

Rev Feb 2012



# Alberta's Fight For Freedom

Part 1 A History

Part 2 Public and Private Debt

Part 3 Sovereignty and Constitution

Part 4 The Road To Reconstruction

Part 5 For Economic Democracy

This is a series of five booklets, compiled from the archives of the Alberta Social Credit League, giving a factual account of how the people of Alberta fought the money monopoly.

H. E. NICHOLS

1963

A Publication of the  
ALBERTA SOCIAL CREDIT LEAGUE

ALBERTA'S FIGHT FOR FREEDOM... Nichols



H. E. Nichols, the compiler of this history, first homesteaded in Alberta in 1907, and has therefore had a close, personal experience of many of the events recorded herein. To supplement this knowledge, he has also made use of appropriate extracts from authoritative documents in the archives of the Alberta Social Credit League. Although retired, he is still very actively interested in Social Credit, and carries on research work for the League.

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# ALBERTA'S FIGHT FOR FREEDOM

*For Economic Democracy*

This is the final of a series of five booklets giving a factual account of how the people of Alberta fought the Money Monopoly, compiled from the archives of the Alberta Social Credit League,

by H. E. Nichols.

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PART 5

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## To the Reader:

This factual history tells of the beginning and growth of the Social Credit political movement in Alberta.

It has never before been published, but the facts have been compiled by those who were eye-witnesses and participants in the events related.

These events are the roots of a movement that is now due to grow, and bear flower and fruit.

The extent to which it does so, will now depend upon the response made to this call, by the people living in the other provinces of Canada.

This is the concluding part of the history which is the basis for the call now going out to ALL THE PEOPLE OF CANADA.

“Join with us and live, freely and  
democratically, or

“Serve the enemy and die, a slave  
under a Financial Dictatorship.”

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It is hoped at a later date to incorporate the five parts into one volume, and amplify it considerably. The effort will be made to give an historical introduction to the philosophy and policy of a movement, the mechanics of which must be developed and implemented before mankind can realize in full, the fruit of his human efforts to attain a prosperous and leisured economy—world-wide—with freedom and dignity for all.



## FOREWORD

At this vital stage in the progress of Social Credit in Canada, more and more people want to know about the beginning of the movement in Alberta. The question is often asked, why was Alberta the only province to endorse it at first, and why were the people of the neighboring province of Saskatchewan not energized at the same time, or stirred as deeply as were the people of Alberta.

Both of these questions will be answered in the following pages.

It is hoped that a recital of these historic facts will impel the people in the other provinces of Canada to realize the mighty issues that are now at stake—issues that are now, not only nation-wide, but world-wide—and that all the people of Canada will become imbued with the same enthusiasm that inspired the early Social Crediters in Alberta 40 years ago.

The need is greater now and the opportunities are also greater, because like the cultural heritage of Social Credit, this generation is heir to the experience and knowledge gained by the early pioneers in the Social Credit movement and they can, if they will, profit by the mistakes of their forerunners as well as by their accomplishments.

“There is a tide in the affairs of men,  
Which, taken at the flood, leads on to fortune,  
Omitted, all the voyage of their life  
Is bound in shallows and in miseries.  
On such a full sea are we now afloat  
And we must take the current when it serves  
Or lose our ventures.”

Wm. Shakespeare.

The contents of this short work have been gleaned from the records of the Social Credit Board,



and those who were in touch with the very genesis of the movement even before it was known as Social Credit.

These facts—for such they are—have been compiled in this small book to acquaint people even in Alberta, of an earlier manifestation of the philosophy of Social Credit—which is really as old as the human race itself—in the hope that their recital will inspire the people in every Canadian province to emulate what was accomplished in Alberta in 1935, so that Canada may, in the near future, have a Social Credit government at Ottawa.

R. N. THOMPSON,  
National Leader.



## PREFACE

The penetrating message of Democracy in Alberta must of its very nature find recognition and response in the minds of freedom-loving people in all lands. The dynamic action of Albertans in the field of social and financial reform is the manifestation of the greatest social force known to man. It is Social Credit; the belief that, in association with his fellows, man can obtain and secure the results of that association.

As the bewildered world moves closer to the centre of a social maelstrom, the message of Social Credit is heard by growing numbers everywhere. In that message is the one human promise of hope for the future; a future in which the aspiration of man may, in the light of a Christian concept of society, elevate him to new heights of achievement and a fuller enjoyment of his heritage.

The struggle outlined in the pages that follow is a record of war between policies. But it is more than that; it is a war between philosophies. On the one hand is the growing philosophy of the jungle, manifest in stateism, centralization and a militant materialism. On the other hand is individuality, personality, a militant Christianity. The battle is joined. The message of Social Credit is more than a cry of hope; it is a challenge to all men of good will to heed the call—join with us and live under a real democracy, or continue to serve the enemy under an oppressive financial dictatorship.

# FOR ECONOMIC DEMOCRACY

## The People's Credit

When events had shown that Alberta would be denied her rights in the legislative field in respect of any essential measures which threatened the power of the financial institutions, it became necessary to carry on the struggle for reform by alternative methods.

The Government, despite unprecedented reverses in its attempts to pass legislative acts to loosen the grip which the financial institutions had obtained over the property and civil rights of the people of Alberta, had in reserve one strong weapon which entrenched monopoly had not yet succeeded in rendering ineffective, and the time had come to use it. This was a coherent demand of the people for a **means** to realize their Social Credit. **There was no evidence that popular backing for the 1935 mandate had waned. On the contrary, a unique "pledge plebiscite",** conducted prior to the introduction of the 1937 Social Credit legislation—in which the people were asked if they would continue to support the Government in its fight to introduce Social Credit measures—had revealed an even stronger demand for the results specified in 1935.

Obviously, the desires of the people to realize their credit-in-association, could not be fulfilled through the mechanism of the present inviolate financial monopoly. But if **an alternative credit structure** should be provided, nothing could stop the voluntary participation of individuals in it, provided it was under their effective control.

The first essential step, therefore, was **to devise such an alternative credit structure.** Since a major



function of the banking system is to provide a complicated method of bookkeeping to facilitate the transfer of goods and services between individuals and businesses, it should be possible to also provide a similar bookkeeping service, without necessarily going into the major banking business of money creation, at least in the early stages.

This was the inspiration behind the Alberta Interim Program. As the name suggests, it was not the ultimate program. It might be termed a limited objective, and a step toward the ultimate objective—to restore to the people the control of their own credit, as defined in 1935,

### **A Two Part Strategy**

In framing the initial stages of the Interim Program, attention had to be given to its development along sound lines which would yield maximum results to the people in terms of increased purchasing power. (1) a monthly dividend. (2) a lower cost of living.

Administration of the Program was organized in two parts, coming under the Department of the Provincial Treasurer and the Department of Trade and Industry, respectively. These were:

- (a) A network of Provincial Treasury Branches and Agencies.
- (b) A Provincial Marketing Board.

The objectives of the Interim Program, which, it must be emphasized, involved a progressive course of action to be developed systematically over a long period, were:

1. First, to provide the people with a Province-wide organization of Treasury Branches and Agencies

which would make available to them a means to gain increasing control of their own credit resources.

2. The encouragement of industrial development by securing an increasing consumer demand for Alberta-Made goods. Thus would be brought into play various economic factors which would progressively stimulate the development of natural resources and yield increasing purchasing power.

3. The demonstration on a modified scale of the inherent rightness of the measures advocated in the major field of economic activity, and development toward that end.

As units of the Provincial Treasury, the proposed Treasury Branches and Agencies would be available for the deposit of funds from sources outside the Province, of grain, livestock, cream or other cheques, or of credits earned by service to the Government. The credit to any person's account would represent the price value of goods and services. In the process of transacting business, a depositor would be enabled to authorize his bookkeeper, (the Provincial Treasurer), to transfer his credit to any other person maintaining an account. This would be similar to the checking method under the present banking system.

By means of such a bookkeeping system, the general business of buying and selling goods and services could be facilitated without the use of money, as such. Signed orders—similar to bank cheques—known as "Treasury Branch Transfer Vouchers", were the instruments provided to arrange for the transfer of credit from one account to another.

### **Consumer Bonus**

A unique feature of the Treasury Branch Interim Program was the **consumer bonus**. This was,



in effect, a subsidy to encourage consumption. The orthodox subsidy, granted to manufacturers to enable them to produce goods for sale, does not necessarily increase consumption, since prices are not thereby lowered. On the other hand, the consumer bonus by increasing individual purchasing power, did in effect reduce prices. The result was that more goods were sold, production was speeded up to meet the new demand, the market for primary products broadened, and both primary producers and workers benefited; and in turn became greater consumers of goods and services. The cumulative effect within the Province was quite early evident in the statistics of employment, manufacturing and agriculture because it had given more purchasing power to the same incomes. In effect, this could be regarded as a modified form of the Just Price.

The Program was dependent entirely on the voluntary co-operation of farmers, workers, manufacturers, retailers and the consuming public. Manufacturers, co-operating in the Program, were entitled to label their products as "Alberta-made" goods, and thus benefit by the stimulated demand. Retailers who co-operated, benefitted from the increased business done in their stores. Farmers and labour benefited by that same demand.

The bonus, originally set at 3%, was payable on all purchases made through the medium of Transfer Vouchers, provided that not less than one-third of the total price-value of all goods bought in any one month were labelled "Alberta-Made". In the event of "Alberta-Made" purchases being below the one-third mark, the bonus was paid on three times the amount of "Alberta-Made" purchases made during the month.

The rate and boundaries of the bonus were

varied at later stages of the Interim Program, to suit timely conditions, but it remained the essential feature of the scheme until the Provincial economy had been rehabilitated.

### **Road-Work Program**

An important initial step in the inauguration of the scheme was the establishment of a road-work program which proved of inestimable benefit to farmers.

It has already been shown that the plight of the farming population prior to 1935 had been such as to preclude their ability to pay taxes, not to mention exorbitant interest charges.

In 1937, the Alberta Government ordered cancellation of farmland taxes amounting to \$4,510,000 of which sum \$689,000 was a joint interest with the Federal Government. There still remained another \$17,000,000 owing on account of tax-arrears, and the problem of collecting tax dollars from farmers who did not grow dollars was naturally beyond solution by orthodox methods.

By means of the Interim Program, these tax arrears were turned into assets. The Government invited farmers to "work out" their indebtedness on some 300 local and market road projects. In return for their labour, farmers were credited in the Treasury Branch on a "two-to-one" basis. That is to say, for every three day's work done, the farmer received a receipt for two days' wages applied to tax arrears, and one day's wages credited to his Treasury Branch account, which could be used for his current expenses.



The response of Alberta's farmer debtors to this invitation was most encouraging, and it demonstrated beyond all argument that the farmers were not only anxious to pay their debts when it was possible, but that they were willing to co-operate in building up the capital assets of their communities, and of the Province, in the way of better local and market roads. (It should be noted here, that many of the money lending corporations had publicly charged that farmers were dishonestly trying to evade paying their just debts.) Many local roads were built up under this arrangement at a much lower cost than the municipality could have built them for.

At January 31st, 1939, there were 13 Treasury Branches open and 66 Agencies operating in smaller centres. One year later, there were 36 branches and sub-branches, and 315 Agencies, most of which had been opened in the seven months prior to the outbreak of war, which commenced 3rd September 1939.

This expansion had not been accomplished without the usual hostility which had come to be expected from the Financial Institutions, and in view of the difficulties met and surmounted in training and placing a large staff, in carrying the organization over a wide area of the Province, and informing the public as to procedure; the results might be termed spectacular.

Total deposits, at the end of the first year's operations, amounted to \$1,705,623. The number of accounts was 31,265. The year's turnover amounted to \$43,322,553.

The table below summarizes the main features of a marked improvement in the Provincial economy during 1939.

### **Increase in Wholesale Sales**

<b>1938</b>	<b>1939</b>	<b>Increase</b>
\$89,000,000	\$92,000,000	\$3,000,000

### **Increase in Retail Sales**

\$161,491,000	\$168,000,000	\$6,509,000
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### **Unemployment Decrease—Monthly average of persons receiving Unemployment Relief:**

		<b>Decrease</b>
55,434	44,566	10,868

Alberta led all Canada in decreasing unemployment for the first five months of 1939.

\* \* \*

### **Alberta Marketing Board**

The Alberta Marketing Board played its part in the Interim Program by organizing facilities to promote the use of Alberta raw materials and primary products by Alberta manufacturers, assisting in the establishment of new industries, and finding markets for the products of all Alberta industries.

In addition, the Marketing Board helped to cut the costs of production and retailing by means of mass buying for both manufacturers and retailers. To this was added mass buying for consumers, when the Board entered into competition with the farm implement repair parts monopoly, and through a system of agencies made repair parts available at reasonable rates. The reductions brought about in prices for such parts ranged from 15% to 35%.

After only nine months' operation, percentage increases in six fields of manufacturing ranged as



high as 137.34% and the general economy of the Province was geared to a new level of production which, at the outbreak of war, placed Alberta in a paramount position as regards contributing to the war effort.

The people of Alberta had demonstrated that, given an opportunity to utilize their own credit resources in this extremely restricted manner, they could increase purchasing power, build up a more efficient economy, create greater vocational opportunities and generally realize, in part at least, their Social Credit. The inference was that, **if complete control of financial credit had been achieved, Albertans could have moved forward to a standard of living unparalleled in modern communities. And they could have enjoyed this in complete freedom, without interfering with the freedom of any other province, or the Dominion.**

All this had been accomplished without any increase in the rate of taxation and, at the same time, governmental borrowing had ceased. In point of fact, Alberta's public debt had been decreased by \$7,672,229 since the Social Credit Government assumed office, and the importance of this reduction is enhanced when it is recalled that prior to 1935, the public debt had been increasing at the rate of \$6,000,000 annually.

The decrease shown by the end of 1939 was an encouraging start toward the liquidation of the entire public debt, a policy to which the Social Credit Government was committed.

It is true that no amicable agreement had yet been reached with the bondholders, and the Province had been forced to default on maturing bond issues to the amount of \$12,105,000; but interest was con-

tinued at the rates ordered by the Federal Government. It is worthy of note that in this period, the Federal Government and the Bank of Canada assisted the neighbouring Province of Saskatchewan to refund \$7,502,000, while also cancelling \$26,679,996 in Treasury Bills, but assistance to Alberta was refused even though the legacy of debt left by the depression was almost as big.

It remained for the Social Credit Government to carry on alone, until in 1946, legislation ratifying the refunding negotiations carried on by Hon. E. C. Manning, now Premier, was passed and Alberta met her commitments.

\* \* \*

### **General Progress**

Up to the end of 1939, Alberta had made promising strides in all fields of activity. In 1940, the Government reported back to the people through the medium of a general election, and the mandate of 1935 was once again defined.

Believing that the Government of the Province could not be master in its own house as long as it was tied by debt to the financial organizations, the Social Credit Government made debt reduction one of its most important policies. By its refusal to borrow, by spending within its means, and by inaugurating policies for the development of industry in Alberta so as to promote a well-balanced economy, it succeeded in wiping off nearly \$20 millions of debt during its first twelve years of office. The better prices which prevailed for Alberta goods during the war years was undoubtedly a factor which enabled the Government to finance its operation and at the same time reduce its debt. This can be traced directly to the financial policy pursued by the Federal Government in all wars; i.e., financial credits are

created to purchase war requirements of both food and arms, and as this money gets into circulation a period of economic prosperity is brought about.

But note the drawbacks of this policy. First, at the end of the war, when all the physical cost, the "blood, sweat and tears" has been paid, there is left on the people an enormous burden of debt yet to pay, chiefly to the financial institutions which created the new money. Second, this war-time policy, which increases the buying power of the community before the goods come on the market, creates an unsatisfied demand for goods which sends wages and prices rising in inflation.

The Social Credit policy of increasing buying power at the same time as the goods come on the market, would successfully prevent this inflationary tendency.

**Social Crediters believe that, just as the necessary money for war can always be found by the wrong means of debt creation, so can the necessary money be found for all peace-time development and prosperity by the correct method of credit creation.**

\* \* \*

### **Aberhart Exposes Finance**

Premier Aberhart drove these points home in a timely broadcast:—

"Now, we know from the actual evidence of the situation before the war, that the people never had enough purchasing power to buy the goods produced. Otherwise we could not have had a condition of wide-spread poverty and want, existing side by side with full stores, full warehouses and industry clam-



ouring for markets. The whole broken-down, rickety, old economic structure could only be kept going by restricting production, by gross criminal sabotaging of tons of goods, by the oppression of the people in bankruptcy, by dispossession of all their rights; and by a vicious form of poverty in the midst of abundance. And while these were doing their deadly work, debts, public and private, were piling up at an alarming rate.

“Under war conditions the same system operates with increasingly disastrous results. The people still do not get sufficient purchasing power to buy both the goods required to fight the enemy, and the goods required for their own use. So governments find it impossible to recover, by means of taxation, the cost of the goods they need for war purposes.

“However, under the stress of war conditions, production cannot be restricted because of mere financial considerations, as is done in peace time. So the extra money has to be provided to bridge the gap between the costs of the war and the money recovered by means of taxation. I think that should be plain enough to anyone who is anxious to know.”

\* \* \*

The Premier and his colleagues entered wholeheartedly into the war effort, and the general upswing of economic conditions brought about by increased activity in all fields, made furtherance of the Interim Program unnecessary and untimely. But close attention was paid to the potential post-war situation, and while the Interim Program “marked time” in the promotional sense, Albertans generally continued to move it forward by their continued support.

Premier William Aberhart wrought great changes in Alberta, and even greater were in process of organization when his health failed in 1943, and death claimed him. His passing was marked by a nation-wide demonstration of regret at the loss of a great and courageous public servant. It has been said that future history will link his name with other great reformers of the past; especially in the financial and economic fields, with such names as Benjamin Franklin and Abraham Lincoln.

His successor as Premier was Ernest C. Manning, who had been his colleague from the beginning. In 1944, Premier Manning again reported to the people, and again the mandate of 1935 was repeated with emphasis. The banker-inspired opposition in the Legislature was virtually wiped out, and the Socialist bid for power was similarly repulsed. The final returns showed Social Credit with 51 seats out of a total of 57.

In every field of Provincial Governmental activity, the policies of Alberta's Social Credit Government had met with success and public approval. A summary of achievement resulting from these policies is contained in three booklets under the headings, "Progress in Alberta, 1935-1943"; "The Alberta Story, 1943-1952"; and the "Do You Know?" pamphlets of each succeeding year to date.

\* \* \*

### **Not Social Credit**

It cannot be emphasized too strongly that, up to this time, Alberta has not had an opportunity to organize a real Social Credit economy. Every attempt to legislate to this end has been frustrated, either by the Courts or the Federal Government, and by the power of monopoly finance.

The Alberta Interim Program was an extremely restricted effort to demonstrate what could be done in a minor way, within the limitations imposed by monopoly finance. It was a pointer to the vastly greater achievement that could follow in due course the re-assumption of control over their own financial credit by the people of all Canada, as well as the Province of Alberta.

### **Social Credit Technique Possibilities**

Although there was a marked improvement in general economic conditions, the people of Alberta were sufficiently well-informed about finance and economics to know that progress would not be continuous and lasting, unless the basic reforms of Social Credit were instituted on a national basis.

The two most important requirements of the original mandate given by the people of Alberta to their Provincial Government were (1) a monthly dividend, and (2) a reduced cost of living. This latter necessitated the Just Price in some form.

These were not unreasonable demands, because, as has been shown, Alberta was a rich province. Crops were good and people were willing to work. The basic requirements for goods and services were plentiful and could easily be provided and increased. But money was still scarce; and it was this shortage that the Social Credit "dividend" was designed to overcome.

The financial objective of Social Credit is to supplement the stream of normal purchasing power, which is distributed in the form of wages, salaries, commissions, etc., during the processes of production, with a dividend, so that total income will be sufficient to equate the selling prices of all consumer goods.

A lot of otherwise well-informed people are of the opinion that the sources of income mentioned—without the dividend—are sufficient to equal the retail prices of the consumable goods so produced. But the Social Credit analysis showed otherwise. Major Douglas proved it conclusively to those who could grasp the implications of his  $A + B$  theorem; and a much larger percentage of people were convinced by the facts—and debts—of everyday life, of the correctness of his theorem. The stores were full of goods, yet people could not buy what they needed, because of insufficient incomes. Many people were out of work because their productive efforts were not needed and as a result they did not have enough spending power from their small unemployment allowances to create much of a demand for more goods. So factories laid-off more employees, creating more unemployment. In addition, the steadily mounting debts of all forms of government, as well as private debts, easily convinced all thinking people that the economic system within which they were working, was not self-liquidating.

The Douglas analysis proved that the consumable goods coming upon the market carried higher total prices than the total incomes of the people producing them. In other words, the consumers did not have sufficient purchasing power to enable them to pay cash for the consumable goods produced. Major Douglas proposed—and he was the only man in the whole world who did—a direct increase in consumer purchasing power. It was, that the Government would cause to be issued, sufficient additional purchasing power as a direct dividend to consumers, so that they would then have the power to buy and pay for, all consumer goods.

Those who opposed the proposal claimed that



the extra purchasing power so issued, would cause tremendous **inflation**.

### **The Just Price**

However, there was another section to the Douglas proposal, that was designed to not only prevent "higher prices", but actually to lower prices; thus effectively preventing any possibility of inflation.

This second section is known as the "Just Price"; and it is based on a Sound Philosophy, to wit:— Any section of a productive economy will increase its output as it becomes more skilled, if its incentive to produce is maintained. This ability to produce more, is again increased as machinery, power and automation are introduced.

Then there is another factor that comes into the picture which must receive consideration. The actual physical cost of production—without money being considered—can only be the materials consumed in the process of turning out the next cycle of production. So whatever increase in production takes place in the second cycle, should automatically result in each producer receiving a greater portion of the greater production. This gives the basis for the Just Price. Converted into a financial proposal, the financial cost of the first cycle of production represents the actual cost of the increased and improved **second** cycle. The final cost of which—to be just—would only be the money value of whatever is consumed to accomplish the production.

**But, when each consumer buys consumable goods today, he not only pays for the goods themselves in the retail price, but also a small fraction of the cost of the machinery that made them. This is**

necessary so that the producer who made the goods can repair and replace his machinery as it wears. But the consumer never gets ownership or delivery of the capital machinery for which he is continually paying. Therefore in order to give justice to the consumers, they should have those capital charges lopped off the retail prices they pay, so they will pay only the actual or Just Price, for all the consumable goods they buy.

However provision must also be made to reimburse the storekeeper for his services and upkeep, which in the normal course of events are added into retail prices. Consequently, in order to give even-handed justice all around, it is necessary for the Government to order the creation of additional "money" to pay to the distributors. As this money would be paid out to **reduce** the selling price, it will be readily seen that inflation would be an impossibility—although producers and retailers both get paid in full for their services.

\* \* \*

### **Efficiency Increased**

These new and unique regulations could all be introduced within the compass of the present profit and wages industrial system without any disruption. At the same time the incentive to work efficiently and enthusiastically would be maintained because there would be inevitable and continuous progress towards increased production, greater purchasing power and lower prices. The hours of work would be lessened and the dividend increased in exact ratio with the increase in production, brought about by machinery, power and automation.

The dividend would thus steadily replace wages as the major source of income and thus release

mankind for leisure, or any other course of activity which his liberated circumstances enabled him to engage in.

**Thus the ultimate objective of Trade and Labour Unionism** would be attained: i.e., That all workers should realize the full fruits of their skill and labour.

**The objectives of management would be obtained:** i.e., of full liberty to practice all possible labour-saving devices, so as to be able to compete in the markets of the world.

**The desire of all consumers could be realized:** i.e., of having purchasing power sufficient to buy and pay cash for his or her equitable share of the total productive ability of the entire national economy.

**The desire of Governments** should be satisfied because mankind's capabilities to produce as much as is humanly possible to satisfy mankind's desires the world over—without any interference from that evil motive—the LOVE of money—would encourage the utmost efforts of mankind toward that end.

What was accomplished in Alberta up to this time by the methods adopted, was only a fraction of what was possible, because the full co-operation of a perverse financial system, ambitious for greater power, had not yet been obtained.

But what had been accomplished had all been done by the determined efforts of a democratically-minded people, who had refused to be over-ridden by an institutionalized monopoly which had been trying to fool the people, by representing **financial coercion and slavery** as **up-to-date emancipation and progress**.

## ARGUMENT

How is it possible for a world which is suffering from over-production to be in economic distress?

Where does money come from?

Why should we economize when we are making too many goods?

How can an unemployment problem, together with a manufacturing and agricultural organization which cannot obtain orders, exist side by side with a poverty problem?

Must we balance our BUDGET?

Why should we be asked to have confidence in our money system, if it works improperly?

(C. H. Douglas, Monopoly of Credit.)

## WHY INDEED

\* \* \*

Albertans are still determined to win control of credit, and to establish a Social Credit economy. In 1945, they publicly instructed their Government to proceed with plans to implement the 1935 mandate, repeated in 1940 and 1944, to win security and freedom for all.

### **The Bill of Rights Alberta's Charter of Freedom**

Acting on these demands, the Alberta Government introduced at the 1946 Session of the Legislature, the Alberta Bill of Rights. The Bill was introduced by Premier Manning and was designed to implement the will of the people, and make available to them the control of their own credit, without infringing on the rights of banks or the Federal Government.



Alberta has been denied access to her credit in the past, in spite of the efforts her people have made. The new Bill of Rights was framed in terms considered not at variance with existing law, or with interpretations of law or the British North America Act.

As a gesture of faith in the constitutionality of this measure, the Alberta Government withheld proclamation of the law until after a ruling as to its validity had been obtained from the courts.

The hearing was conducted in the Supreme Court of Alberta. While no adverse judgment had been anticipated, the Government had announced its intention to carry the Bill to the Privy Council if necessary, in order to implement the will of Alberta's people. In December, 1947, the Alberta Supreme Court handed down judgment. Part I of the Bill of Rights was upheld; Part II, dealing with operative measures, was declared unconstitutional.

It was taken to the Privy Council, which declared that as Part II was unconstitutional, and that Part II proposed to put into operation those principles proposed in Part I, therefore the whole Bill was unconstitutional.

\* \* \*

The Bill had been carried in the Legislature by an overwhelming majority, but the agents of the financial interests never ceased in their efforts to thwart the people's will. They had hoped that with Aberhart's death, the efforts to introduce Social Credit would cease.

### **Manning Confirms Objectives**

However the new Government carried on the fight. In a broadcast continued in the Aberhart tradition, Premier Manning said:—

"Let us state the broad objectives of our social and economic systems. There is no difficulty about this. The broad objectives for which mankind is striving today are the same as those for which our forefathers struggled for centuries. They are the attainment of the maximum economic security accompanied by the greatest possible personal freedom compatible with an effective, happy and abundant social life.

"But let us be more definite. It is necessary that we express those broad objectives in terms of the results our people want in such matters as wages, prices, employment, health, provision for old age, and so forth, with the maximum of individual freedom, under a properly functioning democratic system . . . And everybody wants the maximum of personal freedom, without interfering with anybody else's right to be free, with a minimum of bureaucracy, regimentation or domination. We all want freedom from debt; and freedom from unnecessary taxation.

"Next, we have to consider our basic industries. The foundation of our economy is agriculture, and unless we have a prosperous and flourishing agriculture we cannot hope to have a stable and progressive economic structure. Generally speaking there seems to be complete agreement among our farmers regarding what they want.

"They want just prices for their products which will enable them to recover their production costs and give them a reasonable return for their services on a parity with manufacturing industries. They want a fair adjustment of the debt burdens pressing upon them which have accumulated due to conditions beyond their control and through no fault of their own. They want adequate credit facilities and

reasonably stable marketing conditions; and they want security in their homes and on their land.

“With the vast resources at our disposal, these results are all entirely possible—but **not under our present monopolistic financial system.**

First: Every Canadian citizen should be guaranteed basic social and economic security under conditions which will give him the maximum of freedom with no unnecessary bureaucracy or regimentation.

Second: Every Canadian should have access to all essential medical services and educational facilities. A healthy and well informed people is essential to a vigorous democracy—and, moreover, access to proper health and educational services in this modern age should be the right of a free and sovereign people.

Third: The people should at all times have sufficient purchasing power to buy the total national production. Therefore, through Parliament they should and must have the effective control of the issue of all money—both currency and credit—so that they may thereby control the nature and the volume of production, as well as its equitable distribution. Without this effective control over the monetary system, we can never hope to have a properly functioning democracy.

Fourth: Everybody is heartily sick of unnecessary government bureaucracy, State regimentation, harsh taxation and crushing debt—and when the need for putting up with these evils no longer exists, they should be swept into the limbo of the past as features which are incompatible with the democratic way of life . . . **Moreover it is reasonable and practical, it is not complicated and involved, and**

**what is more there is nothing in it which cannot be made a reality."**

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### **For Economic Democracy**

Alberta's struggle for freedom and security has been a struggle for the rights of all humanity. In pressing for the reforms embodied in what is known as Social Credit, Albertans have challenged the menace of world domination by a supra-national monetary authority.

Because Social Credit and a real democracy are integrated as one, the struggle in Alberta has been against all forms of totalitarian tyranny, whether communist, fascist, national socialist, bureaucratic or any other. Albertans have fought every attempt to centralize power, and have defended the personality of man, his dignity, his culture and his freedom.

Alberta seeks to decentralize power; to make governments and institutions the servants of the people, and not their masters. Social Credit aims to elevate man to the highest pinnacle of economic cultural, individual and social achievement. It will lead the way to personal security with a maximum of personal freedom. Social Credit aims to establish every man in his own right. No other human philosophy in the world today offers anything but ultimate slavery.

Whether or not Alberta is permitted to inaugurate a system of Social Credit government, the people are determined that, so far as is humanly possible, the debt system shall not again penetrate their public administration.

For the future, a full program of reconstruction has already been initiated, along lines recommended

by the Alberta Post-War Reconstruction Committee, a body composed of men and women of every shade of opinion. Particularly important in the report of this Committee is the section devoted to Finance, which deals in detail with the history of monetary policy in Canada, and recommends adequate measures to make right the glaring wrongs of the present day.

It is the earnest hope of Alberta's government that all Provincial Governments throughout Canada, as well as all governments throughout the Commonwealth will study carefully the Alberta Bill of Rights, and support the demand of Alberta's people that the monopoly of finance be no longer permitted to usurp that which morally and constitutionally should be in the domain of a peoples' government—the control and creation of financial credit, based on the capacity of the people to produce and deliver goods and services as, when and where required.

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The Alberta Bill of Rights was the focal point towards which previous efforts of the Alberta Government had been directed. Its disallowance was a bitter disappointment; and the manner of that disallowance even more so.

But the Province had made great strides owing to the careful administration of a government actuated by Social Credit principles. Working in accord with the natural law of individual enterprise, tremendous progress has been accomplished since 1947.

It will require a further book to detail some of that progress and relate how Alberta became the first and only Province in Canada to become debt-



free — a remarkable accomplishment in these days of continually increasing debt.

At the date of writing, the Social Credit Government of Alberta has been in continuous office for 28 years, and the year 1964 will mark the 21st year of the Premiership of Ernest C. Manning, under whose careful guidance such epic progress has been made.

