

# THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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## THE MCGOWAN REPORT

By W. A. BARRATT

Mention has already been made of this Report in preceding articles. The claim made by this Committee as to the greater efficiency of the larger undertakings in comparison with the smaller was proved to be false as judged by results on a price-per-unit standard.

It has been said that every policy has a particular mechanism. In the mechanical or electrical sphere the engineer, by a study of a particular mechanism, can easily deduce for what objective (policy) that mechanism is designed.

The same deductions can just as certainly be made in respect of any organisation,—the controlling policy is revealed by a study of its mechanism. In the McGowan Report this controlling policy stands out a mile, and paragraph after paragraph could be quoted showing that finance is the supreme dictator. No one who has read the Report would disagree that "cost" (meaning, of course, financial cost) is the primary consideration. All costs are included in prices. Therefore any consideration of costs includes prices. Variations of this are to be found in almost every paragraph and such phrases as "lowest capital charges," "reduction in price," "increased efficiency," "increased load factor," and many others are all reducible to this common factor.

It must be borne in mind that there is no problem involved in the production *per se* of electrical energy, which has now reached colossal figures for war purposes.

The statement that prices can be made anything that is required is proved by the Government's present price fixing schemes. Therefore the main findings of the Report are so much twaddle.

That every household, farm and factory in the country could have had a plentiful supply of electricity, even in pre-war years, is beyond dispute; but the fraudulent costing system has stood in the way. The industry must obey the figures in the book.

It is over 20 years since Major Douglas exposed the fraudulent nature of financial cost and proposed a physical basis for computing the same. These proposals have been vindicated all along the line, and the present Government have adopted some of them though only in part and for war purposes. To give a few quotations from the Report and so reveal the controlling power of finance:—

*Par.* 417. "The reduction of the cost of electricity to the consumer and the wider availability of supply must be the primary objectives of any scheme of improvement."

On a rapid glance this appears to be good. But under

no consideration must the Committee consider the *nature of costs.*

*Par.* 98. "Uniform standard of efficiency" to reduce costs. "We therefore recommend... the retention and utilisation where possible of the larger and more efficient of the existing undertakings and the absorption by such undertakings of those which are smaller and less efficient." Reduction of costs has not worked out in practice: witness Seascale Gas Company, and price per unit comparison (*The Social Crediter, October 10*).

*Par.* 103. "... Substantial savings can be realised by planning on a large scale."

*Par.* 109. "The financial resources of large undertakings enable them to take a long view, certain risks.... standardisation of systems...." This statement reduced to common understanding means that as Finance has obtained a more complete control over the larger undertakings financial preference is shown to them.

*Par.* 128. "... evidence has shown that the association of rural with urban areas.... should result in a greater diversity of load with a consequent increase in load factor, thereby reducing the cost of electricity over the area as a whole."

*Par.* 316. "With regard to standardisation of voltage,.... it is necessary in order to cheapen distribution costs...."

And so on! Finance must stand supreme and the fraudulent figures in the book are the great dictator of policy.

It is astonishing when it is considered that in this Report, written in the main for engineers, the financial basis of cost has never been challenged. The physical basis of cost is the only natural basis (nature's law) and every time the engineer computes efficiency of a machine he computes—in part—physical cost, *i.e.*, energy lost in converting energy. The costing system represents one of the main mechanisms of high finance for retaining its power. Under its dictates taxation is imposed. Under its workings is left a slimy trail of increasing debt and through debt is obtained the power to impose policy. How many electrical undertakings are free of debt? If there are any, they will be found among the smaller undertakings. That is why finance likes the larger units.

There are cases on record where power stations were scrapped under the Grid scheme, years ago; but the debt was not scrapped at the same time. It is carried forward in perpetuity or extinguished by the creation of another and larger debt.

But why labour this question of costs? The hidden controlling hand of finance will never allow the physical

basis of costs to be tried out. The power mongers will never let go of their own accord. Their objective is to tighten control at every opportunity, and destroy initiative. "Only in war or under the threat of war will the British people accept large scale planning." So said Mr. Israel Moses Sieff, chairman of the Economic Planning Group. Remember Alberta. Witness Chester's, Falkirk's and other enquiries. It is the power of sanctions that is required.

In his memorable speech at Liverpool in 1936, Major Douglas in the *Tragedy of Human Effort* gave an exact analysis of the working of all organisations. He showed how the elements POLICY, ADMINISTRATION and SANCTIONS were all necessary.

Policy, in point of time, comes first. Policy has nothing whatever to do with technique, but is concerned solely with the objective. It is the prerogative of the people themselves to specify the results desired. Administration comes within the realm of the expert and has to do with methods.

Lastly, Sanctions, representing the power to give orders and get them obeyed. Ultimately sanctions reside in the armed forces which exist in order that the will of the people shall prevail. The will of the people should be concerned only with objectives, *i.e.*, the result desired. Finance having perverted this will, to its own ends, is now in almost complete control of all the sanctions.

It is therefore inevitable that in all such reports as this the findings are so easily predictable and are always in favour of "sound" finance and increasing control.

It will not come much as a surprise to social crediters to learn that The Political Economic Planning Group (finance cum socialism), chairman, Mr. Israel Moses Sieff, gave evidence before the Committee. This is the Group concerned with the planning of all our existence and centralising control under a world state. What know they of electrical production? How is it that in all electricity undertakings, in fact all industry, the accountancy department is raised to a false eminence above the engineering department? This again indicates the priority of financial policy. The engineer is concerned with doing things, production, reality; finance, with balancing figures in a ledger.

A few paragraphs taken from the Report indicate to what lengths the planners will go in order to extend control.

Page 81, *par.* 471 (iii.) "Adequate grounds do not [yet] exist for an immediate and complete reorganisation on a regional basis under public (state) control." This was in 1936, but now under the cover of war regional government is being substituted.

(v) "Any attempt to carry through a scheme of reorganisation on a voluntary basis is bound to fail and legislation must confer definite and *adequate compulsory powers.*" (my emphasis). This is Government with a vengeance! But where does the will of the people come into this?

(vii) "No undertaking should be transferred compulsorily under a scheme of reorganisation without a prior local investigation." Readers will remember the Chester and other enquiries.

(xiv) "... Distribution Companies... should be subject to financial control..."

(xv) "The powers of the Electricity Commissioners should be strengthened..."

Although the smaller undertakings have succeeded in

getting this Report shelved, there are signs that the planners are not yet finished and it is whispered in the electrical world that six men have already been appointed to control the whole of the industry.

The counterpart of costs and prices is purchasing power. But the Report does not mention anything about the obvious lack of this in the hands of the people, although the Committee unconsciously admits it by recommending "hire purchase schemes," "hired wiring and apparatus." It will be noted that finance has no objection whatever to lending money to consumers. But it should be particularly noted that this same money is "created out of nothing," and could just as easily be used to reduce the costs which the Committee is so concerned about. This would rob finance of its power and financiers will certainly not do that of their own accord. What a wonderful change would take place if adequate purchasing power were available in the pockets of the people! It would cancel out in one fell sweep all the inspired arguments as to reduced costs, lower prices, increased efficiencies, hired wiring and increased demand. Then the public would be able to express their wants and desires effectively and consequently the electrical supply industry, and all industry, would function exactly to the requirements of the people. The control of policy would then be shifted and a long step taken towards a true democracy. Parliament would at last begin to be truly representative of the people's interests and not as now representing high financial interests.

The vulnerable link in the chain of true representation is the M.P. We still possess a democratic constitution, although it has not been allowed to work. If people do not like the spate of socialistic legislation with its planning, regimentation, centralised control, curtailment of choice and increase of prices ask what they have done about it?

The great majority of M.Ps. themselves do not like it but they are rendered helpless by the financial control of party funds, the power of the whips, patronage and the almost complete control by finance of all forms of publicity.

## SIR R. LIVINGSTONE

The *Letter to Friend Teachers* mentioned here lately contained a reference to "Sir Richard Livingstone's talk to the Council in September, 1941" which is said to have given "a jolt" to the Adult Education Committee.

Sir Richard Livingstone is a member of neither the Society of Friends nor the Fabian Society.\* He is President of Corpus Christi College, Oxford, an eminent classicist, and a member of the Prime Minister's Committee on Classics. Inquiry bearing upon the divergence of his views from those of the younger teachers of Friends' schools has brought to notice a book by Sir R. Livingstone (*The Future in Education*. Cambridge, 1941), from which the following are extracts chosen for their intrinsic interest:—

Like religion, education quickly degenerates into a routine; then its meaning and its effects are lost...

It might be plausibly argued that nearly all the money spent on elementary education is wasted, because the system is, on the face of it, absurd... Unless [elementary educa-

\*Since the preparation of these extracts Sir R. Livingstone has become a vice-president of the Council of Christians and Jews.

tion] leads on to something else, it is as useless as a ladder which has no rungs beyond one or two at its bottom or as a railway from Oxford to London which ends at Didcot. . . . Aristotle may have gone too far when he said that the object of education was to help men to use their leisure rightly. But we have treated the majority as if they were to have no leisure, or as if it did not matter how they used what leisure they had. . . . In 1900 most men had enough to do to earn a living. In 1950 or 1960 they will probably have the opportunity to be more than bread winners. But if the leisure of the future is to be entirely devoted to the films and the dogs, civilisation will not have gained much by it. . . .

Aristotle says that the young are unfit to study philosophy or politics, and states his reason for thinking so. It is because they have no experience of the subject-matter of either. . . . That does not prevent them from talking about these subjects, but it diminishes the value of their opinions. . . . In Aristotle's expressive phrase, "they repeat without conviction." . . . Read Homer and Horace by all means, says Newman; . . . but do not expect to understand what they are really talking about before you are forty. . . . Our school population has hardly any experience of life; most university students have little more. Are their studies a waste of time? What, if anything, do they get out of them? . . . If anyone studies a subject to any purpose, it improves the quality and powers of his mind for certain cognate uses.

Economics are not among the great ends of civilisation, but they are among its indispensable means. They are foundations of our social order, and if they are unsound it will collapse. Citizenship is equally important, especially in a democracy. . . . our machine will not work unless its component humans have some understanding of it, know what citizenship is and are aware that they are citizens. . . . So the educationist says to himself:

Here I have these children, at worst till the age of fourteen, at best to eighteen. Now it is my only chance—and theirs. I must not let them escape. . . .

A very plausible argument, but the more dangerous; in it is concealed one of the greatest dangers to education. It and similar arguments drawn from the amount of knowledge supposed "necessary to the modern man" are responsible for the overcrowded curriculum which leads to intellectual dyspepsia, hopeless malnutrition, and often a permanent distaste for knowledge and incapacity to digest it; to the plastering ideas and facts on the surface of the pupil's mind from which they rapidly peel off. . . . I am not arguing for the exclusion of citizenship or economics from the school. . . . Instruction in such subjects tends to be mere plaster, and in economics at least the school plasterers sometimes apply the wrong material. . . .

An attempt is made to give a sense of reality to school teaching of citizenship by imaginary sessions of Parliament or of the League of Nations, and doubtless this mimic politics, like other forms of acting, has some educational value. But no one can suppose that any idea of the atmosphere of Westminster and Geneva is given by reproducing a shadow of their formal proceedings. It may be a pleasant entertainment, but at its end the pupils will have as little sense of all that makes real politics, its vital problems, its personal ambitions, its tension, excitement, bitterness, enthusiasm, as children who dress up as doctors to visit a sick doll learn from their play about the realities of illness. And

there is a certain danger that they may suppose themselves to know. . . .

Our education is loaded with "inert ideas." The less intelligent the pupil, the more "inert ideas" there will be, and the more boredom in applying the mind to subjects which are dimly apprehended. . . . Anyone who has been a master in a secondary school knows these pupils—they are even to be found in universities, conscientiously walking in the treadmill or quietly evading it. . . .

Nobody who has seen the results of compulsory education to the age of 16 in the U.S.A., will be under the delusion that it produces an educated nation. . . .

Theories are more common than achievements in the history of education. . . . We find it difficult to think of Denmark as a poverty-stricken country lacking in energy and enterprise; but such it was in the early nineteenth century, and its transformation into one of the most progressive and prosperous democracies of Europe was largely the work of the education given in these schools. The creators of the movement were a clergyman, Grundtvig, and a working cobbler called Kold—strange but most successful fellow-workers. The idea and inspiration came from Grundtvig; Kold, a man of the people, founded schools, taught, and drew men after him by strength of character and spiritual force. . . . All students are over 18; . . . Only 25 per cent., have had anything more than elementary education; the rest have spent the years between 14 and 18 in farming or other work. There is no compulsion to attend, and no reward in the form of a degree or a diploma. The cost of living and education is about £4 per month for women, and a little more for men, and is paid by the student, but the Government offers scholarships which pay half the fees. . . . Yet though all the cost in most cases, and half the cost in the rest, falls on the students, it is reckoned that about 30 per cent., of the agricultural community attend a High School. . . . Its main subjects are literature and history. . . .

*While our future educational development thus automatically brings adult education into the foreground, economic conditions give an exceptional chance for its development on residential lines. There will be no need to build colleges. All over the country great houses will be vacant, calling for occupation, purchasable for a song. . . .* [our italics].

The ordinary man is not primarily interested in literary criticism; but he may be interested in poetry—that is, in what interested the poet. Unfortunately it is from this angle that most teachers, trained in universities, tend to approach literature; and this may explain why the hungry sheep are not fed and do not even look up. . . . The middle-aged are more important than the young; they occupy inevitably most of the key posts and directing positions in national life. . . . The Social Sciences are the most difficult. . . . Any suitably intelligent and hardworking person may produce creditable work in chemistry or physiology, even his errors will do no serious or lasting harm. It is otherwise with the sciences which aim at directing the policy of governments and the conduct of millions of human beings. . . .

Suddenly and somehow the whole bottom has fallen out of our civilisation, and a change come over the world, which, if unchecked, will transform it for generations. . . .

If you want a description of our age, here is one. The civilisation of means without ends—rich in means beyond any other epoch, and almost beyond human needs; squandering and misusing them, because it has no overruling ideal. . . .

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### CANDIDATE FOR SHEPHERD

Following hard upon the ecclesiastical explosion at the Albert Hall, *The Times* on October 13 carried a three-line advertisement paragraph stating that "For a thorough grasp of this subject [Church and Politics] you should read *A Christian Realm*. *A Christian Realm* is a small pamphlet, now in its 15th thousand, published on behalf of the Council of the Church Union for consideration and discussion "by resolution of the Council on November 5, 1941." *The Times* for November 6, 1941, contained no reference to this meeting; but enquiry at Abbey House, Westminster has elicited the information that the Council is a large body of nearly 200 people, whose names cannot be furnished. The drafters of the pamphlet however were members of a subcommittee composed of Fr. Lionel Thornton, C.R., Dom Gregory Dix, O.S.B., the Reverend T. M. Parker (of Pusey House), Mr. T. S. Eliot, Mr. Maurice Reckitt and Mr. T. M. Herron (of the Board of Trade).

In our youth, the contending factions of the Church of England used to be impolitely defined as the High and crazy, the Broad and hazy and the Low and lazy. It may be noticed that by far the greater indiscretion (to average judgment) is here imputed to the High Church than to either of the other two sections, and this, in these degenerate days, may be a recommendation to attention. At least one distinguishing feature of High Churchmen is their fondness for the word 'catholic.' The Church Union is composed of High Churchmen, and since it has taken a year and the 'opening' afforded by 'hazier' elements with which they are more or less constantly in some degree of conflict to bring the distribution of their views to its 15th thousand one might expect that these views do not merely reflect and support those Archbishops whose continued leadership of the Church of England constitutes one of its major dangers, and one of the perhaps major dangers of England.

Of the sub-committee of six, we are chiefly interested in those members who are in Holy Orders. This excludes Mr. Eliot, Mr. Reckitt and Mr. Herron (of the Board of Trade), who may have been instrumental in introducing such phrases as 'the Just Price' and 'the Social Dividend' into *A Christian Realm*, phrases which have for us a familiar ring and, unfortunately, a very precise and highly technical meaning which carries very far beyond mere economics. Addressing ourselves therefore to the clerics, we may say that it is all very well to commend the saying of St. Antoninus of Florence that "production is for man, not man for production," but if you go on to talk balderdash about the distinction between productive and unproductive loans,

attainment of what was, presumably, the saint's intention is not likely to be expedited.

That even if you do recognise (on paper) that "the Christian conception of society is 'functional' in character"—by the way, we hope this does not mean that it is not the *conception* but *society* that is functional?—and that "no social renewal can take place without a clear recognition of common purpose," even if "The Church is God's appointed instrument for saving mankind," nothing desirable is likely to eventuate unless the instrument is correctly used. The State is either a piece of pure mechanism or a fantastic abstraction. It is NOT a thing with "a necessary and divinely sanctioned positive function of its own in human life." There is "a natural order of human life." Very well, then the first duty not merely of Churchmen but of everybody is to identify those who are enforcing an *unnatural* order, not "laid down by God" and who are thus laying themselves down as God. "Verily, verily, I say unto you, He that entereth not by the door into the sheepfold, but climbeth up some other way, the same is a thief and a robber."

The Just Price and the Social Dividend are technical features of Social Credit. They are not Social Credit. Social Credit is the policy of a philosophy: of our understanding of what naturally ensues from the natural order of human life. In Social Credit the shepherd goes in by the door. T. J.

### Social Credit Secretariat

The following candidates have satisfied the examiners at the recent examination for the Diploma of Associate, Social Credit Secretariat (Lectures and Studies Section):—

Mrs. G. B. Starky

A. S. Copson

Andrew T. Templeton

### Christians AND Jews?

Invitations to become vice-presidents of the Council of Christians and Jews, which was formed recently with the object of promoting good will and understanding between Christians and Jews, have been accepted by Lord Reading (chairman of the Central Council for Jewish Refugees and president of London Jewish Hospital), the Earl of Perth (former Secretary-General to the League of Nations), Lord Daryngton\* (chairman of the House of Laity, Church Assembly, and president of the Church Army), and Sir Richard Livingstone (President of Corpus Christi College, Oxford).

Sir William Orpen's portrait of Smuts, painted in 1919, was presented to the Union Parliament by Sir Henry Strakosch on behalf of Mr. Bernard Barruch. It must have been a great day for the *Cape Times* to get three such names into one paragraph. Strakosch is off to America for six months.

We note that General Sir Archibald Wavell has been reminding readers of *The Times* of "older and better wars."

We understand that at least one of the better known descendants of the Duke of Marlborough is "not amused" by either adjective.

\*Formerly Herbert Pike Pease.

## Let the Eye of the Expert Be Single

By B. M. PALMER

I think the lions growled gently over the proposed coal rationing—whether that is the reason for its indefinite postponement, or that the machinery of compulsion has begun to seize up on the war effort it is difficult to say. And all to save less than a week's fuel supply! The situation is not without its humour. Sir Leonard Hill, in a lecture at the Royal Society of Tropical Medicine and Hygiene, stated that we could all withstand the severest wintry weather without artificial heat and with windows open if we dressed as the Northern Chinese in wadded tunics and trousers bound round the ankles, and wore undergarments knitted of soft wool. A few days later the coupon value of men's woollen underwear and women's woollen stockings was increased.

The Chinese, as yet the most completely decentralised of all the larger nations, are 100 per cent. self-supporting in clothing and food, and produce more pure silk than any other people in the world. It has also been their custom, and probably still is in many districts, to carry little charcoal stoves as winter muffs to warm their innards. There is supposed to be some connection between this habit and their predisposition to cancer of the stomach.

We were advised to stop up all crevices to conserve heat. Commander Stephen King-Hall announced that all those people who were unwilling to share their neighbour's fires to save fuel had better think twice. The committee reporting on the increased incidence of tuberculosis found that it was due mainly to overcrowding, nutritional deficiencies, black-out conditions and evacuation. The average quantity of milk a head needed for satisfactory nutrition is not less than three quarters of a pint a day. The adult population has been inadequately supplied with milk during the winter.

I listened to the first broadcast summary of this report. I heard no allusion to nutritional deficiencies. There is a widespread attempt to prove that we have been all the better for a restricted war diet—austerity, you know; to our shame it is true that the underdogs *are better fed*, even on war diet; and their improved health has done something to send the statistics in the required direction. But the testing is to come.

The Lambeth Communal Kitchens Secretary informed the public (through *The Times*) that they make constant use of haybox cookery; and intend to use it still more this winter in order to save fuel. Dr. Franklin Bicknell, of 79, Wimpole Street replied that such cooking is very injurious, destroying more vitamins in the protective foods than any other method. He continued "the use of a haybox therefore seems a false economy, more cold food or even more fuel being a wiser choice."

During the last few months the Government has forbidden the sale of any other sugar substitute than saccharin. According to the *Encyclopaedia Britannica* 14th edition, "Saccharin decreases appetite, gastric secretion, peptic digestion, and intestinal absorption." And in the case of that pale caricature that passes for a loaf on our table, it has not been proved that the added calcium cannot do more harm than good.

It would be easy to go on multiplying instances; broad-

casts have stated that there is no essential difference between sugar, glucose, honey and black treacle, that special margarine is as good as butter [although mice don't think so] or that you can do anything with dried eggs except boil them. The kitchen front of the B.B.C. has on more than one occasion given inaccurate information, notably in the recommendation to use metal lids with sulphur dioxide in fruit bottling. This is against the express instructions issued by the manufacturers of Campden Solution. There are, of course, plenty of a particular make of metal lid on the market, while more satisfactory preserving jars are difficult to come by. Why? Such incidents, though obscure, are worth noting. Those women who come across them, in their capacity as experts in the home, should never let them pass. Something was done with regard to the above, and the record kept. The general instructions for procedure are to be found in chapter XVIII of *The Big Idea*.

"The first strategy has many times been emphasised—it is to insist that Members of Parliament are representatives, not delegates. I am still of the opinion that so long as Parliamentary institutions subsist, which may not be much longer, this line of action is vital.

"But the same principle can be carried into every official quarter. Once get the mental attitude well established in oneself that institutions exist only legitimately to serve individuals and it is possible to make demands of Government Departments with which their organisation cannot deal, but are yet entirely reasonable. It is not necessary and not desirable, to organise this kind of action. The underlying idea is to call the bluff of institutionalism, and to make it either deliver the goods or expose the fact that it can't."

It is not the business of social crediters to set up as food experts, but they are concerned that the eye of the expert shall be single.

The unpalatable truth is that a majority of government experts in key positions to-day are not men of integrity—they keep an eye on the main chance in their attempt to prove that the Socialism under which we are now living (according to Miss Ellen Wilkinson) is good for you. Events are proving that it isn't.

NOW READY:—

### "The Tragedy of Human Effort"

By C. H. DOUGLAS

Major Douglas's Liverpool Address, October, 1936.

ALSO

### "The Policy of a Philosophy"

The first republication in pamphlet form of the address given to a conference of social crediters in June, 1937.

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## The 'Managerial' Revolution

The *Economic Journal* (Editor, Lord Keynes) June-September 1942 issue, has a review of a book published in New York, in 1941, entitled *The Managerial Revolution: What is Happening in the World*, by James Burnham, a Lecturer in Political Philosophy in New York, who was, it is stated, for some years active in the Trotskyist movement.

It appears that the Managerial Revolution "involves the solution of the problems, (1) of reducing capitalists to impotence, and (2) curbing the masses in such a way as to lead them to accept managerial rule, and eliminate the threat of classless (socialist) society."

It is stated that both these problems have been solved substantially in Germany and Russia, though in different ways and in a different order in point of time: that Russia is immeasurably further away to-day from the characteristics of socialist society, which are classlessness, freedom, and internationalism, than during the first year of the Revolution. The author of the book avers that "every shred of freedom and democracy has been purged from Russian life."

The reviewer explains that there is a third problem with which the future order would be faced, *viz.*, that of the formation of super-states, and eventually the struggle for world-domination amongst them. Only three centres of advanced industry in the world are capable of constituting super-states, North Western and Central Europe, the U.S.A., and the Far East. The author believes that the war of 1939 is "the first formative war of managerial society, and that in the future the U.S.A., when it develops the full managerial structure, will inevitably be drawn to make a bid for world-power as against the super-states based on the other two central areas of Europe and the Far East. The hemispherical policy of Roosevelt and the acquisition of Atlantic Naval bases are stepping-stones towards this ultimate conflict, however little such ideas may be present in the minds of the existing rulers of America."

The author of *The Managerial Revolution* has no doubt as to the effect of the 1939 war on the future of England: "first, the political consolidation of the European Continent, which involves also the smashing of England's hold on the continent, and second, the break-up of the British Empire, chief political representative of capitalist world-society" are the two major results which are to be expected. Even if Hitler is vanquished, "England can never again be dominant in Europe, or the controlling centre of a vast world-empire."

The reviewer describes the book as "most provocative, exciting, and indeed alarming," and as an "extraordinarily ably reasoned thesis," after which strong language he passes to what seems a lame and impotent conclusion: "the reader may console himself *inter alia* with the reflexion that the future probably will not be quite so grim. . . and that ideas, sentiments, and individuals yet unborn are capable of giving world-events to come a twist in quite other directions than those so confidently forecast by the author."

C. W. Guillebaud, St. John's College, Cambridge, the reviewer, states that the author is "by no means enamoured of the prospect he holds out, and that his whole book must be read in the light of an extract from a letter from Machiavelli which is appended as a motto to this work," *viz.*: "I teach princes villainy, and how to enslave. If any man will

read my book with impartiality and ordinary charity he will easily perceive that it is not my intention to recommend that Government or those men there described, to the world, much less to teach men how to trample upon good men and all that is sacred and venerable upon earth, laws, religion, honesty and whatnot. If I have been a little too punctual in describing these monsters in all their lineaments and colours, I hope mankind will know them the better to avoid them, my treatise being both a satire against them and a true character of them."

The reactions to these professions of an ordinary reader might perhaps be expressed suitably in the words of Macduff after Malcolm's recantations of villainy, "Such welcome and unwelcome things at once, 'Tis hard to reconcile." — T.A.T.

## Points from Parliament

HOUSE OF COMMONS: OCTOBER 13

(Adjournment: continued)

*Mr Hutchinson* (Ilford): My hon. Friend says that it was the history of the Bank that had aroused his suspicions, but when one looks into the history of the Bank, it is quite clear that its original parenthood, at any rate, was unimpeachable. It came into existence as the child of most respectable parents. It was one of the instruments for facilitating international transfer under the Young plan, which, the House will recollect, enjoyed the approbation of the late Mr. Philip Snowden and the Labour Government of that time. . .

*Sir K. Wood*: . . . As I understand it, the Bank for International Settlements, in accordance with their normal practice, gave out to the Press in Switzerland a summary of the report on September 4. . . I think that whatever correspondents of the British Press were there did not see that there was anything very exciting in this report, and, so far as I am aware, they gave no publicity to it. Of course, that was a matter entirely for them. . . As to copies of the report reaching this country, again I do not think that is a matter of very great importance. I did state in the House, what I understood to be the case, that no copy of this report had reached this country. At any rate, I had not seen it, and the Bank of England had not seen it.

*Mr. Stokes* (Ipswich): Price, Waterhouse and Company had seen it.

*Sir K. Wood*: It turned out afterwards that one of our Departments had a copy of it. They had not informed me of the fact, thinking, I expect, that I had a copy when I had not one. There is nothing very exciting about that, either. In order that any doubts on this matter may be quieted, if it is possible to quiet them, let me say that I am informed that at about the same time as the Press summary was given out by them, the Bank for International Settlements posted copies of the report to this country. Some few weeks later they posted copies to Germany, the intention being that the copies should arrive at both central banks at about the same time. . . It only means that the post has been slowed, delayed or something of that kind. In fact, the copies that were sent to the Bank have not yet arrived. . .

My last few words to those who are interested in this matter are that, in my judgment, nothing would be gained

and much might be lost if we attempted to sever our relationship with the Bank, as at present controlled and constituted...

## OCTOBER 14

### Police Forces (Amalgamation)

*Mr. Craven-Ellis:* ... We cannot ignore what people outside this House think about the proposal and the extent of their confidence in those who may have to administer this Order. Only a day or two ago the Lord Mayor of Birmingham, making a speech, said:

"You can't have a Gestapo without a national police service." Are we now laying the foundation stone for a national police service?

"Once you have a national police service you have opened up the way for a Gestapo, and I have no more confidence in some of the gentlemen in Whitehall than I have in Hitler himself."

[An Hon. Member: "Shame!"] That is what was said by the Lord Mayor of Birmingham, and however shameful hon. Members may think it is, we must have regard to the reactions in the minds of people outside...

*Mr Hutchinson (Ilford):* ... The suspicion which has been aroused by this Defence Regulation represents a very much wider feeling of apprehension than the merits of this particular Regulation in themselves justify. There is among the local authorities of this country a feeling that the emergency of the war is being used in some way to prejudice their position as independent organs of democratic local self-government. Regionalism is in the air. There is much talk about reform and change in local government. Everybody agrees—local authorities themselves would be the first to agree—that changes must come when the war is over; but they desire to ensure that their position shall not now be prejudiced by Regulations such as this, before any complete inquiry and a decision about their future status has been taken. That is the thing about which they are apprehensive...

*Major Proctor (Accrington):* ... Furthermore, I oppose the Regulation because it is another step towards bureaucratic control. There is a tendency to use the war as an excuse for increasing this control over private citizens and over their elected representatives on the borough councils. Whitehall is always reaching out its tentacles like an octopus. We go from Regulation to Regulation. Our lives are regulated, governed and controlled from day to day. There is no protest, because this is war-time, but we ought to resist, as far as it is possible, this increase of bureaucratic control over our councils and over our civic life unless there are much stronger reasons than those put forward in favour of these Regulations.

*Mr. Messer (Tottenham, South):* Why is amalgamation bureaucratic?

*Major Procter:* I will tell the hon. Member. The bureaucrats of Whitehall tried to get these proposals through in 1922 when there was no war. A Select Committee was set up to examine their suggestions, but nothing was done. The scheme was shelved. Whitehall wants all the time the merging of small units into larger units which are more easily controlled. We see this happening in industry and trade. In the matter of Government contracts the little man is ignored. The large contractor is easier to deal with. Small industries are, by regulations, penalised in favour of large monopolies. Now comes the merging of the small

police force into the larger ones. So that they too may be more under the control of Whitehall.

Lastly, I oppose the Regulation because of this greatest of all dangers to a democratic country. These proposals, no matter how one may examine them, put into the hands of the Executive, and into the hands of one member of that Executive, who may be in the future a dictator, and without any limitation of any kind, a powerful force to carry out what may be his own will. The time may come, if it is not already upon us, to curb the growing power of the Home Office and not to increase this power, as is now proposed...

*The Secretary of State for the Home Department (Mr. Herbert Morrison):* ... I have assured the House that it is not part of the purpose of these Regulations to establish a national police force...

I have no ambition to establish regional police forces. It is not necessary. What I want to do in the class of area with which we are concerned is to merge two smallish police forces into one, or a smallish police force into a bigger one...

## OCTOBER 20

Sir Kingsley Wood circulated in the Official Report the names of the present directors of the Bank of International Settlements:—

Dott. V. Azzolini (Italian); Y. Breart de Boisanger (French); Baron Brincard (French); Walther Funk (German); Alexandre Galopin (Belgian); Prof. Francesco Giordani (Italian); Nisaakira Kano (Japanese); Sir Otto Niemeyer (British); Montagu Collet Norman (British); Ivar Rooth (Swedish); Dr. Hermann Schmitz (German); Kurt Freiherr von Schroder (German); Dr. L. J. A. Trip (Dutch); Marquis de Vogue (French); Ernst Weber (Swiss); Yoneji Yamamoto (Japanese).

### Government Announcements

*Mr. De la Bère:* On Tuesday, October 13, I asked the Prime Minister whether he would find time for the consideration of the Motion standing in my name regarding Government announcements. This was answered by the Lord Privy Seal. It is, I believe, a customary rule that such Motions should be printed in the OFFICIAL REPORT. I asked some Supplementary Questions, but their sense was rendered ineffective by the fact that the Motion was not printed. As the Motion related to matters affecting Army pay, the War Office, the Beveridge Report and the position of the Board of Trade, I want to ask whether you, Sir, would give permission for it to be printed in the OFFICIAL REPORT in accordance with the customary rule, seeing that the privileges of Private Members have been so largely curtailed since the outbreak of hostilities and seeing that they have difficulties in getting a hearing.

*Mr. Speaker:* The hon. Member is not quite accurate about those Motions being invariably printed in the OFFICIAL REPORT. They are not always printed. The Motion to which he is referring did not appear because of its inordinate length. It occupies 16 lines on the Order Paper, and I thought in these circumstances that if it were printed in the bound volume, it would be sufficient.

*Mr. De la Bère:* In view of the fact that its non-appearance in the OFFICIAL REPORT destroyed the effectiveness of my Supplementary Questions, may I respectfully ask your indulgence to allow it to be printed in the OFFICIAL REPORT, since it deals with important matters relating to the conduct of the war?

*Mr. Speaker:* The House will realise that these things

are only done to save printing and paper. I thought that the hon. Member would back me up in that, but if he does not, I shall have to have the Motion printed.

*Mr. De la Bère:* May I humbly ask you, Sir, as I have not been able to make a speech and it is important that Private Members should be able to put forward their views, to be so indulgent as to allow my Motion to be printed?

*Mr. Speaker:* I have said that I would do it.

*Mr. De la Bère:* May I thank you, Mr. Speaker?

*Following is the Motion referred to:*

[That this House notes with grave concern the practice frequently permitted and exercised by the Government of handling advance information and priority Reports to certain sections of the Press, whether the House is sitting or not; recalls certain incidents on 9th and 10th September in connection with Army pay and the incident regarding the Beveridge Committee on Fuel; believes that the development of this practice is due to the increasing use of Press relations officers by every section and department of the Government, notes the method adopted whereby one Press officer is set up for each section and department of the Government, and is speedily increased to a large staff, resulting in overlapping, needless expenditure and waste of man-power; is of opinion that the number of these Press relations officers should be drastically reduced; considers that the present methods result in annoyance to Members of Parliament and the public, misunderstanding and loss of efficiency; and is jealous of its prestige and authority being undermined by the manipulation of the public mind by undemocratic and undesirable methods not in the best interests of the national war effort.]

### Representation Issue

In the course of a letter to the *Birmingham Daily Post* on October 20, the Lord Mayor of Birmingham, said:—

“The fact that our M.P.s neither spoke on the debate, nor pressed for a division, demonstrated that they did not feel as strongly on the matter as we did locally. . . .

“Members of Parliament as well as Lord Mayors are liable to have their actions, and their opinions criticised, and quite rightly too. Fortunately for Birmingham and the country, members for other constituencies were more alive to the dangers of a British Gestapo. The members for Southampton, Ilford and Accrington forced an assurance from the Home Secretary that these new regulations were not to establish a National police force, nor yet a Regional. Even Mr. Morrison has apparently seen the red light on the subject of Regions.

“I note, however, that he went out of his way to compliment Birmingham members. No wonder. When Birmingham members receive the support of a Minister, who has fastened Regional chains on local authorities whose Fire Watching Orders have been a tragic farce, and who has overridden municipalities without even consulting them, they might well ask themselves how accurately they represent the views of their electors.

“If all that is required is the amalgamation of a few village police forces, then far-reaching powers which enable the Home Secretary to take over the larger forces such as Birmingham or Manchester are not necessary. . . .”

## 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 Big Idea .....	2/6
The Tragedy of Human Effort .....	7d.
The Policy of a Philosophy .....	7d.
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.
Democratic Victory or the Slave State? by L. D. Byrne .....	4d.
How Alberta is Fighting Finance .....	2d.
The Rulers of Russia by Rev Denis Fahey.....	1/-

### 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/-

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## 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.  
 BLACKPOOL D.S.C. Group: Hon. Sec., 73 Manor Rd., Blackpool.  
 BIRMINGHAM (Midland D.S.C. Association): Hon. Sec., 20 Sunnybank Road, Boldmere, Sutton Coldfield.  
 BRADFORD United Democrats: R. J. Northin, 11 Centre Street, Bradford.  
 CARDIFF S.C. Association: Hon. Sec., 8, Cwrt-y-vil Road, Penarth, South Wales.  
 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 November 5.  
 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.

## THE PRIVATE LENDERS

A New Zealand correspondent writes:—

“... The position is that in respect of the Government's Liberty Loan the Banks are offering to accommodate would-be purchasers for six months at about one per cent higher than the interest on the Bonds, the loan to be repaid in six instalments. Those private companies who had not subscribed were sent a circular telegram reminding them of the Loan and signed by Peter Fraser.”

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