

For the INDIVIDUAL.  
For the MINORITY.  
For COUNTRY.  
UNDER GOD.

# VOICE

INTEGRITY  
FREEDOM  
RESPONSIBILITY

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## Creating the Means of Payment

This morning the papers told me there would be quite a rise in the price of coal. This evening the wireless has just announced rises in the prices of all iron and steel products. It was not only a war of arms which was loosed upon the British people in 1939. An economic war upon them was intensified at the same time. The raising of prices has been continuous and is being accelerated. It is intentional.

Taxation and high prices go hand in hand. They are complementary. Both of them do what they are intended to do. They rob the consumer of purchasing power and prevent the emergence of any one from the dismal life-long routine of holding down a job. If income is entirely dependent on carrying out orders, people will carry out orders. If people were permitted to be financially better off, they would be in a stronger position to choose which orders they would carry out. No bank-balance, no choice. Taxation and high prices are directed to the elimination of bank-balances.

There is one aspect of the situation which deserves attention. ONE METHOD OF RAISING PRICES IS TO RAISE WAGES. An extra million paid out in wages to the miners is an extra million onto the price of coal. An increase for one section is a reduction for everyone else. We take it in turns—miners, teachers, railway men, civil service—to obtain an increase and then take our places at the back of the queue again. Purchasing power is collected from all merely to be allotted to some unfortunates who have been left too far behind. These are immediately called upon to subscribe for those who have now assumed the role of being the latest unfortunate! There is no room here for an INCREASE IN CONSUMPTION. For this reason THE RAISING OF WAGES MUST BE COMPLETELY INEFFECTIVE AS A MEANS OF INCREASING PURCHASING POWER! It merely enables some to get ahead temporarily at the cost of setting every one else back.

It follows that if purchasing power is to be increased it can only be done by an addition to incomes which will not increase prices. It is generally assumed that this is impossible and therefore the best thing to be done is to slap in another demand for an increase in wages before we lose our place in the queue.

But wait a minute. My mind keeps returning to that attention-rivetting and classic statement in the *Encyclopaedia Britannica*:—*Banks create the means of payment out of nothing*. If that is true, is it the answer to the problem of the wages-and-prices spiral?

Those who know how the banks create the means of payment out of nothing have not so far succeeded in per-

suading the banks to do a little conjuring on our behalf. Perhaps those people who will ultimately use their authority to direct the banks to the service of the nation have still to learn the amazing secret. It may be described as a secret because if the millions of our people were to get to know about it they would immediately repudiate the mounting chaos in our economic affairs.

On that fateful day in September, 1939, when we were told by Mr. Chamberlain that we were now at war with Germany, Parliament met immediately and voted £1,000 millions for war purposes. At that moment figures published by the Bank of England showed that only £400 millions cash was in existence at all. The printing presses were put to work then, churning out the millions of pound notes to pay those engaged in the war effort? Not at all. Nothing as cumbrous as that. The Chancellor of the Exchequer banks with the Bank of England; an addition of £1,000 millions was written onto his balance at the Bank. That was all. Just a pen dipped in the ink and writing a 1 and nine noughts.

With that sum standing to the credit of his account at the Bank the Chancellor was immediately able to draw enormous cheques with which to pay contractors and manufacturers and buy materials for the war. But so great are the needs of war that at the end of three months even so large a bank balance had been dissipated and the war not even started yet—the phony war. Parliament voted another credit of £1,000 millions for war purposes. As before, a 1 followed by nine noughts was written under the now very attenuated balance standing to the credit of our Chancellor's account, and added on. The Chancellor could now proceed to the signing of the cheques without which the war would have come to an immediate unhappy conclusion.

This process was repeated every three months for the duration of the war. Had the Bank created the means of payment out of nothing?

The British people were told at the time that the extraordinary expenditure of war was being met by borrowing. It was. They were not told that the Bank created it first before it could lend it. Not a murmur about just writing figures in books!

So that banking is one big bluff. Those massive counters and elaborate grilles. Those padlocks and strong rooms. The Bank of England, as Douglas pointed out, built like a fortress and guarded by Grenadiers in red coats and busbies. It is all a pretence. There is nothing there at all! Banks CREATE the means of payment out of NOTHING.

Should any reader, meeting this alarming situation for the first time, feel that it could not possibly be true, let him work it out for himself. At the beginning of the

(Continued on page 4.)

## VOICE

A JOURNAL OF STRATEGY FOR PERSONAL,  
POLITICAL AND ECONOMIC FREEDOM.

"Liberty consists in the freedom to choose or refuse  
one thing at a time."

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### AIMS

1. To provide a meeting ground for those wishing to take action to restore lost freedoms of our Christian heritage, and to give the fullest opportunity for the individual to exercise initiative and true freedom of choice.

2. To ensure that the new despotism of legislation be stayed and referred to true authority.

3. To rally an electoral force inflexibly bound back to the principles of INTEGRITY AND RESPONSIBILITY.

The Christian Campaign for Freedom was launched over two years ago because a number of laymen deplored the loss of freedoms due to the centralisation of power. The writer of these notes was abroad at the time, and has only edited *Voice*, the journal of the Campaign, for the past seven months or so.

The Aims deserve closer attention because, although advances have been made, their attainment still eludes us. We may first of all ask why they are desirable, and any readers of J. V. L. Casserley's *The Bent World* (which we shall consider in detail later on) will readily understand that no Christian or intelligent person could desire the concentration of power because it inevitably leads to corruption of rulers and degradation of the ruled. A man who does not possess or exercise freedom of choice has been forced down or has stepped down to a level below humanity, to servitude in fact. The wars of the last forty years were fought, ostensibly, to avoid this oriental type of servitude. And democracy is, ostensibly, built on the foundation of free choice.

Secondly, we have had some support from true authority, embodied in the Church. The paradox of our time is that inventors constantly lessen the need for human drudgery, while all political parties exalt paid employment into the end of existence. Sir Miles Thomas recently stated his dislike of the word "automation," because what it designated was nothing fundamentally new, but only an advance in a process which has been acting for years. The process of eliminating drudgery inevitably shows that the wage system does not solve the problem of distribution but creates more

problems in an alarming spiral, and this means that we allow the system to be exalted above man, the abstraction over the person, Pharisaism over Christianity.

Thirdly, an elector without integrity or responsibility is only less of a menace than a Member of Parliament who disregards his electors' policy. But if they have no policy, he can hardly be blamed. For that reason, the Campaign has advanced Freedom as a positive policy, and uses the definition of Liberty as "the freedom to choose or refuse one thing at a time." In view of their experience at Tonbridge, Members of Parliament are probably rather more tender than tough at the present time, and should be made aware that the loss of freedoms under the conservative label tastes no less bitter than under the socialist banner.

We have no desire to take a leaf from the communists' book, but should note that they have perverted our principle, *Ye are the salt of the earth*. In other words, a few communists have demonstrated that a few people can penetrate and distort effectively: and we surely have enough faith to believe that a few people can rectify still more effectively.

We still earnestly invoke support and would beg both regular readers and those who may see these lines to let us have some word or sign if their mind or hand is with us.

H.S.

### FUNDS URGENTLY NEEDED.

Contributions to The Treasurer, Christian Campaign  
For Freedom, Penrhyn Lodge, Gloucester Gate, London,  
N.W.1.

### "Human Dignity."

"Poverty has gone but the worker must still work by the sweat of his brow, and the principles of human dignity must not be allowed to fade in the modern mind." *Catholic Herald* (May 11, 1956). [We admit that poverty has gone the rounds, but industrial unrest shows that the fear of it is still present, and what poverty at such prices. Sweat, mentioned by the writer, should surely be reduced by man's inventiveness.]

### Communist Victory

"Communists and their sympathisers among the 52 members of the national committee of the Amalgamated Engineering Union secured a big victory here today. They persuaded the committee's annual conference to adopt a rigid policy on automation, which might mean widespread industrial unrest at factories where automation techniques are introduced." *The Daily Telegraph*, April 25, 1956.

[Communists are likely to win victories when falsehood is used, as they do not recognise Truth, and deceit is their stock-in-trade. Christians will only succeed when they use not half-truths but the full truth about automation and other matters.]

### "Decay of Mind"

The European visitor who returns to America at intervals of ten or fifteen years is at first depressed and then baffled at the steady decay of mind in that country. Few of us stay long enough to arrive at valid hypotheses. The lecturing tour is monotonous in that one meets the same types in the various cities. Most of us lecturers hurry back after having gathered what we came for and grope in the remnants of our national cultures without having solved the Yankee problem. This, however, might be offered as a map. There has been a steady invalidation of university curricula, fewer and fewer courses in language and studies of grammar, and an appalling increase in subjects that require no acquaintance with history or science built out of observation of particular facts.

The positive depth of the sewage is reached in blather about I.Q., in courses labelled in descending order as from an earlier day, pedagogy, psychology and psychiatry, the last being the absolute low of all time: a fad in 1910, a pest by 1930, and an engulfing slime of inaccuracy at the present time. No greater boredom can be conceived than conversation with professors who have never read anything but text books, written in abstract terms by the third generation of hired teachers whose teachers had read nothing but text books.

A. WATSON.

### Education: (1) As Desired

Writing in *The Tablet* (April 21, 1956) the Bishop of Salford quoted with approval the idea that true education must "help the student to become aware of his own intelligence, to exercise his own will—briefly, to render more secure his own dignity as man." The Bishop defines *libertas*, the highest form of freedom, as "that maturity of mind and personality which arises from the achievement of a mastery of self and genuine self-possession. . . . From this interior liberty emerges freedom of choice. . . . The basis of true freedom is not only openness to truth, but the willingness of the whole man to accept the whole truth, to base judgments of value on it, and to make firm permanent choices."

### (2) As It Is

The Editor of the Parish Magazine of St. Augustine's, Haggerston, (Spring, 1956) criticises education as it is. He says, "The noise in a great number of our schools rivals that of the parrot house at the Zoo, and the behaviour that of the monkey house. . . . The one idea of boys leaving school is to get into the job which offers the most money quite regardless of the nature of the work. . . . It is all the result of a system of education in which the pupil is encouraged not to undertake anything which he dislikes. . . . On the less cultured levels, there must be a measure of exorcism in the education—a driving out of the worst before there can be a leading out of the best."

### (3) "Singularly ill performed"

*The Church Times* (April 27, 1956) reporting a speech of Lord Kilmuir, the Lord Chancellor, on 'the challenge of

democracy,' notes his disquiet "in the tendency to exalt the trivialities of life over serious political issues in the national Press." Democracy, the newspaper comments, requires an exceptionally high standard of intelligence and responsibility. (We believe that democracy requires people to know what they want.) It is the task of education to produce these standards, the paragraph concludes, "a task which, in spite of the rivers of public money flowing under the bridges of the schools, is as yet singularly ill performed in Britain."

### Correspondence

Dear Sir,

A day or two ago, in delving into C. H. Douglas's *Control and Distribution of Production* I came across this sentence:—

"Our super-industrialists and orthodox economists do not explain how a textile worker, paid wages for converting a bale of raw cotton worth, say, £20 into goods worth, say £60, can benefit if in exchange for these manufactured goods two more bales of raw cotton at £40 are received—a condition common to trade booms.

"Nor do they generally publish the fact that English machinery is often sold to export agents abroad at far lower prices than those at which the same machinery can be bought at home, or that it is possible to buy, in the bazaars of Bombay, a shirt made in Lancashire for a quarter the price at which the same shirt can be bought retail in Manchester."

When, therefore, I came upon this announcement on the front page of *The Liverpool Daily Post* today, I appreciated that nothing had altered in connection with the situation in which we find ourselves, except the intensification of it:—

#### Cotton Pact Signed With Burma

The Board of Trade announced yesterday that an agreement had been signed in Rangoon yesterday under which the United Kingdom will supply Burma with cotton textiles to a value of approximately £940,000.

"Payment for the textiles will be in United States raw cotton made available to Burma by the United States Government under the United States public law 480, aid programme," said the Board of Trade announcement.

Mr. Frank S. Winterbottom, chairman of the Burma section of Manchester Chamber of Commerce, welcoming the agreement last night, said it would work out at about 7,000,000 yards of Lancashire cloth produced in the traditional styles of Burma.

"It is particularly welcomed in view of the fact that the market has been virtually shut to us for twelve months because of Burma's shortage of sterling," he said.

Mr. T. D. F. Powell, export director of the Cotton Board, said it was expected that two thirds of the agreement would be in supplies of piece-goods and one third in yarn."

Douglas wrote *Control and Distribution of Production* in 1922.

Yours, etc.,

J. Brummitt.

## CREATING THE MEANS OF PAYMENT—

(continued from page 1.)

war the National Debt was standing near the £10,000 millions mark. Five years of war would show £20,000 millions advanced to the Chancellor for war purposes, and how! That would enable the National Debt to be WRITTEN at £30,000 millions. And is not that, IN FACT, what it is written at today?

But imagine how people would feel if they knew how easy it is to pay for things if you know how! They might think that Mr. Macmillan could draw big cheques to pay the railways and the Coal Board so that we could all have travel and coal at half cost. The P.M.G., too, if his expenses were largely met in that way, might want to do us a real service by getting back to the penny post. There's no knowing what people would think of, once they got the idea. It would spread like myxomatosis. And Mr. Macmillan knows more than he says, or does he? He says that the fantastic situation in which we find ourselves "has something to do with credit."

The newspapers aren't saying anything either. The above information, which has been available enough for me to come by it, is passed over without comment so that almost any one you meet is ignorant of it and won't believe you. In the war years everything which could be done to disguise the fact that the means of payment were being created, was done. There were Spitfire Weeks and Warship Weeks and War Bonds and Savings Certificates and Lend to Defend, all designed to foster the idea that if the Chancellor had to make big payments he had to get the wherewithal from the public. Taxation was stepped up with incredible acceleration to give the same impression. And a very successful campaign it has been. The Standard workers who have been striking, and the millions who are demanding increased pay do not know that they are wasting their time. Who is ultimately going to pay the bills for increased wages? They have to pay them themselves!

But if they were to receive the means of payment created out of nothing, not only need prices not rise, but they could be reduced.

This is also the answer to the automation "problem." The only problem is, How are people going to be fully paid for working part time? The only possible way, so that leisure may be enjoyed by all, is for all to receive the means of payment created out of nothing by the banks. Even if genuinely well-intentioned employers should be so considerate as to pay a weeks' wages for a day's work it would not meet the situation because a week's wages would be a cost upon the employer which he would have to meet by putting prices up by that amount. Wages and prices rising together DO NOT INCREASE purchasing power.

Let no one imagine that the demand to be awarded the means of payment without having to surrender the best part of one's waking hours and the whole of one's adult life to get it, is a base and shameful demand. "Come unto ME all that travail and are heavy laden, and I will refresh you" could quite honestly be paraphrased, "Learn the Truth, all you who toil and work hard, and you will be GIVEN what you need." I do not consider myself an irreverent person.

John Brummitt.

Atonement Between Reality and the  
Description of it:

"Running through all history like the thread of Ariadne, it is possible to trace a continuous policy, which I can only describe as a divorce between things themselves and the description of them. . . .

"At this very period in which we live, it is probable that one of the fundamental struggles which is taking place, and one on which the future of civilisation depends perhaps more than on any other, is the attempt to obtain an atonement, or, as it has been pronounced an at-one-ment, between the reality and the description of it."

—Speech by C. H. Douglas, at the New Age Dinner, March 18, 1933.

"Francis Bacon, Earl of Verulam, may not have been the first man to apprehend our danger. But his emphasis upon the necessity of 'restoring or cultivating a just and legitimate familiarity between the mind and things' strikes a pure note of consciousness which establishes it as an authentic scripture. Confronted with some of the words around which so much of our modern politics revolve, such as 'The State' or 'The Nation' he would have instantly demanded to be led to him. A Queen he understood; but to be told that her condition (state, from Latin status) could be, and should be separated from the person in occupation of it, would have appeared to him a gross superstition into which the barons at Runnymede were careful not to fall."

—C. H. Douglas *The Brief for the Prosecution*, p. 5.

## The World of Noise:

"Radio-noise is therefore the new reality, and only what is contained in the noise, only what takes place through the mediacy of the radio, is of any worth. An event seems real only when it is part of the noise produced by radio . . . a bomb explodes before you, a factory collapses, and the event enters the retina of the eye but it is hardly noticed in actual fact until it is taken up in the universal noise of radio. Anything you see yourself by yourself with your own eyes is suspect and does not become a real event until you hear it as part of the noise coming from the radio-set.

"This noise therefore falsifies the direct relationship between the person and the object. Radio entirely destroys the proper mode of knowledge and experience."

—*The World of Silence* by Max Picard, London, The Harvil Press, p. 201.

## The World of Silence:

"The present state of the world and the whole of life is diseased. If I were a doctor and were asked for my advice, I should say: Create Silence! Bring men to silence. The word of God cannot be heard in the noisy world of to-day. And even if it were blazoned forth with all the panoply of noise so that it could be heard in the midst of all the other noise, then it would no longer be the word of God. Therefore create silence."—(Soeren Kierkegaard.)

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