

THE COMING CORPORATE STATE



By **A. RAVEN THOMSON**

Table of contents

Introduction : Nature and Purpose of the Corporate State

THE CORPORATIONS

THE NATIONAL CORPORATION

INDUSTRIAL SELF-GOVERNMENT

ECONOMIC JUSTICE

FOREIGN TRADE BOARD

THE INVESTMENT BOARD

PROTECTING THE INVENTOR

FINANCE

CHARTER OF LABOUR

OCCUPATIONAL FRANCHISE

METHOD OF ELECTION

PARLIAMENT

HOUSE OF LORDS

THE GOVERNMENT

THE CROWN

LOCAL GOVERNMENT

THE PROBLEM OF LEISURE

PATRONAGE OF ART

ORGANIC PURPOSE

THE COMING CORPORATE STATE

INTRODUCTION: Nature and Purpose of the Corporate State

PEOPLE realise that Fascism stands for the introduction of the "Corporate State." Many have a very hazy idea of what this is, how it is to be brought about, and in what manner it will function.

To clear up these difficulties we must understand why Fascists think it necessary to substitute the new constitutional forms of the Corporate State for those of Financial Democracy. Such a fundamental change will amount to no less than a revolution; and, before a nation embarks upon such a drastic course, it must be convinced of the reason for so doing.

The cause is simple, for we find that "Democracy" is failing all over the world. Before we can set things right, we must understand why "Democracy" has failed. The failure is largely to be attributed to the mistaken belief in absolute individual "liberty," which has negated all effective government and deprived the People of their essential freedom.

The Liberals of the last century introduced Democracy by a series of Reform Bills, but at the same time that they were granting political self-government, they were depriving political power of its last influence in economic matters by the Repeal of the Corn Laws and the Navigation Acts. While the people enjoyed the sham war of political controversy, the economic and financial control of the country was passing rapidly into the hands of a few irresponsible individuals, who alone possessed the wealth and power to exploit their liberty at the expense of the community.

Today, when economic factors so obviously dominate all purely political considerations, this betrayal of democratic self-government becomes increasingly evident. Since the war the British electorate has called for certain social improvements, and a solution of the unemployment problem. Again and again political parties have made promises to effect the people's will, and when in office have been "unable" to carry out their pledges. It is easy to blame this failure on individual politicians, but it is the system which is at fault. With the best will, none of the old parties can hope to improve our economic distress, so long as they uphold the perverted tenets of individual liberty which deny them the power to rule, and condemn the bulk of the People to economic enslavement.

British Union demands the Corporate State as a means of effective economic government, without which all self-government can be no more than an illusion. Blackshirts will not be satisfied with the pomp and ceremony of Parliamentary procedure, and uniforms and emoluments of high political office. They will demand power to govern; power not merely to act as figureheads run by civil servants, but power to control and direct industrial and financial organisation.

In fact, British Union demands that the official government shall be the real government. Only such a government can fulfil the wishes of the people. Not only will it be possible to clear slums and cure unemployment, but the productive powers of the nation will be released to raise the standard of life of the entire community.

The Corporate State is a means of equating economic forces to the needs of the Nation. It is designed to end the chaos and disorder of the present economic system, and replace them by an organised economy. It is designed to break the hidden dictatorship of vested interests and alien financiers who exploit present conditions for their own benefit. These powers have driven Labour Governments out of office, they dictate the policies of National Governments, but they will never control a Corporate State.

The Corporate State is of a three-fold nature:-

- (1) A PHILOSOPHIC CONCEPTION which recognises the nation as an organism of a higher order, transcending the individuals of which it is composed.
- (2) AN ECONOMIC ORGANISATION which plans and develops industry along lines of functional service.
- (3) A SOCIAL ORDER which maintains the family and freedom of Self-expression and initiative within the bounds of national well-being.

We view the State as a united nation, as a functional expression of occupational groups; and finally, as a multitude of reproductive family units.

We approach these aspects in this order: AUTHORITY, PROSPERITY AND FREEDOM, when AUTHORITY is the means by which the State is maintained as a social entity. PROSPERITY is attained by the functional organisation of economic and industrial groups. FREEDOM is realised by the individual once he is released from political corruption and economic oppression to enjoy leisure for cultural self-expression.

This slogan differs materially from that of Democracy in this. Fascism recognises the desirability of individual freedom of expression and initiative, as a basis of healthy social life, but it does not place this principle before all others, as does decayed Democracy. Individual freedom can only follow economic liberation. "Liberty," adopted as an over-riding principle, must inevitably degenerate into the capitalist system, or usuriocracy.

Furthermore, the slogan gives a useful synopsis of the British Union programme on attaining power. First, central authority will be established by an enabling Bill, empowering the Government to rule by order in council.

Secondly, the Government will establish prosperity by planning both production and distribution. Thirdly, with the advent of authority in government, and prosperity through planning in industry, the individual will gain for the first time that economic freedom which he has been denied by the Liberal capitalist system - security of work and wages, home and happiness, life and leisure. Individual, functional group, and nation as a whole, all find their healthy co-relation through the organisation of the Corporate State. It is in the perfection of this co-relation, or balance, within the State, that British Union finds scope for unending endeavour.

It is only by a clue synthesis of all three factors in the national life, giving a true balance to the interests of individual, group and nation, that we can attain our end. These three aspects of the Corporate State may be dealt with under the three headings : " politics," "economics" and "culture."

(1) POLITICAL. - Central government welding the nation together by the exercise of authority.

(2) ECONOMIC. - The science of organisational planning upon functional lines for the production and distribution of wealth.

(3) CULTURAL. - The release of individual enterprise for more energy of invention and design.

For the sake of convenience we take the economic aspect first, the political second and the cultural third, as it is in the sphere of economics that the most drastic changes must be made.

THE COMING CORPORATE STATE

Section One

ECONOMIC

Chapter One

THE CORPORATIONS

THE Corporate State is based upon industrial or occupational organisation rather than the regional or geographical method of government used today. This feature runs through the whole system, both of Government and representation, and must be grasped as a fundamental before the real nature of the Corporate State can be appreciated. The regional administration of Democracy is largely replaced by functional industrial organisation on a vocational basis.

British Union seeks a more effective means of self-government. Turning from the local administration of the urban borough and the rural district, the Corporate State endows industries and occupations with new powers of self-government. These powers are exercised in the same manner as those of local authorities today. In the position of the borough council we have the industrial corporation, which possesses the right to pass by-laws binding upon the industry as a whole, just as the council can pass by-laws for the borough.

Hitherto all attempts at industrial planning have broken down because of the difficulty of compelling an industry to fulfil agreements. In the Corporate system decisions arrived at by the corporation will be legally binding, and any breach will be punishable at law.

Within the Corporate State every great industry, and groups of smaller industries and professions, will be controlled by such a Corporation giving the industry powers of economic self-government.

The following is a list of Corporations, which would be required to control the economic system.

A - PRIMARY PRODUCTS.

1. Agricultural.
2. Fishing.
3. Mining and Fuel.
4. Iron and Steel.
5. Metal Trade.

B - INDUSTRIAL.

6. Engineering.
7. Printing and Paper Trade.
8. Shipbuilding.
9. Textiles. :
10. Leather and Rubber.
11. Glass and Pottery.
12. Chemicals.
13. Woodworking and Furnishing.
14. Clothing.

C - DISTRIBUTIVE.

15. Building.
16. Public Utilities.
17. Transport.
18. Shipping and Docks.
19. Wholesale and Retail Trades.

D - ADMINISTRATIVE, ETC.

20. Banking and Insurance.
21. Civil Service.
22. Professional.

23. Art and Entertainment.
24. Domestic.
25. Pensioners.

These Corporations would, in their turn, be split up into smaller groups functioning in single industries within the main category, but would represent the whole industrial section in relation to the central government.

We now turn to the typical Corporation, and see in what manner it is organised and how it will function. There will be represented on the Corporation employers, workers and consumers. Each group will be given equal representation and equal power, and may not be outvoted by the other two.

Sane functioning of the nation as a whole can only be attained by collaboration between the various industrial factors, not by their mutual hostility, as supposed by the Manchester school of economists.

The employers' representatives will be elected by the owners, partners and directors in the business enterprises of the industry, and by those engaged in a managerial capacity or in executive office. They will represent the organising side and will form an employers' federation. Association to this employers' federation will be compulsory upon every business enterprise, which will contribute a yearly subscription proportional to the number of its employees, and submit itself to the disciplined control of the federation.

The workers' representatives will be elected by all employees, whatever their function, including clerical staff (excepting only those engaged in a managerial capacity mentioned above). They will form a trade union embracing every worker, but confined entirely to these. The principle of Trade Unionism is entirely retained, and advanced to 100 per cent. Stripped of their obnoxious and irrelevant political activities the Unions will play an essential part in the organisation of the Corporate State.

The consumers' representatives cannot be elected like the others, as consumers may very well be scattered broadcast. Actually the nation itself is the ultimate consumer in the case of most products and, therefore, the Government, as representative of the nation, is best fitted to nominate the consumers' representatives. Reputable persons will be chosen to represent the interests of the ultimate consumer, and these will hear the grievances and suggestions of anyone who is affected by the working of the industry in question. In many cases other industries are big consumers, when the Government will appoint representatives to be nominated by the Corporations controlling these industries to watch over their interests.

It is through these corporate institutions that a rationalised expression of opinion will be realised in keeping with the modern age. For the first time all members of every industry will have their share in the control of the great economic factors of their daily life. By electing trustworthy representatives they will choose not some vague general Party policy - to be conveniently forgotten by politicians in office - but will determine, in common with the other factors of production, the conditions of their daily work, the remuneration for their service and the planning and regulation of their own trade or profession.

THE NATIONAL CORPORATION

ECONOMISTS and sociologists will recognise that, in effect, the system of the Corporate State closely resembles Syndicalism as advanced by revolutionary thinkers during the nineteenth century. True, the new syndicalism is divested of its original class-conscious outlook, and incorporates employers with workers in its system, but the basis remains syndicalist and in Italy both employers' and workers' organisations are termed "syndicates."

The argument which defeated the original Syndicalists was that they made insufficient allowance for central government. They wished to invest each syndicate with self-governing powers, and assumed that they would arrange for a mutual distribution of their products by negotiation. Obviously tendencies would then arise for each industry to attempt to exploit the community, possibly by means of restricted output, which would mean merely replacing the class war by an internecine industrial conflict.

British Union will take strong measures to prevent this danger arising, and the Corporate State may be defined as a syndicalist system upon which has been superimposed a powerful central government. The consumers' representatives described in the last article are an indication of the check and control which Fascism exerts over any tendencies to exploit the nation.

The consumers' representatives are in a certain sense the delegates of central authority, to give warning of any unjustifiable raising of prices or restricting of output. They are, however, backed up by a central economic council, which crowns the industrial structure of the Corporate State. This general economic council is the National Corporation, which comprises representatives from every Corporation, and centralises the administration of the whole system. The Corporations themselves are not only diversified by their different industrial functions, but they will certainly in many cases have their administrative centres in the provinces.

For example, we must expect to find the following Corporations having their seats in the following towns :-

Shipping Corporation : Liverpool.
Leather Trades Corporation : Northampton.
Glass and Pottery Corporation : Stoke-on-Trent.
Textile Corporation : Manchester.
Shipbuilding Corporation : Glasgow.
Metal Trades Corporation : Birmingham.
iron and Steel Corporation : Middlesbrough.
Mining Corporation : Cardiff.
Fisheries Corporation : Grimsby.
Agricultural Corporation : York.

Though the remaining thirteen might be situated in London, many category councils will have provincial seats, jute at Dundee, cutlery at Sheffield, etc.

It will be the duty of the National Corporation to co-ordinate activities in the interests of the national welfare. The National Corporation will be elected upon the same principle as are the Corporations. Each will nominate equal numbers of employers and workers. The number of members from each Corporation will not be equal, but will be weighted in accordance with the importance of the industry to the national welfare. The total of members will, however, be kept as low as possible.

Its function will be executive and administrative, as distinct from the occupationally elected House of Commons, which will be legislative. All controversies within the individual Corporations, which cannot be settled by compromise, will be referred to the National Corporation for settlement according to the public interest. Disputes between individual Corporations will also come before the National Corporation, which will exercise a judicial capacity. The task of industrial planning on a national scale will be vested in the National Corporation, which will adjust consumption to production by its control over wage rates throughout the industrial field. Similarly, the control over the Investment Board, the Foreign Trade Board, and other important

corporate institutions, will be exercised by this national economic council. All broad economic issues will come before this body, which will include the best executive brains of industrial and professional life of the country, sitting as an advisory council to the Minister of Corporations, who will act as speaker and control the deliberations of the assembly.

The first task of the National Corporation must be to solve the economic quandary of so-called "over-production," which is bound up with that of unemployment. The problem is essentially one of organisation, and refutes the suggestion made by modern defeatists that unemployment is the inevitable result of rationalisation, Socialists actually suggest that machines should be put on the dole; a return to the policy of the machine-wreckers of over a hundred years ago. Surely man can establish his mastery over modern technique?

To take a simple analogy, we will suppose there are twenty families on an island in the Pacific, who by the use of primitive methods of agriculture can feed themselves by eight hours' work a day. Were a passing philanthropist to supply them with a plough, he would be introducing rationalisation. The islanders would find that fifteen families could now supply the needs of the community. If they were foolish enough to follow the methods of Western Civilisation, they would condemn five of their families to unemployment, and supply them with just sufficient food to keep them alive, according to the calculations of the medicine-man of the island. The most primitive savages would scarcely be as foolish as this. They would quickly learn that by a readjustment of the hours of work to six a day instead of eight, all would have employment and would enjoy more leisure.

It will be seen from this simple analogy that the problem of rationalisation is a problem of organisation. The advance of modern science can bring either greater wealth or greater leisure, or a sane combination of both. The planned state is required to meet the problem of rationalisation by organised methods. We do not necessarily propose a wholesale shortening of hours of work, but rather an increase in the standard of life. The means used will be largely financial, through higher wages and salaries and putting a larger volume of currency and credit into free circulation. We shall have to break with the gold standard and set up a managed currency, but this involves no real danger of inflation in a planned and disciplined State.

The issue is a simple one. Modern science enables us to produce enormous quantities of goods, and it is purely muddle and inefficiency in our economic system if these goods are denied to those who need them. The success of a planned State is in the degree in which it can distribute the products of industry to the people; the need is evidenced by the fact that the Liberal-Capitalist system is incapable of solving that problem. The Corporate State will not be set up in order to stabilise the present status quo, but to release the full powers of modern production for the benefit of all sections. Within such a State we can give an absolute guarantee that the problem of unemployment will be finally and permanently solved.

INDUSTRIAL SELF-GOVERNMENT

THE Corporations have important duties within the structure of the State. These may be divided into three general categories. Regulative, Planning and Social. Each Corporation must regulate the relations between the various factors of production in the industry it controls; it must also plan the development of the industry or the closing down of redundant plant; finally, it must take heed of the social amenities of those engaged in the industry, their industrial insurance, superannuation, etc.

To begin with the regulative function, we have the relation between the three main groups of employers, workers and consumers. At present employers and workers are opposing armies threatening one another with the destructive, anti-social weapons of the strike and lock-out. In the planned State neither can be tolerated, and all questions of wages, hours and conditions of work will be settled between employers' and workers' representatives on the Corporation.

Early in the formation of the Corporate State, the National Corporation will call upon every industrial Corporation to prepare their codes of wages, hours and conditions of work, which shall be legally binding upon every member of the industry, master or man. In the preparation of these codes, the consumers' representatives will act as intermediaries between the two parties, and make every endeavour to bring about an amicable agreement. If they fail, the National Corporation will intervene with suggestions, and in the last resort the matters in dispute will go before a Labour Court for compulsory arbitration.

Similarly as between employers and consumers, questions of prices, terms of competition, output, etc., will be settled by mutual agreement. Any attempt of employers and workers to combine to restrict production and extort unreasonable profits and wages will be combated by the consumers' representatives, who can appeal to the National Corporation to intervene in the public interest.

The return upon invested capital in the form of dividends and other payments will also be the subject of regulation, as workers and consumers will resist too great a share going to capital. Here the National Investment Board will prove useful, as it will publish from time to time a guiding figure of the requisite return upon secure investment to maintain a steady economic flow of national saving. Investors will have a right to claim a higher return in respect of previous losses and insecurity in the case of speculative ventures, which will all be taken into consideration. In the event of failure to reach an agreement the investors will have a right of appeal to the Investment Board.

In regard to the planning of industry on a large scale, the Corporation will consider the advisability of the expansion or contraction of the industry it controls. Where the industry has been successful and the demand for its products increasing, expansion in the public interest is necessary. The Corporation will apply to the Investment Board for capital, and the Board will encourage and authorise the flotation of new concerns. The workers' representatives will make arrangements for the necessary new trained workers, while the consumers' representatives will advise on the marketing.

For the first time representatives of workers and consumers will enter into partnership with employers in the planning of the industry in which they are so intimately concerned. In those unfortunate cases of industries which owing to the advance of science are superseded by new inventions, the inevitable contraction can be carried out with the minimum of hardship in a planned system. By mutual agreement redundant plant will be closed down, the employers compensated and the displaced workers transferred by means of Government training centres to other expanding industries in need of men.

The tremendous scope for useful action is not completed with the above, as the social development of the Corporate State is perhaps its most important feature. In Italy, the Dopolavoro, or "After-Work" recreation, is one of the most startling innovations to foreign eyes, and the German Labour front is developing apace the amazing "Strength through Joy" organisation. In this country the same methods will undoubtedly be carried even further with the greater resources at our disposal. Already many progressive firms have their own recreation facilities for their employees. These desirable enterprises will be co-ordinated into a general system of recreation in which all members may take part. The Corporations will maintain their own industrial

insurance and superannuation schemes, which will produce pensions for all employees commensurate with the service they have rendered the industry during their working lifetime. This will be more, satisfactory than the pensions offered by many private concerns today, which are lost if the employee leaves to join another firm.

The field for industrial self-government and regulation for mutual benefit is only too evident. The Corporate State is the only means of realising the advantages of such a system, without the destructive, anti-social features of the Class War, which are so repugnant to all fair-minded Englishmen.

ECONOMIC JUSTICE

DESPITE our immense advantage in some respects over other-countries, we do not feel entirely satisfied with our legal system. However incorruptible our judges may be, they can only administer the Law as it exists, and the Law is biased in favour of the owner of property. Indeed, the Law is mainly concerned in defining-the rights of property and protecting the property owner. Our system of Law is the bulwark erected by bourgeois society to protect the interests of those who have. Behind this barrier financiers and capitalists exert their full money power, secure in the knowledge that bourgeois Law maintains their right to the ownership and use of their wealth, even when it is used against the public interest.

What we require today is economic justice; justice as between the various factors of industry. Employers, workers, consumers are at present occupied in a bitter conflict each for their own interests. It will be the duty of Corporate justice to bring economic life within the bounds of law and order. Under financial democracy morality has sunk to a low ebb. It is a case of "eat, or be eaten" in the fierce struggle of modern commercial competition.

There is little cause to be proud of "success" when "success" is attained at the expense of others. Darwinian survival in the realm of nature may have tended to improve the species : economic survival in the realm of commerce seems to degenerate the race. The predominance of Jews is not surprising - they possess the attributes suitable to survival under these conditions.

Corporate justice will go beyond the bourgeois conception of protection of property, indeed it will lay down the conditions under which property may be owned. A man may by no means do what he likes with his own. If he possesses great wealth, he bears a grave responsibility that that wealth is used to the public benefit.

Private ownership and initiative is encouraged, but the individual is required to consider public welfare as well as private interest. Liberal atavism, which held that in serving his own interests the individual automatically advanced the interests of the community, has been discredited, and we now turn from the laws of the jungle to the laws of man.

Economic justice will be the first object of the Corporate State. The Corporations have been devised for the express purpose of regulating all the factors in industry in accordance with justice. The British Union sets its face sternly against class war and cut-throat competition.

Strikes and lockouts will be prohibited as crude resorts to force where justice should hold sway in a dispute over ownership of property we do not permit force, why then in a dispute over wage rates and conditions of labour?

The workers will no longer need to resort to direct action to enforce respect for agreements, but will be enabled to bring suit against the offending employer before the Courts by ordinary legal means.

Similarly, agreements as to prices and terms of competition will be negotiated between representatives of employers and consumers. No industry will be permitted to force up prices (by restricting production) beyond what is a fair return for labour and investment, commensurate with that in other industries. Once prices and terms of competition have been negotiated and approved by the Minister of Corporations, they will be given legal standing, and anyone undercutting or indulging In any other form of unfair competition will be guilty of an offence for which he can be arraigned before an Industrial Court.

The above outlines the first beginnings of ordered economic justice. The very first crudities of present economic relationships will be regulated; but the code of economic justice will be extended to social insurance, child welfare, superannuation and other means of safeguarding the individual against economic mishap.

No longer will it be possible for an honest workman, dismissed through no fault of his own, to sink lower and lower in the social scale of despair and misery. No longer will a black-coated worker, faithful servant for twenty years or more, be dismissed with a week's or month's wages. No longer will a small tradesman face the

cut-throat competition of a multiple store suddenly planted down beside his shop. All these will turn confidently to Corporate economic justice, which will safeguard them against unfair treatment and unfair competition at the hands of even the wealthiest and most powerful interests.

FOREIGN TRADE BOARD

EVEN people prepared to accept the need of a higher wage standard in order to build up an adequate home market fear the effect of higher wage costs on our export trade. They claim that, desirable as a higher standard of life may be, it would lead to an "unfavourable" balance of trade presumed to be fatal.

Actually, as every finance ridden country is now attempting to export more than it imports in a cut-throat endeavour to dispose of goods it cannot sell at home, British trade has been falling away rapidly of recent years. Other countries are trying to produce and manufacture as many of their own needs as they can.

This need not trouble us. It is time we turned our productive capacity to our own benefit, instead of to the enrichment of international financiers. By raising the purchasing power and standard of life of the home country and of our Imperial Dominions we shall find adequate markets without selling our products to foreigners.

All we have to consider is our needs in raw products and foodstuffs unobtainable within the Empire. Lord Beaverbrook insists that these are negligible, as the Empire provides practically everything we need. We are inclined to agree with him, but: for a period it may be necessary to depend upon certain foreign raw products and foodstuffs, until our home and imperial resources have been developed. How are we to pay for these, if, owing to a higher standard of wages we cannot compete with cheap Oriental labour?

The answer is that the organisation of the Corporate State gives us a bargaining power never before realised. This country handles the greatest buying power the world has known; the needs of an industrial population of over 40,000,000 people. Yet this buying power has never-been mobilised as a means of advancing our interests as an exporting nation. We shall approach those nations which desire to sell us quantities of raw materials and foodstuffs with the condition "Britain buys from those who buy from Britain." This will be no empty political slogan, but will be effectively enforced.

The National Corporation will set up a Foreign Trade Board, which will regulate foreign trade. The importer will no longer be at liberty to import regardless of the national welfare, but will place his orders with those countries which are prepared to offer a market for British exports. By these means an effectively balanced trade will be established, based not upon maximal exports, but upon minimal imports.

We need have no fear of foreign producers refusing to do business on these terms, for these are the people who are suffering most severely from "overproduction" and would rather have even a smaller quantity of British goods in return for their products than burn them or dump them in the sea.

It is time we organised our united power to enforce that respect on world markets to which we, as the premier commercial nation, are entitled.

THE INVESTMENT BOARD

THE hidden dictatorship of finance operating from the City of London has been one of the major causes of the economic decline of this country. The great financial houses of the City have entirely refused to recognise their responsibilities towards the British nation, and have directed their immense resources into foreign investment detrimental to the interests of our own industries.

Taking-advantage of freedom to export capital, these financiers, many of alien origin, have floated loans for every conceivable foreign interest and have starved British industry of capital and credit.

With the advent of the Corporate State this financial tyranny will be broken once and for all by a Government armed with authority to carry out the people's will for the people's good. An Investment Board will be set up to control and regulate all future flotations. The membership will consist of trusted Government officials, representatives of banking and insurance, and the Patents Office.

Its duty will be to review every new flotation, and all applications for further credits. When satisfied, the Investment Board will issue a licence, without which any application to the public for investment will be illegal. All further foreign lending without special sanction will be prohibited. We have wasted enough money in that direction, for where we have not lost our capital we have been setting up our competitors in business.

Even in the case of investments in this country the licence will not be issued without full investigation. The general public must be protected from unscrupulous exploitation. The Investment Board will not only test the financial reliability of proposed flotations, but will investigate whether further investment in the field in question is in the public interest. For this purpose the Board will consult with the corporation controlling the industry.

This licensing of investment to protect the investing public and to direct it into the most useful channels is not the only duty of the Investment Board. Another is that of controlling and regulating the volume of saving in the community for future investment. In the present economic system saving has little relation to the needs of investment. Owing to personal insecurity under the present system and the excessive reward frequently extorted by capital, saving has generally been excessive.

When investment is practically at a standstill, saving has nevertheless been extensive, and fatuous politicians have congratulated a half-fed nation on this deflection of its income from spending to saving. Under the Corporate State the Investment Board will regulate saving and spending' according to the needs of the nation and its resources.

Usury in the form of a fixed rate of interest on loans and debentures without risk will be discouraged, and the load of debt upon nation and industry lifted by this means. Such loan capital will in all deserving cases be repaid, but will no longer be permitted to accumulate an interest charge which is entirely unearned by service.

Finally, the field of its activities is not confined to this country. It will also take part in the planned development of Imperial resources. The Board will be open to proposals for investment within the Empire, but in granting permission for the flotation of enterprises overseas will communicate with the emigration authorities to negotiate the immigration, where possible of British labour into the Dominion in question to compensate for the increased labour demand and the grant of financial assistance. Emigration must follow investment in our planned Imperial system, until the present over-population of the Motherland is compensated by the full development of our Dominions and Colonies overseas.

PROTECTING THE INVENTOR

BRITISH inventors and inventions have been scandalously treated under the present industrial and financial system. It is notorious, that in many cases they have been driven abroad, because of the impossibility of getting adequate financial support at home.

The excuse is the traditional conservatism of the British character but we refuse to believe that the slogan of "Safety First" interprets the real spirit of the British people.

It is not through lack of enterprise, but because of grave defects in our system.

(1) Except for the Patent Office, which merely registers the fact that the invention is a novel one, there is no official body of trained technicians and scientists to decide on the value and practicability of the invention.

(2) Our banks through amalgamation and exaggerated caution have become mere bureaucratic moneylender's on security, differing in no essential aspect from pawnbrokers. They have ceased to lend money even on business prospects and personal character, and so refuse with abhorrence to finance any such risky proposition as an invention.

(3) Although it is possible to float a company to finance an industrial venture based upon a new invention, that invention must be a practical marketable proposition. There is no means of obtaining support from the first experimental stage to maturity.

The result is that the unfortunate inventor is at the mercy of the private financier or the industrial combine. As notoriously, inventors are both poor and unbusinesslike, they are incapable of coping with the wiles of either one or the other. In many cases they find themselves with a splendid idea, which they can exhibit through a working model, but without the means of carrying out the experiments on a large scale which are necessary to make the invention a practical proposition. What can an inventor do in such a position? Through patent agents, etc., he must seek to interest some private financier in his idea, who will undertake to finance the necessary experiments. This financier has the inventor in the hollow of his hand and can strike the most unfair bargain with him. Some of the greatest inventions have brought their inventors practically nothing.

Every inventor is proud of his invention, and will resist any attempt at its suppression. The private financier, on the other hand, merely regards the process as a business transaction, and in many cases inventions have been used merely as instruments for the extortion of vast sums from vested interests which would suffer from their development. Several great combines have been serious offenders in this direction, buying up and suppressing many patents, which might have been most beneficial to the nation as a whole, simply because their development would have put large stocks of goods and machinery out of date.

Scarcely any body of men have suffered so severely from corruption as have inventors, upon whom we depend for ultimate material progress and even for existence in the stress of war. We should be proud of inventors and give them assistance and encouragement in their work for the community. A British Union Government would take vigorous steps to help inventors by setting-up the following institutions:

(1) A Board of Scientific Research associated with the Patents Office to investigate every promising invention and advise upon its practicability and value.

(2) The Investment Board would consider the report and find the funds to carry the invention from the experimental stage to the point where a public company could be floated to bring the new patent on to the market.

By these means the inventor would receive direct assistance at a much earlier stage than he does today, and would no longer be at the mercy of the financier. It may be argued that this method is bureaucratic, and technical experts are often the first to condemn new inventions. The staff of the advisory board would, however, contain objective scientific workers, and the whole system would work as an additional aid to inventors, not as an entire substitute for present methods. In the exceptional case of the invention, which is so novel or ingenious that it fails to meet with expert approval, the inventor could still fall back upon private investment, which would be by no means excluded from this field.

On no account would a British Union Government permit the purchase of valuable patents by vested interests and their entire suppression.

NOWHERE is the decline of any functional concept of occupational responsibility so evident in the modern economic structure as in the matter of finance. Some manufacturers of shoes still have at least some idea that shoes are not only made to be sold, but also to be worn, and strive to produce serviceable footwear. Purveyors of money have apparently no thought for the use of money, but only, for its negotiation.

Money in itself has only one function, and that is to facilitate the exchange of goods and services and thus to distribute production. How many bankers have any conception of, let alone care for, this use of money?

If you ask a bank manager on what he bases his policy, he will answer, first, the security of his depositors; second, the profits of his shareholders; third, if at all, the development of industry. None of these points has any direct bearing upon the use of money as a means of exchange, which is its vital function. Bankers think of money as a thing apart, and develop their policy as if banking existed only for its own sake. During the last depression, they declared dividends of from 12 to 18 per cent, despite the large ground rents and depreciation they had to pay on their palatial premises. The banking profession is proud of its success in coming through the depression triumphantly by drastic restriction of money and credit, which has strangled industry and trade.

British Union is determined to bring banking and finance in this country to a proper concept of a functional responsibility towards the community as a whole.

Monetary policy cannot be directed entirely on the basis of the interests of bank depositors and shareholders, but must take into account the need of adequate money and credit to finance the exchange of goods and services. Warehouses and stores are now choked -with goods, millions of men and women are offering their services without response. Obviously there is a lack of the means of exchanging these goods and services; money could provide this means; but money is locked away in the vaults and ledgers of our banking and financial institutions, and is not used.

A British Union Government would break this artificial stringency, and release sufficient money and credit to assure the sale of unsold goods, and the employment of unused services taking the advice of all prominent experts on this important task of mobilising the national credit, including such famous credit reformers as Major Douglas.

"A terrible risk !" your financial expert will cry. "Sure to lead to inflation and panic !" Under Democracy it would, but British Union Government has no intention of perpetuating the chaos of democratic capitalism, subject to the booms and crises of mass hysteria. Under these conditions it is not surprising that British bankers have insisted upon excessive stability and a "sound" currency. The Corporate system will transfer the stability to the economic structure as a whole.

Instead of planning finance for itself alone, British Union plans the whole economic system, brings it under scientific control, and renders it immune to depression and panic which sweep at intervals through the individualist system. Such corporate stability is far more valuable than mere financial stability, for what is the advantage of financial security at the expense of political and social security.

British Union does not contemplate nationalisation, but will place banking, finance and insurance under the supervision of a financial corporation, which will be responsible to the Government. This corporation will direct monetary and financial policy in accordance with Corporate principles, placing service to the national interest before personal or sectional interests, solving the problem of financing the consumption of goods and services on the present scale of production and then turning to the further development of industry.

Present money issues are inadequate for financing- the high standard of life rendered possible by modern scientific and technical accomplishment, so British Union Government would break any connection with gold, and base currency upon a commodity basis. The Bank of England would be brought under strict, state control and empowered to issue this new currency in accordance with productive capacity. The present anomaly of a Bank of England note which bears a direct lie as superscription, would be removed, and notes issued as legal

tender, with the security of the Corporate organisation that they will always purchase a fair pound's worth of commodities.

The remainder of the banking system would be brought into line and an entirely new policy adopted, by means of which bankers will be enabled to encourage consumption as well as production. At present, owing to the complete absence of planning, it is impossible for bankers to finance a higher standard of life, but with the development of corporative organisation, discipline and control, a general raising of purchasing power would become possible.

The Financial Corporation will bear a greater responsibility than any other, and for this reason will come under more strict governmental direction. It is imperative that the nation should control its own monetary and financial affairs, and prevent their falling again into the hands of the selfish and irresponsible minority - largely alien or bound up in alien interests - which at present dictates financial policy.

Money power is the greatest economic power in the modern world; such power should only be in the hands of clean and responsible Government, empowered by the people to use it in the national interest.

CHARTER OF LABOUR

THIS balanced system of co-operation between the factors of economic life must emerge from the present conflict between producer and consumer, debtor and creditor, employer and worker. It will be no easy task to end the conflict which capitalism has brought about. Liberalism, with its hideous doctrines of greed and self-interest, poorly disguised as liberty, equality and fraternity, must be completely eradicated from the public mind. In its place, British Union must set co-operation, service and patriotism, with the final realisation that no citizen may permanently enrich himself to the detriment of the nation.

The most difficult problem is the class war between employers and workers fought so bitterly today. British Union will unite worker, small trader, and honest producer in a common onslaught upon the tyranny of high finance realising that the employers have common interests with the workers in the attainment and maintenance of a higher standard of life. Nevertheless, the workers recognising their relative weakness will be chary of abandoning the strike weapon and entering into any system of co-operation. We may say that an earthly paradise has arrived as the result of the advent of the Age of Plenty, and that the economic lions will lie down with the economic lambs. The workers will still retort, "Yes, with us inside?" We must make it clear that we have trimmed the capitalist lion's claws and pulled his financial teeth.

The class war can only be ended by a treaty of peace, between the opposing forces. British Union as the great pacific force will act as mediator and draft the terms of agreement in a solemn Charter of Labour on some such terms as given below.

A. An emphatic statement of the philosophic principle of the united corporate nation, to which everyone, employer and worker alike, owes a duty of service in return for an assured and just reward.

B. Establishment of employers' and workers' organisations with full powers to negotiate national wage and hours agreements for each industry. (100 per cent Trade Unionism.)

C. Creation of judiciary bodies to settle disputes between employers and workers, and the consequent abolition of all strikes and lock-outs. (Judges aided by trade assessors.)

Safeguard of workers' interests by insistence upon:

- i. Compulsory weekly and yearly holiday on pay.
- ii. Compulsory payment of overtime rates, and limitation of standard hours of work.
- iii. Regulation of piece time rates to enable average man to earn standard wages at least.
- iv. Election and recognition of shop stewards in every concern employing more than a limited number of employees,
- v. Compensation for worker or employee of long service upon dismissal (or death) prior to superannuation,
- vi. Equal pay for men and women doing similar work and no dismissal upon marriage.
- vii. Holiday on full pay for mothers upon birth of a child,
- viii. Workers' and employees' claims to have preference in the event of bankruptcy.

E. Joint organisation by employers and workers as follows :

- i. Special labour exchange for each industry or craft situated in the trade union offices.
- ii. Craft training to improve quality, output, and efficiency, '
- iii. Superannuation schemes based upon status reached (similar to present civil service pensions),
- iv. Pooling of all after-work recreation schemes and their development by the Corporation.
- v. Educational and holiday schemes, especially for the young in unpleasant industrial surroundings.
- vi. Housing schemes in relation to employment, especially where new industries are being developed.

F. Unemployment and health insurance to be conducted by the State, subject to the following conditions :

- i. Benefit payments to depend upon status in industry of recipient,
- ii. No means test. Only disqualification : refusal of work at trade union rates. No time limit for benefit.
- iii. Special national medical service to study and eradicate industrial disease, with generous compensation for victims meantime.

This is the form of agreement that will be entered into by employers, workers, and State for the final settlement of the class war. There is no mention of the "minimum wage," so beloved of class war Socialists, for this is merely a defensive weapon against exploitation, which will no longer be needed in the Corporate State. On the contrary, the workers will enjoy full partnership in industry, taking their full share of profits in the form of advancing wage rates. A standard wage rate for unskilled labour may well emerge, but skilled labour in each industry will be paid according to its own just schedule negotiated between employers' federation and trade union, and will depend upon the prosperity of the industry itself.

It is also necessary to insist upon the removal of present trade union restrictions upon production, as these defensive measures will become absurd with the solution of the unemployment problem by scientific organisation and the adjustment of the hours of work. Once the trade unionist appreciates that he is a true partner, he will realise that efficient production is in his own interest, and will use every endeavour to increase output and prevent waste.

So is it possible to lay at rest the misgivings of the workers, and make a just and lasting peace to end the miserable conflict of the class war.

Section Two

POLITICAL

Chapter Ten

OCCUPATIONAL FRANCHISE

REGARDLESS of its impotence in economics democracy has proved a complete failure even in politics. Far be it from us to condemn the general principle that the people should control their own destinies. As far as this is the meaning of the ancient Greek word "democracy" we do not complain, but it is obvious that financial-democracy is far from satisfactory in attaining this end.

The error lies in the unnatural principle of equality, which has led to the absurd institution of the universal franchise. Men are not, and never will be equal. This is not to say that Fascism advocates a return to the theories of aristocracy. Heredity plays only a moderate part in the development of the human individual. Great men are as likely to come as the sons of peasants as of landowners. Inequality is not so much the result of birth, as of environment finding out and accentuating minor differentiations of character and ability in the service of society. We need engineers, doctors, pilots, musicians, chemists, soldiers, just as much as we need leaders; and even the haphazard organisation of modern society aids us in finding and training them.

The absurdity comes in treating these many different varieties of the genus, man, as equals. Having spent unending trouble in training men to perform a variety of functions, society undoes much of its work by giving them an "equal" voice in the government of their country. This is an insult! To tell a seaman, that for the purposes of democratic government a farm labourer's opinion of shipping problems is as good as his own, is insulting; just as insulting as to tell a farmer that a seaman's opinion upon agricultural problems is as valuable as his. Yet this is precisely what universal franchise does. It makes no allowance for specialised knowledge, but counts all noses alike.

British Union distinguishes between a seaman and a farmer, a doctor and an engineer, and will not regard their opinions as of equal value upon every subject. British Union will consult seamen on shipping, farmers on agriculture, doctors on health, engineers on engineering, and not waste time by asking all of them their opinion on the other man's business. This is mere sanity in this age of specialisation, if all self-government is not to fail.

The Corporate State extends the vocational principle to politics. Industrial self-government for the Corporations. Occupational Franchise for Parliament. Members will be elected to represent definite trades and callings. A farmer will vote for a farmer, a miner for a miner and so forth. Minor trades and professions of an allied nature will combine to return joint members.

On the analogy of the Groups will be formed :

1. (Agriculture).
2. (Fishing).
3. (Mining).
4. (Iron and Steel).
5. (Metals).
6. (Engineering).
7. (Printing).
8. (Shipbuilding).
9. (Textiles).
10. (Leather).
11. (Pottery).
12. (Chemicals).
13. (Furnishing).
14. (Clothing).
15. (Building).
16. (Public Utilities).
17. (Transport).

18. (Shipping),
19. (Distributive).
20. (Financial).
21. (Civil Service).
22. (Professional).
23. (Art and Entertainment).
24. (Domestic).
25. (Pensioners).Corporations the following Occupational
Farmers, farm labourers.
Fishermen.
Coal Owners, miners.
Iron Masters, iron workers.
Metal manufacturers, metal workers.
Machine manufacturers, engineers.
Publishers, printers.
Shipbuilders, shipyard workers.
Textile manufacturers, textile workers.
Leather manufacturers, boot and shoe operatives, etc.
Porcelain and glass manufacturers, potters and glass blowers.
Chemical manufacturers, chemists.
Furnishers, wood and upholstery workers.
Clothiers, tailors and seamstresses.
Contractors, builders.
Municipal officials and workers.
Transport organisers, railway men, transport workers, airmen.
Ship-owners, seamen.
Wholesalers, shopkeepers, distributive workers, co-operatives.
Bankers, insurance, brokers, clerks.
Civil Servants.
Doctors, lawyers.
Entertainers, artists.
Housewives, domestic servants.
Ex-servicemen, retired people.

Certain Occupational Groups will be split up into sub-groups to allow for the special representation of important interests. Thus the Cotton and Woollen Industries will be separately represented within the Textile Group, and seats especially reserved for women to represent the women operatives so prominent in these industries. On the other hand in such homogeneous industries as agriculture, mining, the distributive trades, zoning will be resorted to in order to allow for the representation of special local differentiation of opinion and conditions.

The several great coalfields will be separately represented, and large agricultural areas, such as East Anglia, Scotland, etc, given their own members.

By this means we shall gain a Parliament representative of the people. Every important function will be represented by men and women immediately concerned. We shall have a true cross-section as -a functional community, not a cross-section of the windbags of the nation, expert in nothing but deceiving a mass electorate at the polls.

METHOD OF ELECTION

IT is obvious that the Occupational Franchise is completely opposed to the present Party System. No one would represent a trade or occupation on account of his association with a former political party. The elector on an Occupational Franchise would be more concerned to return a man of sound sense and real knowledge of his occupation, than one with any particular political outlook.

The best we can say for a political party is that it stands for some philosophy roughly defined as Conservative, Liberal or Socialist. At its worst, it falls to the level of a corrupt association for distributing the spoils of office. Even at its best the political party is a poor instrument of self-government. Surely before a people can make any effective progress, it must make up its mind to a common philosophy of life as a first step. Especially is this necessary in the modern age, which calls more and more insistently for a planned State. Such a State can only be built upon a firm philosophic basis.

A candidate will not stand on a vague general party platform in the old sense of the word; but he may advocate any concrete policy for the industry capable of realisation within the structure of the Corporate State. New men will come forward as protagonists of new ideas of industrial and social organisation much more readily than they can under corrupt democratic politics, and will make their names by constructive administrative work instead of intrigue.

Voters will enjoy a free choice, having a vote for each vacant seat in the industrial constituency. Every man or woman of one year's standing in the industry will possess a vote whether employed or not. On the employers' side members of the boards of directors (not shareholders) managers, and other members of the organising staffs, will possess direct votes. Shareholders will possess an indirect control over voting- by their election of directors.

Women will possess equal rights, both as candidates and voters, except where there is a sufficient block of either sex to warrant special representation- By this means women will be guaranteed a much larger permanent representation than they have been granted under so-called Democracy. Women's interests will be represented by women, especially in the domestic sphere, where housewives and domestic servants will return a solid block.

It may be asked how the electors are to become acquainted with the candidates considering the large size of the constituencies. There will not be the same need to hear and see the candidate as there is under the present system, for the candidate will not be some obscure politician, but a member of the elector's own trade or vocation, probably well known to him by repute. Through trade papers, the post, meetings at technical centres, and judicious use of the wireless, it should be possible for occupational candidates to make themselves at least as well known as are present candidates to the mass of voters.

Another advantage is that it enables the electorate to express an opinion upon a number of different subjects simultaneously. The question of improved wages for miners was of burning interest at the last election, but was completely submerged by the Abyssinian conflict adroitly dragged in by the astute Mr. Baldwin as a red herring across the path of pacifist Labour. Under the Corporate State it will be possible for the mining industry to express an opinion upon this subject, without prejudicing the power of the farmer to express his opinion of the success or otherwise of the marketing boards, or of doctors on matters of the public health. This will give a valuable guide upon informed public opinion at each election. This contact between Government and people, so essential to good administration, will be much more effectively realised under the Occupational Franchise.

PARLIAMENT

PRESENT-DAY Parliament is hopelessly incompetent. Not only are members elected on a political party qualification poorly equipped to judge complicated issues, but the antiquated and complex rules make the passage of business cumbersome, and give the opposition unending opportunities for obstruction. When we bear in mind that Parliament is the only source of legal authority on national, economic and even many local matters, and is, therefore, continually overloaded with a flood of pending legislation, we realise how inadequate this eighteenth century machine must be to grapple with twentieth, century conditions.

How will British Union restore Parliament as a useful instrument of government? First by reducing the work it is required to do. It is absurd that Parliament should concern itself with such matters as the Spindles Bill, which is a matter for the Cotton Industry itself. Industrial Self-government will relieve Parliament of much legislative clutter. A great volume of present parliamentary business upon industrial matters will be disposed of by people far more competent to deal with it than are present members of Parliament.

A very important function remains, for the proper development of which Parliament must be released from pettifogging detail. It is here at the heart of the Corporate State that all general questions must be decided. This is the true function of legislation. Too long has Parliament concerned itself with the detailed wording of complicated measures, which are drafted for it by the expert civil servants of Whitehall. Detailed elaboration of fundamental principles is an executive, not a legislative function. Parliament should concern itself with fundamentals laying down the principles upon which Government and the executive organisations will act. These principles will bear the form of legislative Acts, as at present, and it will be the duty of the Judiciary to see that they are properly carried into detailed effect.

The occupationally-elected House of Commons will be fitted to undertake this work. Even though occupational franchise may seem wasted in a House that does not deal with detailed questions of administration touching the various industries, it will be extremely valuable to have expert opinions of the effect of general principles upon particular industries. If it were a question concerning public health, doctors and nurses representatives would speak, and the House would listen to the experts on this particular subject. If the House was concerned upon some problem of defence depending upon adequate food supplies (as at present) they would listen attentively to the opinion of farmers' and farm labourers' representatives.

Quite beyond the advantage of immediate informed technical advice, even in the discussion of general matters, the occupational franchise will be of inestimable value in putting an end to the evil system of political parties, and setting free the Member of Parliament to act as his intelligence and conscience may direct.

In the British Union House of Commons political parties will cease to exist, and members will be free to vote for the first time as they think fit, after having expert opinions put before them by qualified representatives of the trades and occupations principally concerned. Differences of opinion will arise, but they will have a realist basis, instead of being artificial opposition to everything done by the party in office. Also it will be perfectly possible for men to vote together in support or opposition to a certain measure, and then split up entirely differently upon some other measure. There will be no party ties to bring about unsatisfactory compromises and corrupt deals behind the scenes.

Parliament will be a true sounding board of public opinion. It will be relieved of administrative and executive responsibilities beyond its power, which will pass to the Government and the self-governing Industrial Corporations, but it will retain authority to determine the guiding principles upon which the State will be conducted. For this purpose its procedure will be greatly simplified and those best qualified to speak upon the merits of any measure given preference in debate. Such a Parliament will have an immense advantage over the present puppet show at Westminster, with its strings manipulated from the City of London, and will be able to play its important part in the national organisation of the Corporate State.

HOUSE OF LORDS

THE House of Lords is a complete anachronism, having lost any vague resemblance to its original purpose. In its original form it fulfilled useful service, as it was composed of great landowners and churchmen assembled to advise the King on the administration of his kingdom. It was natural that it was an hereditary house, for the ownership of land has been an hereditary privilege from time immemorial.

Also we must remember that in those days, ownership of land was no sinecure, but implied responsibility towards tenants and a function of service to the overlord and ultimately to the King. It was to implement this duty of service to the Crown that the Lords were gathered together to confer with the Government. In time, this association became disturbed. New Lords were appointed who never shouldered the feudal obligations of land-ownership, and eventually the grant of a peerage became merely a reward for outstanding services to the dominant political faction. The Crown was no longer in a position to endow new peers with estates, as was the invariable custom in earlier times, and the majority of present-day peers have no association with the soil.

Inevitably this has led to a decline in the prestige of the Upper House. It is not to be expected that people should show great respect to peers, frequently of alien birth, who have obtained titles by contributions to party funds. Nor is it reasonable that the degenerate descendants of illustrious forebears should be considered suitable to undertake parliamentary responsibilities.

Under British Union, the House of Lords will be replaced by a new chamber of "notables," people who have given great service in their own lifetime. The only members of the present House permitted to remain would be the spiritual lords, legal lords and those land-owning peers who share particular responsibility as local leaders in the sphere of agriculture. Appointment would be by the Crown, but would be only for life.

Men of outstanding ability in the following would be especially considered.

Literature and the Arts.

The Diplomatic Service.

The Defence Services.

Science and Invention.

Medicine and Public Health.

Social and Public Services.

Appointment would not only be a reward for signal services, but also a means of having expert advice by outstanding men readily available for national administration.

The Upper House would not be a replica of the Lower House, but would be reconstructed to undertake work for which an occupationally elected House of Commons would be unsuited. There would be greater stress in the Upper Chamber upon the cultural, philosophical and moral aspects of legislation rather than the primarily material aspects discussed in the Lower House. For this purpose, the members appointed for merit in intellectual service not excluding literature and the arts would be better equipped than their colleagues in the House of Commons. Also steps would be taken to obtain representation of organised cultural and religious bodies not at present considered. The presidents and leading members of learned societies would be suitable candidates for royal consideration as would the leaders of local cultural bodies in Wales, Scotland and elsewhere, who are striving to maintain invaluable local traditions. Representatives of other denominations than the Church of England would be appointed, either through the heads of their hierarchy or other leaders which they themselves would recommend to the Crown. Religious thought would, therefore, have its channel of approach to save advice upon the moral conduct of national affairs.

There would always be naval, military and air experts and experts upon foreign affairs with experience of diplomatic service abroad. The Dominions would also be invited to recommend their representatives to the Crown, in order to maintain continued contact upon Imperial matters. Colonial administrators of experience would be present as a reward for their services, and be capable of giving valuable advice.

It is not suggested that all these experts and notable men should sit simultaneously any more than do the present peers. They would be considered as a panel from which the Government could select expert advisers upon any difficult problem. If any special legislation were being discussed, those peers would attend who were particularly interested, and would give their expert opinion.

So British Union demands reality in another of our oldest established institutions. It is no part of the British Union creed to destroy traditional forms of national life, but to restore the original functions of these institutions and imbue them with vitality to grapple with the problems of our age. The House of Lords should find under British Union inspiration a new life of leadership and usefulness.

THE GOVERNMENT

BRITISH Union Government will differ from present Government in the concentration of authority and responsibility in fewer hands. Detailed administration will pass largely to self-governing; Corporations, while many Government departments and even ministries will be combined under one Minister. The Government may be expected to consist only of the following ministers :

- Prime Minister
- Home Secretary (responsible also for Ministry of Health and all local government)
- Foreign Secretary
- Imperial Secretary (combining Dominion and Colonial secretaryships and the India Office)
- Minister of Defence (controlling Air Ministry, Admiralty and War Office)
- Minister of Corporations (controlling all present economic ministries, such as Agriculture and Transport, Board of Trade, and Ministry of Labour)
- Minister of Education and the Fine Arts
- Chancellor of the Exchequer
- Lord Chancellor (controlling, all legal departments and administering British Equity).

The inner Cabinet would be comprised of only three or four ministers without portfolio sitting with the Prime Minister to plan national affairs as a whole. These Ministers, who could bear the old traditional titles of Lord President of the Council, Lord Privy Seal, etc., would be relieved of administrative duties, and would devote their time and energies to general questions. As Mosley has pointed out it is absolutely necessary for a Government to think out the problems with which it is faced, but when its members are so occupied with administrative details that they have no time to think, it is not surprising that Government shows little evidence of thought.

British Union Government will work on a different principle, vesting supreme power in a small executive Cabinet, who will be able to take a wide view. Administrative Ministers will be called into consultation in the discussion of executive action concerning them, but the final decision will rest with the Prime Minister and his inner Council, who will have complete freedom of action unobstructed by administrative red tape.

Ministers will be "ex officio" members of both Houses. They will possess the right to be represented by their Under-secretaries in their absence, so that a proper contact between Government and Parliament is maintained. British Union will drop the absurd idea that Ministers should be chosen only from among Members of Parliament. It does not follow that because a man may be a good representative of one particular trade or occupation, that he should therefore be especially qualified for office. No harm will be done in divorcing Government office from Parliamentary representation.

It may be asked what control the people will exercise over Government, if it is thus divorced from popular representation. Clearly there can be no pro-Government and anti-Government parties in Parliament. This would be entirely contrary to British Union principles and a return to the bad Party System. Parliament must vote on the merits of each case, and not as a means of expressing its opinion of the Government in office.

A British Union Government is prepared to submit itself to a direct vote at regular intervals. At least every five years a plebiscite will be taken, and the people will be given an opportunity of voting for or against the Government. By this means they will possess the most direct control over Prime Minister and Government by refusing their mandate to Ministers of whom they no longer approve. It has been argued that such an election would not be fair as no opposition propaganda would be allowed, but we prefer to believe that the British people are quite capable of recognising a bad government, when they experience it, without a lot of interested politicians pointing out its defects to them. On the other hand we are all thoroughly tired of the repeated swing of the pendulum from one extreme to another, and would prefer that the advantage, if anything, should, in the interests of the nation, be given to a continuity of governmental policy. In the event of any grave abuse of office, however, the people would have it in their power to dismiss the Government by an adverse vote.

Such is then the compact efficient form of British Union Government deriving its authority by direct plebiscite from the people themselves. No more than a dozen ministers in all form the whole Government, with an inner Cabinet of less than half that number, relieved of administrative duties to direct national affairs as a whole. With such a handy instrument, in place of the cumbersome governmental machine of today, with its many posts for place seeking politicians, the British Union Prime Minister will be able to achieve the reconstruction impossible to his predecessors.

THE CROWN

British Union recognises the traditional dual sources of sovereignty in our national life, KING and PEOPLE. This will become of the utmost importance in the event of the rejection of the government by the people at a plebiscite. The people will then have withdrawn their support from government, which will, of course, be forced to resign. Responsibility for continuity of government will then fall upon the Crown, which will not have the automatic resort to an opposition party, the "Hobson's Choice" of Democracy.

The King will be required to interpret the people's verdict and find new ministers in whom he believes the people will have confidence. The new government will then submit itself, by a further plebiscite, to the people. This procedure lays a much greater responsibility upon the Crown than does Democracy, but we have every confidence in the ability of King and Royal Family to carry out their ancient obligations.

British Union will restore the good feudal principle that land is held directly or indirectly of the Crown for service, insisting that no land is held in absolute right, but that the owners owe a feudal duty of service to the Crown, and through the Crown to the British people. This service was originally military service, when the King could rely upon his feudal levies to protect the Kingdom in time of invasion. Today the service required is obviously economic, and will be strictly imposed upon every owner of land.

The ownership of land will again become a social obligation. Landowners will be expected to give the lead to their tenants in the proper utilisation of the soil, undertaking the personal management of their estates and living amongst the people for whose welfare they are responsible. By this means, the good social relationships that still linger in many parts will be strengthened.

In these days of overcrowding, uncontrolled ownership of land constitutes a dangerous and obstructive monopoly. What better and more traditional control could be found than the restoration of the feudal authority of the Crown? If any landowner should prove obstructive or fail in his duty, the Crown will resume occupation of his estates and pass them to some loyal subject, or subjects, better fitted to administer them in the public interest.

Finally we come to the matter of the King's Privy Council. After a Fascist revolution the relics of past democratic governments can scarcely be useful advisers to the monarch. We have no doubt, therefore, that His Majesty will agree to the abolition of the Privy Council in its present form, and its replacement by a Grand Council composed of the leading personalities who have been instrumental in the great revolutionary change.

The councillors will be appointed on the advice of the revolutionary Leader, and will be recruited from rising political personalities as these find their way into prominence.

So it will be seen that British Union reserves a very important role for the Crown in the organisation of the Corporate State, and will certainly not be lacking in respect to King and Royal Family. Indeed, the Crown will regain a position of leadership and feudal responsibility it has not enjoyed since Charles I was executed by the first democratic parliament of the rapacious merchants of the City of London.

LOCAL GOVERNMENT

BRITISH Union implies a centralised political system, but also devolves a large measure of self-government upon the Corporations. The question arises as to the future of democratic local government through which so much administration passes today.

Local self-government must eventually be largely superseded by industrial self-government, because the latter is more efficient and in keeping with the specialisation of modern knowledge. Before the institutions of the Corporate State are brought into being, however, the first British Union Government must operate through the existing institutions of the State, of which those of Local Government are of great importance.

British Union will never tolerate local authorities dominated in opposition to the party in power at Westminster. No business can prosper when its branches follow a different policy from its central office, and Government would assure that its authority at the centre will not be sabotaged by local authorities.

During the first British Union Parliament, Blackshirt M.P.s will return, after giving the Government power to act by voting an Emergency Powers Bill, to their own constituent areas, and will be empowered to supervise Local Authorities in their administration of the new measures of reconstruction.

These M.P.s will tolerate no attempts to obstruct, and will take measures to reform Local Authorities in keeping with the new age. Personal responsibility will replace anonymous committee management, individual councillors being made responsible for departments and answerable for them to the Council. If mismanagement occurs it will be possible to pin down responsibility to an individual, who will not escape by the usual excuse of shifting majorities on a committee. Obstruction could be traced to the individual, and he would be dealt with directly without deposing a whole council, on which there may be members willing to co-operate, whatever their former attachments may have been.

But the use of M.P.s as local leaders in reorganisation it should be possible to pass the transitional period without difficulty. A single purpose will be maintained, both national and local, and every resource of men and material used for national reconstruction. Great public works on roads and reclamation, re-housing and town planning, will be carried through with the minimum of obstruction. A full reconditioning of Britain for her new destiny.

At the end of the transitional period, when a new election is held on an occupational basis, the new M.P.s will no longer be elected on a regional franchise and will not be suited to undertake these duties. They will be replaced by officials, using the traditional titles of "Lord Lieutenants" of Counties, etc., but vested with considerable responsibilities and powers of local administration. Responsibility for law and order will be vested in an hierarchy responsible to the Crown, and closely paralleling feudal principles in the ownership of land.

Under these administrators the present borough, urban and county councils will function more actively in a much modified form. They will not be elected on a general franchise, but by local occupational, cultural and recreational groups. With the development of the Corporations most executive functions will pass to them. Road maintenance, lighting and traffic direction will pass into the hands of the Transport Corporation. Water supply, drainage, electric and gas Supply to the Public Utilities Corporation. Housing and slum clearance to the Building Corporation. Hospital and ambulance services to the Medical Corporation. While Police and Criminal investigation will be centralised under the Home Office, and Education under a national authority.

It is unnecessary to elaborate the advantages of centralised national organisation in all these spheres. Local administration of such services is obsolete, and must be replaced by such nationally planned organisations as the Electricity Supply Board. British Union merely meets this trend of the times in advance.

Many important functions will remain for the reconstituted councils. They will act as advisory councils to the local administrator. They will be the channels for the expression of local opinion, and will pass grievances and suggestions to the relevant Corporation. Their most important remaining function will be the encouragement of local cultural activities, including the maintenance of local traditions, and the coordination of recreational

facilities. They will play a large part in town planning, and maintain their civic responsibilities upon this higher level of cultural and artistic reputation.

British Union will counterbalance 'centralisation, by a very real encouragement of local cultural traditions and handicrafts, local sports and amenities, and it will be the duty of the local authorities to extend their work in this direction.

Section Three

CULTURAL

Chapter Seventeen

THE PROBLEM OF LEISURE

The effect of solving the problem of abundance and finding means for the distribution of plenty will be a temporary solution of the unemployment problem. But as Science endows us with ever-increasing powers of production, we are bound to be faced once more with a superfluity of labour, as the machine displaces man. In a properly organised state this will not involve any return to the scourge of unemployment, for a superfluity of labour will be met by shortened hours, lengthened education and earlier retirement. The problem of unemployment becomes transformed into a problem of leisure.

Many refuse to take this problem seriously, pointing out that the rich have long enjoyed leisure. This is a poor argument, as the misuse of leisure by the rich is a crying scandal. No treadmill could be more wearisome to the man of discrimination than the futile succession of "events" that constitute the London Season. It would be a national tragedy if the emancipated masses were to take the rich as their pattern and base their use of leisure upon the dismal trivialities of the fashionable world.

A serious obligation of the Corporate State will be the organisation of leisure. Every Corporation will organise recreational facilities. Libraries, playing fields and social clubs supplied by prosperous and progressive firms will be co-ordinated and thrown open to all in the industry. The British Union will not be satisfied until every worker has facilities to enjoy his favourite sport and follow his own recreational hobby. Instead of playing football our young men go to see others play. Instead of training as athletes they watch dogs, horses, and motor cyclists race around a track.

This is a most ominous sign, for it is the difference between Greece and Rome, between the athlete and the gladiator. The decline of Rome included the policy of bread and circuses for the dispossessed proletariat deprived of access to work and the soil. The British people must be led back to the playing fields. They must learn that physical fitness apart from being a pleasure to themselves is an obligation which they owe to the nation. The first efforts in the organisation of leisure, especially for the young, will be devoted to sport and athleticism. Every industry will have its own sports ground and swimming' pools in every industrial town, and its own teams to compete for the highest sporting and athletic honours.

There are many less strenuous forms of recreation of equal value. Music, dramatics, literature, debate and indoor games of skill will be encouraged. Here is the answer to those who fear the results of raising restrictions upon drinking. The public house is popular because it is often the only centre of social recreation available. Already the cinema has reduced drunkenness by its superior recreational value. British Union centres of athletic and cultural recreation will complete the process and reduce drunkenness to its pathological minimum.

Thus we make of leisure not a curse, but an opportunity. This cannot be achieved by the democratic method of anarchy and chaos. A proverb tells us that "The devil finds mischief for idle hands to do," and there are elements in modern society which are not above giving the devil able assistance - at a price. Our additional leisure must not lead to the development of such a sink of iniquity in London, as disgraced Berlin before the National-Socialist Revolution. That leisure must be directed by authority into channels that will benefit both State and people, improving the physical well-being of the race by an ordered athleticism, and developing the cultural standards of the masses by recreational activity.

PATRONAGE OF ART

OPPONENTS insist that the Fascist State is inimical to culture because it tends to deprive the artist of the freedom of self-expression. Like most such accusations, it takes for granted the enjoyment of liberty at the present time. In this commercial age, the artist is bound to the most sordid standard of popular taste, from which he can only escape by a studied eccentricity in the hope that his audacity may attract the intellectual snobs. To call this a state of freedom is a perversion of terms.

We live today in an age of lucre. The tyranny of the majority is come. It is upon the artist that this tyranny falls most heavily, for he is in a small minority in a philistine world. By establishing commercial standards, the majority condemn the artistic minority to serve their popular taste, or starve in obscurity. This is not freedom but the harshest of tyrannies. It is not surprising that art has sunk to a low ebb and that artists should form a rebellious Bohemian community, intent, mainly, upon shocking the hippopotamus that crushes their talent, but seldom succeeding in penetrating its thick philistine hide.

Art is the expression of the spirit of the whole community, or it is nothing but neurotic self-exhibitionism. If art is to recover its prestige it must receive generous patronage. The philistine majorities are unfitted for this tactful undertaking. The aristocracies of the past were far more successful in patronage of the arts; as were even the "nouveau riche" Roman capitalists like Maecenas. Our millionaires fall far short, and there is something humiliating in subordinating artists of genius to be the paid servants of the rich.

The Corporate State offers the artist his own honoured place in the national life. A special corporation will give him self-governing powers and enable him to equip and train himself and his fellows. This corporation will enjoy special protection and support.

It is only by giving the artist his proper place in the national life and granting him means of protecting his own interests that we can save culture from the decline due to decades of neglect.

The Corporate State will maintain a much closer contact between artist and people. The mass, in their recreational hours, will be encouraged, by reduced prices and special facilities, to visit concerts and opera, theatres and exhibitions of pictures and sculpture, so that the artist no longer lives apart as a Bohemian rebel against society, but enjoys the patronage of the people themselves.

To prevent the extension of living by proxy, the people will not only be encouraged to view the works of the professional artist but will be given every facility to develop their own amateur talents. The rise of the machine has ruined handicrafts and damaged artistry. British Union will combat this tendency by means of recreational organisation which will be largely devoted to restoring lost handicrafts. The ideal is that the man who has just left tending the automatic machine that turns out hundreds of shoes an hour may yet return to his own last and turn out a hand-made pair of shoes as good as any made by mediaeval craftsmen.

It would seem a good measure, in order to curb the cruel, drab mediocrity of the machine age. to obtain the best simple forms for mass production and then forbid the manufacture of any articles of decoration by machine. Let us use the machine to produce necessities and banish poverty, but the reproduction of articles of decoration by the million is killing artistic impulse. The man who, not so long ago, would have produced some vase or picture frame at his own work bench or with his own fretsaw now walks down to Woolworth's and buys the same sort of article for sixpence.

As recreational schemes develop, the tendency will be to restore handwork as an artistic hobby after the day's work on the machine is ended. A hobby that may well become increasingly profitable as an appreciation of handwork returns and machines are restricted to the manufacture of simple necessities and complicated mechanisms. No longer will the mantel-pieces of the people be adorned with Birmingham-produced "Presents from Margate," but with the products of the skill of members of the family and their neighbours. We may even see a return to the beautiful decorated hand-made furniture of Chippendale and Adam.

Without following the vista of a returning age of art and artistry, in which artist and people will recover their lost harmony, enough has been said to show the absurdity of condemning Fascism as the enemy of culture. Considering the hopeless decline of artistic accomplishment throughout the demo-Liberal era, any such accusation comes badly from the reactionary supporters of the present order. A revolutionary urge that restores the national spirit of the British people may well recover the Tudor atmosphere that gave us Shakespeare and the greater triumphs of English poetry and drama.

ORGANIC PURPOSE

NO greater mistake could be made than to regard the Corporate State as a mere mechanism of administration. On the contrary, it is the organic form through which the nation can find expression. Fascism is no materialist creed like Communism, which sets up, as its only purpose, the material benefit of the masses. Fascism is essentially idealistic, and refuses any such limitation.

Fascism recognises the nation as an organism with a purpose, a life, and means of action transcending those of the individuals of which it is composed. To limit such an organism to a purpose within itself, to the mere service of its constituent parts, would be a denial of the whole philosophic concept of the Corporate State.

No active organism can adopt a self-limiting purpose. There is always striving towards an external goal or development would cease. Man himself, as an organism composed of many million cells, does not consider his whole purpose one of self-indulgence, or at least such men are rightly condemned by all moral authority.

The man of worth will sacrifice his immediate welfare to the needs of his career. Similarly, the Corporate State must not be considered solely as a means of good government. It is also the means of self-expression of the nation as a corporate whole in the attainment of its national destiny.

This does not involve a claim of divinity for the State. The very suggestion of purpose debars any claim to divinity, for the divine is perfect and cannot have a progressive purpose. On the contrary, the State is in grave need of spiritual guidance in the attainment of its purpose, which is the achievement of national destiny in accord with universal moral law. The fact that Fascists condemn the present form of the State and the form that it has adopted in Soviet Russia shows that the Fascist does not accept the absolute, authority of the State as divine. He judges the present State by absolute values that transcend all states and advocates the adoption of the Corporate State because this will be in better accord with the divine law.

The Corporate State is then in no sense absolute, but must conform to the universal moral law as a human institution. On the other hand, it is only through co-operation with others in the organic purpose of the State that the individual can attain his highest potentiality. There is no need for any conflict between individual and the State, as neither can exist without the other. It is only by a true balance between the needs of individual and State that progress can be achieved for both. The Corporate State, with its functional organisation of human effort in a communal purpose, best achieves this essential balance.

It may then be asked what is this purpose, this destiny, for which you desire to prepare the nation. Here a little becoming modesty would not be out of place. One has become heartily sick of the rationalist materialists who, like Mr. H. G. Wells, know exactly where they are going. We set no limit, especially in the cultural sphere, to the achievement of the nation. We know that we are not merely preparing the nation for war, for, unlike our internationalist opponents, we are perfectly prepared to recognise and sympathise with the national aspirations of other peoples. We know that mere material satisfaction of the needs of the masses is not our ultimate aim but merely a means of releasing the people from sordid material pre-occupations to take part in the great adventure. What then is the purpose of the Corporate organisation of the national life?

May I, as a humble member of the nation, profess my ignorance of the divine purpose upon earth which is our destiny? All that we can do is to prepare a fitting vehicle for the attainment of that destiny, to give the nation that organic form instinct with life, which will enable it to play its part in the great events of future world history.

This, however, at least we may say, that the mediaeval people who lived in hovels and built cathedrals were nearer to a realisation of the divine purpose than we are today; that the Tudor Period, the high point of our own national life, found its expression, not only in the seafaring and Empire building of Walter Raleigh and Francis Drake, but in the philosophy and science, of Francis Bacon and the poetry and drama of William Shakespeare. It will be in recovering the "age of faith" of Christendom and the vital energy of Tudor England that we may realise in part the great future of our nation.