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Money Power and the Constitution

Italian Bankers in Medieval England

By DRYDEN GILLING SMITH

Two studies have recently been published and another reprinted which throw considerable light on the way financial mechanisms have been used to upset the balance of political constitutions.* We should look on these not so much as contributions to the "Economics" side of Social Credit, in which respect we may find parts of them disappointing, but rather as a help in facing the problems presented by the "Administration" side of the chart with which we are now familiar. We will learn little here about the correct use of money but a good deal about the way it has been *misused* as a political weapon in the past. Most history books in common use fail to include these quite simple tricks in their 'simplifications' of history. One is led to suppose that either (a) their writers have been so simple as never to understand the tricks themselves, or (b) if they had shown such understanding they would never have become 'popular' or text-book historians. It has recently been pretended that 'money' is now studied as part of history with the introduction of 'the economic interpretation of history,' whose theories of 'economic causes' and 'laws of economic necessity' tell the reader no more about money politics than would the statement that a thief steals from the till because he is short of money.

The work which adds most to our scanty knowledge of English history is by an Italian, Armando Sapori. It shows a grasp of essentials and arrangement of *relevant* detail that can seldom be found in the volumes produced by professorial economists in this country. It has been said that the Italian is the only man capable of holding his own, in money matters, against the Jew in New York City, and he seems to have been the only man capable of replacing him as a financier in medieval England. It is to be hoped that Signor Sapori represents the appearance of a genuine study of economics in the Italian academic world which may one day help to oust the spurious economists of the Jewish academic world, The London School of Economics.

The first Italian bankers came to England to collect debts which Englishmen had contracted on their way to the

* (1) *Italian Companies in England (13th—15th Centuries)* by Armando Sapori, issued by the Banca Nazionale del Lavoro, Rome.

(2) *A History of Monetary Crimes* by Alexander Del Mar. \$1. (Reprint 1951.)

(3) *A Study of the Federal Reserve* by Eustace Clarence Mullins. 1952. \$2. (2) and (3) are published by Kaspar & Horton, Box 552, G.P.O. New York 1, Y.Y.

Crusades. When they arrived they found it forbidden to export cash, that their debtors had in any case very little cash, but that the country abounded with prize breeds of sheep which the Italians decided would be profitable to export as wool to Italy, where cloth manufacture was the staple industry. It seems that however advantageous might be the development of the English wool industry it was mixed up with an 'export racket.' That is, the economy of the country became too much orientated towards this export business at the expense of domestic production, so that certain districts of England, too dependent on wool had nothing to fall back on when they lost their export markets and subsequently became depopulated. All that remained were the large 14th Century Churches that still survive in the midst of open country where villages have ceased to exist for hundreds of years. Sir Thomas More prefaces his account of Utopia proper with a discussion supposed to have taken place between More himself, Cardinal Morton and the traveller who had visited Utopia. More records himself as saying that there was a cause of stealing peculiar to English men alone: "your sheep, that were wont to be so meek and tame, and so small eaters, now as I hear say, be become so great devourers, and so wild, that they eat up and swallow down the very men themselves. They consume, destroy and devour whole fields, houses and cities. For look in what parts of the realm doth grow the finest, and therefore dearest wool, there noble men and gentlemen, yea and certain abbots . . . leave no ground for tillage; they enclose all in pastures: they throw down houses; they pluck down towns; and leave nothing standing but only the church, to make of it a sheep-house . . . these good holy men turn all dwelling places and all glebeland into desolation and wilderness." This of course is an impassioned picture of England two centuries later at the end of the wool boom and after the wars of the Roses. Sir Thomas More shows how the exports were paid for by the English—in less home consumption in ratio to production—"And this is also the cause that victuals be now in many places dearer. Yea, besides this the price of wool is so risen that poor folk, which were wont to work it and make cloth of it, be now able to buy none at all . . . And though the number of sheep increase never so fast, yet the price falleth not one mite because there be so few sellers. For they be almost all come into a few rich men's hands, whom no need driveth to sell before they please; and it does not please them until they may sell as dear as they please."

This state of export mania and monopoly was not an automatic consequence of what to-day would be called the 'development of the wool trade with foreign capital.' It merely resulted from the irresponsible use made of the credit based on the real wealth of English wool production. The Italian bankers understood the nature of this credit and used

it in the form of loans to enable the king to carry on wars in Scotland and France for which he had no constitutional mandate. The loans enabled him to over-ride the refusal of the Lords, Commons and Church to support him. This misuse of England's credit caused an expansion of exports out of all proportion to what was needed to pay for imports. It was the way in which the English were made to pay for the unconstitutional wars the king had waged in spite of their opposition.

How did these Italians come to obtain something approaching a monopoly of English credit? After they decided to take the debts owed by Crusaders in the form of wool they found that the export of wool was strictly controlled. The next move was to get special exceptions made in their favour by bribing the king—by granting him loans, an expedient that was found to be so successful in gaining special privileges that it became a custom. How did they get this money to England to lend to the king? They were in fact lending him the money which they were collecting for the Church.

Sapori explains how the Italian merchants came to be collecting Church money in England. "... in England, as in the whole of Christendom, the special subsidies required in order to finance crusades to the Holy Land were of outstanding importance. The collection of these duties, which were known under the generic name of 'tithes' but the rates of which varied in the same way as the taxes due to the sovereign, was entrusted to the local ecclesiastical bodies, who deposited them in collecting centres, where certain envoys known as 'collectors' took delivery of them and conveyed them to the Apostolic Chamber." Let it be noted that it was strictly speaking a non-ecclesiastical function, the Crusades, that was the cause of this excessive centralisation of revenue by the Church. It is easy to see that in normal times the bulk of the Church's expenditure would be as scattered as were its sources of revenue, and that therefore decentralised local collections to meet local expenses would be the system most suited to the Church as well as to the populations who would not, by such means, be deprived of their then limited supply of coins.

Thus it was an exceptional situation, the Crusades, which gave the Italian bankers their chance, not only in enabling them to give loans to English Crusaders but also by causing the need for particularly large Church revenues which needed efficient collectors. However the first experiment of using Italian merchants as collectors in 1218 turned out badly since the group of men from Bologna who were employed appropriated the money and Honorius III was not only unable to trace them but got little from sequestration of their property. Later Urban IV, the first Frenchman to sit on the papal throne, employed a company from Siena, the Bonsignori, excepting them from an excommunication pronounced on all other Siennese merchants in 1263. In return this company later advanced 20,000 'tornesi' to Charles of Anjou, to aid the Pope in his campaign against the Holy Roman Emperor. This French Pope had offered this French Prince the crown of Sicily, and with the aid of the Bonsignori he was able to further not only the "political interests of the Church but also its ambition to extend its banking operations to Southern Italy."

After these experiments in Italy, the Church decided

that these new methods of collection would be a good way of overcoming the difficulties which the old system had met in raising money in England. "A number of losses had occurred and it had been discovered that the first persons to handle the funds, namely the parish priests, *nimis simplices* persons, were prone to accept false coins that were in wider circulation than the good ones; . . . while it was found that both the parish priests and the 'collectors' were in the habit of retaining some of the money dishonestly, the former because they were poverty-stricken, burdened with debts to moneylenders and grieved to think that the money might be used for other purposes than the religious ones of the crusades, and the latter because of the temptation involved in handling large sums of money . . . Since every confidence could now be placed in the Italian companies that had made a position for themselves at the English Court by means of loans which had now become larger and regular, it was decided to do systematically what had been tried in the past from time to time, namely to entrust them *exclusively* with the collection and transmission of the tithes. Moreover, these companies having by then set up a network of branches in all the most important markets as far as the East, would by means of a payment order drawn against local funds, be able to account anywhere for a 'tot' collected in England without any actual transfer of money taking place."

A little further on Signor Sapori contrasts the actual financial operations of these bankers who collected Church money and lent it to the King with the popular history book accounts. "First of all we must dismiss as a myth the sacks of gold which are supposed to have been transferred from the strong boxes of the bankers of Lucca and Florence to the tills of the English State. We must renounce the pageantry of convoys of mules with saddle-bags full of florins, travelling from Florence to the Channel and there delivering to the ships their precious load. To these fables we must prefer the chronicles of the period, freed of course from their exaggerations, such as, for instance, those of Matthew Paris who speaks of men arriving with a quill pen behind their ear, and a quire of paper in their hands, 'to shear the wool from the backs of the native sheep.'

"The truth is that those business men had started with some capital of their own, if only that of the credits they went to collect; and late on they could avail themselves of the yield from the imports into England, of the rents of the manors they held in fee, of the salaries they received as officials, the prebends of Churches, *etc.* But all this was but little compared to the figures I have mentioned and to the undertakings spoken of. They did their business above all by manipulating the money belonging to others; the deposits of the tithes for the Holy Land, the customs revenues, and those from the English taxes in general.

"The opportunities for profit were immense. Firstly, the receiving of sums in one currency which could be returned in the equivalent amount of another, gave the opportunity for earning a profit on the exchange, and it was not without good reason that disputes arose on this matter . . . But above all, the possibility of using the moneys of the Apostolic Chamber from the day on which they were deposited till that on which they had to be paid over, meant the possibility of making advances to the King and of pur-

chasing stocks of wool in competition with others who could not dispose of such resources."

Sapori also gives some idea of the effects which these loans had on English politics. When Edward I died in 1307 all the expense and sacrifice involved in the war against the Scots had proved to be in vain and "had moreover deprived him of the support of every class in the country. The Archbishop of Canterbury having refused him all grants, the King had confiscated the Church treasure; the noblemen had refused to go to war on the pretext that, under the terms of the Constitution, they were not bound to leave the Kingdom unless the King (who for a number of reasons was unable to absent himself from the capital) placed himself at their head [my italics]; while London had joined the malcontents and had laid claim to ancient franchises." It is interesting to note this constitutional safeguard which our medieval ancestors were able to evolve. The king had full powers to declare war on a foreign power but he had to put himself in the front line in order to get support. He would be unlikely to do this for anything not closely linked with the sovereignty of his country, and therefore with his own position as king. He would be stimulated into using his brains in diplomacy so as to look after the country's rights without getting involved in a war. That at any rate was the theory.

For the vast obligations caused by the wars in Scotland and France "a far more wealthy economy was needed than that of a country that was mainly agricultural . . ." instead of which the treasure of the first Normans had been exhausted and King John, in spite of his being called "the worst king England ever had" ended the old taxes for defence against the Danes (Danegeld and Carucage). Ordinary revenue was becoming increasingly difficult from the king's point of view as the merchant classes tended to buy exemption from taxes by paying lump sums and "the three States, represented in Parliament, were more and more concerned over their right to discuss with the Sovereign all decisions relating to taxes, rates of taxation and expenditure of the funds collected."

One of the means which Edward I used to gain financial independence was to start something like a 'king's party' among the barons. He played these off against his more difficult baronial subjects by giving them the special favour of being allowed to manage the funds for the 'maintenance of the Royal House.' This department of the king's finances came to be known as the 'Wardrobe' and in due course it took upon itself the task of negotiating loans and allocating revenue for military expenses "thus creating a chancery which in competition with the Exchequer sealed public debts with the King's privy seal." The varying fortunes of the King's party and its opponents caused similar variations in the supremacy of 'Wardrobe' officials over 'Exchequer' officials and vice-versa.

The four main companies from whom the King's 'Wardrobe' could negotiate loans were the Riccardi, the Frescobaldi, the Bardi and the Peruzzi. "The Riccardi, who arrived from the other side of the Channel about 1250, reached the height of their fortune under Edward I, from 1277 to 1300 when they failed. The Frescobaldi, who began their activities about 1277, rose to their peak after the year 1300, intensified their services to the crown from 1307 onwards

with the ascent to the throne of Edward II, and were expelled from the Kingdom in 1311. The Bardi and the Peruzzi, already in business relations with the second Edward, were the chief financiers of Edward III until the beginning of the Hundred Years' War."

Records show that the moneylending fame of the companies coincides with the periods when they received the largest deposits of Church money. The Riccardi are mentioned as receiving the tithes collected by the Dominicans in Ireland in 1273 and in 1277 they shared the English Church money for the Holy Land with 9 other companies. "In 1279 they issued receipts for £11,930 and in 1280 for £13,229, out of a total of £44,066, the remainder being divided up amongst the other Companies. The Frescobaldi, who in 1277 had received only 500 sterling marks from the papal collectors, received 30,000 of them in 1294 by order of Boniface VIII."

(To be continued).

PARLIAMENT

House of Commons: July 30, 1952.

Tonnage Under Construction

Mr. F. Willey asked the First Lord of the Admiralty how the tonnage of merchant shipbuilding commenced on the North-East Coast during the second quarter of 1952 compared with that commenced in the corresponding quarter last year.

Mr. J. P. L. Thomas: The only figures I can supply relate to vessels actually laid down. Tonnage laid down on the North-East Coast during the second quarter of 1952 totalled 102,935 gross tons, compared with 164,993 gross tons in the corresponding quarter of last year.

Mr. Willey: Does the right hon. Gentleman realise that his figures are disturbing, though perhaps not quite so disturbing as others which were previously available? Whilst I endeavour to reconcile them, will he review the whole question of steel allocation and see whether it can be improved?

Mr. Blenkinsop: Does the right hon. Gentleman realise that there are very large numbers of orders on the books of many of these firms and that they cannot go ahead because of the short allocation of steel? Will he look at this matter again?

Mr. Thomas: I have another Question about the future allocation of steel and I will answer the hon Member's point when I come to it, if I may. Firms have full order books and keels are laid down as slipways are vacated.

Mr. F. Willey asked the First Lord of the Admiralty what factors have caused the substantial fall in the percentage of the tonnage of world merchant shipbuilding commenced in British shipyards.

Mr. J. P. L. Thomas: Fluctuations in the quarterly statistics of new tonnage started are to be expected. The substantial drop in the percentage of world tonnage started in British yards for the second quarter of this year does not accurately reflect the real trends, though the percentage of world shipping actually under construction in United Kingdom shipyards has in fact been falling slightly for some

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Saturday, September 27, 1952.

From Week to Week

The Listener (September 11) threatens "A Fresh Attack"—from which may the Lord defend us. It announces that "Further education is part and parcel of the work of the Corporation." The educational "fresh attack" will be against the young individual in the home, and the Forces Educational Broadcasts will be discontinued to make room for it.

We have heard lately of several cases in which the overtaxed have 'turned in' their wireless sets. There is said to be a slump in television. New sets cannot find a market and some installed have been discarded. The reason given in some cases is that 'viewing' monopolises any room in which it occurs to the extent of making impossible any other activity but staring at the screen. The centralisers may counter this by daylight viewing, just as they counter objection to mass education by subtler mass education. There is no other answer to centralisation but decentralisation—which does *not* mean the multiplication of centres of centralisation, e.g., more stations, or more wave-lengths.

Not very long ago, Lord Bruce let slip the opinion that it was no use asking people to save if their money was to become worthless when 'saved.' At the annual general meeting of the Finance Corporation for Industry (Limited), this elder statesman toed the line, saying that the City had an immense part to play particularly in giving a lead to the Commonwealth Conference. He spoke of a 'gap' in financial facilities—but not of *the* gap. The International Bank for Reconstruction and Development had reported favourably on a suggestion for the creation of an International Finance Corporation. He urged the formation of a Commonwealth Finance Corporation to assist in the financing of development projects "over the widest field." A report of his speech appeared in *The Financial Times* for September 12.

Some of the more interesting French newspapers rarely cross the Channel. They seem to be aware of what is happening on many fronts and to be not altogether ignorant of finance. The Monarchist newspaper *Aspects de France* is one. The two Pétainist papers, *Ecrits de Paris* and *France Réelle de Sud-Ouest*, though good, swallow the United Europe idea, pretending that it is in the Napoleonic tradition.

Their economics resemble those of Mr. Schwartz in *The Sunday Times*. *Ecrits*, however, has a feature, "Chronique de Charles le Mauvais," which has been giving some idea of the revolution timed to take place at the 'liberation' in 1944—a very sordid business indeed. De Gaulle does not appear in a favourable light but as a man willing to lead any movement anywhere—a Kerensky rejected by the Communists when he had done his job. He sees his popular front breaking up, so gets out and tries to start another, posing this time as the champion of the oppressed right wing. On the appearance of Pinay, he became annoyed that a genuine right-winger (*ex-Pétain* Minister) stole his thunder. He is now trying to form an alliance with the Socialists, an alliance of "old Resistance pals." He has a large emotional following.

It appears that pressure from the Association of Scientific Workers has sufficed to secure the remission of the remainder of the sentence of ten years' imprisonment passed by Mr. Justice Oliver on Dr. Nunn May in 1946. At the time, the same body protested against the "severity" of the sentence, Mr. W. J. Brown, then Independent Member of Parliament for Rugby, raised the matter in the House of Commons, while in 1947 the late Harold Laski led a deputation to the Home Secretary. The ground for these activities, which are, in our opinion misplaced, is the same ground as May himself put forward through his counsel in self-defence, and it is worth while to note how the Judge regarded it. He said: "Allan Nunn May, I have listened with some slight surprise to some of the things your learned counsel has said he is entitled to put before me; the picture of you as a man of honour who had done what you believed to be right. I do not take that view of you at all . . . I think you acted with degradation . . . It is a very bad case indeed. The sentence on you is one of ten years' penal servitude."

There are no frills of moral dilemma about that statement, any more than about the emphatic opinion which preceded it: "How any man in your position could have had the crass conceit, let alone wickedness, to arrogate to himself the decision on a matter of this sort . . ."

The Association of Scientific *Workers* has recently been enlarged and perhaps fortified by the inclusion in its ranks of a large number of laboratory *workers*, i.e., subordinates who deem themselves (perhaps rightly) to be distinguishable from 'scientists' only by the peculiarity of their academic credentials. Nevertheless, the correspondent is probably right who traces the aberrations of both to some radical defect in modern education. "I call that man humble who is prepared to begin at the beginning," wrote William Cobbett. Modern education does not begin at the beginning. This feature is not peculiar to 'scientific' education, and the 'scientifically' educated are not the only sufferers. Admitting that 'the wise and witty Francis' merited the description, much of the burden of charge against 'modern Science' arises not from the fact that it is not Baconian, but from the fact that it very largely is. Whether or not the great chancellor's opinions embraced also a corrective which goes unnoticed is another matter. But, in saying that his method "of discovering sciences goes

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The Church Militant

A correspondent who sends us a copy of a pamphlet issued by the Catholic Social Guild, Oxford, asks if we should agree that the Social Credit Movement is a "Resistance Movement."

The pamphlet is "The Right to Resist" and is a translation of the final chapter of *Deutsche Schicksalsfragen* by Max Pribilla, S.J., published at Frankfurt-am-Main.

It is not clear to us whether the *Nihil obstat* of Dr. Ricardus Roche and the *Imprimatur* of the Archbishop of Birmingham, dated February 20, 1952, refers to the "Catholic Social Year Book, 1952," or to the pamphlet; but we assume the latter.

The Social Credit 'Movement' has no constitution. The Social Credit Secretariat is constituted as a channel for advice with the objective of effecting social stability "by the integration of means and ends." It is within its competency to advise individuals, and it cannot therefore be beyond its competency to advise States. It is not constituted to resist States; but its effect is to resist states of instability. Since the advice it may disseminate concerns the welfare of individuals in society, in accordance with principles which are implicit in the nature of Social Credit, the range of its *interest* is as wide as the life of man in society. The objective of changing life in society is a reformist objective. The Social Credit Movement is not a reformist movement, and it has always been compromised by those who, because they are at heart reformists, endeavour to cover it with a reformist cloak.

The distinction drawn is the distinction between antagonistic aspirations. Much of the fear of Social Credit which exists arises from the presumption that its adherents aspire to become law-givers, wresting from the ruling oligarchy the credit weapon which protects and sustains their power, seizing it for ourselves. The Judaeo-Masonic Philosophy (and therefore policy) derives from the dogma that there is no alternative; that Power cannot, by its nature, be distributed. The demonstration of Social Credit is that it can be distributed, and must be if human society is to continue. The distribution of Power is the antithesis of the assumption of Power. There is no place for law-givers: the Law is *given*, and has but to be discovered progressively—and obeyed. When this is done, there will be order: the Social Order.

The Church is concerned *inter alia* with the rights of men and with the duty of Catholics, and these are the topics of the chapter which has been brought to our notice. What it teaches concerning these matters is of interest to all, if only because it forms a part of the setting of all political action, and we print the following extracts:—

THE RIGHT TO RESIST

"... the authority of the State is in human hands, and so it shares human imperfection. Evils in the State are thus to a certain extent unavoidable; and a longing for the perfect State will never be realized. What is worse, the State can be alien to its proper purpose, which is to further the general good, and can degenerate through misuse of power into a criminal tyranny. As we have experienced the fact of such misuse on a world scale, we need not waste words on the possibility of it happening. The question,

therefore, can be set out in exact terms: What rights and safeguards can subjects employ against such misuse of power?

"It is clear that citizens have the right and the duty to employ against wicked stewards of the State all the means that the law gives them, so long as that is possible; e.g., private and public protests, criticism in the Press, in meetings, and in Parliament petitions, motions, general elections, and, if necessary, in strikes. There is complete agreement, moreover, on the right and, perhaps, the duty of passive resistance. When the State makes demands contrary to the law of God and with which it would be a sin to comply, then the principle is completely valid. (Cf. Acts v, 29.) When obedience means a real (formal) co-operation with evil, then obedience is sin and disobedience is duty. This passive obedience is limited to avoiding, not doing, not approving, and keeping apart: but it must be prepared to take the consequences of such an attitude. An eloquent silence can be a clear sign of opposition.

"But passive obedience leaves those in power in undisputed possession of their might. Besides it does not refuse obedience altogether, but limits its refusal to the area where a demand comes up against conscience or goes beyond the competence of the authority giving the order.

"Passive resistance can have the greatest influence when it is used by men highly thought of or by a great number, and with skill and persistence; but it can also be without effect if it is not united, determined and unrelenting. It depends very much on personal and material circumstances whether it is a proof of heroic patience and resolve or, when expressed with many *ifs* and *buts*, just a cloak and cushion for cowardice. The great difficulty about passive resistance is that it often begins too late. In decisive periods, while the good hesitate and waver, the powers of evil have time and opportunity to deploy themselves and perhaps to make themselves irresistible. In particular, the often invoked principle of avoiding a worse evil can have, in an atmosphere of retreat, an effect of bewilderment and can lead to an extreme of appeasement. At the very beginning of an unhealthy development large numbers proclaim themselves determined opponents of measures proposed; and then it easily happens that many through fear of danger to themselves or of being isolated—and the dominating emotion during a Terror is fear—submit without more ado. Others are not prepared for opposition, and so they decide that there is nothing for it but to give way: and so do all the cowards. The result is that the threatened evils are not dealt with by a necessary initial resistance. . . ."

[Question: that the prohibition of active resistance belongs to the body of Catholic teaching and that it binds Catholics in conscience. "The first task, then, is to discover what there is in Christian revelation and the practice of the Church which bears on this decisive question." . . . "Since the sources of Christian revelation yield such a small return in this field, our question must be elucidated, with the help of reason, from the principles of natural law . . ."]

"The affirmation or negation of the right of resistance is often linked with the question of the origin of political

authority. Two theories are quoted: the contract theory, according to which there is an original contract between State and subjects, and also the doctrine of the sovereignty of the people, namely that the people as a whole is the first possessor of political authority which it can recall at need. But neither theory has been proved wholly right or has been universally accepted; and it is better not to attach weight to them in coming to a decision. All the same, the contract theory has a practical result. Even the theologians who hold that active resistance is unlawful make an exception in the case of an elected ruler whose misuse of power is a breach of his coronation oath or the conditions of his election."

"... the natural order of justice, acknowledged in Christian revelation, and which is not to be destroyed, is a system complete in itself, and for its safe continuance and right fulfilment it has no need of a special divine intervention. The concept of this natural order cannot include an injustice for which there is no lawful remedy. In unfavourable circumstances, and through the imperfection, folly and malice of men, it may be impossible in fact to assert a right. But the God-given natural order cannot leave individuals and peoples in a situation where there is no lawful help so that an unjust power may not be legitimately curbed. Those, however, who judge active resistance to be in all circumstances forbidden, deny the people the use of effective means just when they need it most, that is when they are oppressed by their own government. They then have nothing left to them but to wait fatalistically for everything to descend upon them like a natural catastrophe until God brings about a change which was in man's power to achieve. Were that so, we should have to admit a unique exception in the order of nature and a gap in divine Providence.

"The common good is the highest law. When the ruler . . . turns from the purpose of his office and aims at the opposite . . . , he leaves the ground of right upon which his power is built . . ."

"Because active resistance is by its nature a dangerous weapon, it must be protected against possible errors and misuse. Certain conditions must be fulfilled before it can be employed. They are these:

"1. There must be an extraordinary misuse of political power (*abusus excessivus potestatis*). Such misuse betrays itself especially in the trampling on all freedom and the supplanting of justice by might and of the common good by Party interests. What is decisive is not the personal unworthiness of the ruler but the abuse of political authority.

"2. Active resistance is considered only as the final weapon in an emergency after all peaceful constitutional methods have failed.

"3. There must be a moral certainty (i.e., a reasonably founded certainty) that active resistance can be carried through to success. An obligatory respect for the highest principle of the common good demands that nothing be undertaken which will increase rather than diminish the evils. An unsuccessful attempt at his overthrow would arouse the ruler's anger to the limit. Just because active resistance aims at removing grievances that have become unbearable, it must have at its disposal the necessary force and foresight to bring about a change. From this reason there follows the important and limiting truth that the decision in such matters cannot come from the small man who has neither

the large view of the real situation nor the requisite means and contacts for the organisation of resistance.

"Therein lies the force of the truth, emphasised again and again in works of historical significance for our question, that the decision to resist and the conduct of the resistance are not matters for the individual but for the Estates of the Realm or similar bodies whose duty it is to represent the people and therefore to see that they get their rights. The individual comes in only as the executor of the general will and the defender of *maior et sanior pars*.

"Generaloberst Ludwig Beck, formerly Chief of the German General Staff, who thought of a military rising against Hitler in 1941, was right in his judgment when he said: 'This Gordian knot can be cut only with a single blow of the sword. But the wielder of the sword must not only know the powerful German army machine: he must also be in command of it.'

"Yet even though a moral certainty of success is necessary, it remains only a moral certainty and not an unconditional and exactly measurable certainty. Such a certainty as the latter is impossible in the acuteness of the situation and amid the unpredictability of human affairs. Active resistance, therefore, will always be a gamble and will ever need brave men who do not shrink from danger.

"4. Only so much force should be exerted as is required to gain the desired end, the dethroning of the evil rulers (but, for the sake of certainty, rather too much than too little). There will have to be an intervention that reaches into the structure of the State, and the disturbance of public order must be limited as much as possible so as to prevent the driving out of one devil by a worse one or the substitution of anarchy for tyranny.

"The rising, justified by the country's need, must itself be the work of justice and not unfettered force. In that way care will be taken that it is not brought about in order to satisfy personal revenge or envy but as the expression of the universal resolve to throw off an unbearable yoke.

"Admittedly, in practice active resistance will rarely resemble a pure flame. Dirty elements, adventurers and evil-doers meddle in it, not for the general good but for their private advantage. We can recall here what Shakespeare puts into the mouth of the king in Henry V (iv, 1): 'There is no king, be his cause ever so spotless, if it come to the arbitrement of swords, can try it out with all unspotted soldiers.' But these regrettable circumstances do not touch the essence of the matter and its justification. In this question, where difficulties are multiplied, there must be no appeal to feelings: but all the circumstances must be weighed quietly, and then that must be done which in so desperate a situation will most advance the general good or will least endanger it."

THE DUTY OF RESISTANCE AND THE DEFENCE OF LIBERTY

From pages under these headings, we abstract the following—

"... If in decisive moments a man is unaware of a command to resist, it would be difficult to urge him forward with instructions on the duty of resistance. He will always

ODLUM v. STRATTON

In the High Court of Justice, King's Bench Division
before Mr. Justice Atkinson

June 21 to July 29, 1946.

(Verbatim report of the proceedings)

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be able to find reasons to excuse himself and to show that intervention is either too soon or too late or hopeless. That may be the reason why authors treat but rarely of the duty of resistance. Besides, there are many for whom there is usually no question of such resistance, because in body or mind they are unequal to it. You cannot expect that a deer should fight like a lion. For dangerous enterprises, the right selection of persons is of paramount importance."

• • •

"... Whatever may be thought of the extraordinary plentitude of power of the Pope, which was founded not on the nature of the papacy but on its historical position, it was in any case a more reasonable situation than our experience of eighty million people who were submerged without rights or means of defence beneath the terror of a criminal government and who allowed themselves to be plunged into a fearful catastrophe. Because of constitutional and religious changes the papacy cannot serve us today as it used to do in the Middle Ages."

• • •

"... all of us, Catholics, Protestants and Jews, have experienced so extraordinary a misuse of political power that none of the earlier theologians or lawyers had, or could have, foreseen it; and in the face of this misuse, we were in teaching and in practice helpless to the point of suicide. At the same time a new phenomenon appeared: a Terror was set up and power perverted, not by a monarch but by a Party or a would-be universal régime. Thus the whole question of the right of resistance has been set in a new light by the turn of events, and it must therefore be thought out afresh. There is no doubt but that in the future the defenders of the right of resistance will greatly increase in number.

"Active resistance is a dangerous double-edged weapon, and every nation should pray that it be preserved from a situation in which it finds itself facing a criminal misuse of political authority. . . ."

• • •

"Anyone who considers democratic freedom to be freedom from social and political duties and who abandons himself to carelessness, must not be surprised if he wakes up one fine morning to find himself under the dominion of a 'People's Democracy.' . . ."

• • •

"But if a nation's sense of freedom is to stand the test in a time of crisis, it must long ago have proved itself in the small matters of everyday life. Freedom is not a gift to be effortlessly enjoyed; it has to be earned by both moderation in its use and courage in its defence. The free man is not the unrestrained man; he is the man who watches over his rights with courage and observes strictly the rights of others. Even today we should take to heart the words of Cicero: 'Just as the excessive power of rulers contains the seeds of their downfall, so, for a people who are too free (that is, who abuse their liberties), freedom itself brings

slavery.' (*De Re Publica* I, 44.) Political liberty is the prize for the conquest which a nation wins through moderation in its own regard. But it is just as certain that a nation will retain its freedom only so long as there are enough citizens of character and courage who do not give way at every pressure from above nor evade difficult and delicate questions, but who are accustomed to fight back against the 'insolence of officials' and to take their stand for truth and justice.

"This, then, is the precise meaning of the right to resist: that authority does not seek to rule over slaves, and that citizens will refuse to be slaves of the State. The right to resist is the hallmark and guarantee of a form of rule and obedience that is worthy of a man."

PARLIAMENT

(continued from page 3.)

time. The resurgence of the shipbuilding industries in Germany and Japan and the greater activity in the United States shipyards, are the main factors which account for this.

Mr. Willey: Is the right hon. Gentleman aware that his announcement about the allocations will give considerable satisfaction to the industry? Will he also look at the problem of out-of-sequence deliveries, about which there are many complaints, and will he see whether he can improve the position?

Mr. Thomas: I will certainly watch the position.

Mr. Shinwell: Does it occur to the right hon. Gentleman that there is another factor in this situation entirely apart from the allocation of steel, which he agrees is not the main factor, and that is that other countries are actually subsidising the construction of vessels?

Mr. Manuel: Would the First Lord indicate what safeguards there are regarding the steel imported from America arising from the visit of the Prime Minister? Is it suitable for export needs and for needs arising in this country?

Mr. Thomas: That type of question is one for the Minister of Supply and perhaps the hon. Gentleman will put it down to his Department.

Mr. Logan: May I ask the right hon. Gentleman to pay attention to Merseyside in order to see that, from the point of view of shipbuilding, Merseyside gets its proper supplies.

Mr. Thomas: I can assure the hon. Gentleman that I am paying full attention to Merseyside.

Liberties of the Subject

The following Question stood upon the Order Paper:

Mr. Langford-Holt: To ask the Prime Minister, in view of the encroachment by the State on the liberties of Her Majesty's subjects in the United Kingdom, whether he will introduce legislation to protect these liberties.

... *The Prime Minister (Mr. Winston Churchill):* The policy of Her Majesty's Government is always to reduce to the minimum interference by the State with the liberties

of the subject. I cannot however, make any statement about legislation at the present time.

Mr. Langford-Holt: Is my right hon. Friend aware that the impression is that whereas the Government have stopped the increase, there is still much which can be done in this matter; which is causing great concern to a great many people in all parts of the House and of the country?

Mr. C. Davies: Does the right hon. Gentleman recall that after a Bill dealing with this very matter of restoring liberties to the individual was introduced in another place in 1949, he said in a public speech that he was very much encouraged by the fact that that Bill had been introduced? Does he also realise that when a debate took place a fortnight ago in another place, the Lord Chancellor, speaking on behalf of the Government, not only said that he was much discouraged, but did all he could to discourage everybody else? Does policy change with taking office?

The Prime Minister: I am not at all discouraged in the task of promoting and maintaining civil liberties.

Union Membership, Durham County Council (Award)

Mr. Robens (by Private Notice) asked the Minister of Labour whether he has now received the award of the Board of Arbitration appointed to determine the difference between the Durham County Council and the Joint Emergency Committee of the professions.

The Minister of Labour (Sir Walter Monckton): Yes, Sir.

The House will recall that differences between the County Council and some of their professional employees have persisted for a considerable time. The present difference arose over the County Council's regulation that applications for extended sick pay must be made by or through a trade union or other appropriate organisation.

The assistance of my Department was sought in June after some 4,000 teachers employed by the County Council had handed in notice of their resignation from 31st August. At the request of the parties I appointed a Board of Arbitration to determine the difference and the parties undertook in advance to accept and implement any award made by the Board.

Both parties accepted that so far as certain professions were concerned, membership of a trade union or professional organisation should not be imposed as a condition of employment. The agreed terms of reference accordingly included the question whether the present regulations of the Council governing the making of applications for extended sick pay are in conflict with the principle of voluntary membership of a trade union or professional organisation and should therefore be withdrawn. The Board's award is that in so far as the regulations require such applications to be made through a trade union or other appropriate organisation, they are in conflict with that principle and should be withdrawn.

I am arranging for a copy of the award to be placed in the Library of the House.

Mr. Robens: In view of that statement, and in view

of the fact that both parties agreed to accept and implement any award made by the Board, I presume we can now accept the situation as being finally closed?

Sir W. Monckton: I hope and think so, Sir.

FROM WEEK TO WEEK *(continued from page 4.)*

far to level men's wits, and leaves but little to individual excellence," he spoke truly. The inhabitant of the world of to-day walks on stilts. Why should it evoke surprise to see, lifted up on high, as mean a physiognomy as formerly was visible at a lower level? Education is one, not the only one of the stilts. What is it that impels towards ever taller stilts? Whatever it is, get down, and you are nearer the beginning. You have not reached the beginning; but you are so many steps as the stilts are high nearer to the beginning. Men come into the world 'in the midst,' not at the beginning, with a past before and a future after; and, if they have hope of anything, stretch a hand out on either side. Woe unto him who discovers that they meet; for then he draws Nectar in a sieve, and the Self he would find is the only thing imprisoned, and is imprisoned and a prisoner. Universities are instruments for locking the hands quickly.—There are others.

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