

THE CALGARY DAILY HERALD, MONDAY, APRIL 9, 1934

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# **Social Credit Only Possible**

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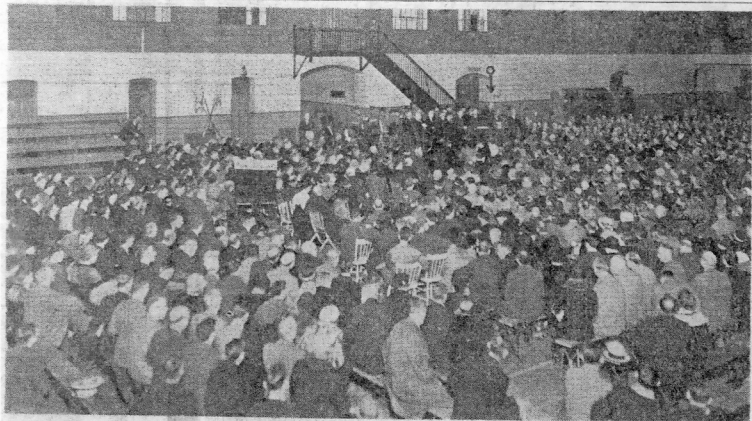
## **by Co-operation of All Classes**

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### **Major Douglas Flays Economic System but Silent on New Plan**

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## Military Setting for Big Meeting Listening to Assault on Modern Systems



Part of the large crowd which gathered Saturday evening in the Armories, Calgary, to hear Major Douglas, of Social Credit fame, explain his theories. The speaker is indicated by an arrow.

# Highlights of the Meeting

If Major Douglas can bring order out of present chaos he will be the greatest human benefactor in the world.—Ald. Weir.

Major Douglas is a Scotsman, a graduate of Cambridge University and an engineer by profession. A very excellent combination in my humble opinion.—Mayor Davison.

In Calgary more than in other places there is a great interest taken in social and economic questions.—Ald. Ross.

Finding themselves too far from the speaker to follow his discussions, the crowd in the rear caused a diversion which silenced the speaker for several moments as they scrambled into more favorable positions.

"We are becoming quite used to that sort of thing," said Major Douglas as the flashlight photographer punctuated his speech with a puff and a blinding glare.

## Douglasisms

Social credit in Alberta is a lusty infant and, like a precocious child, manifests a strong desire to choose its own nurses.

I have taken it upon myself to invite C. W. Bowman, editor of the Ottawa Citizen, to preside at a proposed conference of social credit organizations of the middle west. He has consented to act.

Absolute unity of all classes is imperative if any real success is to be achieved in this greatest of all fights.

There is probably no class which does not suffer either physically or mentally from the effects of the outworn banking system.

Propounding of a perfect plan is of minor importance compared with the possibility of putting that plan over.

Let us call it an organization which has either through accident or design come into the most stupendous power that exists in the world today.

The stakes of this struggle are tremendous. They are nothing less than the life or death of civilization, and perhaps the life or death of the major portion of population.

It is of course a mistake to assume financiers want wars. Their position is similar to the habitual drunkard in regard to delirium tremens. He will do everything to avoid having delirium tremens, except stop drinking. They will do everything to avoid war, except those things which make war inevitable.

We do not want to transfer the power of the financial system which rules our need for bed, board and clothes to a more powerful master, the state. That is one of our greatest present dangers.

We used to hear a lot about nationalization until everybody became nationalized between 1914 and 1918, and they found they did not like it.

I will guarantee that those who are loudest in demanding employment at the present time, if given \$2,500 a year, would find lots of employment for themselves without any difficulty.

The whole of society exists for the benefit of the individual.

**Absolute Unity of All Sections of Society  
Necessary For Full Realization of Credit  
System Advantages; Application In  
Alberta Impossible Without National  
Affiliation**

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## **General Conference Urged to Work Out National Scheme**

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**Two Thousand Persons Hear Noted Engineer-Economist Assail Financial Monopoly; Present Order Leading to Chaos and Destruction, Speaker Claims, With War as First Menace**

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**O**FFERING no definite plan for a new economic structure, but mercilessly assailing the existing monetary system as one leading directly to chaos and destruction, Major C. H. Douglas, noted founder and international exponent of the Douglas scheme of social credit, warned 2,000 persons in the armories Saturday night that absolute unity of all classes was imperative in the battle for financial freedom, and that Alberta could hope for little advance in the breaking of the monopoly of credit without full co-operation from other parts of the country.

"It is a fight which is in no sense in the interest of any single class of society," Major Douglas asserted, "the breaking down of the money power. There is no class which does not suffer either mentally or physically from the effects of an outworn financial system as it operates at the present time.

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outworn financial system as it

"There is no question at all that the groups or organizations which control national and international credit are not going to let go that power unless made to let go in the nature of something that may be termed a war, with the stakes the most tremendous for which, within history, the world has ever struggled." The speaker foresaw a civilization hanging in the balance and the menace of another war unless the financial monopoly was crushed. "We are faced with this war not because of a desire of financiers to produce war, but because of a system which precipitates war against the wishes of even those who operate against it," Major Douglas said in part.

Quite in contrast to the "Napoleonic" description of a gushing Edmonton reporter Major Douglas in attitude and delivery impressed his audience with an unemotional and analytical style of attack. He resorted to no tricks of oratory, no attempt to stir up his hearers to enthusiasm by flights of rhetoric, and seldom raised his voice above a rather monotonous conversational tone. He stood throughout his address of nearly two hours with both hands resting on the table before him, slightly stooped and, without notes, blasting away stolidly at the monetary walls of society, but withal entirely unperturbed when some of the audience left, others staged a football rush from bleacher seats to the centre of the hall and the thread of his discourse was frequently broken by prolonged applause.

### Suggests Conference Of Reform Forces

Early in his address Major Douglas referred to the "lusty child of Social Credit in Alberta" and suggested that difficulties which had arisen in the selection of leaders should be solved by a conference. In this connection he had invited C. W. Bowman, editor of the Ottawa Citizen, to preside if such a conference were held.

For the successful attack on the walls of the monetary system the speaker warned, unity of all classes was essential. No longer was the struggle the sole concern of the down and out, who suffered physically, for there was no class, except the very smallest, which had excuse for enmity to the proposed changes.

"Let no one suggest to you that this is what is called radicalism and that what one calls conservatives have no interest in it other than to oppose it. That is a fatal error," he said.

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Describing the enormous power of the banking system as a warning to those who believed that the campaign against it was in the nature of a "week-end adventure," Major Douglas described its enormous powers as an inter-linked international organization commencing on the 'best corner sites' in all cities and extending through central banks to transcend all limits of nationality.

Against that power to the present we had only the rather tricky machine that we call the democratic parliamentary system.

Despite the power of the organization, however, Major Douglas insisted that its breakdown was certain either through war resulting from the competition for foreign markets or congestion due to the impossibility of discovering further foreign markets without reaching another planet.

Efforts to make the system work by changing into huge cartels could be observed today in Italy, Great Britain, Russia, Germany and the United States. Various names were being used for the attempts but the general effect was the same; dictatorship and loss of liberty. "Not only is the worker the slave under such systems, but the employer is the slave also. There is no such thing as a free employer in these places," Major Douglas said.

## Rapid Spread Of Idea Claimed

Referring to his experience in the countries he had visited recently, Major Douglas expressed astonishment at the rapidity with which the idea of social credit was being grasped. He said the defect in the present system was the inability of the banks to distribute enough "little bits of paper printed with ink," which were really tickets to assure distribution of the enormous capacity for production which humanity had developed.

There were many plans to overcome the difficulty, he said, including his own, but the trouble was that immediately some simple method of managing the money

system was evolved it was either illegal or became illegal within a very short time.

"The population has the power to get all the tickets it wants, but is restrained by curious regulations called laws."

That, he said, was particularly the position in Alberta and was the reason why no scheme was of any use here. The objective at the present time must be the creation of a condition which would make the application of a plan possible. This was possible only by bringing pressure to bear on representatives until the final movement to reform was made in London.

One of the most hopeful features of the provincial situation, Mr. Douglas said, was the manner in which the press conveyed real information on the present situation to its readers. He concluded by calling for steady disciplined action to restore the monetary system to the state and expressed his belief that the movement would finally be successful.

Included among those seated on the platform were Mayor Davison, Ald. F. J. White, M.L.A., Norman Hindsley, M.L.A., Gordon Leighton, business manager of the Albertan, C. H. Stout, news editor of the Herald, J. C. Watson, Wm. Aberhart, J. L. Collins, H. C. Boyd, Gordon Egbert, K.C., and Dr. D. G. Williams.

The committee in charge of arrangements consisted of J. W. Crawford, representing the Canadian Club, I. F. Fitch and Ald. J. H. Ross.

Music was provided by the band of the Calgary Regiment and the addresses were broadcast over local stations and a Western Canada network.

Ald. R. H. Weir, president of the Canadian Club, was chairman of the meeting.

# Civic Welcome

## By the Mayor

**MAYOR DAVISON:** It is not my intention to take up more than a minute or two of your time in performing the task that has been assigned to me, that of introducing our guest speaker.

In doing so might I in behalf of this splendid audience and also in behalf of the thousands of our citizens who are listening-in, extend to Major Douglas a hearty and a cordial welcome to our city. We feel we are particularly favored in having the privilege of hearing him in person tonight.

Major Douglas is a Scotsman; a graduate of Cambridge University and an engineer by profession; a very excellent combination in my humble opinion. At one time or another he has directed the activities in India of the great Westinghouse firm, has built railroads in the home land and has also served as assistant director of the Royal Aircraft Works.

While he has had a distinguished career as an engineer, I think it is correct to say that he is best known for the theories he has propounded, not only on the public platform, but also through the medium of his books on the question of social credit. In support of those theories he has appeared before many parliamentary committees throughout the world, including British, Canadian and Australian federal parliaments.

Yesterday, as you are all aware, he addressed our own Alberta legislature. I am sure he will have both an interesting and instructive message for us tonight.

Mr. Chairman and fellow citizens, I deem it a great privilege indeed to have the honor of introducing to you Major C. H. Douglas. (Applause.)



# Explains Reason Why Meeting Held

R. H. WEIR: As you know, for the past number of months there has been intense interest in this city and in this province in economic problems and I think chief among these is the system propounded by our guest this evening, the Douglas System of Social Credit.

When we learned about a month ago that Major Douglas was returning from a trip to Australia and New Zealand, returning to Britain via Canada, we put machinery into operation to see if we could not secure him for at least one meeting in this city.

A meeting was held under the auspices of the Calgary Canadian Club and a group of professional and business men who have been studying economic and social questions and this is the result. Now I am sure you will agree with me that if Major Douglas can propound a plan applicable to this province to bring a feeling of order and security out of the chaos existing at the present time that he will be the greatest human benefactor this country and this world has ever seen. (Applause.)

We are anxious to pay Major Douglas all the honor possible and ourselves as well, and for that reason we have brought Mayor Davison here. He has gladly consented to come, and to introduce Major Douglas and to extend to him a civic greeting.

## JUST ANOTHER JOB

WEST HARTFORD, Conn.—(UP.)—A fireman's job is a job of all trades. When the laddies arrived at the home of Dr. William L. Gillis, expecting at least to find a fire, they were asked to haul William, Jr., from a clothes chute into which he had fallen.

# Urges Caution in Changing "Masters"

Complete Report of Address of Major C. H. Douglas

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**I**N the first place I should like to thank you all most heartily for your very kind reception, and I should like to join to those thanks further thanks to the many kindly citizens of the Province of Alberta who have written to me during the past few days on various subjects. I have answered some, as many as possible, of those letters or acknowledged them, but there are many which, at any rate, cannot be acknowledged or answered just now, and I would take this opportunity of thanking the writers for the information on various subjects that they have so kindly given me.

Amongst those subjects they have written to me upon I gather from them that this lusty infant of Social Credit in Alberta has strong democratic tendencies. I have great sympathy with those tendencies and I notice that they manifest themselves as you would say a precocious infant might, by a very strong desire to chose its own nurses.

Now I have every sympathy with that too, and so that this the mechanism may be provided for I have taken it upon myself to suggest that there should be a social credit organizing conference held somewhere in the Middle West, and I have written to, and I am glad to say, I have received a very favorable answer from Mr. Bowman, editor of the Ottawa Citizen, who has very kindly consented to preside at such a conference if it is held. Mr. Bowman is, perhaps, if not the first, one of the very first students of social credit in Canada. He is an old friend of my own. I have the greatest possible faith in his wisdom and his judgment, and I feel sure that if such a conference is held then this very sound and proper desire on the part of this lusty and growing infant to chose its own nurses can be embodied, and I feel sure that such a conference would be a desirable thing. I have merely taken the first steps in regard to it, and any further steps will, of course, be entirely in your own hands.

## Plan of Attack For Credit-Advocates

Having said that I should like to remind the great audience before me and the greater audience which I cannot see, but to which I am talking, that the Roman Empire had a maxim, amongst many, which should be carefully kept in mind by those who are entering on so momentous a campaign as are those who propose to put the social credit idea through, and that maxim was in its original form *divide et imperium*, which may be translated, "divide and rule."

If you wish to carry this idea, this campaign through to a successful conclusion, it is imperative that you perhaps apply that maxim against your opponents if there are any, or if there are more than one, but do not allow either human nature or the passing ideas or whims of a moment to permit it to be applied to yourself.

Absolute unity of all classes of society is imperative, if any real success, any lasting success, is to be achieved in this greatest of all fights, the fight against the monopoly of credit, the fight against what is commonly called the money power. It is a fight which is in no sense in the interests of any single class of society. The breaking of the monopoly of credit, the power of money, has its greatest physical effect upon what are called the down-and-out classes. They suffer physically. But there is probably no class which does not suffer either physically or mentally from the effects of an outworn financial system as it operates at the present time. (Applause.)

Let no one suggest to you that this is what is called radicalism, and that what are called conservatives have no interest in it other than to oppose it. That is a fatal error. There can be no class of society except perhaps the very smallest, perhaps only numbered on the fingers of the two hands in units, perhaps a little more than that, but ultimately there can be no class of society which has any cause for enmity in this matter against any other except those who are themselves their own greatest enemies, those who support a system which will no longer work. Therefore, I would ask you as the first premise of effectiveness in this matter to sink any imaginary differences that you may have on any subject so far as this particular subject is concerned and realize that you have only one common enemy, and that is the existing financial system. (Applause.)

This is a campaign. It may start by being, if you like, a technical examination of the existing financial and economic systems. That, of course, is important, in fact it is vital and fundamental. But what you have to realize is, as no doubt most of you do realize, that a mere examination of this subject or even the propounding of what you might call a perfect plan in regard to it is of secondary or even minor importance compared with the possibility of putting that plan over. There are two completely or, at any rate, superficially separate aspects to this matter.

## Technical And Political Aspects

The first of these aspects is, of course the technical aspect. The second of these aspects is the strategic or the political aspect. We are faced with a situation which involves the deprivation of certain tremendous powers from a comparatively small group, or if you like, an organization. I do not want to put at all a personal aspect on the matter. Let us call it an organization which has either by accident or design come into possession of the most stupendous power that exists in the world today. This power which we call the monopoly of credit. Now, however, this organization or these groups are in every country, although the organization is undoubtedly international. Their power has been acquired, and we know more or less how it was acquired; whether it was by accident or design makes very little difference, and there is no question at all about it that that group or organization is not going to let go of that power unless it is made to let go. Therefore it is quite right and proper to regard this matter as in the nature of something of what may be termed a war. And the stakes are the most tremendous stakes for which, within history, the world has ever struggled.

They are nothing less, and I am not using metaphorical language, but I am using conservative language; they are nothing more or less than the life and death of civilization, and perhaps the life and death of the major portion of the population, because it is certain if we do not manage to tackle this financial problem with which we are faced, we shall, because of the workings of the existing financial system, not because of the desire of the financiers to produce a war, but because of the workings of a financial system which precipitates a war against the wishes of those even that operate it, we shall be plunged into a war at no very distant day. It is, of course, a complete mistake to assume that financiers want wars.

That is a very infantile misapprehension. I have frankly put it in this way that those who are the sponsors if you like, the operators of the existing financial system, are very much in the position of a confirmed drunkard in regard to delirium tremens. It would be absurd to say that he wants to have delirium tremens and delirium tremens is the disease of civilization which is corresponded to by war. It would be absurd to say that the drunkard wants to have delirium tremens. He will do everything possible to avoid having delirium tremens, except stop drinking, and the financial system at the present time, and those that operate it will do everything possible, and are doing everything possible to prevent war, except those things which make war inevitable.

## Must Have Object When Action Taken

Now looking at the whole subject from that point of view, I want to put before you certain general considerations. First of all, what is our proper objective, because when you are considering the carrying out of a campaign, and I am not, of course, speaking as an expert on military matters, but I am speaking because this applies to all endeavors to obtain an objective against the opposition of somebody else. There is a well known sequence through which matters have to go. First of all, you have got to have an object. Secondly, you should consider which considerations affect the attainment of those objects. Thirdly, you should consider what are the causes of action open to both sides, both your own side and the opposing side, and having considered all those matters you should then have a plan. You should not have a plan before you have considered what are the possible courses of action that could be taken by your opponent. That is beginning at the wrong end. The last thing is a plan. The first thing to have is an objective.

Now, what is our proper objective in this matter. I feel sure that quite a lot of objectives might be put forward in so large an audience as this, and no doubt probably all of them might be partially right, but in a matter like this, it does not do to be partially right. You must be absolutely right. You

must have a very clear understanding of what your objective is.

First of all what is it, very broadly speaking, that we do not like about the present position. Put very broadly it is that we are constantly prevented, by what you might call artificial restrictions and hindrances, from obtaining legitimate objectives, the meaning of which we can see by our common sense do exist.

We know now—it has become almost a matter of every day speech—that there is a paradox of poverty amidst plenty, and one of the things that we want is to remove the hindrances which prevent us from abolishing poverty so long as there is in fact plenty. But, that does not take us far enough. We are at the present time unquestionably under the domination of a financial system which rules us. It rules us in our most basic necessities, the necessities for bed, board and clothes, and the other things that go to make up the standard of living. But, we do not want to transfer that domination from, let us say, what we can call the banking system under another name to something we call the state. We have no desire whatever if we will analyse what our objective is to change one master for a still more powerful master. (Applause.) That is one of the greatest dangers at the present time that large bodies of people will be carried away by words of which they have not analysed the meaning.

One of the objectives which would very often be put forward

in regard to the present position is the provision of universal employment. When people say that they do not mean it at all. They do not know the meaning of the words they are using. What they really mean is, what they want is universal impayment. I will guarantee that those who are loudest in demanding employment at the present time, if they were given \$2,500 a year, would find lots of employment for themselves without any difficulty. (Applause.) Now, that is only the simplest aspect of this great danger at the present time of asking for something that you do not want, and you will be obliged to accept it when it is given to you. You want to be most careful that you are not confusing the orthodox meaning of getting something that you want with the thing itself, because the old means of getting something you want are probably not the best means to-day.

## People Do Not Like Nationalization

For instance, you will hear a great deal of the nationalization of this or that. We used to in Great Britain hear more about the nationalization of this or that than we do now, and the reason we do not hear quite so much about it now is because practically everybody was nationalized for about four years between 1914 and 1918, and they did not like it. So that, what we want today is to be very clear at the very beginning as to what is our objective.

I will put the objective as I see it for your consideration in a very general form and that is, we want to establish a correct relationship between the individual and the group so that the group, and the attributes of the group, shall serve the individual and not the individual be the slave of the group. The whole of society exists from my point of view—it may not be yours—but from my point of view, the whole of society exists for the benefit of the individual. (Hear, hear.)

You may consider society or any of the organizations with which we are familiar in society, as being a field. We want to cultivate that field because we want the flowers that grow in that field to be the finest flowers possible, but the object of the field is to produce the fine flowers, not the object of the flowers to improve the field. When you hear as you do, and can read in, for instance, the constitution of the Italian Fascist state, that the state is everything and the individual is nothing compared with the state, then you are reading or witnessing a complete perversion in my opinion of the proper relationship between the individual and the group. The great danger at the present time is not that the present financial system will persist, because the present financial system is inevitably doomed by its own defects, but that under the confusion which will exist as a result of the crisis caused by the breakdown of the financial system, an even greater tyranny may be put over on you as in the cases of many countries at the present time, and which is in active progress in still more countries even as I speak. That is the danger, and you must keep in your minds, to avoid that danger, some clear objective, and that objective the proper relationship of the individual to the group is in my opinion, the relationship and objective to which we want to strive.

Now, having got the objective



we can proceed to No. 2. Considerations which affect the attainment of the objective. Now, there is no doubt at all that the financial system comes under that sub-heading. There is no such thing as individual freedom in any real sense which does not at any rate begin with economic freedom. It is not the slightest use if John Brown is a free and enlightened and democratic voter, if John Jones has to work 16 hours a day in order to keep himself alive for the other eight. He hasn't got very much latitude in which to exercise his freedom if for 16 hours a day his condition is limited by the necessities of earning a living.

Whether consciously or not the world, for generations past (I think I know how many generations, but probably beginning with what we call the renaissance) has been moving to eliminate itself from the economic slavery imposed by economic scarcity, and from the fact that it took about eight or nine hours of a man's day to earn bed, board and clothes, which would keep him alive for the rest of the twenty-four hours. As you all know we have to solve that problem.

There is no economic scarcity in a realistic sense in the world today at all. And from the physical or realistic aspect of the matter man has been freed from economic slavery. But, again, whether it is conscious or whether it is unconscious, there seems to be something operating which is striving desperately to keep men enslaved, to prevent them from entering into this kingdom of economic freedom which is waiting them and which they themselves have earned. And that thing is unquestionably the financial system.

The bar which separates plenty from poverty is the link between production and distribution. We know that production can, and is in fact producing a glut of goods and chattels. We know that there are, even yet, millions who are actually starving or on the edge of starvation and the link between that plenty which we can see and read of everyday and that poverty, which we know to exist, is the means by which production passes over to the consumer. And the means by which production passes over to the consumer is money and money is the product of the financial system. (Applause.)

## Tremendous World System of Banking

So that the first of the considerations which affects the attainment of the objective is the money business. As I say, the money system is in the hands of an organization, an extraordinarily well designed and interlinked organization, which is being extended to its ultimate perfection as an organization with tremendous rapidity. The coping stone of this marvellous organization for controlling the money system is in these central banks, of which at least one of them is in the process of being established in Canada today. (Applause.) That organization is an interlinked organization by which the central banks are linked with a super central bank such as the Bank of England or Wall Street or the Federal Reserve system in Wall Street, and are, by the design of the structure, intended to be interlinked with the Bank of International Settlement at Basle, Switzerland. You, therefore, have a tremendous world system, an international system, world control of which, at any rate, the intention was and is that, the apex should be at Basle in Switzerland.

Under those conditions you can see that the campaign against the money system is not exactly what you might call a week-end adventure. You are up against the most marvellous structure, the most marvellous piece of organization, the only really world organization probably which exists, at any rate, in tangible form, in the world at the present time. So when we come to consider sub-heading No. 3, the courses open to the two sides, it doesn't at first sight look as if there were any courses left open to our side, as the machine against which we have to campaign is of so stupendous a nature, is of such an intricate and far-reaching organization. It starts on the best corner site of every one of our towns, practically all over the world, usually on more or less every corner site, and stretching on those corner sites up to organizations which transcend all the boundaries of what we call nationality.

It transcends the boundaries of, let us say, parliamentary power and is interlinked finally in a comparatively small town, where the organization is specifically and by treaty extra-national and not subject to the laws of the country in which it physically exists. So that you have visible to the naked eye, if you look for it, a world structure which transcends all national boundaries. Against that we only have rather tricky machine that we call the democratic parliamentary system so far as it still exists. (Applause.)

I think it is undoubtedly true

that when you come to matters of tremendous magnitude, it is only in an inherent defect of such an organization that you can hope to see the real causes which will lead to its defeat. It happens that there are such causes and those causes, no doubt, are many. They can all be summarized in the fact that by the mathematical, or arithmetical rather, workings of the system,

## Must Have Trade Balance Favorable

No country can operate on this system without having what is called a favorable balance of trade. That means to say that it must make more goods or grow more wheat or something of that sort than it can use itself. It must then export the surplus not because it wants to get goods in exchange for that surplus, because manufacturers and business men of the exporting country are generally very anxious that it does not get goods in return for the surplus. And they put tariffs on to prevent goods being received in exchange for the surplus. Because of that surplus, however, it gets little bits of paper in the form of bills of exchange or something of that sort which will enable it to buy the remainder of its own production. It has been said for many years until lately, without anybody bursting, as they should have done, into a vulgar guffaw, that Great Britain lived on its exports. How on earth one can possibly live by sending goods out of the country never seems to have occurred to anybody. You could, of course, live by sending out surpluses and receiving actual equivalent surpluses in return, but that wouldn't give you what is called a favorable balance of trade. The object of this system is that you must export more than you import. Now that is quite possible when, for instance, Great Britain was the workshop of the world, as she was called, or when you only had two or three highly industrialized nations working upon that system, and in fact exporting a great deal more than they imported. But when you have, as you have now, practically all the great nations and most of the smaller nations of the earth fully equipped to provide their own necessities and under an arithmetical compulsion to export more than they import, then you have to find another planet to export to, because it isn't possible for every country to export more than it imports without getting some of it out of the orbit of the earth. (Applause.)

Now in that feature probably more than any other—at any rate that is one of the major features, lies the certainty of the breakdown of this existing financial system. The only question is, will the system break down first, or will the persistence in the system to its inevitable, logical end, the economic struggle for markets, eventuate in a military struggle for markets? That is the only alternative. So that whether by an abandonment of the system or whether by the catastrophic breakup of everything which would be involved in another great war, there is no doubt whatever that the system, however marvelously organized it may be, and with all this mechanism which is on the surface so tremendously powerful, it will at no very distant date either have to be replaced or will itself break up from the onset of another great war.

## **Must Change Or Face New War**

That is one of the considerations which we have to see are open to the opponents. The opponents in this matter can either allow; we will put it on its lowest term, can either allow the world to be plunged into another great delirium tremens, another great World War, or the opponents themselves can

take steps to change the system. Now I have myself no doubt as to what is happening at this particular time, and that is that the opponents are endeavoring to change the system and the endeavor is being made to change over from the tyranny of finance to a tyranny of administration. That is being pursued with extraordinary sagacity. It is coming in many nations as you may see at this particular moment almost under your very eyes.

In Great Britain the phrase under which this change is taking place is called Rationalization or Planning; in Italy as the Facisti or Corporate State; in Russia it is the Dictatorship of the Proletariat. The same thing up to the present time, whether consciously or unconsciously, I should not like to say, but the same thing is unquestionably going on just south of the line, just south of where you are now.

What you are seeing in the United States is exactly the same thing pursued in Great Britain under the phrase of Rationalization, and has been successfully attained in Italy under the phrase Corporate State and is being aimed at in Germany by the Nazis. You are seeing the amalgamation of industry into huge cartels or trusts or guilds or any name you like to put to them. The conditions under which these guilds are being operated is administratively backed by the supreme power of the state, so that not only the worker, as might be the case at the present time, is the slave to the system, but the employer is the slave to the system also. There is no such thing as a free employer in these places. That is why I would direct the attention of what you might call the more conservative element to what is going on in the world. (Applause.)

Whether it is by accident or design the world is steadily moving over from a financial tyranny, which has both the elements of breakdown and has also been found out, to another tyranny, a tyranny of administration, which, as a matter of fact, theoretically at any rate, can be made to work. The paradox of poverty amidst plenty can be solved by the setting up of an entire state which can say "You shall do so and so." "You shall have such rations." "You shall live in such and such a house, you shall work such and such hours." "You shall be taught such and such things." "And any deviation from those laws which we lay down for you will be penalized by either starvation or by all the rigors of the law."

## Paradox of Poverty and Plenty

That is a state of affairs which can be one solution to the paradox of poverty amidst plenty. It is a solution and you have to decide whether you will lose all those things that we have been accustomed to call liberty, and probably lose them not for one generation but for a whole period, probably hundreds of years if not more, or whether you will take such steps as are possible to obtain a solution of the paradox of poverty amidst plenty and at the same time an enhancement of all those liberties for which you yourselves and your forefathers have struggled for generations. Both of those courses are possible. But the achievement of both economic sec-



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**They're  
for  
Douglas**  
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*Above, left to right—Maurice Colbourne, the Marquis of Tavistock, and Commander Kenworthy, M. P. Left—Eamonn de Valera. Right—A. R. Orage. Douglas Social Credit has eminent supporters in Great Britain as well as in other parts of the world. Above are active propagandists and sympathizers.*

# Urges Caution in Changing Masters To Bring Reforms

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urity and a more perfect liberty than history has ever shown are only possible, in my opinion, by stupendous efforts both of will and of intelligence of the general population, not merely of this country but of every country.

It is a most marvelous thing, a thing which I cannot cease to marvel at from my journeying around the world, nearly concluded now, the tremendous rapidity with which this idea is being grasped, not merely in Canada but in Australia, New Zealand and elsewhere. The issues are being grasped by the general population with a rapidity which, to be perfectly frank, I should not have credited the general population with the ability to do. But they are being grasped and I think we can say that is one of the things for which we may be most truly thankful at the present time, this realization of what the issues in a general way are.

You will realize from what I have said that it is in a reorganization of the financial system against the wishes of those who at the present time control the financial system, that our only possible safety lies. What is the difficulty, what is the defect, as you might say at the present time, and what is the remedy in its broadest terms. The defect can be stated in half a dozen words almost. The defect of the present system is that it does not place in the hands of the general population the power to monetize the real wealth which exists. We are familiar to all of us, probably with this paradox of poverty amidst plenty. The plenty is a physical fact; it is something tangible consisting of goods and things which exist but which cannot be bought. It is also intangible in the potentialities of the production system to produce more tangible goods than are produced at the present time. That is the plenty aspect of it. What is the poverty aspect of it? The poverty aspect of it is that the general population is not getting the tickets with which it can obtain the goods. It is due to the fact that this financial system of which we have been speaking has achieved the power to issue just as many tickets as it wants to issue and we cannot get the goods without possessing the tickets.

These little things we dignify with the name of dollar bills, pound notes, marks, francs and so forth, and we hypnotize ourselves into believing they are something marvelous and have a great many mystical properties, and that they are the medium of exchange and the storehouse of value and all sorts of wonderful things, in books on money and economics. They are none of these things at all. They are little bits of paper printed with ink. (Applause.) When you go to the railway station and you exchange a tin, and if it is clean, a crackly little bit of paper for a thicker and not so neatly printed bit of paper, you call it buying a railway ticket with money. You are not. You are exchanging a bank ticket for a railway ticket, that is all. (Laughter and applause.)



## Has Doubts About Generation Surviving

It is in that power to issue these bank tickets, these crackly little things which we have all become hypnotized about and which we regard as being so wonderful, that we will accept as a reasonable statement when we see thousands of men out of work and hundreds of machines idle and bad roads over a great deal of Alberta and many things of that kind, we say "Oh, yes, it is a pity, but we cannot do it because there is no money." In other words, there are not any bits of paper with ink on them. It is really terrible. If this generation does survive, I say "if", and its history is written, I feel sure that in a few hundred years it will be a real puzzle to the historian of that time to know what all the trouble was about. He will say, "Here were these people, there were lots of them, they had a marvelous amount of mechanical power, water power and things of that kind—(and that is very much at the root of this plenty that have in its physical aspect)—there were whole lots of them to whom they applied the curious name of unemployed, and these people for some reason which we cannot find out, we cannot quite get to the bottom of, they seemed to be starving, and all over the place were great piles of food which were rotting.

"In Brazil there were millions of bags of coffee being thrown into the sea, and down in one part of the United States they were handing out a large number of tickets so that people should grow less food and less cotton and things of that kind, not because people wanted less cotton or because everybody was fed, but for some reason that we cannot quite understand but which had something to do with the tickets." (Applause.)

And then they will say "And they had factories for making enormous quantities of things and these factories got more and more efficient so that they could make more and more things with less and less people so that apparently all the

troubles of keeping the population alive were being solved. But as the number of people in the factories decreased, and the amount which these people could produce grew more, there were more and more people running about the country with little bags begging people to take the goods, and not succeeding. They called it selling, and selling became more important than making the goods, and it all had to do with tickets. So that you had the extraordinary state of affairs that the whole world was panting for goods, and the whole of the world looked at from another aspect was doing everything, straining every nerve to sell those goods, which, so far as we can make out, was handing it over to the people who wanted it for tickets. But they did not do so because they had not got the tickets."

## Not High Tribute To Modern Thought

I really think when that situation is surveyed, if it is ever surveyed, it will cause great perturbation to the historians of that time to find out what it was all about and they will probably decide that the answer was that at that time there were quite a large number of institutions called lunatic asylums, but the number was not sufficient because the whole of the population ought to have been in them. (Laughter.) But, they will miss the point unless history is very much more accurate than it is now. They will miss the point that the population, while it had the physical power to get all the tickets that it wanted, was restrained by a large number of curious regulations called laws, from getting those tickets except from a select group of people who had the monopoly of it. (Applause.) Now, I want you to apply that picture to the actual situation in Alberta at the present time. There is not the very slightest doubt that anybody of ordinary intelligence, (I do not mean all the nice, bright people I see in this room, but people of ordinary intelligence), who could with two or three months of simple tuition, design a perfectly good system of tickets which would banish forever poverty and economic insecurity from the province of Alberta. (Long applause.)

Be quite clear about that. It is not any technical difficulty. It does not require a superman to do that job. There are several ways of attacking the problem. It is so comparatively simple that I am not even going to take up your time with it tonight, because it is not practical. Any one of the ways which would achieve that result would be immediately declared illegal. For, no scheme which would achieve that result could probably be got together which would not traverse some existing law, but if by a miracle of ingenuity, and it would require a miracle of ingenuity, you did get a scheme which did achieve that result and which was for the moment legal, I would give it three months to be made illegal. So that it is not worth your while to devote very much attention, except for the purpose of understanding the possibility of the thing being done, to create plans.

It is not worth while devoting too much attention to this particular scheme or that, including mine. What you want to devote your attention to is how you are going to get the power to get any scheme over at all. (Applause.) Now, there is a theory that the parliament and the government as we call it, of any country is supreme in that country. It is not true. The money power is supreme in every country, but it is true on paper in a sense if, by a miracle overnight, you did get the right men into the right positions in the right sort of government, they would have control of what is called in governmental circles the sanctions of government. By sanctions are meant those things by which you can apply force. The things which enable you to do things, and, of course, the supreme sanction of government is force in its physical sense. That is to say, in order to do these ultimately—these things—you must have control of the army, and the navy, and the air force.

## Must Control Air Force, Army, Navy

That is ultimately what it boils down to, or this as an alternative: you must get into such a position that it is impossible for the army and the navy and the air force to be used against you. Now that is possible. The first alternative is possible under certain conditions, but the second alternative is possible if you can communicate freely with the rest of the world.

One of the most hopeful features to my mind about the situation in Alberta is your very excellent press, and I am not saying that because I care two hoots what the press says about me. So far as I have read it, it is informing you about the situation, and if it were possible to inform the whole of the world about the situation it would be impossible to use the forces of society against people who wanted to change it.

That is a very important matter to bear in mind, so that one of the things that you have to bear in mind in this matter is that you must develop or acquire every possible means of informing your neighbors as to what is going on and how to rectify it. So that should you be in the position to take steps to rectify it, the very force of public opinion in other countries will prevent brute force being used against you. That is a very important matter.

But, to come back to Alberta. What is the exact position? I won't go into the intricacies of the difficulties of carrying out a reformation of the financial situation because of the British North America Act and details of that kind, because, as I said, if the British North America Act did not prevent you, I feel sure it would be altered so that it did. I think we will pass that aspect of the matter over.

The question as to how you can

deal with the thing in such a way that the law cannot be changed against you. Now that has very largely to do, in my opinion, with the nature of the governments under which we live. It is quite clear that if you did get a satisfactory control of the reins of government, as we say, you would have control of the army, the navy and air force, and provided you were able to make all sorts of defences against influences brought to bear from financial sources and so forth, you would be able to make changes. How can you bring that state of affairs about? I, together with many other people, have devoted a lot of attention to that aspect, more even in the past few years than to any question of particular schemes, and I feel quite sure that the most promising way is not to bother about electing members of parliament of a particular party flavor or ticket or tag, as you might say, but to go to every member of parliament which exists at the present time and say, there is only one primary thing which is very important; we will make your life a misery to you unless you will keep on asking to have this monetary system put right. (Applause.)

## Concentrate On Parliament Members

I feel sure it can be done if you would sink all differences. I don't say that there is nothing in the world which is important besides this thing, but I do say without any fear of contradiction that there is nothing important to be done before this thing; that you can do nothing of any value, any real value in the world, nor can you stave off the perils which are in front of you, unless you at first solve this financial problem. (Applause.)

The practical thing to do is to

(Applause.)

The practical thing to do is to

about everything for the moment and concentrate first of all on your members of parliament. So far as Alberta and the other provinces of Canada are concerned I can assure you, having come from British Columbia, that they are thinking very seriously about these matters.

You can then concentrate upon Ottawa, and make the life of the people of Ottawa a misery to them until they get busy on this matter. You can get at your federal members of parliament, and some of them live amongst you, and make their life a misery to them. (Applause.)

You will eventually get a state of affairs in which Ottawa will say: "We can't do anything about this because we have to consult London". But you will have Australia, five states of Australia, you have the whole of New Zealand, you have a very considerable body of opinion in South Africa. There is no part of the British Empire at the present time in which a combined pressure could not be organized in half a year to be brought upon London to have this matter attended to. (Applause.)

In New Zealand at the present time, I am informed on the best of authority, one in twelve of the total population is an actual signed adherent of the social credit movement. And the number is growing every day and that, of course, means something like one in five of the adult population. The same thing is true in Western Australia, only more so. There is probably an effective voting power at the present time in Western Australia of fully eighty per cent who would vote for social credit on a social credit platform. The same thing is true of the other states of Australia and there is not the slightest doubt that when the next election takes place in Australia, and certainly in New Zealand, they will be fought on one issue and only one, and it will not be possible to side-step; it will be the question of the ownership of public credit.

(Applause.)

So that what is required at the present time is an absolutely concentrated drive from the bottom upward, first of all upon the existing legislatures, then from the branch legislative assemblies to the central legislative assembly, and from those, if necessary, to London, and in London we have at the present time a tremendous drive which is being conspicuously successful against the financial authorities there.

The whole world is in this business really, and if you should drop differences on various subjects, don't put too much emphasis on schemes at the present time, but say we will have the production of the world placed at the disposal of the individual without the imposition of powers that are unnecessary to the production of the goods. If you will go steadily for that any say "We know it can be done, and we will have it done," then I do believe that you will get it done.

But as I say, it requires and I believe it will evoke and is evoking, a simply unparalleled exhibition of combined will and intelligence and discipline. It requires that, and I believe it will get that. And if we do not succeed then there are only two alternatives, chaos eventuating into destruction, or an imposed slavery from which we shall not escape for several hundred years. (Applause.)

**THE CHAIRMAN**—I want to thank you in behalf of the committee who had charge of the arrangements for this meeting for the very excellent attention you have paid to Major Douglas and I am going to ask Alderman J. H. Ross to express to Major Douglas our vote of thanks.

**MR. ROSS**—Mr. Chairman, Major Douglas, ladies and gentlemen;

it is a personal pleasure and with some pride that as a brother Scot and as an engineer, I am permitted to express the appreciation of the Canadian Club and the group known as "The Open Mind", of this large audience, and the still larger audience over the radio, to Major Douglas for his address here this evening.

It is a significant fact, and worthy of note at this time that while engineers and scientists have been blamed to a large extent for a great deal of the unemployment through their efforts to improve conditions and by their inventive power, the speaker tonight is an engineer and a scientist who is attempting to show us the way out. (Hear, hear.)

I must also congratulate Major Douglas on the large attendance here this evening, a tribute not only to his prominence as a speaker and an economist but also because of the suggestion he is making. May I also suggest to him that this large audience is due not only to his being here but also to the fact that in Alberta, and probably in Calgary more than other places, there is a great interest taken in social and economic questions. Not only that, but probably this large attendance this evening is due to the propaganda and publicity, and the efforts of the local proponents.

But the basic fact and the reason why probably all of you are here and so many thousands listening over the radio this evening is because the need of social and economic change is becoming more apparent each day and the feeling is becoming intense. I am going to quote for you, probably some of the main reasons why you are here, from the Governor-General, Earl of Bessborough, made in Vancouver on March 26:

ver on March 26:

"It is sad enough," he said, "to see those who have worked honorably all their lives suddenly and through no fault of their own, deprived of their livelihood. But it is even sadder and more disheartening to all of us who have faith in the future of this great country to watch the havoc that unemployment is playing with the younger generation; to see young men and young women in the full vigor of their youth who cannot even begin to find themselves the sort of work for which they are fitted; to see the energy, talent and even genius denied a chance to bear fruit because the soil is barren. Worse still, to see the despair and bitterness sapping the strength of those who ought never to have felt the burden of either."

So, Mr. Chairman, our speaker this evening has brought us a message and his suggestion of how we may get out of this wilderness of trouble and into the promised land. Major Douglas, in behalf of all those who have heard you this evening both in this building and throughout Western Canada tender you our sincere thanks and appreciation.