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"Social Credit" Party Returned to Power

(From Our Canadian Correspondent)

On June 18, Mr. E. C. Manning's government was returned to power in Alberta with a landslide majority. The "Social Credit" Party won 61 out of 65 seats. All the cabinet was returned. A little less than 70 per cent. of the eligible voters, an unusually high percentage turned out at the polls. 56 per cent. voted for the Social Credit Party, 23 per cent. for the Progressive Conservative, 14 per cent. for the Liberal, 5 per cent. for the Socialist (C.C.F.) and 2 per cent. for others. There was one Progressive Conservative elected from Calgary, one Liberal from a Northeastern rural point, one Coalition member from West of Calgary, and one Independent Social Crediter (R. E. Ansley) from a rural area Leduc, near Edmonton. The C.C.F. representation in the Legislature was reduced from two to zero. None of the leaders except Mr. Manning was returned.

Ballot-box wise, it was a resounding debacle. Although the return of the government with an increased majority (37 seats before) was generally expected, no one was prepared for what happened.

As the daily press commented, Mr. Manning was a "shrewd" party leader.

The main issue of the election was the Five Year Plan which the Manning government put forward about a year ago. A "few of the highlights" given in an election brochure of the "local Social Credit Associations" were:

"Fifty modern homes, built and paid for by the Province, to accommodate 4100 senior citizens.

"Local community improvements in some 200 major towns, villages and hamlets. . . .

"A new Provincial Hospital, diagnostic and treatment centre to be located in Calgary, and a province wide program of chronic hospitalization and out patient service.

"A provincial archives and museum.

"Government guaranteed farm home improvement loans.

"A 350 million dollar program for education including a scholarship fund. . . .

"A vastly expanded highway and bridge program.

"More financial assistance to municipalities and schools and assumption by the Province of all current and future hospital capital costs formerly borne by local tax payers."

These were all proposals which had been supported, and they claimed initiated, by other parties. No popular issues left even a good foothold for the opposition to seize

on. In effect, each opposition candidate merely criticized how the government was implementing the steps and claimed his party would do better. Some attempt was made to use education as an issue but it was a lever of little advantage since a Royal Commission had been set up by the government, and in the last year had conducted a very extensive survey. The report is not expected for a number of months yet. A year ago there did appear to be bitter opposition to the "oil dividends" which cost \$20 million over the last two years (\$20 and \$17.50 per citizen per year). However, these had been withdrawn for the time being and were supplanted by the Five Year Plan.

Altogether it was almost as spectacular an electoral rout, from the standpoint of elected majority, as swept Mr. Aberhart into power in 1935. How can it be analyzed?

Regarding the Party, it is perhaps not incorrect to say that to a greater extent than previously the motive force of the elected members is frankly political ambition.

It is questionable if any of the new members are, or have been interested in Social Credit as a study of the real questions and answers in the political and economic situation. However, it would appear that there is some good potential ability among them, and, there are some who might become informed if they were expected to do so.

Regarding the Premier, Mr. Manning. In a short address of acknowledgment after his victory, he confessed to a feeling of humility. That word we believe, was used with some real sincerity. A leader or a party could not be in a much more advantageous position to carry out a program, or indeed to take steps which might be momentous. And that at a time when everywhere politics of an anti-social credit nature are predominant under a number of guises.

After the election of Mr. Manning's government in 1948, Major Douglas wrote an assessment which could apply also in 1959: "He would probably claim, and I certainly should not contest that 'his' program could be used to describe a good program. In fact, it could be used to describe anything. He probably would not understand what I am trying to indicate, that the very achievement of that program, by the methods he is committed to employ, however successful, and perhaps in proportion to its success, will rivet the chains of State slavery which the electors supposed he wished to attack."

But perhaps there is some alternative. The government has the experience and the potential ability to take other steps.

D. STEWART.

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From Week to Week

All the industrialised countries are at present enjoying unprecedented prosperity, accompanied by the greatest expansion of consumer credit ever known. Banks are now openly associated with consumer-credit organisations; and there is no longer any pretence that capital is not financed by new financial credits.

There is clearly a limit to all this. Debt eventually must be astronomical, and the limit of hire-purchase comes when the cost of living plus taxes plus instalment repayments equal incomes. So that we once again face the prospect of financial breakdown, or modification of the financial system by an arithmetically sound method of providing credit—honest accountancy.

But we know that the controllers of finance preferred war to such a modification; and it is now evident that they prefer revolution—the taking over of the world by the Red Army, which is in preparation. The policy of Finance favours the strategy of Communism; so that, when financial catastrophe precipitates social disintegration (“the ‘inevitable’ breakdown of the Capitalist system”) control by machine-gun can replace control by finance.

You, dear reader, are a decadent capitalist; and therefore your place is in a Chinese Commune, or a Siberian slave-camp, where you can play your part in raising the standard of living of the under-developed and under-privileged masses of Asia.

Yes the Communists must be clever: they are the first people in thousands of years to notice how under-developed the under-privileged are. And the Communist bosses, having invented civilisation, naturally deserve its amenities, while we, the ‘classless’ proletarians of the world are united (by the necessary display of force) into planned production.

You probably don't know that “foreign aid” was invented by the Communists (Earl Browder: *Teheran: Our Path in Peace and War*).

We find it hard to understand all this fuss about using up the world's supply of oil. When only the Bosses have cars and centrally heated houses, there'll be enough oil to

last for thousands of years. We'll be *properly* planned soon—at present we are only being planned against.

A characteristic of the Socialist mentality—a mentality as clearly defined to the trained observer as a psychosis to the psychiatrist—is an inability properly to distinguish between what can be made, and what grows. Wheat, sheep and motor-cars are exports, and immigrants increase the labour-force.

The relationship of life to this planet is the deepest mystery, of which the only Law we know is—in the profoundest sense—love. Socialism, notwithstanding the aspirations of a handful of deceased idealists, is motivated by hate and proceeds by destruction.

We believe that the present mad activities of mankind transgress the metaphysical basis not only of civilisation but of life itself, and that if they continue a little longer, as time is measured in such a matter, it need not necessarily be H-bombs which will provide the catastrophic culmination. Unless Burckhardt (referred to elsewhere on this page) is right in his opinion that “in the intellectual and moral sphere one must, in order to calculate correctly, reckon with invisible forces, with miracles.”

“Regarding the power of the Jesuits: it is not hard for firmly united, clever and courageous men to do great things. Ten such men affect 100,000 because the great mass of the people have only acquisition, enjoyment, vanity and the like in their heads, while those ten men always work together. . . .”

—Jacob Burckhardt: *Judgments on History and Historians*.
 And not only the Jesuits.

A Thousand Years Ago

“The entire orthodox Middle Ages then kept the Jews down and persecuted them periodically, *i.e.*, attempted to annihilate them. If, however, Western European Arianism had held its own, the Jews would in a century or two have become masters of the entire property and would have made the Germanic and the Romanic peoples work for them even at that time. There would have been no Middle Ages, or they would have been quite different. If one judges according to desirability, one has this choice: either general dominion of the Jews from the seventh or eighth century, or the Middle Ages as they were.”

Of Jacob Burckhardt, from whose *Judgments on History and Historians** the above is quoted, H. R. Trevor Roper, in his Introduction to the volume, says: “Today, increasingly, he is regarded as one of the great philosophical historians of the nineteenth century. A misfit in his own age, he has become, as misfits sometimes do—as Alexis de Tocqueville and Lord Acton have become—of far greater significance to us than his more famous, or at least more fashionable, contemporaries.

What Burckhardt, like Acton, perceived was the existence of a persistent policy. Douglas perceived it: “History is crystallised policy.” The policy then, as now, is enslavement of the Gentile by the Jew; but today we call it Full Employment and Aid to the Underdeveloped Nations.

* George Allen & Unwin, London, 1959.

Royal Commission on Education Province of British Columbia*

SUBMISSION BY ARTHUR V. McNEILL

My experience as a teacher for the Vancouver School Board during a period of over thirty-five years has confirmed me in the conviction that educationists must be continually on their guard against the danger of unintentionally substituting a policy of conditioning men's minds for the ancient aim of disseminating knowledge. Even in what are generally regarded as informed criticisms of the defects of the educational system, this tendency can be noticed in the writers' obsession primarily with methods of instruction, the qualifications of teachers, the standards of their remuneration, educational "frills," "ersatz" subjects of study such as H.P.D. etc. It is my submission that matters such as these, however important, are secondary to the question of what is taught and what is not taught. If education means primarily the dissemination of knowledge, if it is a war against ignorance, it is of the first importance that there must be no field of general knowledge which is excluded from the pupil's course of studies, and in which he does not receive instruction at some stage of his school career from six to eighteen years. Those who profess to regard knowledge as the common inheritance of all mankind must pay more than lip service to their faith. There would be general agreement among teachers that we must not duplicate today in any field of inquiry the intransigence for which we blame the later mediaeval educators in excluding from their schools the teachings of Galileo.

Have we teachers of today left that attitude far behind?

A study of the history of education reveals that the condemnation of Galileo is far from being an isolated instance, and that there are grounds for stating that teachers have been traditionally opposed to the introduction of new ideas. For many years after Galileo, Aristotelian physics long held the field in English universities and made an obstinate resistance before they were supplanted by the Cartesian, the exponents of which dug themselves in, in their turn, and held their front more than thirty years after Newton's discoveries until the latter were firmly introduced into Cambridge by a clever stratagem (See *Brewster's Life of Sir Isaac Newton*). To the question therefore, is there any particular subject which has been intentionally or unintentionally omitted from the curriculum in British Columbia schools, we teachers must be sure of our ground before we conclude that it cannot happen here and now. We are all committed to the profession that nothing is more important in education than the accessibility of knowledge. Even low I.Q. groups are never purposely excluded from any field of study without some attempt being made, usually a sustained one, to develop such gifts as they possess. Is there any special achievement or discovery in the field of general knowledge which is not yet on the course of any student?

This is not the place to discuss why the evidence of leading bankers that it is the main function of a commercial bank to manufacture money costlessly in the form of bank credits receives no specific attention or recognition in any textbook recommended in the Course of Studies for

use in the British Columbia schools. The situation appears to be this: the proofs of the physicists that the world is round are taught in every elementary school in the province, but the evidence of eminent bankers and economists to the effect that banks manufacture money costlessly every time they make a loan, discount a bill, grant an overdraft or purchase securities in the open market is completely ignored, not only in *Our Economic Life*, the text book recommended for Economics 92, but throughout all the Social Studies high school courses. Imagine a teacher of English consenting to the publication of a school edition of *Hamlet* with all Hamlet's speeches omitted, or a teacher of Science handicapped by a text book which refused to acknowledge the discoveries of Archimedes or Newton, or to mention Boyle's Law. In chapter VII on *Paying Our Way in Canadian Democracy in Action* (Social Studies 30), the student is left to assume that all loans raised by the Dominion Government, both during and after the last war, came, in the first instance, out of the taxpayers' pocket. Occasionally in some course the student comes across a reference to the fact that, in very primitive societies, cowrie shells, wampum, leather disks, etc., have all been used as money. Would any educationist seriously argue that it is more important for the pupil to learn what money consisted of centuries ago, than to know, in the words of those responsible for its manufacture, what it consists of today, and how it is manufactured costlessly. This omission is all the more anomalous in those school districts, such as Vancouver, where to the writer's knowledge, every junior and senior high school library contains sets of the *Encyclopaedia Britannica*, provided by the School Board, which contain the missing information.

It is not necessary to elaborate upon the importance which money plays in a modern economy. It is axiomatic that in an educated democracy there is an ever-increasing body of citizens making decisions for themselves, and that, in democracy at a lower level, the citizens are called upon to give or withhold informed approval, if possible, of decisions taken for them by others. In either case no educated opinions can be formed on questions which were thrust unwelcomed on public attention and gained a seemingly permanent prominence, such as the merits or demerits of strikers' demands, lock-outs, rises in the cost of living, the dangers of uncontrolled inflation, taxation, etc., in all of which money plays a vital rôle if the citizens continually affected in their pockets by these matters, have been barred from acquiring at school a knowledge of the elements of banking in the words of those chiefly responsible for carrying it on. What argument would any teacher advance for allowing such evidence as that of Mr. Graham Towers, quoted below, to remain unknown, or for treating any knowledge as a private monopoly?

We protect our pupils, the Canadian citizens of the future, from the forces of darkness by keeping the Book of Knowledge always open.

My concrete suggestion for dealing with the situation I have outlined is very simple. I should like to see a sticker issued by the Department of Education at Victoria for pasting in the back of every Social Studies text book above

*In Canada, the British North America Act leaves education entirely in the hands of the Provinces.—Ed. T.S.C.

Social Studies 10, and in every text book in Economics 92, containing the following information, if not in the following words:

MODERN BANKING AND CREDIT

You are already acquainted with the fact that (1) goods are continually being manufactured or produced or grown until they come to a finished stage (2) when they are offered for sale to the public, and that finally, when they have been sold, they reach a third stage (3) when they are consumed by their purchasers, either at once, or over a longer period of time. To understand modern banking you have now to realize that money, too, just like goods, goes through three corresponding similar stages, (1) when it is manufactured by the banks (2) when it is in circulation as purchasing power in the pockets of the public, and (3) when, after it is spent, it goes back through the stores, wholesalers, manufacturers, etc., until it reaches the banks again as payment for loans or overdrafts and ceases to exist as purchasing power, just as goods cease to exist when they are consumed. As a lake in British Columbia is always there, though the volume of its water is always changing by inflow and outflow, rain and evaporation, so there is nothing permanent about the amount of goods for sale or about the amount of purchasing power in circulation.

In some of your text books you have been told that primitive peoples have used cowrie shells, wampum or leather disks for money. Today well over 90 *per cent.* of the money used in Canada consists of bank credit transferred by cheque. Notes and coins are a tiny proportion carried along on the surface like foam on the surface of a stream.

Here are some of the statements about the manufacture of money made by Mr. Graham Towers, first Governor of the Bank of Canada, before the Standing Committee of Banking and Commerce in the House of Commons at Ottawa in 1939.

1. "The banks cannot, of course, loan the money of their depositors. What the banks have done is to make loans and investments which result in a certain sum total of deposits. In respect of savings that amount is \$1,600,000,000 odd" (page 455).

2. To the question, "You will agree with the statement that has been made that 'banks lend by creating the means of payment'", Mr. Towers replied, "Yes, I think that is right" (page 456).

3. Moreover, to the suggestion that "95 *per cent.* of all our volume of business is being done with what we call exchange of bank deposits, *i.e.*, simply book-keeping entries in banks against which people write cheques," Mr. Towers replied, "I think that is a fair statement" (page 223).

4. To the question, "Is it a fact that a million dollars of new money is created (when a bank purchases \$1,000,000 worth of bonds) Mr. Towers replied, "That is right" (page 238).

(Note: the figures refer to pages in the Standing Committee report.)

Mr. Reginald McKenna, chairman of the Midland Bank, England, the world's largest branch bank, said in January 1923, "The amount of money in existence varies only with the action of the banks in increasing or diminishing de-

posits. We know how this is effected. Every bank loan and every bank purchase of securities creates a deposit and every repayment of a bank loan and every bank sale destroys one." (*Financial Times*, January 24, 1924).

You can find other authoritative statements about banking in the *Encyclopaedia Britannica*.

The U.S. Information Agency

It is repulsive to me that a U.S. Government agency should glorify so-called artists who stand for nothing that this country represents and for everything it is opposed to, men who stand for, promote, and defend Communist slavery, mass murder, and destruction of freedom; men who, by their actions and statements over the course of many years, have proclaimed themselves the enemies of the United States.

I also wish to state my objection to what is implied by the backgrounds of the artists the U.S.I.A. has selected to represent this country in Moscow; namely, that of all the painters and sculptors in the United States, one-third of them are either Communists, conscious and deliberate fellow-travellers, or dupes of the Communist conspiracy.

I am cognizant of the "liberal" line proclaiming the intrinsic esthetic value of "art for art's sake," irrespective of the background or design of the artist and that somehow by displaying in Moscow, at U.S. taxpayers' expense, the art work of American Communists and Communist-fronters, Khrushchev and his gang of international outlaws will cease being Communists dedicated to world revolution. In my judgment, this is plain poppycock.

How long is it going to be before it is recognised that the Communist conspiracy is at total war with the free world? It is a war of intrigue, subversion and force. It is, above all, a war in which the Communist conspiracy is irrevocably dedicated. If our method of fighting communism is to display in Moscow art works of American Communists and Communist fronters, our cause is lost.

—From an article in *Human Events* (June 24, 1959) containing "the major part of a recent speech made by Representative Francis E. Walter, chairman of the House Committee on Un-American Activities, on the floor of the House." The Hon. Francis E. Walter refers to an announcement by the U.S. Information Agency that 49 paintings and works of sculpture had been selected for showing at the American National Exhibition in Moscow. "Of the 67 artists whose works have been chosen . . . 34 . . . have records of affiliation with Communist fronts and causes . . . 22 artists have a minimum of 465 connections with Communist fronts and causes. . . ." This information was derived "from a routine check of committee files."

T.S.C. in Libraries

Owing to the initiative of Mr. Anthony Cooney, a copy of *The Social Crediter* is available on application at the Central Reference Library, Liverpool, and if a 'sufficient' number of readers ask for it, it will be placed on the open shelves