost is to be more clearly defined and a prohibition to distribute it to shareholders incorporated. It's all right, apparently, so long as no *individual* benefits from it. Then who will get it?

D. T. D.

A WORD TO SUPPORTERS

To those whose action is on lines advised by Major Douglas, and to those who, by subscribing to the funds, maintain the lines of communication whereby that advice is transmitted:

Acknowledgment of your action and of your subscription lies, not in thanks, but in results. Therefore more welcome than thanks is the information that your work and your money have altered and are altering the sequence of events, and that in a manner which shows astonishing returns in relation to the number of those who act, or of £ sterling subscribed.

Some half time results have recently been published:—

"Credits . . . issued by the banks as loans . . . are really National credit owing their value to the capacity of the country to provide goods and services. . . . Bookkeeping technique to facilitate the production of goods and services . . . plays much the same part in economic life as a railway ticket pays in transportation." —*The Times*, March 24 and 25.* But "*the urgent practical steps*" recommended do not include the decentralisation of credit policy.

Professor J. M. Keynes, now of the Bank of England, broadcasting on March 23,* said that nowadays money does not matter, and that if we have the men, machines and money we can do anything we choose within the limits of physical capacity. But his proposals for the future DID include an emphatic pronouncement that central control

*An interesting synchronisation of dates, similar, we doubt, to the case of Darwin and Wallace, whose formulation of the theory of the Origin of Species was almost simultaneous.

must be preserved. One technique is discarded when another unfamiliar technique is ready to take its place; but POLICY is still retained.

More action—more money; and the time will come when the Prime Minister will be confronted with an overwhelming demand for the fulfilment of his own prophetic words:

"But if you could introduce some new theme, in this case the practical effect of a common purpose and of co-operation for a common end, if you could introduce that, then, indeed it might be that the reign of peace and freedom might come, and that science, instead of being a shameful prisoner in the galleys of slaughter, might pour her wealth abounding into the homes of every land."

—WINSTON CHURCHILL.

"If you could introduce that"—*We can.*

More Action. More Money. Both are needed to achieve our objective.

J. B. GALWAY, *Director of Revenue*

HEWLETT EDWARDS, *Director of Organisation*

Social Credit Secretariat.

THE ROTHSCHILD POLICY

During the Napoleonic wars the sons of Mayer Amschel Rothschild of Frankfurt were dispatched to the various capitals of Europe, Nathan going to London (where he married a sister of Moses Montefiore, who founded the Alliance Assurance Company), James settling in the enemy town of Paris, and Solomon making Vienna his headquarters. From Frankfurt their father financed the 'Anti-Napoleonic Powers' as well as Napoleon's nominees in Central Europe.

When Napoleon had finally been disposed of (as people thought) in 1814, representatives of all the European countries met at Vienna to discuss the foundation of a New Order in Europe. The centre of the deliberations was the 'most brilliant' statesman of the period, Prince von Metternich. The Prince, who was known to favour some kind of federal arrangement between the German-speaking states, was advised in 'financial' matters by Solomon Rothschild. Herr von Gentz, the Prince's private secretary was, as a matter of fact, a salaried Rothschild agent who furnished all the Rothschild brothers with political memoranda, as, where, and when required.

The conference dragged on, month after month, and was hanging fire when Napoleon's landing on French soil in 1815, "made it clear to everybody that delay was dangerous. . . half-measures were sanctioned, such as the Constitution of the Germanic Confederation, the seat of which was to be Frankfurt-on-the-Maine,"* Metternich urged that full right of citizenship be conferred on the German Jews, and appointed Mayer Amschel Rothschild as Treasurer of the Federal Diet at Frankfurt.

When a generation later, Bismark took up his post as Prussian Delegate to the Federal Diet, he received frequent invitations to dine with the Federal Treasurer, Herr von Rothschild. It was on Bismark's recommendations that the Rothschilds were later appointed court-bankers to Prussia in acknowledgment of the many loans they had supplied to the Prussian Treasury.

From this moment Bismark worked steadily for the federation of the German states under the House of Hohen-

zollern (Prussia). Simultaneously Cavour, Minister of Finance in the Kingdom of Sardinia, worked incessantly for the realisation of his dreams—the federation of the Italian states under the House of Savoy. "The Sardinian statesman realised that the dearest wish of himself and his people could only be achieved by war," writes Count Corti. Cavour obtained the sinews for his 'War of Federation' from James Rothschild, of Paris.

Cavour and Bismark then proceeded to declare war on their neighbours with the result that in 1870 the individual Italian and German states were compelled, by the force of 'circumstances,' to yield up their sovereign rights to decide their own affairs. Strong centralised governments were set up in both countries: Vittorio Emanuele of Savoy was made King of Italy, and William of Hohenzollern crowned Emperor of Germany, while Bismark invited the Jewish lawyer Friedenthal to draft the Federal German constitution. The war-indemnity was negotiated at Versailles between Gustave de Rothschild for the French government, and by Baron von Bleichroeder, the Jewish financier who managed the Berlin syndicate known as the 'Rothschild group,' for the German government. Lionel Rothschild in London assisted, with a syndicate of 'English' bankers; the rate of exchange facilitated the French in paying their war-indemnity (*via* his Parisian cousin) to his Berlin branch.

This is the point where Count Corti ends his fascinating documentation: neither the Rothschilds, nor the Sassoons, nor any other families with whom they intermarried and co-operated, nor the 'National' press, have shown any marked degree of willingness to impart to the general public, about current events, the sort of information that Count Corti laboriously dug out of state archives and the private letters of European celebrities.

Exactly a century after Solomon Rothschild had intimated to Prince Metternich, how he wished Europe to be re-organised, the Kaiser (who was constantly surrounded by the Rothschilds' "German" connections such as the Ballings, Rathenaus, Warburgs, etc.) plunged Europe into the first World War.

There is a tendency on the part of international financiers to become even more commonly retiring in their habits when a war has started, and not until the smoke and din of battle were long past does certain information concerning their activities reach the public, generally through the biographical indiscretions of retired soldiers and statesmen.

In the year 1915 Lord Haldane was temporarily in charge of the Foreign Office and of one time when he wanted to stop a neutral, but suspect, ship which had left South America for Europe, he wrote in his memoirs: "There was no material to act upon, and the only way was to use private influence. I motored to Lord Rothschild's House in Piccadilly. . . I told him it was not for cheque but only to get a ship stopped that I had come. He sent a message to stop the ship at once."

In the *Diary of Lord Bertie* we read: "The Dardanelles expedition was known only to the Inner Ring; Louis Mallet heard of it from Alfred de Rothschild, who may have picked up the information in the course of his daily visits to Kitchener at the War Office and 10, Downing Street."

And Mr. Duff Cooper in his *Haig* states that the first definite information that reached Haig about his promotion to Commander-in-Chief, "came curiously enough, from his

**The Rise of the House of Rothschild* by COUNT CORTI.

old friend Mr. Leopold de Rothschild, who was a regular correspondent. On December 7 he wrote that everything had been satisfactorily arranged."

A Rothschild nephew, Sir Philip Sassoon, was made private secretary to Lord Haig; Sir Philip must have been useful to the Commander-in-Chief, if only for his connection with Clemenceau, whose private secretary was M. Mandel-Rothschild.

The fact that the first official intimation that the British Government sanctioned the foundation of a Jewish National Home in Palestine took the form of a letter from Balfour to Lord Rothschild ("Dear Lord Rothschild," etc.) speaks for itself.

The three major results of the first World War were, as we know, the Bolshevik Revolution, the League of Nations and the financial subjugation of Great Britain. In all these endeavours there seems to have been intimate co-operation between the Rothschild group and the great American powers of finance.

The contribution of Wall and Pine Street to the Russian débacle of 1917 is well-known, but it is less well-known† that Trotsky was enabled to escape to France in 1934 disguised as an employee of a Paris Rothschild bank, as a consequence of some secret meetings which had been held between the Bolsheviks Litvinoff and Trotsky, and the financiers Baruch and Maurice de Rothschild.

The connection of the Rothschilds and the League of Nations, which had officially been launched as an instrument for the Enforcement of Peace is enlightening. The late Mr. Lionel de Rothschild was chairman for the Austrian Credit Anstalt International (League of Nations) Committee, whose achievement it was to save from disruption the instrument previously used to bring back Austria (where some disturbingly un-orthodox monetary experiments had been undertaken) to the 'soundness' of Gold Standard, Debt-Creation finance. On another occasion the Rothschild Paris Branch supplied Mussolini (who had come to power by the grace of the two Jewish super-capitalists Volpi and Pirelli) with a credit of 750 million francs towards the Conquest of Ethiopia, thus flouting the "Sanctions" policy of the League of Nations which the British Government had made its own.

When in 1939 Europe was plunged into chaos by Hitler (who had all but completed the work of centralisation of power so minutely planned by 'German'-Jewish leaders of at least three centuries and who had received the financial blessings of the 'international' financiers of New York and London right up till the last moment) there suddenly sprang into existence groups of ardent Federalists, who maintained that the League of Nations had failed only because it had not possessed the sanctions of overwhelming force. This was now, as soon as possible, to-day rather than to-morrow, to be remedied by the creation of a world government, Federal Union, one of the chief features of which was to be a universal return to the Gold Standard.

A few months ago Mr. James de Rothschild suggested in Parliament that Federation might be the solution of all Africa's troubles, particularly if a Federated Africa's exports could be the special job of a British export-chief established at Washington. When some time previously Mr. Roths-

child's kinsman Sir Victor Sassoon, of Hong Kong, etc., embarked for the East he told an American reporter that, "It is now obvious to business-men of the world that the Federal Alliance of Britain [with the United States] is so necessary that it hardly bears discussion. . . . it is also obvious that such an arrangement would mean that Britain would relinquish her traditions and institutions of government."

B. J.

Points from Parliament

APRIL 13.

COAL INDUSTRY—SUPPLIES, GLASGOW

Mr. N. Maclean asked the Secretary for Mines whether he is aware that a large number of households in Glasgow have been without any coal for weeks and others with insufficient supplies; whether it has been reported to him that a number of deputations of housewives have interviewed the coal controller for Glasgow and have had no satisfaction so far as better supplies are concerned; and what action he proposes to take to remedy this state of affairs?

Mr. Grenfell: I am aware that some households in Glasgow have recently been very short of or without supplies of coal; and that three deputations have been received by the local fuel overseer; but I cannot accept the suggestion that they have received no satisfaction. The difficulties were not in the total amount of coal allocated to Glasgow, but in its local distribution during a period of exceptional demand. I have taken steps to deal with the situation and by the end of this week the position should be satisfactory.

FOOD SUPPLIES—FLOUR

Sir E. Graham-Little asked the Parliamentary Secretary to the Ministry of Food what is the present position of the Ministry's plan to fortify white flour; and whether it is proposed to proceed with the provision of two new factories for the manufacture of synthetic vitamin B1 and to continue the importation of fortified white flour from Canada?

Major Lloyd George: The Government's decision to prohibit the manufacture of white flour, except under licence, from March 23 necessarily suspends the fortification of flour with aneurin in this country. My Noble Friend has the other matters mentioned in my hon. Friend's Question under consideration.

Sir E. Graham-Little asked the Parliamentary Secretary to the Ministry of Food whether, before making his final decision as to the constitution of the national loaf, which is to be solely provided next month, he will consider the desirability of securing the utilisation of the whole grain in the war bread in order to save the maximum amount of shipping space and to prevent the sacrifice of constituents of the grain which are lost in wheatmeal of 85 per cent. extraction and are of the highest importance to health?

Major Lloyd George: In prescribing 85 per cent. as the milling ratio for national wheatmeal made in this country from 23rd of this month, the Government had regard to the advice of the Scientific Food Committee and the scientific advisers of the Ministry of Food that wheatmeal of 85 per cent. extraction would be very satisfactory from the nutritional point of view. Wheatmeal of a higher extraction than 85 per cent. would contain appreciable amounts of bran and indigestible fibre, the proportion of which would increase as the rate of extraction was raised. My Noble

†*Gentile Folly: The Rothschilds* by ARNOLD LEESE.

Friend does not consider that the shipping position requires him to prescribe the production of that type of flour.

RADIO LICENCES

Mr. Rhys Davies asked the Postmaster-General the number of radio licences issued for each year from and including 1937 onwards?

Mr. W. S. Morrison: The number of licences issued in each year are as follows:—

1937	8,480,822;	1938	8,908,366;	1939	8,947,570;
1940	8,904,177;	1941	8,625,579.		

APRIL 14.

LAND SETTLEMENT, SCOTLAND (COMMITTEE)

Mr. Henderson Stewart asked the Secretary of State for Scotland the membership and terms of reference of the Land Settlement Committee recently set up in Scotland?

Mr. Johnston: The Land Settlement Committee which I recently set up in Scotland is constituted as follows:—

The Hon. Lord Robertson (Chairman); E. M. Barron, Esq., LL.D.; Major the Hon. Robert Bruce; J. B. Douglas, Esq.; James Dunlop, Esq.; Gavin B. Henderson, Esq., M.A., Ph.D.; A. M. MacKay, Esq.

The terms of reference of the Committee are:—

"To review the operation of land settlement schemes in Scotland, and, in the light of the results achieved, to advise what changes in the system of tenure or of existing methods of land settlement are desirable, with particular reference to the social and economic welfare of smallholders and crofters."

FINANCIAL STATEMENT

The Chancellor of the Exchequer (Sir Kingsley Wood):

.... Outside advice and experience have been freely drawn upon, not only in the sphere of organisation, where we have the assistance of a number of business experts, but also in the sphere of financial policy. I am glad to have this opportunity to-day to pay tribute to the advice and assistance placed at my disposal by my Financial Adviser, Lord Catto, and by the members of my Consultative Council—Sir Samuel Beale, Mr. Colin Campbell, Sir Walter Citrine, Sir Hubert Henderson, Sir Bertram Hornsby, Mr. Keynes, Sir George Riddle and Lord Riverdale of whom Mr. Keynes and Sir Hubert Henderson devote practically all their time to Treasury affairs.

.... Before the war just under 1,000,000 wage-earners paid about £2,500,000 of tax. For the year 1940-41, the first year of the new system, about 2,500,000 wage-earners paid about £30,000,000. In 1941-42 the personal allowances were reduced, and there was an increase in the rate of tax and a great expansion in industrial employment. For that year 5,500,000 wage earners pay—and as I have said, for the most part willingly pay—a sum of £125,000,000, of which £60,000,000 are treated as post-war credits.

.... The more one studies the likely post-war situation, the more apparent it becomes that, for a variety of reasons, it would be entirely wrong to contemplate that the financial and economic controls which serve our war effort can be swept away by a stroke of the pen at the conclusion of hostilities. This cannot be so. The ordinary reversal of the

present concentration of import programmes, domestic manpower and productive activity on the prosecution of the war, the need to improve our post-war balance of trade by a marked expansion of exports, the shipping situation with which the world will be confronted at the end of the war, and the need to finance our post-war reconstruction at the lowest possible rates of interest, are merely examples to show that there should be no sudden abandonment of many of our war-time financial and economic controls.

APRIL 15.

Mr. Woodburn (Stirling and Clackmannan, Eastern): Having eliminated genuine savings I wish to deal with the part which is purely credit creation. Even 1 per cent. on what we are borrowing amounts to about £50,000,000 a year, which is a considerable sum, and if any part of it is unjustified we are entitled to have the matter examined still further.

I recognise that the banks perform a great public service and must receive the costs of that service. The cost of running the organisation is met out of these interest charges, but the banks have been transferring these Treasury deposit receipts at the rate of many hundreds of millions from interest at $1\frac{1}{8}$ per cent. to War Loans at $2\frac{1}{2}$ per cent., and of course, that means a tremendous increase in their remuneration. According to a reply which the Chancellor gave on January 27, there is already increased interest payable at the rate of something under £4,000,000 a year. I should like to ask what is the justification for more than doubling the interest on bank-created credit. What investigations took place into the working of the banking system before this enormous increase was granted? If increased remuneration is necessary to cover the extra work involved in handling the extra money, there might be some justification, but we ought to know the circumstances before extra millions are poured away in this manner. I am prepared to assume for the moment that the banks are more than meeting their costs, and that the 100 per cent. Excess Profits Tax takes during the war all that is necessary from them, but I want particularly to raise the question whether these payments are to be temporary for the war period, or whether they are to be a perpetual drain upon the productive resources of this country. In war time, for instance, the Government might require a largely increased number of railway wagons to work for it, and it might be justified in paying a hire rate for these wagons.

When peace returns and these wagons go back to perform their normal service, everyone would agree that it would be fantastic to continue paying in perpetuity for their hire. Money is merely a medium for using goods and facilitating production and distribution. It is true that in war we have transferred the use of the money institution from private enterprise to the Government, and, when we use the banking services, it is justifiable that we should pay the cost of running those services. On the other hand, when the war is over and these services return to private enterprise, banks having their normal facilities for obtaining income from private enterprises, it is undesirable and unjustifiable that we should go on paying the cost of running their war-time services.

The State should immediately reduce the cost of payments on credit creations in the war loans. After the last war the money of certain groups of people of this country was increased to the extent of £5,065,000,000. That was new money which had been created by this process, and the tragedy has been that we have continued paying interest on

money facilities which were created for war purposes and which ceased to be used during peace. I ask the Chancellor of the Exchequer whether anything has been done to take into account this problem which will arise again after this war. Are we to be faced with the same problem? All sorts of commissions were set up to deal with it after the last war. Capital levies were proposed as one solution to liquidate the debt, and I believe that the time has now come for us to make our plans for the period which will follow this war. I have no objection to paying for services rendered, but it is ridiculous to pay for services when they are dead and gone. It may be that the population will be able to stand the strain and stress of war, but, unquestionably, if burdens like these are to be fastened on them when it is over they will not be able to withstand the strain of peace. If we do not want to see the collapse of our institutions, we must make our plans for the future now. I do not propose to offer any simple solution. We can nationalise the banks, or we can make the payment for new money on a cost plus a reasonable fee basis, or we can come to a business-like arrangement as to how much we shall pay during the war, that payment being decreased when we reach normal times. There should be a separation between genuine borrowing and the bank creation of new money, which is not borrowing but the creation of new money power. We are now using that money for public enterprise, but I suggest that we must avoid carrying on the burden of paying on mere book-keeping entries when they cease to involve services. There must be a costing for the banks as well as for industry. Industry will have something to say if a different system is applied to the banks and to them.

Lieut.-Commander Gurney Braithwaite (Holderness): . . . I submit that the increased taxation announced yesterday would have been unavoidable if reasonable economy had been enforced within the Departments.

I know that it is the task of the Chancellor of the Exchequer to find the money voted under the Estimates, and the Budget is an opportunity for making a review of these matters. I find in my constituency that those who come to see me for personal interviews consist of business men, often in a small way, who are being stifled in their efforts to assist this country to win the war. We are not getting efficiency for our money. All we are getting is a multiplicity of officials, many of whom regard themselves as the masters rather than the servants of the public. Many of them have been known locally as various kinds of rolling stones in happier days. They are not the sort of people who are competent to conduct the vast machinery of this war. The result is that initiative and incentive are being buried beneath mountains of paper. People are beginning to feel that this war is becoming a Government monopoly, run on the principle of the closed shop. John Bull, that legendary figure, is stout at heart and sound in wind and limb, but, like Gulliver, he is pegged down and enmeshed by an army of pygmies. For years now the Budget has been something more than a tax-gathering machine. It has developed into a political instrument for social and other purposes, such as the redistribution of wealth and the provision of various public services. . . .

What is the present social objective of the Government? I have called attention before to the discrimination in reward between those in His Majesty's Forces and those in industry. What is the Government's basis of remuneration now that they have the power to control wages? . . .

BOOKS TO READ

By C. H. Douglas:—

Economic Democracy	(edition exhausted)
Social Credit	3/6
The Monopoly of Credit	3/6
Credit Power and Democracy	(edition exhausted)
Warning Democracy	(edition exhausted)
The Use of Money	6d.
"This 'American' Business"	3d.
Social Credit Principles	1½d.

ALSO

The Bankers of London by Percy Arnold	4/6
Hitler's Policy is a Jewish Policy by Borge Jensen and P. R. Masson	6d.
Southampton Chamber of Commerce Report	6d.
Democratic Victory or the Slave State? by L. D. Byrne	4d.
How Alberta is Fighting Finance	2d.

Leaflets

The Attack on Local Government by John Mitchell	9d. doz.; 50 for 2/6
Taxation is Robbery	50 for 1/9; 100 for 3/- (Please allow for postage when remitting).

From K.R.P. PUBLICATIONS LIMITED

49, PRINCE ALFRED ROAD, LIVERPOOL, 15.

SOCIAL CREDIT LIBRARY

A Library for the use of annual subscribers to *The Social Crediter* is in the course of formation. It will contain, as far as possible, every responsible book and pamphlet which has been published on Social Credit, together with a number of volumes of an historical and political character which bear upon the subject, as well as standard works on banking, currency and social science.

A deposit of 15/- will be required for the cost of postage which should be renewed on notification of its approaching exhaustion.

For further particulars apply Librarian, 49, Prince Alfred Road, Liverpool, 15.

REGIONAL ACTIVITIES

Information about Social Credit activities in different regions may be had by writing to the following addresses:

- BELFAST D.S.C. Group: Hon. Sec., 20 Dromara Street, Belfast.
- BIRMINGHAM (Midland D.S.C. Association): Hon. Sec., 20 Sunnybank Road, Boldmere, Sutton Coldfield.
- BLACKPOOL D.S.C. Group: Hon. Sec., 73 Manor Rd., Blackpool.
- BRADFORD United Democrats: R. J. Northin, 11 Centre Street, Bradford.
- CARDIFF S.C. Association: Hon. Sec., 8, Cwrt-y-vil Road, Penarth, South Wales.
- DERBY: C. Bosworth, 25 Allestree Road, Crewton, Derby.
- LIVERPOOL S.C. Association: Hon. Sec., 49 Prince Alfred Road, Liverpool, 15. Wavertree 435.
- LONDON D.S.C. Group: Mrs. Palmer, 35 Birchwood Avenue, Sidcup, Kent. Footscray 3059.
Lunch hour re-unions on the first and third Thursdays of the month at 12-30 p.m., at The Plane Tree Restaurant, Great Russell Street, W. C. 1. Next Meeting April 30.
- NEWCASTLE-ON-TYNE D.S.C. Association: Hon. Sec., 10 Warrington Road, Fawdon, Newcastle, 3.
- SOUTHAMPTON D.S.C. Group: Hon. Sec., 19 Coniston Road, Redbridge, Southampton.