

Summits -
D.S. of Africa

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FOR POLITICAL AND ECONOMIC REALISM

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"NAZI CHALLENGE TO DEMOCRACY"*

By C. H. DOUGLAS.

Those of us whose memories go back to the bad, barbaric days before the Glorious Era of Socialism in which we now bask—days when a cottage was rented at 3/6 instead of 12/6 per week, and was an Englishman's castle, and not a common lodging house run by Inspectors; when beer was brewed from hops by brewers, and not by Imperial Chemical Industries, and good whiskey was 3/6 a bottle instead of bad whiskey and water being 16/6; when railways were run by engineers and not by tax-collectors and fares were half their present amount and railways paid dividends to thousands of widows; and a first-class sleeping berth from London to Edinburgh was 5/- instead of 25/-, and a large luncheon basket containing half a chicken, salad, cheese, butter, and half a bottle of good claret was 3/- instead of being unobtainable; when farms were run by farmers instead of by olive-skinned clerks from the London School of Economics and owned by administrators with a tradition of obligation, instead of by loan societies, and everyone eat butter and had never heard of margarine; and a seat in the Pit to hear and see Irving was 1/-,—in short in the bad old days when life was an adventure and not a "plan" or a "skedule"—may remember the story told of a Frenchman who was taken to a London Music Hall to hear a turn by Arthur Roberts, in "French." Asked what he thought of it, the Frenchman replied, "'E look like Francais, 'e sing like Francais, bort I cannot agree with wot 'e would like to tell me." The song, in fact, consisted of a string of disconnected phrases from a French exercise.

This simple tale is recalled to my memory by reading an article published in the *New York Nation*, and sent to me by a Canadian friend with the comment that it has attracted a good deal of attention, and that he feels sure that my opinion on it will be asked. For reasons which will occur to most of us, I should not share that expectation. Without attempting to deal with the article at length, therefore, I think that an attempt to discover the general thesis involved in the title may be useful.

The task is not altogether an easy one. Possibly for reasons of space, Mr. Noyes defines none of the words he uses and makes no attempt to justify a string of assertions, not all of which, even when sound, seem either to be fully understood by him, or to bear the interpretation he places upon them. For instance, in what is obviously a paraphrase of the A + B Theorem (although Social Credit literature is nowhere mentioned) it is stated, "For all practical purposes the mass-production industries,—perhaps also

agriculture and some others—are already operating in an economy of abundance. This fact should not be obscured by the underconsumption which is still widespread. National and world production are less than enough to provide a universally satisfactory standard of living, but *the expansion of production can always be faster than any expansion of demand which is conceivable in a conventional capitalist system.*" (Italics in original). The introductory words "For all practical purposes" and the use of the word "conceivable" in the italicised portion, deflect attention from the fact which is so obviously near the root of our troubles—that Finance supplies the credits, which are required by the B portion of cost, to equate purchasing power to prices, only against production, never against consumption, thus providing the strongest urge to compete for foreign markets and to regard war as a welcome consumer.

When, therefore, Mr. Noyes states that "The regimentation which exists in Germany, Russia and Italy is neither a product of the character of the people nor a system arbitrarily imposed by the whim of authority" he is I think, writing rather dangerous nonsense. The idea suggested is our old friend "inexorable economic law." Nobody is to blame—it's just too bad. Yet one would have imagined that if the character of a people was such as to resent regimentation the final statement that "Unless.... the people will turn to the totalitarian method" would appear to be illogical. Now the fact is that, *once it is conceded that banks, i.e. bankers, create and destroy credit on the basis of always demanding a lien on non-consumable goods as a condition of the loan*, certain results do follow almost automatically, including war. It is curious, and possibly significant, that nowhere does Mr. Noyes make any reference to the bankers' powers.

But to say that the disallowance of every Law passed by the Alberta Legislature which would rectify the results of banking control of credit is "automatic" or "unconscious" would be simply untrue. The legislative history, not only of Alberta, but of New Zealand, as well as of the Federal Parliament of Ottawa, affords ample evidence that financial policy is consciously directed to the attainment of certain obscure but very far-reaching objectives and that those objectives are not "democratic." Equally, the misrepresentation of a growing labour surplus (i.e. the attainment of leisure), has consciously, deliberately, and with great skill, been misrepresented as "the unemployment problem." These things are not "automatic."

This aspect of the subject is of primary importance. The title chosen by Mr. Noyes for his essay would suggest

*An article by C. E. Noyes in *The Nation*, New York, September 14, 1940.

that National Socialism (undefined) is an alternative *policy* to Democracy (undefined). But he observes, quite correctly and significantly, that "The same forces have been tending towards regimentation *in the United States even longer than in Europe.* This tendency seems inevitably to accompany the rationalisation of industry through *centralised financial control and large-scale producing units.*" (My italics). This seems to suggest that the United States ceased to be a democracy, some time ago, if it ever was one; that the birthplace of National Socialism was the United States, although its conception may have been "German"; and that *the policy effective in the United States is identical with that of Nazi Germany, although some of the administrative details may differ.* I should agree with all these suggestions; but I should add that the situation is neither automatic nor inevitable, and that, to anyone who will resist the flood of ridiculous but highly successful propaganda, to the end that anyone who suggests that an effective policy which resists all efforts to change it, as in the case of Alberta, implies an effective body of politicians, has a bee in his bonnet, the growth of regimentation, not merely in Germany, Russia, and the United States, but in Great Britain, would suggest an effective body of politicians common to, but stronger than, any one of the nations mentioned, *under present conditions.* And it ought also to suggest the direction in which a remedy can be found for the incredible, but tragic results of their activities. In this matter, the correct and just use of words is fundamental, and the distorted use of them has been one of the strongest weapons in the hands of that body of effective politicians which I suggest does exist, *and also one of the evidences of the existence of that body and of its control over the Press and Broadcasting.*

"Policy" is a word whose derivation is allied to that of the word "police." It implies sanctions. No sanctions, no effective policy. What are the sanctions of society, that is to say, those powers which enable politicians to make their will effective?

There are I think three in number: (1) Priestcraft (Freemasonry, hypnosis, suggestion, propaganda, advertising), (2) Finance (a derivation of priestcraft), (3) Armaments.

Now, Mr. Noyes takes it (or wishes us to take it) for granted, that "Totalitarianism" is more "efficient" than "democracy" but he does not say what he means by efficiency, or democracy, although we have seen, and as I should agree, he suggests that democracy does not exist in the United States. Nor does it now exist in Great Britain although, in a restricted form, it once did. The scientific definition of efficiency is; the ratio of output of *what you want*, to input of *what you have got.* Efficiency is a word completely without meaning except it be coupled with policy. Well, both Mr. Noyes and I can agree that the world has been moving towards totalitarianism by various converging routes, for a considerable period. If the populations of the world, who, by the exercise upon them of the three sanctions of Priestcraft, Finance, and Armaments, have been induced to put *in* all they have got, including their lives, have got *out* what they want, including the hells of London and Berlin, then the system is efficient from the democratic point of view. If not, not. But that does not mean that it may not be highly efficient from the point of view of those who cannot conceive any world tolerable which would permit individuals to mind their own business.

But, suggests Mr. Noyes, centralised production is necessary to meet centralised production for war purposes

by e.g., Hitler. That is to say (to give him the best possible case) once you have decided what to do, centralisation is the best way to do it. I have said much the same thing myself. But it is a statement which requires careful elaboration.

In the first place, modern war is simply the apotheosis of gangsterism. To use the phrases that "man is a fighting animal," "you can't stop people quarrelling," and so forth, in connection with modern war, is either stupidity, or worse. Modern war would be impossible if by centralised power, a small number of power maniacs were not able to swing millions of men into the mass murder of millions of others with whom they have no quarrel, and whom they do not wish to injure. This gang warfare is made possible by centralised sanctions—propaganda, financial pressure, legalised press-gangs. So that there is every ground for the belief that the bigger the gang, the more certain and more devastating will be the war. Which is exactly the lesson of history.

But there are also other important reservations as to the effectiveness of very large organisations. They are always riddled with intrigue; they acquire momentum in a straight line (e.g. the production of the Ford Model T, long after it was outclassed, and the complete shutdown for nine months of the Ford organisation to enable new models to be produced).

Much of the "success" of large organisations is paper, and nothing else. Price rings, access to large credits, and large scale buying at bulk prices unquestionably give certain book-keeping results. But that is all they amount to. The *reductio ad absurdum* of giant productive organisation is Russia, a country of 170,000,000 inhabitants, which narrowly escaped a monumental hiding by a country with a population about that of the city of Chicago.

I hope that what I am suggesting is now a little plainer. There is no fundamental difference between the basic policy of the Nazi economy and that of the so-called democracies. "Lebensraum" is no more necessary to Germany than large international trade is to the United States. They both rest on the vicious fallacy, consciously propagated, that the object of statesmanship is to keep the world's population fully employed at *tasks which are set for them.* The present state of the world is the outcome of that policy.

Now it has been pointed out by many abler pens than mine that there is a curious linking up of Puritanism (particularly Calvinism) Judaism, International Finance, and Government by Work. I merely refer to this because it is relevant to the common policy of Prussia (which is being pursued by Hitler just as it was by Bismark and the Imperial Reich) and that of the so-called democracies.

The remedy is simple enough in theory, if, from its nature, difficult to come by. It is to put the individual into a position of free co-operation by releasing him from centralised sanctions. The whole of the technical literature of Social Credit is devoted to an examination of this problem as it relates to Finance. But it has to be recognised that since most of the responsible literature on the subject was written, the availability of money as purchasing-power has been consciously hemmed-in by legislation, i.e. "Socialism" which is the antithesis of Social Credit. The problem, while far from insoluble, is therefore more difficult than it was twenty years ago.

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C.S. Douglas

FROM WEEK TO WEEK

VITAMIN B, IN BREAD

Hansard of August 14 reports that:

Mr. Leach asked the Parliamentary Secretary to the Ministry of Food whether he will state the substances from which the vitamin to be added to flour is obtained?

The Parliamentary Secretary to the Ministry of Food (Mr. Boothby): The vitamin, which is derived from many different substances, is composed mainly of the atoms of carbon, hydrogen, nitrogen and oxygen, but the process by which these atoms are linked together so as to be in the same form as that in which they occur in nature is an extremely complicated one.

Mr. Leach: Is the Minister aware that there are many medical men in this House who are very sceptical about this device?

Mr. Boothby: I am also aware that there are many medical men and scientists in this House and outside it who are warmly in favour of it.

Mr. Pickthorn: Can my hon. Friend say whether the process to which he referred is all done under the patent of Roche, Limited?

Mr. Boothby: No, Sir, the process to which I refer has been undertaken by various firms in different countries, but I understand that Roche, Limited, are the only firm at present producing in this country.

Sir Francis Fremantle: Is the hon. Gentleman aware that there is not one medical man who does not consider it infinitely better to have wholemeal bread?

Mr. Boothby: The view of the Government is that a large number of people in this country do not care to eat brown bread, and this is really the primary reason for the decision which has been come to.

Mr. De la Bère: Are the Government wedded to these vested interests? Is it not true that nothing further is intended?

Truth of November 1 comments, with reference to Mr. Boothby's reply to Mr. Pickthorn:

"I understand." And who should understand better than Mr. Boothby? Curiosity prompted me to turn to that

admirable compilation the *Directory of Directors* (1939) and lo and behold, it gave Mr. Boothby as a director of Roche Products, Limited!"

A correspondent writes:—

Artificial bread: It would be easy to pursue a fruitless line of approach to the truth about artificial bread.

Q. Is it possible to take the fruits of the garden of Eden and make mince-meat of them?

A. Of course it is!

Q. If you eat the mince-meat will it do you any harm?

A. See Genesis.

Q. But if it wasn't garden of Eden fruits, what then?

A. Ah!

Q. Can Lord Woolton take out some bits from the mince-meat, make something just as good in a laboratory, add the mixture to the remains of the mince-meat and then feed you with it?

A. Probably not Lord Woolton.

Q. Anyone?

A. Lots, provided the public doesn't know their names and they're not politicians.

Q. And will the mixture as prepared do you any harm?

A. Not necessarily.

Q. Any good?

A. Why not?

Q. Well, why not do it then?

A. Well, why do it?

Q. Well, why do they do it?

A. Because by so doing they make work for chemists, canners, shippers, advertisers, members of parliament—in fact they almost cure unemployment! Also, they make farmers less important and bureaucrats more important and more mischievous and powerful.

Q. But the public won't see that. Can't you say that artificial vitamins are bad for people?

A. Of course they are; but we must make sacrifices for 'progress.' This Great New Science is only in its infancy. There are many worse things.

Q. For example?

A. Hundreds of people in this country, when supervision is lax, eat their own excrement without its apparently doing them any harm physically, or making their minds any worse than when they started.

Q. Ah, yes!—Lunatics?

A. Yes, lunatics.

"OUR FUHRER WHICH ART.?"

A party of children was taken into the country for a day's pleasure by their

teachers. After playing about for three or four hours they got hungry. A teacher assembled them and asked if they felt ready for a meal. "Very well then. Pray to God and see what he will send you." They prayed and nothing happened. After another half-hour of play the teacher again assembled them and repeated her question and recommendation. Again nothing happened. "Now, said the teacher, "We've twice prayed to God and he sent us nothing. We'll pray to our Führer now, and see if he'll send us something." They did so, and in about a couple of minutes a van load of food and drink rolled up.

THE ATTITUDE OF THE UNITED STATES

Mr. A. V. McNeill, in a letter to the *Vancouver Daily Province*, says that:

"... the repeated emphasis of some prominent Americans on non-belligerent assistance to the Empire in her time of need, coupled with offers of federal union, reminds me, at the best, of Dr. Johnson's celebrated definition of a patron.

"A patron, my lord, is one who watches a man drowning without offering any assistance, and, when he has reached the shore by his own unaided efforts, embarrasses him with offers of help.' There is, of course, a less charitable interpretation."

Or, as an Irish correspondent has it, 'He'll promise you the moon—but you can go for it yerself.'

IDIOT'S DELIGHT

"Would you favour union with America?" asks Robert Sherwood in a Sunday newspaper. Mr. Sherwood is recommended to the notice of the public by the announcement that he is the author of *Idiot's Delight*.

LECTURES AND STUDIES

The syllabus (3d. post free) may be had on application to:

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POINTERS

By B. M. Palmer

Some children are still living with their parents in London, and in the neutral areas schools are open. Lessons are continued in air-raid shelters during an "alert."

Although in many cases it was wise to send children away to safer districts, it is easy to undervalue the many excellent reasons that parents had for keeping their families with them. At the very worst, the chances of a child being hit could never have been more than one in a thousand; if invasion had come, danger would have been everywhere, and families might never have been reunited. An important point was scored by the people when the Ministry of Health was unable to make evacuation compulsory.

In at least one particular the advocates of compulsory evacuation have been entirely wrong. They foretold that the children left behind would become nervous wrecks.

The reverse has happened. In the vast majority of cases the children have reacted as their parents have done. The danger has acted as a stimulant and tonic. Neither the sirens nor the gunfire alarms them. They collect shrapnel and play at "air-raids" in my part of the world. And this is as it should be. In ten or twelve years' time, whatever sort of world those children will be living in, the experience they gain now will be of the utmost value to them. For they are learning that *personal* fear as the motive for any action should be disregarded.

These considerations occurred to me after reading a letter of Lord Elton's in *The Times*. He wrote:

"One of the most tragic consequences of the last war was that since the first years of it were fought without conscription most of the young men who should have been leaders of their generation fell. Those who, for conscientious or other reasons, evaded the posts of danger survived out of all proportion, to set the standards of the post-war generation. Hence many of the intellectual and moral disorders of the past twenty years."

Lord Elton is afraid that conscientious objectors who are now getting posts as teachers will reproduce the same intellectual bias in the rising generation. There is no doubt that the communist-pacifist teacher so common in the ele-

mentary schools during the ascendancy of the League of Nations, produced, as one who knew them well has told me, a young person who would "faint at a finger-cut, or become hysterical when asked to accept responsibility," but it seems that practical experience of modern warfare is doing much to strengthen mental fibre, and probably at the moment we have less to fear from the influence of conscientious objectors, except perhaps in a few crank schools. Those who faint are not welcome to the R. A. F. Sometimes the pendulum swings very rapidly.

But it may swing too far. There is another danger so subtle that Lord Elton is unaware of it, does not even recognise it is a danger.

He uses the words "Leaders of their generation!" What has a democracy to do with "leaders?"

Aren't we supposed to be fighting the "führerprinzip?"

This word "leadership" is springing up everywhere, as part of youth movements.

According to *The Times*, "In August the Youth Committee set up by the Manchester Education Committee announced a short training course for leaders, and within a week 180 students had enrolled. There are some keen and unselfish youth leaders in Manchester, a pioneer in the provision of boys' and girls' clubs fifty years ago, and they are anxious to see adequate provision made for the city's youth. These leaders believe in getting together regularly to pool information and ideas."

According to another article, one of the "youth leaders" pointed out that "while all are subject to compulsory education, and later all youths are liable for military service, in between there is a gap where boys may be completely free of discipline, guidance or control."

I think these words are significant. They are the words of a born dictator.

Much of the work done for these organisations is voluntary, and much of the money comes from private subscribers, anxious that the young people shall not spend their leisure time on the street corners, at the cinema, in public houses, etc. Their motives are of the best. But insofar as these movements are an attempt to provide discipline for youth, they are anti-democratic.

The idea of providing an attractive club and enticing young people into it, where they shall be under the influence of a "leader" is dangerously teutonic in tendency.

These children, because of their experience of modern warfare, are likely to have plenty of backbone. What they need to learn is the method of *self-discipline* which can only be acquired through the practice of democracy. Far from "filling the gaps with guidance or control," the young people need to be in such a position that they are compelled to control themselves.

One hears of clubs that are run by committees of their members. The Y.M.C.A. have opened such in Huddersfield. But this is only a half-way house. Unless what is done is local in origin and control, independent of all international organisations both for personnel and purse, it cannot properly be said to be democratic.

This will come as a hard saying to those who wish to "save youth." Nevertheless it must be said.

Probably the most urgent need at the moment is to understand what is meant by "Leadership."

"Leadership implies sanctions. The military penalty of disobedience is death." It implies formidable and far-reaching powers of reward and punishment. It implies control over policy; and if we think of the matter carefully, we must admit that in the case of almost every youth organisation, particularly that of the Y.M.C.A., the control of policy is *not* in the hands of the members, and is therefore anti-democratic.

What we want then, is less "leadership" and more control of policy by the young people; and when this point has been grasped, they will need "experts" to show them how to get the results they want (not results the Social Service Committee wants).

The sanctions, such as they are, must rest with the committee appointed by the members.

Experience of modern air-raids may save us from the evils of "pacifism." What we cannot be quite sure of, yet, is how soon we shall get rid of "this leadership nonsense."

October 30, 1940.

KENNEDY TALKS

"Most of *Truth's* contemporaries have given a hearty welcome to Mr. Kennedy's speech. There is no justification for it, except that it has now become the convention—to which I do not propose to subscribe—to applaud everything that the Americans say or do. Mr. Kennedy paid a lot of compliments to the British but they were only mouth-honour and breath. The real pith of his speech was in this passage: 'From the day I went to the Court of St. James's until this minute, I have never given a single individual in the whole world any hope whatever that at any stage or under any conditions could the United States be drawn into the war.' Well, that was pretty good, but better was to follow. Mr. Kennedy went on to say that the British Fleet is highly important to the national existence of America (how important America would soon discover if we withdrew its support); and that the American people must have felt very relieved when the President received from the Prime Minister the public assurance that the British Fleet would never be surrendered or sunk in the event of our home waters becoming untenable.

"Here is Mr. Kennedy's comment on that: '*That represented a real victory for Americans.*' (My italics.) In other words, we are fighting America's battles, without, so far as I am aware, any *quid pro quo* worth mentioning. Oh! I forgot our dear old friends the flying fortresses. The Press reports that they formed the subject of another conference between the National Defence Advisory Commission and the British Purchasing Commission, but there was no statement about the date on which they will be delivered, which is what interests me. By the time they arrive—if they ever do—they will be obsolete or obsolescent, and this will not represent a real victory for us British mugs."

—From "*Truth*," November 1, 1940.

"This**'American' Business"**

By C. H. DOUGLAS

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Australian Senate Reject Debt-Free Money Motion

In the Australian Federal Senate recently, Senator Darcey presented a 'petition' signed by 2,340 women electors of the Commonwealth, praying the Senate to move the Government to provide by legislation or otherwise, for the national issue through the Commonwealth Bank of debt-free money up to the requirements for the defence of the Commonwealth.

Senator Darcey put the Motion:

"That the petition be printed."

The motion was defeated by three votes.

Speaking to the adjournment in the Federal Senate on August 6, Senator Darcey said:

"I direct attention to the decision of the Senate in respect of my motion for the printing of the petition signed by 2,340 electors of the Commonwealth, praying for this chamber to urge the Government to provide for the issue of debt-free money, through the Commonwealth Bank, for the requirements of Australian defence.

"Those Honorable Senators who voted against my motion totally disregarded the finding of the Royal Commission on Banking and Monetary Systems, and disregarded also the resolutions passed by three State Parliaments asking that the facilities of the Commonwealth Bank be utilised to provide debt-free money for war purposes, as well as for the assistance of our primary producers.

"During the last few years hundreds of public meetings have been held in different parts of Australia to discuss this important phase of Commonwealth policy, and resolutions on the lines of the petition presented this afternoon to the Senate, have been forwarded to the Menzies Government.

"There is widespread dissatisfaction with the present Government for making only limited use of the national credit for defence and other Commonwealth purposes.

"It is well known that the Commonwealth Bank has made contributions to a number of war loans. On more than one occasion I have asked whether interest is to be paid on these loans.

"Once again I emphasise that the money which this Government requires so urgently can, and should, be obtained in the manner indicated in the petition.

It is wrong for the Government to disregard the request of thousands of electors.

"As every Minister and supporter of the Government opposed my motion "that the petition be printed," the electors will know the attitude of these gentlemen on this important subject.

"It has been said on more than one occasion by the Treasurer of Tasmania, Mr. Dwyer Gray, and others in responsible positions, that it is just as necessary to defeat the present financial system as it is to defeat Germany.

"If the Government persists in borrowing money under the present policy, it will ultimately encompass the financial ruin of Australia. The Government, by its action to-day, has ignored the recommendations of the Royal Commission on Banking and Monetary Systems.

"The Treasurer (Mr. Spender) through his representative in this Chamber, refused to tell me how much of the £10,000,000 loan was subscribed by the private banks and how much was provided by the Commonwealth Bank.

"I asked a similar question when an appropriation of £12,000,000 was being sought, and I received a negative answer. It is unfair to the electors and to the people of Australia generally to disregard the wishes of a large section of our people.

"Why does the Government continue to borrow money under the present system? I have said previously that the present Government was elected by the banks, and not by the people.

"I have also said that although 111 members of this Parliament visit Canberra to represent the views of those who sent us here and to frame our legislation, the country is controlled, not by a Government representative of the nation, but by the associated banks."

—Report from "*The New Era*,"
August 30, 1940.

MR. CHAMBERLAIN

Mr. Chamberlain has issued a denial of a report which appeared in New York newspapers to the effect that he was on his way to the United States. "I am in England," he said, "and I have not the slightest intention of leaving."

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Saturday, November 9, 1940.

EXPLOITABILITY

PAN AMERICA:—

Winston Churchill.
Lord Lothian.
The Christian Science Movement.
Federal Union.
The 'Express' newspapers.
Other agencies.

In so far as Federal Union is still active as an organisation, its propaganda seems to have passed partly into the hands of agitators to whom the 'leftist' label is attached. This is quite in order from the point of view of the international wirepullers who are working 'F.U.' The movement is a puritan-cum-centralisation-cum-socialisation ramp—a 'leftist' ramp. But to leave propaganda to acknowledged 'left-wingers' is to leave it to the small fry, and suggests that more potent agencies are busy elsewhere.

They are. Mr. Churchill is busy. Lord Lothian is busy. The two horses from the same stable who have just run the race for the U.S. Presidency are busy. Mr. Kennedy is very busy. The B.B.C. is busy. The 'Express' newspapers are busy; and the Christian Science movement is busy and looks like being a more potent influence than any other organisation where propaganda is concerned. It has become the mouthpiece of Lord Lothian.

The Christian Science Movement is American. Its originator was Mary Baker Eddy. Its most powerful organ of opinion and propaganda is American, the *Christian Science Monitor*. Until that landmark known in the Social Credit Movement as "Buxton"—when Major Douglas proposed that a clearly marked line of action should absorb much of the energy available for the dissemination of our ideas—fairly large numbers of Christian Scientists had been attracted to social credit, subscribed to its journals, listened to its arguments, found

its objective sensible and congenial and even found support for their allegiance in their newspaper. All this suddenly ceased when it began to appear that Social Crediters might have a weapon keen enough to cut through some of the principal obstacles to the institution of a free order of human society. In some quarters (it may have been individual initiative) the reason for this was alleged to be divergence of policy; without examining the structure of the universe anew (which is a task which zealots of all kinds are both disinclined and unfitted to undertake) objection was raised to the proposal to use 'pressure.' Whether the inception of an epidemic of Church building, absorbing the loose cash of Christian Science adherents as well as their interest (where thy treasure is there thy heart is also) really coincided with the sudden detachment or was merely an illusion created by the circumstances only an examination of the private records of the 'Scientists' would reveal. Social Crediters let them go. They couldn't stop them going. They did not particularly wish to, realising perhaps that the ideas associated with 'Science' were highly 'systematised' (in a psychotherapeutic sense) and that this systematisation centred around a preoccupation upon which the life of social crediters was not centred. Social crediters are not preoccupied with the attainment of any particular individual objective. Social Crediters are very well aware that individuals who are 'weary and heavy laden' exist; many of them are weary and heavily-laden themselves. Social Crediters desire an order of society in which weariness is replaced as far as possible by that extremity of fatigue which is the natural penalty for the voluntary expenditure of energy, physical or mental, and they stoutly object to the burdens, crushing and grievous to be borne, laid upon the

shoulders of the community by villains who have no right to lay them anywhere but on their own backs, and whose power to lay them on the community's would disappear the moment it was resolutely challenged. But this is very far from making ourselves the vehicle of Christ's reported invitation: "Come unto me all ye who are weary and heavy laden, and I will give you rest." We might make ourselves the vehicle for the transmission of even this sublime promise; but the fact is we don't. Many do, and among them the followers of Mary Baker Eddy.

We don't very much mind. Confronted with the fact that only a very small minority of men and women manage, by means which must have a wide range of variation, but which are never clearly explained, to prolong their lives at will, and that the number of those who can perform a similar service for others may well be smaller still, it would be foolish to resist any claim to success, from whatever the source, so long as there is personal experience to support it. If there are miracles going, let's have as many as possible!

But surely it ought to be possible, without entering into any matters connected with the antecedents of Mary Baker Eddy, the originality and completeness of her ideas, or the metaphysical aptitudes of herself or her followers, to make clear the point that, if most or all of them deem 'Science' and mergence of the British Empire in America to be aspects of one and the same thing, a much larger number of their fellows might prefer to suffer all the afflictions of Job rather than have anything to do with it? Can't an Englishman have gout and freedom if he wants them? And who's to say that, having got them both he might not want, and get, freedom from gout in time?

Attention does not seem to have been called to the fact that the fragmentation of institutionalised Christianity has occurred along clearly defined planes. How highly intellectual the word 'synoptic' is! The 'synoptic' gospels are much more popular with Unitarians, than is the merely 'optical' John. John saw things his own way, and there is thus no basis for argument. Seemingly the Unitarian is at heart an intellectual; while the 'Scientists' preoccupation is with healing. "Life more abundant" not "life at any price" is the Christian proposition. A life less abundant at the discretion of Wall Street is neither a Christian nor an

English proposition. If, among the secrets of the Universe confided by Mary Baker Eddy to her early converts was not a minute analysis of the forces busy generating the affiliations of Lord Lothian, her omission was perhaps excusable; but both 'Science' and the world are in bad case if English

culture has to be submerged because Mary Baker Eddy predicted it!

Lord Tankerville once made a remark to the effect that an individual's freedom was directly related to his exploitability. Any man who wants anything *at any price* is exploitable. The basis of Social Credit is the Just Price.

No one could contend that the permanent enslavement of the generations of mankind, is a 'just' price to pay for the mental and physical readjustment of a sect, however numerous, whose members were distinguished chiefly by the possession of an uncommon need for succour.

T. J.

CHURCHILL'S RECORD

By JOHN MITCHELL

Mr. Winston Churchill was born in 1871. His mother was a celebrated American beauty from the New York plutocrat family of Jerome. "There is surely something very significant in the fact that the most picturesque and indubitably the most highly destined figure in the House of Commons is half American by birth" says one of his biographers, Bechhofer. A close friend of Mr. Churchill in his earlier years was the notorious international financier, Sir Ernest Cassel. His relations with this financier were brought into the limelight when in 1924 Churchill appeared as a principal witness at the trial of Lord Alfred Douglas. Another close friend of Mr. Churchill is Bernard Baruch of the firm of Kuhn, Loeb & Co.

The following facts about Mr. Churchill's career are worth noting:

(1). He became famous in 1905 for his attack on the Aliens' Immigration Restriction Bill.

(2). In 1906 he became Liberal Member of Parliament for North West Manchester. A biographer says in reference to this election "A discreet expression of sympathy with Zionism, and his opposition to the late Government's Aliens Bill made Churchill the hero of the many Jews in his constituency. One of them, Mr. N. Laski, took the chair for him at all Jewish meetings and declared that any Jew who voted against Winston Churchill "is a traitor to the common cause."

(3). In 1911 he became Home Secretary. Concerning his term of office Lord Cecil said in 1911: "There could not have been a better example of the growth of the powers of bureaucracy in this country than the deeds of the Home Secretary. In recent times no minister has in so few months committed a greater series of outrages on Liberty and Justice." This refers particularly to the use of military for the purpose of suppressing strikes and other civil excitement.

(4). He was the First Lord of the Admiralty at the time of the Antwerp episode during the last war. Mr. Churchill has himself pointed out in his book *The World Crisis* the great strategic importance of Antwerp to the Allies and the fact that it would have been possible for the Allies to hold Antwerp had they sent sufficient reinforcements in time. But these forces were unnecessarily delayed, as he has admitted himself. He, as First Lord of the Admiralty, sent a naval force which fell into the enemy's hands a day or two after he himself left Antwerp.

(5). He was First Lord of the Admiralty during the last war when the ill-fated Dardanelles expedition was attempted, the Naval arrangements for which have been much criticised. The Dardanelles Commission condemned the exploit.

(6). He was Minister for War when Britain was committed to aid the Anti-Bolshevik forces in Russia at the conclusion

of the last war. Commenting upon this situation in *The World Crisis* he says "Whereas by taking the proper concerted measures we could, without any large additional employment of men or money, have established an anti-Bolshevik and modernised Russia friendly to the Entente, we are now within measurable distance of a Bolshevist Russia thoroughly militarised with nothing but its militarism to live on, bitterly hostile to the Entente, ready to work with Germany, and already largely organised by Germany."

Mr. Churchill's view of Communism in 1921 as expressed in a speech in Dundee is as follows "More people may well die this winter in Russia than perished in the whole four years of the war. This awful catastrophe has been brought about by a gang of professional revolutionaries, mostly Jews, who have seized on the wretched Russian nation in its weakness and its ignorance and have applied to it with ferocious logic all these doctrines of Communism which we hear spouted so freely in this country," and later—"You will say 'Are you for Peace with Russia?' My regret is that we have not got a Russia with whom we can make a real peace. I do not believe that the despotism of Lenin and Trotsky although it has some admirers in this country is a government with which a democratic government like ours, can have satisfactory relations. I fear that while they rule their own subjects, or slaves, or 'comrades' or whatever they call them with what Lenin has described as 'Iron Revolutionary Discipline,' they will do their utmost to stir up rebellion and sedition and fan the flames of class hatred in every other land and especially in the Eastern world, where we in Britain have such great interests."

(7). In 1925 as Chancellor of the Exchequer he was responsible for the return of Britain to the Gold Standard, the disastrous economic results of which are well known.

(8). In the House of Commons on April 13, 1939 he said "If peace is to be preserved there seem to be two main steps which I trust are already being taken or will be taken immediately. The first, of course, is the full inclusion of Soviet Russia in our defensive peace bloc."

(9). He was First Lord of the Admiralty during the present war at the time of the Norway Campaign when there was a singular hesitancy in regard to Naval action at Trondheim and elsewhere. Referring to this, Commander Bower, M.P., in an excited debate in Parliament on the subject referred to what he termed the influence of the "dead hand."

(10). In 1940 as Prime Minister he tried to unite France and Britain as one nation without even consulting the British Parliament or people.

(11). In 1940 he was Prime Minister at the time

when French warships which recently had been violently attacked by the Navy under his instructions were allowed to pass through Gibraltar, and at the time of the subsequent deplorable action at Dakar, for which strategy he must be responsible.

(12). In 1940 as Prime Minister he announced a new

proposal for Compulsory Insurance, whereby in effect the ordinary small taxpayer will be taxed to provide money for the rebuilding of property destroyed by enemy action, the beneficial ownership of which is mainly with financial institutions who have ample reserves to meet this cost themselves.

Letter to a Chamber of Commerce

Dear Sirs,

I am very perturbed at the lamb like way in which the British Public is submitting to the rapid Bolshevisation of this country's trade which is now taking place, and I hope that the Chamber of Commerce will give a valuable lead in resisting by all means in their power this insidious process of filching away the rights of the individual and replacing them by a State Control which shows no difference from Totalitarianism.

We submitted to the gradual elimination of the seller of non-essential goods as we did not wish to place an undue burden on import shipping, but this proposal to start reducing our traders in essential goods to one or two per district, is a too open "showing of the cloven hoof" of Political and Economic Planning to pass unchallenged.

First the garage proprietor; now the milk distributor. Who will be the next victim? If the Chambers of Commerce and various Trade Federations do not combine in one Mass Association to fight the menace which confronts them, they may awake to find themselves on the scrap heap, with P.E.P. in full control of whatever British trade and industry is allowed to survive.

If you have not noticed which way the wind is blowing, I refer you to two quotations which may make you realise that Britain is fighting a war on two fronts—the Enemy in the Rear, as well as the one in Germany.

My first quotation is from Mr. Israel Moses Sieff's journal *Political and Economic Planning* for October 4, 1938, which says: "We have started from the position that only in war, or conditions approximating to war, could the British Government be got to undertake planning on a large scale." P.E.P. now have their war, and you are beginning (only beginning) to see the results of their "planning."

My second reference is to the paper *The Economist*, Chairman Sir Henry Strakosch: "Our safety now depends on a merciless impeachment of doctrines, not of men," says this paper on May 15, 1940, and pursues its thesis: "There is

another set of ideas, just as false and enervating, which has not been abandoned, partly because its roots lie deeper in self-interest, and partly because the proofs of its failure though decisive are not publicly apparent. This is the set of ideas which has been the dominant economic philosophy of the Conservative Party in the last nine years, the set of notions that sees its ideals of an economic system in an orderly organisation of industries, each ruled feudally from above by the business firms already established in it, linked in associations and federations, and at the top, meeting on terms of sovereign equality such other Estates of the Realm as the Bank of England and the Government." . . . "It is emphatically not a set of ideas that can be expected to yield the maximum of production, or to give the country wealth in peace and strength in war."

You will see that it is your "orderly organisation of industries, linked in associations and confederations," i.e. your Chambers of Commerce and Trade Federations, that this politically influential paper *The Economist* wishes to impeach and abolish, jealous of their equality with those "Estates of the Realm," the Bank of England and the Government; the order in which *The Economist* places these two being worthy of notice.

We continue to bleat of Freedom to other countries while denying it to ourselves, and Continental countries seeing us meekly submitting to an overriding tyranny from a small but powerful clique of men who are alien to, and totally unrepresentative of the real spirit and tradition of Britain, regard us with dismay and give in to Hitler. I am convinced that when the great mass of the responsible British People take back to themselves that power of self-government which they should never have given up, and use it to show the world real independent Freedom, then, and not before, will the countries of Europe follow our example and cast off oppression and join with us. Victory on the Home Front will lead to Victory Abroad, so up, you

Chambers of Commerce all over Britain! You can destroy this growing canker of Totalitarianism at Home, and so help to win the war for all of us.

Yours faithfully,

NORA M. SMITH.

Paignton; November 1, 1940.

BURIED BUTTER

"It would be to behave like the proverbial ostrich to pretend that the task of feeding the nation during the coming winter will be easy. On such a subject understatement is better than exaggeration; so I will content myself with saying that everybody will have to tighten their belts. In view of what lies before us it is almost incredible to learn that during the past months farmers have on occasions been told to bury their butter. Some may imagine this refers to a system of underground storage. Not a bit of it! The butter is buried as rubbish to decompose in the soil. If there is any justification for this, it is beyond my comprehension.

"How it happens is as follows: Producer-retailers, with only a small round for milk, make their surplus into butter; but the market for this, too, in certain localities is limited, since customers may only buy up to their rations, irrespective of the supply available. What is the farmer to do with the butter left undisposed of? If he sells a customer more than the ration, he is liable to a heavy fine. Many in this dilemma have sought official advice. Should they break the letter of the regulations in order to prevent waste? Up go the official hands in horror! Rather than offend against the sanctity of red-tape the butter must be buried. Thus rationing, introduced to mitigate scarcity, caused it by and large to become worse. It may be right to admit no exceptions whereby the wealthier might get more than their fair share. But why cannot the Government buy up the surplus butter and store it, properly preserved, for emergencies? We may be glad of it before the winter is out."

— Extract from "Truth," Nov. 1, 1940.

EYE ON PARLIAMENT

The following passages are taken from the House of Commons Official Report (Editor, P. Cornelius), known as 'Hansard'. The date and occasion of the words are given above each section, and the speakers' names by the side. The number of columns occupied by the printed report of each section cited is also given. Lack of space imposes a severe limitation on the selection of matter for reproduction.

October 22.

Oral Answers (21 columns).

SURPLUS WORLD RAW MATERIALS.

Mr. Price asked the Minister of Economic Warfare whether he will consider approaching the Governments of the Dominions, the United States of America, and the South American Republics, with a view to the forming of a price equalisation corporation to buy up surplus raw materials on the world markets and unload them gradually after the war in order to prevent violent post-war slumps?

The Minister of Economic Warfare (Mr. Dalton): His Majesty's Government in the United Kingdom is already in touch with the Governments of the Dominions and of the United States of America regarding the problem of surpluses, both of raw materials and foodstuffs. Further as my hon. Friend will be aware, an important mission, headed by Lord Willingdon, is shortly proceeding to South America to discuss with the Governments of the South American Republics various commercial questions of common concern. The House will also recall that on the 20th August the Prime Minister stated that His Majesty's Government will do their best to encourage the building-up of reserves of food all over the world for the relief of the countries of Europe once these have been wholly cleared of German forces and have genuinely regained their freedom.

Mr. Price: Will my right hon. Friend say whether the Belgian and Dutch Colonial Empires were also consulted about this scheme?

Mr. Dalton: We are anxious to make the scheme as comprehensive as possible within the Empire and Allied zone. There have been certain contacts with the Dutch and Belgian representatives, although at this stage it is not possible to make a full statement on that matter.

Mr. Thurtle: Is it the view of His Majesty's Government that Lord Willingdon is a great commercial and industrial expert?

Mr. Dalton: It is our view that we

are sending a well balanced mission, on which various forms of human expertness and aptitude figure.

Sir Joseph Lamb: Do the discussions with America include the question of the supply of raw oil to Japan?

Mr. Dalton: That is a rather different Question from the one on the Paper. If my hon. Friend likes to put down something specifically on the matter, I will try to give him an answer.

BANK CHARGES.

Mr. De la Bère asked the Chancellor of the Exchequer what steps the Government are taking, prior to the cessation of the present hostilities, to prevent the re-development of the excessive power of those who trade in money?

The Chancellor of the Exchequer (Sir Kingsley Wood): I am afraid that the wide issues raised by my hon. Friend's Question cannot be dealt with within the compass of a reply to a Parliamentary Question. I cannot accept the implications in his Question as to the pre-war position.

Mr. De la Bère: Will my right hon. Friend bear in mind that over and over again the question of bank charges to agriculturists has been raised? Is he not aware that I saw him personally on this question and that he said he would go into it, and would not that be one of these matters which could be done in the middle of a war, when food production is so vital? Will my right hon. Friend ponder that?

Sir K. Wood: I will ponder that.

Mr. De la Bère: Will my hon. Friend appreciate that it is no good sitting mentally still and saying nothing can be done?

Written Answers to Questions.

Trade and Commerce.

UNITED KINGDOM CORPORATION.

Mr. Craven-Ellis asked the President of the Board of Trade whether the formation by the Government of the United Kingdom Corporation is only a war-time measure; and will he give

assurance that the corporation will be wound up immediately after hostilities cease, so that the export trade may flow through its normal peace-time channels?

Mr. Johnstone: The corporation was formed with a view to meeting difficulties in overseas trade which are due to conditions arising out of the war. It is impossible to foresee the conditions that will obtain when hostilities cease and, therefore, I cannot say whether at that date it will be desirable to terminate the activities of the corporation. These activities do not, I think, disturb the normal channels of trade but I can assure my right hon. Friend that His Majesty's Government have every desire that trade should be freed from war-time restrictions and be conducted in a normal manner at the earliest possible date.

ALLIED GOVERNMENTS (CO-OPERATION).

Mr. Mander asked the Prime Minister whether he will make arrangements to provide time for a discussion on the Motion standing in the name of the hon. Member for East Wolverhampton on the subject of the establishment of a Joint Allied Council?

[That this House is of opinion that the time has come for the formation of Joint Allied Council, consisting of representatives of the British Empire and the countries actively associated with it in the conduct of the war, for the consideration of problems of mutual interest and as a symbol of the international character of the present struggle for the preservation of civilisation.]

Mr. Attlee: I would refer my hon. Friend to the replies which were given to his previous Questions on this subject on 6th August and 13th August. As was then explained, in view of the presence in London of the various Allied Governments and organisations, the closest collaboration is already maintained between them and His Majesty's Government. The existing methods for co-operation and consultation are fully adequate to deal with all questions of common interest which arise. His Majesty's Government therefore sees no

advantage at the present juncture in devising additional machinery of the nature suggested. They consider it preferable to allow the methods of inter-Allied co-operation to develop naturally to meet current needs, rather than to impose some purely formal machinery upon an already flourishing growth. In these circumstances it would not seem necessary to provide time for discussion of the Motion.

Consolidated Fund (No. 3) Bill.

FOOD PRODUCTION.

Mr. Morgan: . . . The Minister himself has indicated that as far as he is concerned he is prepared to hand the credit position of the agricultural industry over to the banks; he is setting up the necessary machinery to do it and increasing the connections between the banks and the farming industry by appointing liaison officers who are officers of the banks. If that is not delivering the industry over still further to the banks, I do not know what is. If every man's account is to be inspected if he wants further credit, the tendency will be to find that no man will be able to get credit unless he has had his request O.K.'d by the liaison officer, operating with the County Agricultural Committees. I think time will show that we are very shy of such a machine, and that we shall try to get away from it by inventing our own credit arrangements. . . .

Mr. Loftus: . . . the position of the market gardener. I have had extremely distressing cases, but I would not bring two, three or a dozen distressing cases before the House in time of war unless I felt that they were typical of tens of thousands of others. I believe that these cases are a symptom disclosing an astonishingly bad state of affairs and involving an enormous waste of foodstuffs. I will give the House one of the cases, which is that of a market gardener who, for over 20 years, has been running a small market garden half-way between Lowestoft and Southwold. He had been successful, but now he is ruined. He has given notice that he is giving up his market garden. His savings are exhausted, and he is applying for unemployment benefit. He asked me a month or so ago to go and see his market garden. There were 7,000 lettuces, but these lettuces were wasted because he could not sell them. He had over 5,000 excellent cabbages, but they were an utter waste. He had many hundred-

weights of beans and so on, but could not sell them. That again meant waste of food at a time when we are called on to save it.

It may be said that something could have been done by the National Farmers' Union. I approached them, and they said they would try to get the crops sold. They sent someone to inspect the garden and he said it was in perfect condition and that he had never seen better cabbages. The Union, however, could not sell the crops. I know another case of a small market gardener who, fortunately, has another business. I asked him what he had done with his crops, and he said they had gone to waste because he could not sell them. He used to dispose of his produce to Lowestoft, Yarmouth and other resorts. I asked him what happened in the last war, and he said it was easy then, for he went to the local Army canteens, which bought all his vegetables and food. I suggested that he should try that again, but he said the buying was all centralised now through the Navy, Army and Air Force Institutes. They are the power which have caused this colossal waste of food by not purchasing from the local market gardeners. I have heard of small men being prosecuted for wasting food. Someone is responsible for this colossal waste, and whoever is responsible should be exposed and, if possible prosecuted. . . .

Mr. De la Bère (Evesham): . . . With great difficulty, this year I obtained from the Chancellor of the Exchequer information as to the amount outstanding from the agricultural community to the banks. The amount was £53,000,000. The bulk of that was borrowed at 5 per cent. We find, therefore, that the agricultural community are paying approximately £2,500,000 a year to the banks for money borrowed in the past. These moneys have not been borrowed in the last few months; if one goes back over the last five years, one finds that the amount lent by the banks has always been in the neighbourhood of £53,000,000. Therefore, for five years or more the banks have been getting a very large gross revenue from the money borrowed by the agricultural community. That cannot be tolerated to-day, because the agricultural community are very short of working capital. If the banks reduced the interest from 5 per cent. to 3 per cent. the agricultural community would gain approximately £1,000,000 a year. There is no reason why the banks should not do so. But they will not.

I have tackled not only my right

hon. Friend here, but the Chancellor of the Exchequer, on this matter. I have been to the Treasury about it. I received from the Treasury, as I always do, the utmost courtesy. But there the matter ends. No real attempt is made to compel the banks, in the national interest, to alter the rate of interest which they are charging to the agricultural borrowers. . . .

The chairman of the Cabinet committee dealing with agriculture has no knowledge of agriculture, and the committee is really not playing a part at all. It is a dummy committee, giving out eyewash, to make people believe that the War Cabinet are dealing with agriculture. They are doing nothing of the sort.

What can agriculture do about it? My right hon. Friend the Minister of Agriculture undoubtedly has a very big future. He will go far, and will perhaps hold the highest office in the land some day. He probably feels that he does not want to be held back by this office, which has only held down everybody who has filled it. I do not know whether that is really how he feels, but the office pulled down his predecessor, and it pulled down the man who held it before that. It was through no fault of their own. The fault lies in that extraordinary power which is behind, and which really directs this country and which we in this House of Commons cannot grapple with. It is impossible for us to grapple with the real power directing this country. I do not flatter myself, I know that nothing I say to-day will make any difference; but, as time goes on and people's minds become more acute and alert, the real feeling of the middle-class masses will emerge. . . .

We come back to the question. Who is really preventing agriculture coming into its own and playing the part that it wants to play in this war? Who are the people behind the scenes? Are they the Export Council, the Board of Trade, or the Ministry of Food? No, they are not. They are far more obscure than that. It appears that very few in this House will really take up this matter and probe into it. They will not deal with the fundamental question, but with the price of onions or carrots, or whether milk is one penny or a halfpenny a pint too low. These are all very important points, but they are not fundamental issues at all. The fundamental issues go on year after year unchecked. Look at the Press to-day. You do not get one word in our daily papers of any practical constructive

policy for agriculture. The whole thing is muffled and stifled and absolutely without reality, and anybody who gets up here and talks at all seriously is either laughed at or someone says, "He is on his usual bent." If we are to be practical and intend to continue as an agricultural country, we have to do something about these things, and now, and I am persuaded that on present lines we shall never do it because of the failure of the Prime Minister and the War Cabinet to appreciate the seriousness of the position, and the complete and absolutely undying obstruction of the Treasury to prevent anything financial being done. We have the unfortunate Minister of Agriculture simply saying, "One day I shall get rid of all this and get on to something better." I hope that he does, and I wish him every success. But, above all else, I want something to be done really for the benefit of agriculture, and it should be brought forward in the War Cabinet. I hope that the Prime Minister will give the House an assurance that the War Cabinet will support the idea that agriculture plays, as I believe, a front-line part in the war effort. It should not be a matter of mere words but a real, living reality, and it should go forward from now on, so that posterity should really have that love of the soil, the cultivation of which is the backbone of every country.

Mr. Brown: . . . Just one word to the hon. Member for Evesham (Mr. De la Bère). I am always prepared to listen to a man who speaks passionately about anything, for I sometimes speak passionately myself, and I am quite prepared to listen to him, as I have done many times, on his favourite witch hunt. He is the champion witch hunter of the House; the witches he hunts have nearly always been corporations, which have neither bodies to be kicked nor souls to be saved. I am always prepared to listen, for he has strong views about the banks, the milling corporation, about credits and a number of other things. It is always an advantage to the House of Commons and to Ministers to have strong views put strongly. But when my hon. Friend the Member for Evesham comes to tell me in the House of Commons that he knows all about the War Cabinet, its composition, its deeds and misdeeds, I must refuse to take him seriously. He is talking about something he knows nothing whatever about. If and when he becomes a member of a War Cabinet, he may have a right to speak—if secrecy will allow him. I

would make this assertion, that if he ever did become a member of the Government, his language would be much more temperate than in the course of his witch hunting.

October 23, 1940.

Oral Answers (24 columns).

RATIONS (BILLETED SOLDIERS AND HOUSEHOLDERS).

Mr. Rhys Davies asked the Parliamentary Secretary to the Ministry of Food the difference in rations allowed as between soldiers billeted in private houses and the householders?

Major Lloyd George: The amounts of the weekly rations allowed to soldiers billeted in private houses and to householders in which there is a difference are respectively: sugar, 16 ounces and 8 ounces; bacon, 8 ounces and 4 ounces; meat, 72 ounces and 2s. 2d. retail price.

Mr. George Griffiths: Does the Minister think that a soldier requires so much more bacon than a collier who has to get the coal to keep the country going?

Prolongation of Parliament Bill.

(35 columns).

Mr. Lees-Smith: As a matter of fact, this Bill does not raise a matter between the House and the Government. It raises a matter between the people and Parliament. If the people wanted an election, if they had no confidence in Parliament, I do not think that, with all its difficulties we could pass this Bill. But my impression is that those conditions do not prevail; I believe that Parliament stands very high in the estimate of the people to-day. It was never higher in my lifetime. Indeed, our Sittings are part of the means by which we are maintaining the confidence of the public. For that reason I cannot trace in the country a vestige of a demand for an election now, and I am satisfied that in passing this Bill this House will be reflecting the opinion of the people.

Sir Percy Harris (Bethnal Green, South-West): . . . The Constitution now provides for a five years Parliament, for a very good purpose—to keep us in contact with the electorate. But there it is, we have to be realists. I recognise, as no doubt the whole House and the nation recognise, that it is impossible to have an election at this particular moment. The black-out, the difficulty of holding meetings and of carrying on propaganda would make an election

more or less a farce. Then, as the Minister said, there is the dead register. The register is completely out of date and the electors are scattered all over the country. I represent a small corner of London, a very overcrowded area, where people, normally, are accustomed to remain very much in their own homes and do not often leave their own district. Now, some of my electors are in Caithness, some in Wales, some in Orkney and a good number are even in Iceland. It is impossible for them to keep in contact with the political life of the country. . . .

Major Milner (Leeds, South-East): [In the course of a review of the present functions of Parliament] . . . We have our Questions, our Debates and our great occasions, and there are very valuable committees sitting, but it is the fact that at the moment the House is largely a mere instrument for registering the decisions of the Executive. It will also be agreed that it is difficult for it to be otherwise in war time and at a time when national unity is paramount. We are engaged in a war. . . .

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—*"Daily Herald,"* November 4, 1940.

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HITLER and CHURCHILL FINANCE

THE SAME TYRANNOUS SYSTEM

It would seem that *The Times* has become aware that many people have been asking awkward questions about the Nazi methods of financing war since the recent demonstrations of material might by Germany have appeared to accord badly with that odd condition termed "financially bankrupt" which has been so consistently applied to our enemy in the past by the kept press. On October 11 and 12 two long anonymous articles appeared in *The Times* entitled "Fallacies of Nazi Finance," and on October 12 the first leader of *The Times* was devoted to comment on these articles. The leader writer says that "many people have been puzzled to understand" how the Nazi Government has been able to do what it has with a "bankrupt German Treasury."

The first fact which is apparent from these articles is that the Nazi financial system is in no way fundamentally different from that under which we labour in this country. What they have done "has involved also the piling up of an enormous debt," calculated to be about £6,000 million, and to be increasing annually at the rate of £1,200 million. We are told that: "Reich loan is, in fact, taken up continuously without any public appeal" and that "Hitler seems to have discovered the secret of making something out of nothing." The explanation is that "issuing goes on continuously and automatically through the savings, mortgage, and commercial banks, insurance companies and other institutions." In other words the methods adopted by the Germans are the same as they are in this country but without so much hypocrisy and humbug. State-Secretary Reinhardt announces that £450 million has been raised by loan in three months. The published figures reveal that 50 per cent. of Government expenditure is covered by taxation and that after allowing for "loans" there is a gap which is filled by credit in the form of "short-term bills" to the tune of about £1,000 million per annum. These figures correspond very closely with what has been published about the finances of this country.

We also learn that "inflationary effects can hardly occur while the 'price stop' is rigorously enforced by police supervision." That is all we are told about the "price stop." All laws have police sanctions behind them, and whether they are supervised by special officials or the police matters not a jot so long as the law serves a useful purpose for the community. If the "price stop" prevents inflation we should know more about it; it is a useful device, and no doubt one that can be improved upon. It could not be objectionable if prices were "stopped" at a level which enabled producer and retailer to receive a reasonable remuneration.

The article says: "Credit expansion reached the limits of safety at the end of 1937, when production had become a maximum; every factory was working at capacity and all workers were in employment. Dr. Schacht, then still Reichbank-President, announced, with the consent of Hitler, that credit expansion would stop. But the Führer knew perfectly well that unless the State continued to provide industry with 'infinite markets'—that is, unless rearmament went on—unemployment would reappear and the fallacy of National-Socialism become apparent. In fact the Army chiefs flatly refused to cease issuing short-term bills to finance their purchases. So the Schacht reform was stillborn."

What is meant by "limits of safety" being reached in 1937 is not clear since in spite of these limits being ignored the writer tells us that Germany "does not appear to be immediately threatened by difficulties in finance." The interesting admission here, however, is, if the report is to be believed, that the military dictated the credit policy against the wishes of the banker. Again, it is admitted that industry could only be kept working fully by increasing Government purchasing power through a continuous expansion of bank credit. The published figures reveal that in Germany as well as in England even the present below-capacity production of industry can only be maintained if the purchasing power available to absorb its products (i.e. available "markets"), in the form of national income (which is being spent either by the public, or taken in taxation and spent by the Government) is increased by at least £1,000 million of credit annually. That is the minimum amount of money which the Governments of Germany and Britain have had to acquire, as purchasing power, from banking institutions in a year in order to enable them to increase productive capacity to its present level.

The article says that when Hitler came into power "immense latent productivity awaited exploitation."

"All that industry needed for its revitalization was (1) orders and (2) credit."

Orders and credit revitalized German Industry. How? "Before his advent to power Hitler had clearly realized that, though reparations had stopped, the economic salvation of Germany—by which, first and foremost, he meant the solution of the unemployment problem—depended on his providing German industry with the required unlimited markets. Given that, unemployment was bound to disappear. But as no sufficiently substantial increase of exports could be effected overnight the obvious course was for the State, as an emergency measure, to provide 'unlimited' orders itself. For this rearmament offered the ideal solution. As regards her Army, Navy, and Air Force Germany had to start from scratch, while there was no visible limit to what she wanted. Soon 60 to 70 per cent. of all orders handled by German industry originated from rearmament."

So, the "economic salvation" of Germany was represented as the solution of the unemployment problem; and that has always been represented by the British Government as the "economic salvation" of Britain. In the case of Germany it has been achieved—and at what a cost to the world!

Churchill is always represented by the "American" and the "free" press of this country as the antithesis of Hitler. Each of them is the "leader" of "his" country and both of them are painted by the daily papers as saviours. These, it will be said, are superficial likenesses. But both have been ardent advocates of rearmament against "a foreign foe." Rearmament provided "unlimited orders" for an industry which was stagnating. Neither Churchill nor Hitler have admitted any primary purpose for industry other than "a solution of the unemployment problem." In the words of *The Times's* leader-writer the Nazis "have set useful examples by their determination that the unemployed must be given useful work and not left to rot in idleness." In a further burst of frankness the same writer says "as

the war has gone on we have taken other hints from the Nazi model." So we have noticed.

Discussing the genesis of Nazi economics both the writer of the special articles and the leader writer say: "Beyond doubt one of the fundamental causes of this war has been the unrelaxing efforts of Germany since 1918 to secure wide enough foreign markets to strengthen her finances at the very time when all her competitors were forced by their own debts to adopt exactly the same course."

Poverty and the fight for foreign markets are the main causes of war. How many times has that warning been uttered in this country! Yet, not once has Churchill directed attention to this cause of war; all he has done has been to endeavour to outbid Hitler in his shouts for rearmament. But whereas Hitler in his infamy recognised that the Jewish Debt system could be bent to serve rearmament, and proceeded to bend it—without destroying the Jewish Debt system, Churchill never attacked the "no money" arguments which always confronted anyone attempting to get anything done before the war. Churchill was worse than Hitler in that respect. Both of them have stood by the debt system.

Churchill does not differ from Hitler in that he is after a World Government; Churchill has been more frank about it, that is all.

Hitler has no interest in the individual—he must be made to work hard if possible and get the minimum in return. That is Churchill's view also. Writing in 1929 in his book *The World Crisis* about the armament business at the conclusion of the last war he says:—"The tap could be turned off at the source. But the outflow of what was already pouring through the vast system could not be sealed up without throwing five million persons simultaneously into idleness. Could they be left without wages? Could they on the other hand, be paid their inflated wages for doing nothing. . . ."

In 1918 five million people were employed in the armament industry and there were four million men in the fighting services. The labour of nearly all of them in respect to what they were then doing was suddenly no longer required.

Those who controlled the money supply were willing that money should be lavished on destruction, but not for purposes which suited the individual. Members of the Government, of which Churchill was one, assented to this proposition. Churchill has this to say about what happened as soon as the "cease fire" had sounded:—"But a new set

of conditions began to rule from eleven o'clock onwards. The money cost, which had never been considered by us to be a factor capable of limiting the supply of armies, asserted a claim to priority from the moment fighting stopped. Nearly every manifestation of discontent on the part of the munition workers had in the end been met by increases of wages—Let 'em have it and let's get the stuff—and the wage rates now stood at levels never witnessed in England before or since."

Orders and credit can revitalise industry. But the all important point is; for what objective? If credit can be made available to Governments so as to increase their power to purchase, credit can also be made available to consumers over and above what they receive as wages so as to increase *their* power to give orders to industry; and *this* credit must be free of debt. Thus will the sovereignty of the individual be increased, power be decentralised, and the frictions which beget war eliminated, while the individual has peace and real freedom. Industry will serve the choices of individuals.

But Churchill's avowed aim is to weaken the sovereignty of the individual and the nation and centralise power in a World Government. Perhaps that is the reason why he is unwilling to proclaim in definite terms the country's war aims. It is for the people, however, to lay down *their* war aims, not for the Government to impose war aims, whether those aims are kept secret or not.

JOHN MITCHELL.

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