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FOR POLITICAL AND ECONOMIC REALISM

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## The "Land for the (Chosen) People" Racket (V)

by C. H. DOUGLAS

During the past few months every considerable newspaper has printed, in its correspondence columns, a large selection of letters on the profit motive, and I do not think that it is unfair to say that this correspondence has in the main fostered two very significant ideas. The first of these is that the profit motive is both bad and is confined to a restricted class from whom all the evils of society proceed. And the second of these is that the profit motive is either another name for a system of private property, or if not that, is inseparable from it. There is not, I think, even a substratum of truth in either of these ideas. They are an evident example of systematic perversion applied to popular psychology.

One of the riddles current in our nursery days was "Why does a hen walk across the road?" to which a perfectly correct answer might have been returned "From the profit motive."

The moment that any human being performs a single action for any reason other than that provided by the profit motive, he is a certifiable lunatic. It is simply a question of what is, in the mind of the individual, profitable to him, taking all the factors and consequences of the action into consideration. The Trades Union Movement is the biggest example of an organisation run purely for profit, for nothing else but profit, making nothing whatever and with sublime disregard for the profit of anyone not belonging to it, which this country can show. During the present war, the economic profit of every class of the community has been sacrificed to the over-riding claims of the Trades Unions, and it is an essential aspect of this situation that Trades Unionism is normally more concerned with internationalism, at least overtly, than any other allegedly national institution. And the declared policy of Trades Unionism is Socialism, which is another word for monopoly in land, labour, and capital.

One of the remarkable features of the confiscatory taxation on land and private property of every description, is the tenacity with which individuals have held on to it in the face of the heaviest financial loss. To say that, in the main, for the past seventy-five years, landowners have been actuated by the determination to make a *financial* profit is simply another way of saying that landowners are all fools.

It may reasonably be asked why, if only lunatics act to their own disadvantage, anyone should want to "own" land. The answer to that is probably the key to the situation. A comparatively small number of individuals *do* want to own land *as distinguished from an income from land*, but those people can do things for and to the land which no bureaucracy can ever hope to do. And those people will not

do it, if they are interfered with. Hundreds of farmers, and remember farming is only one aspect of the question, are throwing in their farms although, for the first time since the last phase of the international war, they are "making money."

What, then, was the genuine defect of the big estate system? Remember, the ruined country side is definitely the result of financial attack largely from alien sources. I think that the answer is evident to anyone who was familiar with the large estate. It was not primarily as a system of administering the land that it failed. It was that it gave too much power over the general lives of the individuals who worked on it.

Now this defect—and it was a serious defect—was not peculiar to landowning, and it is not less, but rather greater, in such large industrial settlements as those of the Ford interests in the United States, and the Port Sunlight "model villages" in this country.

Many of the American industrial organisations arrogate to themselves a right of supervision over the private lives and morals of their employees far exceeding that which would have been exercised by a British landowner at any time, or tolerated by their tenants, and this is accompanied by a close knit organisation for card-indexing every applicant for employment, and penalising by unemployment and starvation anyone daring to rebel against the rules. But we do not hear of organised attack on these things.

Paradoxically enough, the very security of tenure enjoyed by tenants on large estates tended to increase their dependence on the landlord. Many of them were rooted in the soil to at least as great an extent as the titular owner of it. They were specialists and they instinctively recognised that transplanting was a serious, perhaps a fatal thing to them. When the landlord was equally stable in his tenure, the despotism was not so much felt since tradition limited it. But when estates began to change hands by purchase, in many cases coming into the possession of men with no knowledge of, or feeling for, the land, but an exaggerated idea of their own importance, the despotism tended to change from what was in the main, a benevolent, while rather mediaeval overlordship, to an irrational tyranny. To take a simple instance, fox-hunting. I need, perhaps, hardly say that the point I should like to make has nothing to do with the ethics, or otherwise, of fox-hunting as a sport. The Meet of Foxhounds of John Peel's era was a neighbourly affair, comprising two or three squires and their families, and perhaps twice that number of yeoman and tenant farmers. All of them knew every inch of the land, rode carefully over it, and did negligible damage which was jointly repaired. But as the City men began to take to hunting by the process of sending a subscription to packs which were too expensive to be kept by one man, the whole atmosphere changed. Hundreds of strangers mounted on

horses brought in by train, ridden by people who knew little of the country, and cared less, galloped over the land leaving a trail of damage which was a serious nuisance, to put it no higher, to the tenant farmer, who was no longer welcomed, or in fact able to hunt himself in the expensive company of the larger Hunt. But protest was not healthy—it didn't pay.

During the last hundred years, the position of Agent, or, in Scotland, Factor, has become of increasing importance in considering the administration of land. The Agent represents a definite step in the transition from personal to "office management." In considering it, it is important not to overlook the fact, that, particularly in Scotland, there are certain families, exclusively connected by long association with large landowners, who are just as hereditary as the owner. There is one family, whose name will be familiar to any Scottish farmer, whose estate management is by common consent as near perfection as an imperfect world will permit. But it should be particularly noted that the hereditary, personal touch is merely split into decision on main questions of policy, which are reserved for the attention of the proprietor, and routine administration, which is the field of the Factor. It is poles apart from Bureaucracy.

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To be continued.

## FROM WEEK TO WEEK

Yes, Clarence we did think for a time that once-great Britain had won the Battle of Egypt, although we knew it wouldn't be for long. And it hasn't. The *Saturday Evening Post*, of Amur'ka, soon puts us in our place. In its issue of December 5 we learn how this "major United Nations (nations are States, you know) victory" was won by American tanks (British tanks were always given the wrong compass bearing) American aircraft and "the crack Australian and New Zealand troops" who did all the fighting.

Troops from once-great Britain referred to as "Tom-mies" (you know Clarence, if there's one thing the once-great British soldier dotes on, it is to be called a "Tommy" by the non-combatants of the Arsenal of Democracy) were quite useful in watching prisoners, "rooting about hacking open cases of dried fruits, vegetables, biscuits, jam and tinned beef."

Waal, waal, waal, when we read it thought we were listening to the "B".B.C.

The *Times* heads its second article on a Twentieth Century Economic System *Alternative Ways to Expand Production*. Why not keep the World War going permanently, instead of periodically?

Over a period of ten days, quite representative, the space given by the "B".B.C. to, in effect, recounting the alleged capture by our Russian Allies of villages not shown on any map available to the average listener, is roughly eighty per cent. of the war news.

The most successful exponent of Anglo-American relations we ever met was a Yorkshireman who, when the steamer he had crossed on, was delayed, whistling for a pilot, for two hours off Nantucket, observed in a loud, hearty, voice which could be heard all over the deck, "This is America, all right. All blow, and no movement."

We feel confident that Lord Halifax ought to surround

himself with fellow-Yorkshiremen given to similar plainness of speech. Soft-spoken diplomacy is not understood in these United States.

Look out, boys. The Ogpu-Gestapo (Ministry of Fuel and Power Branch) is coming round to read your gas and electricity meters. The fuel and power used by the useless officials of the various ministries, and their Ogpu detachments, mostly of military age, would, if distributed, obviate the need for rationing.

"WE shall see everything without the aid of official police which, in that scope of its rights which we elaborated for the use of the *goyim*, hinders governments from seeing.

"In our programme, *one third of our subjects will keep the rest under observation from a sense of duty* (italics in original) on the principle of volunteer service to the State. It will then be no disgrace to be a spy and an informer, but a merit."

Now you can guess where that one came from.

"A small legal change will be necessary to *eradicate* [our italics] the word 'planning,' from the title of the 'Ministry of Works and Planning,' which will become simply the 'Ministry of Works.'" — *Scotsman*, December 31.

Won't it be fun to see all the little Fabians, "friendly aliens," and "refugees from Hitler's tyranny" scuttling across the road from the Ministry of Works to the Ministry of Town and Country Planning?

Further points made by Major Proctor, M.P., speaking at the 'Mass Meeting of Members of Small Paint Firms recently were:—

"I believe that unless we defend the small outposts we will find ourselves, at the end of this war, completely defenceless against anyone. The policy seems to be to crush out the little men, gather the middle men into a great pool, and then nationalise the lot. I oppose this sort of thing. This is the same way that Hitler used to get National Socialism into Germany. First the little man out of the way, then the middle man, then the big man is left and Hitler bossing the lot. We are touching a matter of very great principle. The way this is being done is 'a little bit at once.' It is like the man who did not want to be cruel who decided he would cut off his dog's tail a little bit every day.

"We have to stand together; individually we are sunk. But as little men working together I believe that we shall go a long way, not only to arrest this concentration, or rather this crushing out of yourselves with its rank injustice, but we will do something to preserve our national life. As I said before, we are all Englishmen, but we are not prepared that sacrifice should be borne unequally. We have been far too silent. It was only when the National Chambers of Trade got together all through the country that the Government listened.

"If you all write to your Members of Parliament all over the country we will have such a volume of support in the House of Commons that we will get something done."

TEXT FROM "THE TIMES," December 14, 1942: "Now therefore why speak ye not a word of bringing the king back?" — II *Samuel*, XIX, 10.

## 'The Will of the Majority'

Great play is often made of this phrase by people, particularly Socialists, who clearly do not understand its implications. In certain quarters it is used, more often than not, to mean that on every specific subject the opinion or desire of the majority must be ascertained and must prevail. The problem is not as simple as that.

It is overlooked by these people that an individual is part of a majority in only a very few of his interests. If any one of us makes out a list of interests, tastes, desires, aspirations, dislikes and abhorrences, he will find that with the exception of a few very general matters he is in every instance one of a minority. For instance one man might be a lawyer, a tennis player, a ballet fan, a non-smoker, a port drinker, a grower of orchids, a motorist and a wearer of fancy socks. In every one of these he would be of a minority.

The point to be observed is that in none of his requirements does he encroach on the interests or desires of others. To speak of the others as a majority is therefore quite misleading. The whole pattern of human associations consists of a few generally applicable master lines criss-crossed and hatched by a multitude of minor matters applicable to minorities. If a social organisation is to work satisfactorily this must be understood and the minority rights respected by the people as a whole. This is not to suggest that anti-social activities are to be tolerated, far from it. An educated and conscious Democracy will quickly recognise such activities, and at the same time turn its whole weight into the protection of minorities.

Voltaire put it this way, when speaking to one of his literary opponents: "I disagree with almost all you say; but I would fight to the death for your right to say it."

It is significant that for many years the controllers of publicity have deliberately used the "others" to curtail existing rights or freedom of minorities. For instance not many years ago, when the authorities had decided to "soak" the "rich" a little more by putting exorbitant taxation on the use of motor cars, it was quite common to see as headlines to paragraphs such tendentious irrelevancies as "motorist convicted of fraudulent bankruptcy"; "motorist accused of bigamy"; "motorist embezzles money," etc. At the time there was a clearly conscious campaign to create bad feeling in the minds of those who did not run cars towards those who did, for the sole purpose of injuring the latter without in the least benefitting the "others," who found themselves jockeyed into the role of opposition majority. When that succeeded, another minority was attacked by artificially creating another "majority."

The master lines in the pattern previously referred to, on which almost all individuals agree, are probably all covered by three desires, those of political security, economic security, and military security. Curiously enough these are denied the citizens of every "civilised" country in the world. It is curious also that Socialists and Totalitarians in general, who are so free in their advocacy of the rights and duties of majorities, on every possible occasion advocate political non-existence, economic dependence, and military impotence. It does not matter that these are called by different names, e.g., one party, the right to work, an international police force.

"The price of freedom is eternal vigilance." H.R.P.

## The 'Conciser' Guide to Clear Thinking

The following statements are made in *Commentary on Misconceptions Regarding Money and Bank Credit*, by J. P. Colbert, Chairman of The Industrial Credit Company Limited, etc., (Cahill and Company Limited: Dublin: 5/-net.) The book is described as a "concise guide to clear thinking on monetary problems and the connection between monetary and social problems."

(F = false. Ft. = fatuous. M = conveying no precise or real meaning.)

P. 18: Quite apart from halting the motion of the social system in order to examine the works, there have been a few specific [*sic*] attempts to halt the motion of the monetary system for examination. The most prominent is that of Major C. H. Douglas... (F. Ft.)

P. 18 (continuation) ... who purported to prove that under the working of the modern monetary system there is bound to be over any given period of time a deficiency in the flow of purchasing power into individual incomes in relation to the flow of consumable commodities from the total nexus of production. (F: the demonstrated flaw lies not in the monetary but in the costing system. In regard to 'total nexus,' M.)

P. 19: His [Professor Soddy's] general remedy appears to be similar to that of Major Douglas, namely, that the power of "creation and destruction" of money should be taken out of the discretion of the Banks and be guided by the State. (F.)

P. 19: Although orthodox economists would hardly think worth while serious discussion of Major Douglas's specific theory of a flaw... (*ex abusu non arguitur ad usum.*)

P. 20: Major Douglas realises that... there are other productive organisations making producers' goods, and still others making capital goods, which collect possibly not a penny from individual incomes. (Nice for them!)

P. 20: A factory producing leather does not close down until a particular batch of finished leather is made available to the consumer in the form of boots and shoes. (F. Ft.)

P. 21: Since, however, the tanyard remains in production the current wages being distributed are available for the purchase of the current output of consumable commodities. (M, perhaps F.)

P. 53: This idea is not of the same *genre* as the Douglas Social Credit idea of issuing periodically free money to the general public to be spent as the individual recipients might choose. (In regard to all but the 'genre,' F.)

### Georges La Barre

We regret to record the death on December 16 of Georges La Barre of Wolverhampton. He was an artist of great ability and was well known in the Midlands as a manufacturing Ceramic Chemist. By his death Social Crediters in the Wolverhampton district lose an uncompromising colleague, whose untiring efforts, impelled by his sound grasp of Social Credit, were always exerted in enthusiastic support of the policy of Major Douglas. He had the vision and imagination of the artist, a grasp of realities and the power of effective action which is so valuable in Social Credit activities.

## THE SOCIAL CREDITER

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### SCOTLAND

Facing this page there is reproduced the *Draft Social Credit Scheme for Scotland* prepared by Major Douglas and published in 1933 in response to the expressed desire for such a guide to discussion.

The chief motive in reviving the scheme is the hope that, in circumstances which do not differ materially from those affecting the Scottish Nationalists when it was written, they may find in it a way out from the predicament which at the present moment threatens, if it does not involve, their movement.

Whatever they may say (or some of them may say) about "Teutons on either side of the North Sea," Scotland is threatened with invasion, and it does not matter to Scotsmen who repels it. Sir Donald Cameron of Lochiel has raised strong objection to the fact that the land of Scotland is passing into alien (Jewish) ownership. That is on the Nationalists' plate; and as for the Germans, it does not matter who licks the Germans either!

Another victory for "England" (Bank of "England" anyway), if it comes off, will be the Scottish Hydro-Electric Power Scheme, which the promoters hope to force upon Scotland under cover of the war. The Nationalists may be quite sure this is not intended for the benefit of the Scots. It is "impracticable" to supply small consumers under the scheme. The promoters say so. The power will be mainly for export—to England!

These things are nearer than a problematical Scottish Parliament, which will take twenty years to 'win.' Then it will take another twenty years to find out what to do with it.

Again, the Draft Scheme is *for discussion only*: it is exemplary, and is not, in any sense, a PLAN FROM MOUNT SINAI. It points to *facts* in the political, economic and social life of Scotland, and envisages concrete experiences which are of the order that Scotsmen in Scotland desire to experience, and it is in the name of Scotsmen in Scotland that the Nationalists are understood to speak. T.J.

### Overdoing it?

"On July 27 all the Jewish inhabitants of a town near Kiev were ordered to the stadium. The women, of whom there were about 500, were instructed to hold their little children in their arms.

"A few minutes after we had assembled" an eye witness declares, "a group of German soldiers in football attire

entered the stadium. They snatched the infants from their mother's arms and used them as footballs, bouncing and kicking them around the arena.

"Soon the ground was drenched with blood and the stadium was filled with the anguished cries of women driven insane as they saw their children being murdered before their eyes."

According to Mr. Hannen Swaffer of the *Daily Herald* the above account was obtained by him from the manuscript of the Chief Rabbi who told it at a meeting on Sunday, December 13.

No wonder the Editor of *The New Statesman* calls it nonsense, and a correspondent of the paper, G. L. Schwarz, protestingly declares it to be a fabrication. If any analysis is given to many of these stories of German atrocities against the Jews, it will be found that most of them lack independent testimony, and find their way to this country *via* New York.

It would appear that strenuous efforts are being made to make England a foster mother for many of these refugees, and persons like Miss Eleanor Rathbone, M.P. and Lord Wedgwood are unremitting in their attention to Jewish interests. It is to be regretted that the Government has lent a willing ear to stories, many of which smelt of a concerted propaganda. True, there have been atrocities: but the cause of Judaism is not likely to succeed when its leaders show their hands so obviously.

Madagascar is the obvious choice for the New Jerusalem, and the United Nations might arrange with France a *quid pro quo*. E.J.P.

### The State

When you think of the State  
You think of something great,  
Of Kings and their Counsellors,  
Admirals of the Fleet,  
Field Marshals, Air Marshals;  
Not of some little clerk  
Working in the half-dark  
Implementing your frustration  
Or regimentation  
But who  
Is REALLY the State for you?

— EXCALIBUR.

### Resolution

The following resolution has been received by Major C. H. Douglas from the Annual Meeting of the Douglas Social Credit Association of New South Wales, forwarded by Mr. John M. Macara, Chairman of the Association, Mr. W. H. Hand, Publicity Officer, and Miss Kathleen W. Marlow, Honorary Secretary:—

"We, the Douglas Social Credit Association of New South Wales in Annual Conference assembled reaffirm our Loyalty to Major C. H. Douglas and his Secretariat.

"We appreciate the close contact afforded to us by affiliation, and we highly value the strategic advice which has been made available to us. We feel that a common way of looking at things has resulted in a common line of action; hence our loyalty is based upon the bedrock of internal conviction."

## Draft Social Credit Scheme for Scotland (1933)

(Readers are referred to a note on page 4 of this issue for a statement bearing upon the circumstances in which the following is here republished. It is advanced for discussion only, and particularly in Scotland, to which country, by title, it applies.)

(1) Obtain from existing sources, such as company balance-sheets, land-registration offices, and insurance companies, such information necessary to place a money valuation upon the whole of the capital assets of Scotland, such as land, roads, bridges, railways, canals, buildings, drainage and water schemes, minerals, semi-manufactured materials. No distinction between public and private property. Replacement values to be used where the property is in use.

Add to this the sum representing the present commercial capitalised value of the population. Such a figure exists and varies with the actuarial expectation of life and the plant capacity of the country, and is something like £10,000 for a citizen of the United States at the age of twenty-five. From the grand total thus obtained a figure representing the price value of the Scottish capital account could be obtained. Financial credit to any equivalent can be created by any agency such as a Scottish Treasury empowered by the Scottish people.

(2) As from the initiation of this scheme, the holding of any stock, share, or bond by a holding company or trustee will not be recognised. It is the intention that no shareholding in any industrial undertaking shall be other than in the form of equity shares of no par value, *i.e.*, Preference or Common shares or stock. Bonded indebtedness will be recognised for purposes of compensation where held by individuals, upon proper investigation, but where held by corporations will be subject to such terms of redemption as may seem desirable.

No transfer of real estate directly between either persons or business undertakings will be recognised. Persons or business undertakings desiring to relinquish the control of real immovable estate will do so to the Government, which will take any necessary steps to re-allot it to suitable applicants. No Government Department shall administer either directly or indirectly any business, whether agricultural, productive, or distributive, other than the administration of the financial and credit schemes, or receive payment for any services rendered to the public, other than in bulk.

### The Initial National Dividend

(3) For the purpose of the initial stages an arbitrary figure, such as 1 per cent. of the capital sum ascertained by the methods outlined in clause (1) shall be taken, and a notice published that every man, woman, and child of Scottish birth and approved length of residence, with the exception mentioned in the paragraph that follows, is to be entitled to share equally in the dividend thus obtained, which might be expected to exceed £300 per annum per family. It will be clearly understood that no interference with existing ownerships, so-called, is involved in such a proceeding. The dividend to be paid monthly by a draft on the Scottish Government credit, through the post office, and not through the banks.

Any administrative change in the organisation of the post office should specifically exclude transfer of the money

and postal order department and the savings bank. No payments of the national dividend will be made except to individuals, and such payments will not be made where the net income of the individual for personal use, from other sources, is more than four times that receivable in respect of the national dividend. The national dividend will be tax-free in perpetuity, and will not be taken into consideration in making any returns for taxation purposes, should such be required. Except as herein specified this dividend will be inalienable.

### "Assisted Price" for Registered Businesses

(4) Simultaneously with the publication of the foregoing notice a figure to be published, known as the discount rate, to replace the existing bank discount rate, a suitable value of this for initial purposes being 25 per cent. It is important that the figure should not be less than 25 per cent.; and it might reasonably be higher.

(5) Simultaneously, an announcement to be published that any or all business undertakings will be accepted for registration under an assisted price scheme. The conditions of such registration will be that their accounts, as at present required under the Companies Acts, should contain an additional item showing the average profit on turnover, and that their prices shall, as far as practicable, be maintained at a figure to include such average profit, where this is agreed as equitable for the type of business concerned (the suitable profit being, of course, largely dependent on the velocity of turnover). Undertakings unable to show a profit after five years' operation to be struck off the register.

### How Free Credits Would be Issued

(6) In consideration of the foregoing, all registered businesses will be authorised to issue with sales to ultimate consumers an account on suitable paper for use as explained in the following clause.

(7) Payment for goods will be made in the ordinary way, either by cheque or currency. The purchaser will lodge his receipted account for goods bought with his bank in the same way that he now pays in cheques, and the discount percentage of the amount of such account will be re-credited to the consumer's banking account. Unregistered firms will not be supplied with the necessary bill forms for treatment in this manner, with the result that their prices will be 25 per cent., at least, higher than those of registered firms. (It is obvious that the larger the discount rate can be made the greater will be the handicap of the non-registered firms.)

The total of the sums credited by the banks to private depositors in respect of these discounts will be reimbursed to them by a Scottish Treasury credit. The capital account will be "depreciated" by such sums, and "appreciated" by all capital development. The existing banks will be empowered to charge an equitable sum for the services thus rendered.

### Hours and Wages

(8) The hours of Government offices will be reduced to four hours per day. To meet the temporary congestion of work, additional staff will be employed, such staff, however, doing identical work with the existing staff in the form of a second shift, and sharing with the existing staff the chances of promotion irrespective of seniority. (The object of this is to discourage the well-known bureaucratic ten-

gency to enhance the importance of existing staffs by employing additional numbers of persons ranking by virtue of seniority below the original officials, and, at the same time, to afford an opportunity of appointing a duplicate set of officials to check reaction without dislocation of existing routine.)

(9) Wage rates in all organised industries will be reduced by 25 per cent. where such reduction does not involve a loss to the wage-earner exceeding 20 per cent. of the sums received in the form of national dividend. The wage rates ruling in 1928 to be taken as the basis against which the reduction would be made.

Any trade union violating a wage agreement to render its membership liable to suspension of national dividend, and any employers' organisation committing a similar offence, to be liable to suspension of price assistance or wage reduction.

#### Must Accept Employment, or—

For a period of five years after the initiation of this scheme, failure on the part of any individual to accept employment in whatever trade, business, or vocation he was classified in the last census, under conditions recognised as suitable to that employment (unless exempted on a medical certificate) will render such individual liable to suspension of benefit in respect of the national dividend.

(10) Taxation of specific articles, or specific forms of property to be abolished. Any taxation found to be necessary to take the form either of a flat non-graduated taxation of net income or a percentage *ad valorem* tax upon sales, or both forms of taxation together. C. H. DOUGLAS.

#### NOTES

The price level of 1928 has been taken for the rough estimate of the items which, when added together, make up the Real Assets or Real Capital account of Scotland.

The Financial Credit, which is equivalent to this, appears in a National Account as a contra-item. Money and real assets are on opposite sides of the account (and should balance) not, as in a commercial account, on the same side of the account.

## Points from Parliament

*The following speech of Mr. Harold Macmillan in the House of Commons on November 28 is recalled in view of the concern expressed by Field Marshal Smuts and Mr. Wendell Willkie over the future of the British Colonies.*

### DEBATE ON THE ADDRESS:

#### COLONIAL DEVELOPMENT

*The Under-Secretary of State for the Colonies (Mr. Harold Macmillan)* [in replying to an amendment put forward which was afterwards withdrawn]: . . . the main object [of those taking part in the debate on Colonial Development] is the same, the well-being of the Colonial people. The machinery must be effective for the immediate purpose, and it must be conducive to what I conceive to be the ultimate purpose—that is, as well as the material improvement to increase the association of the Colonial people with and their concern in the management of their own affairs.

There are always two tendencies, centripetal and centrifugal, one aiming at greater centralisation and the other at devolution. The believers in one say, "Let us have a great panjandrum"—or, as my hon. Friend says, a panjandrum in commission—and the other extreme say that each of 50 or 60 territories should operate independently without

any central control. The extreme of centralisation is to centralise everything in London. It may take either the form of a Board such as is described in this Amendment or it may take other forms. I would like to recall exactly what my hon. Friend meant by this new Development Board. He said, the last time we debated the subject:

"What should be the composition and functions of this Board? In the first place, it should be a statutory body, under the Secretary of State for the Colonies. It should have a full-time chairman and secretary and should deal with such questions as strategy, and as all the Services are involved, it should have a representative of the Secretariat of the Chiefs of Staff Committee. There should be a full-time member for each of the following: Economy and housing, and all the Supply Departments. In addition, the Board should have power to co-opt business men from outside to serve on sub-committees to deal with questions of production, both for home and export, and also with imports, communications, ports, roads, railways, air and river transport. It should have someone responsible for electricity, irrigation, and power. It should be directly responsible to the Secretary of State for the Colonies, and its functions should be to co-ordinate and consolidate the work of all the various committees. It should take over the Colonial Department fund to which reference has been made." —[OFFICIAL REPORT, June 24, 1942; cols. 2027-8, Vol. 380.]

With that the hon. Gentleman seemed satisfied. I can only say, "Some problem; some board." This Board does not seem to differ very much from the Colonial Office itself or even in some respects from the War Cabinet.

. . . The hon. Member for Gower (Mr. D. Grenfell) . . . stated the difficulties. There are constitutional difficulties. I would not reject myself on these pedantic grounds something that was likely to work. I realise that such organisation would preserve continuity of policy. That is an important point; yet I cannot help wondering whether any Colonial Secretary, any even of these transient figures, these dim phantoms which flit across the Colonial stage, would be prepared to accept such a shadowy kind of plan left to them by this Board. I am in doubt whether there would not be a duplication of effort all through between the Colonial Office and the functions of the Board.

The next plan is to have a Parliamentary Committee. . . . The same difficulty seems to arise, although perhaps not in so acute a form. If the Parliamentary Committee is executive, then it is taking away the constitutional powers and duties of the Colonial Secretary. If it is advisory, I am still inclined to feel that we do better with the specialised Advisory Committees such as those on education, labour, medical questions and agriculture, which, as everybody knows, are an important part of the Colonial Office machinery on which many Members of Parliament, I am glad to say, are willing to serve and help us.

The third method is one of more centralisation in the Colonial Office itself, strengthened in every way possible to perform its task and in particular by the two Committees contemplated at the time of the passing of the Colonial Welfare and Development Act. The first of these two Committees was to control the allocation of money for research purposes. That, as the hon. Member for Gower said, has been appointed under Lord Hailey as Chairman. It is supported by a Committee to deal with applied research rather than pure research under Lord Hankey's chairmanship. The second of these—the Committee of which he asked me to say something to-day—was to be appointed to co-ordinate and approve the schemes under the Colonial Welfare and Development Act. At present it has not been thought advisable to appoint it quite as originally contemplated, because the scope

of such schemes is necessarily limited by war conditions, but my right hon. and gallant Friend will review and consider his policy in the light of the arguments addressed to-day. I still feel that whether we are centralised at the Colonial Office or in a Board or Parliamentary Committee or anything else, I shall expect the drive to come from individuals rather than committees. Lord Beaverbrook used to say that committees can become a dangerous piece of modern organisation. Though they have their uses, assuming them to be technical or a panel of experts for a particular purpose, they can be methods of avoiding action rather than of promoting action. . . .

It is quite true that a fourth suggestion has been made. It is that there should be appointed in every Ministry an additional Parliamentary Secretary. I observe that there was a particularly favourable response to this suggestion in some quarters of the House. . . . [Mr. Macmillan added that he did not think it would work.]

All these are centralising methods. There is the extreme decentralising plan. That is, that each Government should be wholly responsible for its own territory, that all schemes should be worked out by local governments and that full responsibility should rest upon them. There would be an advantage in that there would be local interest and pride in the development of their own territories. After all, we do not share the horrible Nazi conception; we do not, like Hitler, regard the coloured people as sub-human. They are people very much like ourselves. It is true that some of them live in a still primitive society, but things are moving quickly. They have made more advance in a generation than our ancestors made in 1,000 years. How would we accept the idea that all development of these Islands was to be centrally planned by a body of wise men sitting 2,000 or 3,000 miles away? However well it was done, we would rather have some hand in it ourselves. It is true that the Colonial Governments are to a great extent controlled by Europeans but the Colonial peoples are becoming more and more associated with them, either directly or indirectly, and, therefore, there is, to my mind, a great advantage in associating local knowledge and local opinion with this forward economic planning with welfare and development. But the disadvantage of its being done entirely locally is that there may not be sufficient drive, knowledge and enthusiasm.

That brings me to the main part of the speech of my hon. Friend the Member for Altrincham who moved the Amendment. He suggested that we should use the principle of regional grouping which combined, or attempted to combine, the advantages of centralisation and devolution. Incidentally, this is the universal problem of organisation, and we found it in supply and production just as we are finding it here. I do not intend, under my formula, to deal with the regional proposal from the political point of view—

. . . I think that the conception of regional grouping . . . has a great future, but admittedly it involves the solution of many problems of a very delicate kind, both in Africa and the West Indies. But in the field of welfare and economic development, which we are supposed to be discussing to-day, regionalism can be applied without the fear of these pitfalls, and, therefore, we aim at and favour the extension of this principle. It is really the system which has been developed in the West Indies.

My hon. Friend then asked what has been the result

of the West Indian Report. Might I describe to the House for a few minutes the functions of Sir Frank Stockdale, the Controller? As a result of that report the Controller was appointed. Sir Frank Stockdale was the first to be chosen. He had had long experience in the Colonial service, both at home and abroad. In particular, he possessed a wide technical knowledge of agricultural questions. He is charged with a double duty. First, he is provided with a body of experts to undertake a constant review of the needs of the West Indies. For this purpose he has an agricultural, a medical, a labour, a social welfare and an economic adviser. . . . Then, armed with this advice, he is able to communicate directly with the Governors of each Colony in the area with regard to matters of general administration and the schemes that may be promoted under the Act. He is also in direct communication with the Secretary of State, and the schemes put forward for the various Colonies in the area are submitted on his authority and in consultation with him. This machinery, in other words, is a kind of projection of the Colonial Office into the region or area. Like many other developments in our history, it has been experimental, but I am convinced that upon these lines lies an idea which is capable of considerable extension and of great value. Up to now, in spite of the difficulties of transport and material, we have been able to promote approved schemes for the West Indies up to the expenditure of about £1,500,000.

But his functions are far more than that. His advice and knowledge make available to all the local Governments the most modern developments of scientific knowledge and economic thought. He is able to place at their disposal and fortify their deliberations with a body of expert opinion which would not readily be available to them in any other way. The same regional organisation has grown up for the purposes of war, we have organised the Governors' Conferences in East Africa and West Africa, and under them, the Supply Boards and all the machinery for war production, and so on; and I should be certainly very unwilling to see that experiment disappear into the void after the war without leaving something behind upon which we can build. The advantage of these methods in the economic and development field is that, as I said, we can build upon them without immediately raising some of the far more delicate and difficult matters the importance of which, I know, my hon. Friend would be the first to appreciate. Therefore, I venture to take, as a kind of method of getting a compromise between these two extremes, the idea which he has put forward and which I would like to say we are now very largely operating.

*House of Commons: December 17, 1942*

#### ADJOURNMENT (Christmas): CIVIL AVIATION

Mr. A. Edwards (Middlesbrough, East): . . . I would like particularly to raise a question of British Overseas Airways administration, which I said yesterday I would speak about to-day. I asked a Question yesterday about the dismissal of Squadron-Leader Geoffrey Cooper, and I want to tell the House briefly what happened in this case. It was a case of him being much too efficient, much too go-ahead. As a matter of fact he was probably a little self-assertive, but he was a man with some vision of what Overseas Airways should be, and what the organisation of our air transport should be in the future. He dared to express himself. It is provided in the Act that the managerial staff should have

the right to make representations when they think that something is wrong. Speaking for practically the whole of the managerial staff he made representations. As a result he was sent abroad. He went to Asmara, where he was paid £1,000 a year with full keep and nothing whatever to do; he was simply sent out of this country because he was a bit of a nuisance. He dared to protest and wrote to other colleagues, pointing out what was happening out there, that nobody out there had a single thing to do and that people were drawing salaries of which they were thoroughly ashamed. He said he would rather go back into the R.A.F. and do his bit.

Here a remarkable thing happened. The censor, in contravention of the Official Secrets Act, intercepted the letter and sent a copy of it to the Director-General of the Overseas Airways Corporation, who, after an investigation, sent a signal to say that this man was to be sent home for dismissal—I have seen the original wording—before hearing him, before considering his report. He did return home and was accordingly dismissed. I have reason to suppose that practically the whole of the staff have in recent weeks again met and expressed their views, perhaps not officially yet, on this very serious situation of British Overseas Airways. It will be one of the most colossal fiascos we have had in this country if something is not done. It is thoroughly inefficient. . . .

*The Joint Under-Secretary of State for Air (Captain Harold Balfour):* . . . I have made enquiries—it might interest hon. Members to know that they lasted until about mid-night last night—and it is clear as a result of the enquiries I made in the short time at my disposal since answering the Question of the hon. Member, that his Supplementary Question made certain new statements purporting to show that the termination of this officer's employment was due in some part to the receipt by the Corporation overseas of information derived from censorship sources, and that this might be so. Whether the Corporation should have received such information and whether they were correct to base part of its case, if indeed they did, upon it, are matters into which inquiry must be made by the appropriate authorities. I am not responsible for censorship overseas, but as this event took place some months ago and some 5,000 miles away such inquiries must of necessity take time. In order that there shall be no suggestion that this officer is in any way prejudiced because of these events the Corporation has informed me that the notice terminating his services has meanwhile been suspended. . . .

### RURAL DISTRICT COUNCILS

*Mr. Hannah* asked the Minister of Health whether he can give an undertaking that rural district councils will not be abolished without giving local government electors an opportunity of expressing their opinion?

*The Minister of Health (Mr. Ernest Brown):* While I am aware that in some quarters there have been suggestions for an alteration in the present system of local government which would involve abolishing rural district councils, I can assure my hon. Friend that no such suggestions will be adopted by the Government for submission to Parliament without the fullest opportunity for those councils and the communities they represent to make their views felt.

*Mr. Hannah:* While thanking my right hon. Friend very much for that reply, do the Government realise the very great importance of local government to our institutions?

*Mr. Brown:* Yes, Sir, and of all democratic institutions.

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