

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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FROM WEEK TO WEEK

"We will give of our men till it hurts," (till it hurts our men, not Mr. Greenwood) said Mr. Arthur Greenwood, Socialist, at Blackburn on October 12.

Mr. Arthur Greenwood's men, and Mr. Churchill's Island—who said private property was on the down-grade?

Mr. Greenwood was busy in the Ministry of Reconstruction during the 1914-1918 war. And how!

Jennie Lee (Mrs. Aneurin Bevan) has written a book *Tomorrow is a New Day*. Bound in bright red, it will be assured of a large sale, and in the main, deserves it. It is the story of a working Fifeshire miner's daughter who by private enterprise has achieved a notable career by exploiting the attack on private enterprise. In the process, she has also achieved a genuinely good education (the book is very different from one she might have written fifteen years ago) and has learnt never to mention the financial system in her attacks on property.

Possibly one of her Park Lane hostesses whose name is well known in connection with P.E.P. may have advised her in this regard.

If she could get it into her head that "working class" is about as sensible a definition as would be "golfing class" in Scotland—*i.e.* it is a name for a function, and not for a class and that neither she nor anyone else has either the right or the ability to define "work" she might have a lot farther to go.

We would lay a modest wager that there are plenty of Fifeshire miners who say, "Jennie disna' wark ony mair."

THE FREEDOM OF THE PRESS

"He succeeded in getting some newspapermen fired, had others transferred from City Hall, and intimidated a good many into reluctance to tell the whole truth about him. His subterranean censorship succeeded, for the average reporter would think twice before sticking his neck out for the Mayor's axe.

"How can La Guardia's platform plumping for a free press be reconciled with his habit of throwing the whole power of his office against any newspaperman whose story offends him? The answer lies in one of his outstanding traits—his belief that an end, if good, justifies means which may or may not be good—it doesn't matter."

—Saturday Evening Post.

Mr. La Guardia, Mayor of New York, is an American-Italian-Jew.

Mr. Gordon Scott, Chairman of the Retail Traders section of the Birmingham Chamber of Commerce, speaking at a meeting of Birmingham Rotary Club, on October 13, stressed the severe disabilities under which the shopkeeper is now suffering.

Profits which were normally at least 33½ per cent. had been cut by regulation to 17 and, in some goods, 11 per cent., he said.

Overhead charges were uniformly higher and the shopkeeper was often at severe disadvantage compared with the combine and multiple stores in the matter of the supply of goods.

The policy now being adopted was playing into the hands of the monopolists. Yet the small trader was as honest as the combine, his relations with his employees were definitely on a more human basis and he was much less likely in hard times to be so callously ruthless.

Dealing with the retail trade generally, Mr. Scott said that shopkeepers were fearful that the women now being taken from their service were only going either to swell the already swollen staffs of Government departments or else to be half-wasted in the Women's Services. Regard must be had to the effect on the distributive industry which the withdrawal of women might have.

Talk of black markets had been grossly exaggerated. Most of those undesirable avenues of trade were due to the Government itself, which sold salvaged goods to the highest bidder instead of through legitimate trade channels.

The Government's plea that it was tackling the black markets lacked conviction. The 20,000 prosecutions cited were mostly against small traders for purely technical infringements of the regulations.

"For fear of accentuating inflation," writes the *Financial News*, "the Treasury clamps down on money payments of all kinds. It is this which explains inadequate pay for soldiers, inadequate allowances for their dependants, the skimping on legitimate compensation payments—all of which breed more damage to morale than the additional inflation which might (only might!) result from fair treatment."

The extent to which INFLATION has been 'groomed' for star bogey-dom was apparent from the manner in which Mr. Montagu Norman was able to address his listeners over the wireless on October 9. Discussing the sources of money to finance the war he stressed the necessity of investing in war bonds lest we should have to recourse to, "the

source I hesitate to mention—the unmentionable source . . . which makes everyone tremble at the knees to mention its name—inflation.”

Even the *Financial News*, which has recently been advocating the restoration of the incentive of monetary gain for both employers and employees in order to increase production, while admitting that in such a case inflation might tend to occur, says that its evil effects could be countered by certain measures—it suggests strict rationing.

Possibly the financial powers foresee that in the near future they will be forced into openly unorthodox methods of finance, and by keeping alive in the minds of the public the fear of inflation are leaving themselves a back door to regain more ‘orthodox’ methods when the pressing need of war time conditions are past.

“In an ideal State every happening should be recorded in a free Press. Every deed, every word, every uttered thought should be recorded for all to see.”

—PAUL HOLT in *The Daily Express*, October 11, 1941.

Not our ideal. There is a point at which the freedom of the individual conflicts with the freedom of the Press: the point of impertinence.

A letter from Professor Sir Walter Langdon-Brown in the “*Sunday Times*” of October 19, 1941:—
Sir,

Lord Vansittart points out that Nazi philosophy is inherent in German mentality. Freud, though himself a persecuted Jew who finally took refuge in England, illustrated this when he wrote in 1928, “The masses are both lazy and stupid, and their ingrained laziness will not be removed by kindness but only by a leadership prepared to use appalling force. . . . One cannot deny the grandeur of this project.”

In *The Future of an Illusion* he expressed the view that hate is the fundamental driving emotion of mankind. Yet he was no Nazi.

W. LANGDON-BROWN.

London, W. 1.

“We in England also have a propaganda service, or rather we have several. The British public is not allowed to hear about it, but anyone with a radio set can tune in to some part of this, and, if he knows German, listens to what we say to the German people and the German Army. To do so will surprise him: he will have descriptions of military and naval events which the English are not allowed to hear. He will hear the rasping, hatefilled arrogant voices of the tame Germans—many of them obviously Jews—who are now employed by the B.B.C. He will hear news bulletins which are merely sustained polemics. Besides hate and arrogance the broadcasts ingeminate vulgarity.”

—*National Review*, September, 1941.

THE WINNERS

“More and more it is evident that the necessity for the United States to play not simply a part, but the leading role, in winning the war against Hitler is widely appreciated [by Americans] . . .”

—*The Economist*, October 11, 1941.

THE PLANNERS

“In the United States, as in Great Britain, the programme of defence production was planned before the war. And in the United States, as in Great Britain, the strange effect has been to limit and delay the production of munitions. This is not, of course, a criticism of foresighted planning.”
—*The Economist*.

“The latest administrative change, the appointment of the Supply, Priorities and Allocation Board, with Vice-President Wallace as its chairman and Mr. Donald Nelson as its Executive Director, may prove to be a long step forward. . . .”
—*Ibid*.

“Mr. Bernard Baruch, who was the admirable chairman of the War Industries Board in the last War. . . has long cried out for ‘one-man control under the President’ and until something very much like it emerges he at least will be gloomily dissatisfied.”

“He saw Mr. Roosevelt on Thursday and was told of the Appointment of the new seven-man Supply, Priorities and Allocation Board and its broad powers. . . Then he talked with Mr. Donald Nelson, executive director of the Board, and the man, incidentally, whose conviction of the need of highly centralised control is as strong as his own. Mr. Baruch was impressed.”

—*The Times*, September 8, 1941.

The English Tradition of Freedom

When Major Douglas described Social Credit as “the policy of a philosophy” he was denoting the category to which Social Credit belonged without detailing the distinctive characteristics either of the policy or of the particular philosophy concerned. That philosophy, no less than the one that opposes it, has roots far back in history and most of them grew in the soil of England. It is a philosophy which has never yet been fully formulated in words or even held with full consciousness: indeed it may be that it cannot appropriately be expounded in words at all, being associated with a natural sequence of behaviour rather than a logical deployment of reason. Leonardo da Vinci, at the side of a drawing of the heart showing the arrangements of the veins and arteries, wrote, “With what words, O writer, can you with a like perfection describe the whole arrangement of that of which the design is here?” Likewise, no philosophy can ever be wholly expounded except in the actions that derive from it and their results.

Nevertheless parts of this philosophy were put into words by William of Ockham, others by Francis Bacon, and some by William Blake. It is implicit in a great part of our literature and here and there outcrops in its explicit form. But mostly it was not expressed, but flowered in the activities of Englishmen, which no more expounded or formulated it than the blossom or the fruit describe in words the nature of the seed from which they have sprung. Nor was it any the less truly a philosophy for being unconscious, although it was at a certain disadvantage when in the reign of ‘reason’ the flood of destructive propaganda was directed against it.

This being so, it is obvious that the character of any man or group of men is closely involved: indeed the phil-

osophy of a man, his character, which translates it into action, and the policy resulting are three phases of a single process that can most profitably be considered together, phases which interact one upon the other and influence his further growth. So the Englishman's interest in the practical thing, in Blake's 'Minute Particular,' and the fact that the English have on the whole always worked to their own conception of liberty are a guide to the English character and to that philosophy of which social credit is the latest and one of the greatest fruits.

Miss Dorothy Sayers, in her easy and delightful pamphlet *The Mysterious English*,* gives a short account of this tradition of freedom which has been so significantly ignored during the present decade:

"It is the quite peculiar notion of justice and liberty derived from Saxon Law, which has influenced English political thought since the time of King Alfred. English Law has never been codified; it is all case-law. It does not deal with right in the abstract, but with 'my rights'; it is not concerned with 'liberty,' but only with our 'liberties.' The French Republic had as its motto (and will have again, please God) three abstract words: Liberty, Equality, Fraternity. The framers of the Declaration of Independence committed themselves to a general proposition: 'We take these things to be self-evident; that all men are born free and equal.'

"English Law does not appear to be interested in any such philosophical speculations. Its characteristic utterance is that of the Great Charter: 'To no man (i.e. to no individual Tom, Dick or Harry, never mind the rights of man in general) will we (the particular government in power at the time) deny, sell, or delay justice' (which from the context, means clearly, not 'égalité' as such, but an equitable decision in the courts as between man and man). The English Law is concerned with the rights of the individual man as against the State and as against his neighbour. Its aims are no more lofty than that; but it is quite determined that the rights and liberties of the individual shall not be obscured by, or subjected to, any doctrinaire notions about State machinery.

"The common Englishman understands this perfectly. If you notice, you will never hear him coming into the courts clamouring for 'justice'; what he wants is 'my rights,' and he will claim them against all comers, including, and indeed, most of all, against the government. And, let us be clear about this, he claims them, not as an Englishman, the member of a superior race, but as an English subject, the member of a superior nation. He will, except at moments when his natural balance is disturbed by spy scares, or by an excessively high rate of unemployment, claim them just as fiercely for the naturalised stranger in his midst. If a person is an English citizen he 'did ought to have' his English rights as an individual."

She argues that this conception is the practical expedient established when the many peoples from which the Englishman is descended, "the Angles and Saxons, Danes, various kinds of British Celt and probably some people with traces of Roman descent..." were thrown together within the limits of an island. It wasn't until these had worried out a workable policy of leaving each other alone that the 'characteristic Englishry' was produced:

"To understand the point at which the English patience breaks, we have only, I think, to remind ourselves what is the phrase most often heard in the English home. And that is: 'Leave it alone!' 'Tommy, leave the cat alone.' 'Leave your little sister alone, can't you.' 'Oh, leave the boy alone; he'll grow out of it.' 'Leave the young people alone to fight their own battles.' And then: 'Curse these government departments, why can't they leave us alone?' And so, with rising irritation, as the Englishman looks at the world: 'Here, you, leave those wretched Jews alone.' 'Leave the Poles alone, I tell you.' And finally, in quite unmistakable tones: 'Now then, you blue-pencil bastard, you bloody well leave ME alone, or I'll knock your bleeding block off.'"

Compare this with the notion of 'liberty' insinuated by the fraternity of 'planners' which was well expressed by the Rev. Sidney M. Berry in the *Sunday Times* of October 19:

"The task of all the future years must be first of all by a true education to instil the idea of a disciplined and controlled freedom into the minds of the citizen of the new world, for if we fail there no programmes will be of any use, and no statement of aims will get beyond the paper on which it is written.

"But side by side with that task must go another—the working out of what freedom means in terms of a society disciplined by planning so as to secure the fullest life not for a few, but for all men."

Miss Sayers says: "The people who try to force England into some doctrinaire mould of continental theory are, I think, mistaken. They are perverting the course of history. England has never had but two doctrinaire rulers; she broke the heart of poor Mary Tudor; she brought Charles I to the block. She can govern an Empire, but only on condition that she may leave it alone to govern itself."

To this basis Miss Sayers relates the various characteristics of the English that puzzle foreigners, and if the picture is sometimes more the romantic expression of what we would like to be than what an incrustation of foreign abstractionism allows us to be at the moment, it is nevertheless reassuring after the tendentious propaganda of the internationalists.

Reassuring, too, is the re-emergence of our native technique of freedom and decentralisation of power after the latest forceful assault of continental theory.

Dr. Wingfield-Stratford in his *History of English Patriotism* has shown how we have been successful as a nation when we have followed this English tradition of freedom, and have failed ignobly every time we have left it.

To-day in Canada the Albertans are facing the opposition of monopolies to 'get their rights' in the distribution of their own wealth; in Australia there is an increasing awareness of the danger of the powerfully sponsored 'union' movements and an insistence that the government should *serve* the people. In this country the divorce of power from responsibility in industry and an encroaching interfering bureaucracy has so threatened the war-effort that the demand for modification cannot long be ignored.

It is time to return to our old freedom, increased, guarded and implemented by a social credit policy.

E. E.

*Macmillan, London. Price 3d. net.

THE SOCIAL CREDITER

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Make a Start

Approximately one Englishman in 75,000 becomes an M.P. 'Great Men' are even rarer than M.P.s and how many millions of Englishmen are needed for the emergence of one great man is not easily calculable. Too much depends upon the standard of judgment concerning what constitutes a great man. Undeniably England has produced great men, and there is a strong suspicion in some quarters that she has not come to a full-stop. However this may be, it is fairly generally held that M.P.s have limitations which not only exclude most of them from the ranks of Great Men, but impose a noticeable strain upon the capacity of England to produce enough great men to contend with the limitations of M.P.s.

The difficulty, which doubtless had its origin very many years ago, has been steadily increasing since Mill dictated the requirement, impossible of fulfilment, that electors should choose wiser men than themselves to 'govern' them, and at the same time refrain from judging by results, a process which, secretly but certainly, rules out judging by wisdom, just as judging by wisdom rules out judging by results. Mill accounted that man wise who knew better what was good for electors than electors knew what was good for themselves. It was considered unsafe to let electors burn their fingers and repair their injuries in the light of experience; but perfectly safe to let nations of electors burn their fingers and not live to tell the tale. The burns which 'wisdom' inflicts are 'wise' burns, and thus fall short of Mill's requirements. Truth to tell, the trick was far older than Mill. From time immemorial, we believe, it has been known even in the wilds of Africa, where 'wise' natives purchase from their medicine men a black powder to sprinkle on the ground before they fall asleep. Waking, they know that the powder has been efficacious; that it has preserved them from destruction by man-eating lions. Natives *do* get eaten by lions; but these natives must somehow have displeased the provider of the sacred powder, and, in any case, they tell no tales.

Being wiser than electors, M.P.s are probably well aware of the psychology underlying this interesting technique. What is more certain is that they cannot do very much about it for reasons which a reasonably close examination of the way in which M.P.s reach and maintain their position would soon disclose, if it were carried out. It would be apparent that many people besides electors have to be satisfied before a man gets within sight of a seat in Parliament. And these are invariably far more inquisitive and observant than electors are wont to be. They deliberate with much head-

shaking and gravity of countenance which electors are rarely seen to do, and the embryo politician soon learns, if he does not know from the start, that to dispel these Doubts is worth far more than dispelling the insubstantial and transient hesitations of a thousand electors.

The candidate for 'Parliamentary Honours' (if he is to have a Career) soon learns to classify these Watchers of the Course. Besides the seen there are the unseen, and behind the heard the unheard, 'eternal lids apart.' As the famous Lord Bryce remarked on reading Ostrogorsky's vast work on the Organisation of the Political Parties in England and the United States: "politics would be intolerable were not a man *grimly resolved* to see between the clouds all the blue sky he can."

The blue sky visible is the fact that sooner or later in times of dire emergency small but important facts begin at last to catch the eye of even the most indifferent beholder. And that is so with us. Even an M.P. *must obey someone*. He does not carry out his political existence *in vacuo*. He is not a law unto himself. He is a functionary, and, as such, is subject to sanctions. Press upon him from one side, he will move to the opposite side. He cannot help it. One cannot be a Member of Parliament without supporters—things which hold you up against a force as ubiquitous as the force of gravitation. M.P.s are doomed to political motion, eternally. Without support they are so many falling bodies. They can fall *on* the public who elect them, or they can fall *for* the public who elect them. They can fall for the interests which exploit them, or fall *on* the interests which exploit them. There is not much doubt on which side their own true interests lie. But until things are made plain to them their situation is that of the young man who cannot leave the master he hates because he dare not ask him for a reference. The public has to learn how to provide M.P.s with credentials. The beginnings of this are being made in English cities even now. It is a work for everyone. Let the Secretariat advise you how to make a start, if you have not already made one.

T. J.

America's Wealth

"It may indeed be that a general reduction of the standard of consumption may never be necessary. From the deadlock that has overtaken the programme of production, it is clear that the public will have to consume less of all products that emerge from the engineering industry or involve the use of the most essential metals and chemicals. But the United States may perhaps be so rich that nothing more than a diversion of expenditure will be needed. . . .

"... But in the broadest general terms, it may perhaps be guessed that the United States could spend something like \$30 billions [£30,000, millions; i.e. £200 per family of four] before it became necessary significantly to reduce below its pre-emergency level the standard of consumption of the ordinary man."

—*The Economist*, October 11, 1941.

LONDON LIASON GROUP

Lunch-time reunions are held on the first and third Thursdays in each month at 12-30 at The Plane Tree restaurant, Great Russell Street, W. C. 1.
 Next meeting November 6.

FORMULAE AND FACTS

By B. M. PALMER

Day after day the news maintains an almost terrifying monotony: since the invasion of Russia in early July we have watched the inexorable march of events set in motion years ago by irresponsible autocrats, for some of whom the British nation must now accept responsibility. Yet even horror may fade, and emotion be exhausted. After each shattering climax has been worked up by the B. B. C. still greater energy is needed to maintain what is supposed to be the required emotional level, while the utterances of public men through the Radio and Press seem pieced together from old gramophone records. One knows what is coming.

The realist will see no cause for alarm in this. But idealists, of whom Mr. Harold Nicolson is one, are perturbed because the people are no longer roused by poetical abstractions. He writes* :—

“Never has our national character reached so high a level; never has our imagination fallen so low. And why is this? . . . The reason for this is that whereas the others are fighting for what they believe to be their own future there are many thousands of people in this country who assume that they are fighting only for other people’s pasts.

“Most of our people look forward to the loss of many amenities and very few of them regard the future Socialist state as a paradise of golden opportunity. Rather do they see in it a repetition and perpetuation of coupons and co-operatives. The Empire and the Commonwealth again have lost their glamour and only those who really know can derive the inspiration of a rich experiment in human governance. The average man and woman in Great Britain is bored by India, bored by the Crown Colonies, unmoved by the Dominions. All that they really desire is to be able once again to live their own lives, in their own accustomed proportions, without dread of political or economical insecurity. That is a flagging inspiration for so great a task.”

We thank Mr. Harold Nicolson for his unequivocal confirmation of what we have already observed. It is much that the feelings of the people are so plain that even he cannot read into them what he wishes to find.

Mr. Harold Nicolson thinks that if we can find the correct “formula” the masses will believe that this is for Great Britain a “creative” and not only a “preventative” war. And, of course, he believes that the Russians are not fighting merely for self-preservation but “to resist a tremendous outrage and to defend a great experiment.” The truth, of course, is that all “masses” are very much the same everywhere and given the same conditions the “masses” of this country would conduct themselves with equal fortitude and valour. People do not fight for abstractions. It is Mr. Harold Nicolson’s imagination that throws the limelight on the Russians and sees them as impassioned idealists caring more for the commune than for their own personal security.

Moreover, whether he knows it or not, he does not consider himself as one of the English masses. If he ever formed part of them, it is so long ago that he has forgotten what it means. This is made plain by his inability to see facts as they are. He can state the people’s secret wishes :

“All that they really desire is to be able once again to live their own lives, in their own accustomed proportions,

without dread of political or economic insecurity” and not see that those wishes embody all the greatest and best of which this nation is capable. He can state the truth and then despise it.

Why? It must be that Mr. Harold Nicolson’s own economic security is not bound up with that of the people. He belongs to a class apart. He is one of those “who really know” and who “can derive the inspiration of a rich experiment in human governance.”

We thank him, however, for a most encouraging article. The future struggle in this country will be between the people on one side and the inspired idealists on the other.

“To live their own lives”—what nobler aim can there be for a free people? For a state can only be said to fulfil its function when its individual citizens can be regarded as ends in themselves, not as means to some other end outside their own control. It is only the dangerous idealist who looks around for some extraneous force to which men can be made to submit. There is no need to search for a formula. The British people carry within themselves the seeds of their own glorious future and when they become fully aware of their own power our so-called leaders will retire into the background. It will be the only safe place for them.

To all Social Credit Groups and Associations, Home and Overseas

Affiliation to the Social Credit Secretariat, which has been accorded to Groups of Social Crediters, will be replaced by a new relationship and all existing affiliations will be terminated as from January 1, 1942. This new relationship is expressed in the following Form which Associations* desiring to act in accordance with the advice of the Secretariat are asked to fill in:—

Name, address, and approximate number of members

of Association
.....
.....

We desire to follow the advice of the Social Credit Secretariat†.

To acquaint ourselves with the general character of this advice and the reasons underlying it, we agree to subscribe to *The Social Crediter* regularly in the proportion of at least one copy to every five members.

We agree not to discuss with others, without authorisation, the details of special advice received from the Secretariat.

Date..... Signature.....

A brief statement is also requested giving the history or account of the initiation of the group, and its present activities and intentions.

HEWLETT EDWARDS,
Director of Organisation
and Overseas Relations.

*The Spectator, August 22. Conditions are still materially the same in October.

*For this purpose an Association to consist of three or more Social Crediters.

†The Secretariat is the channel used by Major Douglas, the Advisory Chairman, for the transmission of advice.

PARLIAMENT

Duration of Parliament: Rights of Sub-committees

OCTOBER 14.

Oral Answers to Questions (35 columns)

EXPORT TRADE

Mr. Price asked the President of the Board of Trade whether any steps are being taken to regain, after the war, for British exporting industries markets now being lost or voluntarily abandoned under Lease-Lend arrangements with the United States of America?

Sir A. Duncan: Winning the war must be our paramount task. But so far as is consistent with that and with our Lend-Lease obligations, everything possible will be done to preserve markets for our post-war trade. I shall be very ready to consider any suggestions that any trade organisation may have to make on the subject.

Mr. Hannah: Except for winning the war, do the Government realise that this question is more important than any other?

Sir H. Williams: Is the Export Council still functioning?

Sir A. Duncan: The Export Council is still functioning, and so is the export programme.

PROLONGATION OF PARLIAMENT BILL

(6 columns)

Considered in Committee

CLAUSE I (*Prolongation of present Parliament.*)

Mr. Silverman (Nelson and Colne): I beg to move, in page 1), line 9, at the end, to add:

"Provided that nothing in this Act shall operate so as to extend the duration of the present or any subsequent Parliament beyond seven years as defined by the Septennial Act, 1715."

... Stating the case as clearly as I can, there is nowhere on the Statute Book any provision that Parliament shall automatically come to an end, at any time, except the provision of the Septennial Act amended by the Parliament Act, 1911, that is to say, after five years. If therefore you decide that the only statutory provision which ensures that Parliament shall come to an end at the end of a fixed period shall not apply to this Parliament, and do nothing more than that, then you have already enacted that there shall be no date on which this Parliament shall automatically come to an end.

The Attorney-General (*Sir Donald Somervell*): ... To accept this Amendment would, indeed, throw real doubt on a regular method employed by this House in dealing with old Statutes into which it wants to introduce alterations. When it does that it can and does employ one or other of two methods. It can repeal those Statutes or the part of the Statute with which it is dealing, or a Sub-section or whatever is involved, or it can leave the Statute on the Statute Book, substituting, as happens here, "five" for "seven," or substituting some words for some other words; the old Statute is left on the Statute Book. This is really a clear case of the use of what I call the "second method." The operative words of the Septennial Act are:

"This present Parliament and all Parliaments that shall at any time hereafter be called, assembled, or held, shall and may

respectively have continuance for seven years, and no longer, to be accounted from the day on which by the writ of summons this present Parliament hath been, or any future Parliament shall be, appointed to meet unless this present or any such Parliament hereafter to be summoned shall be sooner dissolved by His Majesty, his heirs or successors."

We have always to remember that the maximum period of Statutes is never inconsistent with the dissolution of Parliament at an earlier date. ... When the matter was dealt with in 1911 in the Parliament Act, they proceeded not by way of repeal, but by substituting "five" for "seven." Therefore, the statutory position is that the Septennial Act is the governing Act, with "five" substituted for "seven" in those words that I have just read. Once you repeal the amendment in the Act of 1911, the Septennial Act stands in its original form. ...

Mr. A. Bevan (Ebbw Vale): By what legislation is the life of Parliament in future to be confined to seven years?

The Attorney-General: This Bill applies only to the present Parliament. It says:

"Section seven of the Parliament Act, 1911 (which provides that five years shall be substituted for seven years as the time fixed for the maximum duration of Parliament under the Septennial Act, 1715) shall not apply to the present Parliament."

If we are again faced next year with this problem, we shall no doubt consider the proper form. ...

Amendment, by leave, withdrawn.

Clause ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

Bill reported, without Amendment; read the Third time, and passed.

OCTOBER 15.

Oral Answers to Questions (35 columns)

POST-WAR RECONSTRUCTION

LOCAL GOVERNMENT

Mr. Ellis Smith asked the Minister without Portfolio whether he has considered the advisability of setting up a Royal Commission that would consider local government, rating, etc., in order that local government may be put on modern lines as soon as possible after the termination of hostilities?

The Minister without Portfolio (*Mr. Arthur Greenwood*): In the view of the Government it would not be advisable, at any rate in present circumstances, to set up a Royal Commission to consider the subjects to which my hon. Friend refers. These subjects are, however, under active consideration, and in this connection I am already in touch with associations representing local authorities in England and Wales. The question of Greater London, of course, raises special problems and will require separate examination. The position in Scotland is being considered by my right hon. Friend the Secretary of State.

Mr. Rhys Davies: Will my right hon. Friend take care during his investigations not to do anything to destroy the democratic nature of local government?

Mr. Greenwood: Most certainly, Sir, and the fact that we have taken the earliest possible opportunity of discussing this matter with local authorities is evidence of it.

Mr. Sorenson: Are we likely to have a provisional report on the possible developments in the future?

Mr. Greenwood: I should not like to say so, at the moment. There can be no alteration of the structure of local government authorities without their consent and we have to get an agreement acceptable to the Government

before any statement can be made.

Viscountess Astor: Does the Minister mean the consent of the local governments or of the local governed?

NATIONAL EXPENDITURE

(57 columns)

Order read for resuming Adjourned Debate on Question [October 9]:

"That Mr. Ammon, Mr. Higgs, Mr. Leach and Sir Adam Maitland be discharged from the Select Committee on National Expenditure."—[*Major Dugdale*.]

Mr. Austin Hopkinson (Mossley): . . . The House set up a Select Committee to report to the House upon expenditure, particularly in relation to the various Fighting Services. That Committee resolved itself into Sub-committees dealing with the various Services, and the Sub-committee we have under discussion to-day was that dealing with the supply of material for the Air Services. In the course of their investigation that Sub-committee investigated a case of what they regarded as quite unjustifiable expenditure of a very large amount of money which might be called not only capital or initial expenditure but continuing expenditure going on to the present day and apparently intended to continue indefinitely, although no result worth talking about can ever come from that expenditure.

Further, in accordance with the procedure of the House the report of this Sub-committee was submitted in the first instance to the main Committee—the Select Committee itself. That main Committee decided by a small majority that this was a case which ought to be submitted, in accordance with their instructions, to the Prime Minister for a decision as to whether it was suitable for publication or not. Therefore a report was made to the Prime Minister, but I would ask the House to bear in mind that the Report going to the Prime Minister was not the same report which would have been submitted to the Select Committee in the words originally drafted by the Sub-committee in question. Naturally, in a report to the Prime Minister, matters of detail were entered into very fully and to a much greater extent than the Sub-committee would have dreamed of doing in a report to the House, for, after all, a report to the House is public property and therefore, any competent Sub-committee would so draft their report that there was in it no information which could be of value to the enemy. On that account, it seems to me highly probable that the Prime Minister, in dealing with the matter and deciding that the report ought to be suppressed, was basing his decision upon false premises; that is to say, upon the supposition that the report as submitted to him in full detail was approximately the same as the report which would have been submitted to the House. For this reason, it seems to me that the Prime Minister might well reconsider that decision, that he might examine the original report which was prepared for submission to the House, that he might go through it carefully and possibly ask the Sub-committee to eliminate certain points which he regards as dangerous, and that then the House should receive the report, as I think the House is entitled to do.

It may be said that the House, acting in the state of hysteria in which it was at that particular time, having set up a Select Committee of the House, immediately gave an instruction which sterilised the Committee to a very large extent. The House was in a hysterical state when it was doing these things. One by one the privileges that had been gained through the centuries were thrown away. . . .

What is the good of this Select Committee on expenditure if, on representations being made by some Minister, who is really the criminal in the dock, to the Prime Minister, the reports can be suppressed at once, without explanation, on the grounds of public safety? If we allow this Sub-committee to be discharged, in accordance with the Motion before us, I venture to say—and I think I shall have the House with me—that the reports of all the Committees and Sub-committees in future will not be worth a row of pins. Nobody will pay any attention to them because, naturally, both the House and the public will say that if the Committees find out anything really serious, of course it will not be in the public interest that the reports should be published, and they can be suppressed.

As I pointed out to the House last week when the Debate was begun, there is another case that is bound to come up sooner or later on a vastly greater scale than the one in question, where public money has simply been poured down the drain and tens of thousands of men have been occupied on a perfectly worthless scheme. Are we to have the appropriate Sub-committee reporting that the expenditure was totally unjustified and that steps should be taken to investigate who was responsible for robbing the taxpayers in this way, and are we to have that report presented to the Prime Minister for him to say that it is not in the public interest that Parliament should know about it? What on earth is the House of Commons for? Surely its duty is to take control over these matters and to see that public funds are not wasted and squandered as they are at the present time. That obligation upon the House is greater now than ever it was since all Treasury safeguards have completely disappeared as regards any large amounts of money. I think I have told the House before that even as far back as the year before the war, Treasury control over large amounts had disappeared, that Ministers could go direct to the Prime Minister for the time being and wangle out of him enormous sums of money, and the Treasury and the Committee of Imperial Defence would be informed of it after the thing had become a *fait accompli*. In those circumstances, there is no safeguard whatever except the House of Commons. The Treasury are not allowed to exercise their proper function in regard to these very heavy amounts of expenditure, they can deal merely with pettifogging things. Therefore, it behoves the House to stick to its rights and to insist that there shall be some sort of control over public expenditure.

Of course, nowadays people ask, "What does it matter?" In spite of what the Chancellor of the Exchequer has said, we are inflated up to the eyes and will be still more inflated before long. What does money matter? It matters because it is the measure of man-power, which matters more than anything else. Every pound spent unnecessarily means using up man-power, which we cannot afford to waste at the present time. Therefore, I ask the House to consider this matter very seriously. I ask hon. Members to consider whether they will allow this Motion to go through or not. The Members of the Sub-committee concerned, those Members of the House whose names are mentioned in the Motion, wish to be discharged. . . . They say it is no use going on if, when they carry out their duties to the House, their report is suppressed, nominally by the Main Committee, but actually by the Prime Minister.

But we do not want to have a row about these things at the present time. Therefore, I suggest that the Prime Minister should have before him the report of the Sub-

committee as originally drafted, that he should examine it without any relation to the further details which have been handed to him, that if he sees anything in that report which ought to be suppressed in the interests of national safety, he should re-submit the report to the Sub-committee for fresh drafting to avoid those difficulties, and that then the House, in the exercise of its rights, should be put into possession of the facts, as far as they can be disclosed. If these Sub-committees are to be treated in the future as this one has been, I think the House and public will feel that we might just as well dissolve all of them, for they will be perfectly useless, since every Sub-committee will know that if it finds out anything in any way detrimental to any Minister of the present Government, the report will be suppressed and Parliament's endeavours will be rendered vain.

I hope the House will consider these matters very seriously. I remember that when the House was surrendering its powers one after another in that state of absolute hysteria in which it was after Dunkirk, I protested. I pointed out that one of the most critical periods of our history, the only time when there were armed rebellion and civil war in this country, was mainly the fault of the House of Commons, inasmuch as it allowed the Crown time after time to encroach upon its rights until those rights were encroached upon to such an extent that armed combat was the only way of getting them back again. At this critical time of the nation to-day, I foresee a time when we may be put to that same bitter arbitrament in the middle of the greatest war in history and with the invader at our very doorsteps. Either Parliament must assert its right now by the old constitutional methods, as it is in its power to do, or we shall see ourselves in the position that the Executive will have encroached so far upon our rights that we shall have no means whatever, except the horrible arbitrament to which I have referred, of retaking those rights and getting back to a constitutional and democratic basis of government again.

Mr. Hely-Hutchinson (Hastings): . . . when Parliament has a Committee such as the Cabinet charged with the work of Government it is not entirely logical to appoint another committee which continually investigates and reviews a great many decisions that the Government have made. That appears to me like keeping a dog and barking oneself. For that reason, I hope that the policy will be that the House will once more review, and very carefully consider, the terms of reference under which the Committee on National Expenditure exist and perhaps make some closer definition of them and some improvement in their general character.

Mr. Higgs (Birmingham, East): . . . We were defeated by one vote, we accepted the defeat, and the only thing we could do was to resign.

It is exceedingly difficult to debate an abstract, unknown monstrosity of this description. . . . There are two reasons we ask for our discharge. One is that we disagree with the full Committee, and the other is the specific waste that is taking place in connection with the unknown problem before us. That waste is continuing, and will continue, unless the House does something about it. [An HON. MEMBER: "Then why resign?"] We resign because we consider it to be our duty to do so rather than to continue as members of the Sub-committee. . . .

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- BELFAST D.S.C. Group: Hon. Sec., 17 Cregagh Road, Belfast.
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 BLACKBURN S.C. Association: 168 Shear Brow, Blackburn.
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 DERBY: C. Bosworth, 25 Allestree Road, Crewton, Derby.
 LIVERPOOL S.C. Association: Hon. Sec., 49 Prince Alfred Road, Liverpool, 15. Wavertree 435.
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 MIDLAND D.S.C. Group: see Birmingham.
 NEWCASTLE and Gateshead S.C. Association: Hon. Sec., 108 Wordsworth Street, Gateshead.
 PORTSMOUTH D.S.C. Group: 115 Essex Road, Milton, or 50 Ripley Grove, Copnor.
 SOUTHAMPTON D.S.C. Group: Hon. Sec., 19 Coniston Road, Redbridge, Southampton.

BOOKS TO READ

By C. H. Douglas:—

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The Monopoly of Credit	3/6
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