

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 34. No. 16.

SATURDAY, AUGUST 18, 1956.

6d. Fortnightly.

Our Cultural Disinheritance

by TUDOR JONES.

[AS IT IS NOT READILY AVAILABLE TO MANY OF OUR READERS, WE PUBLISH DR. TUDOR JONES'S ESSAY WHICH ORIGINALLY APPEARED IN *THE FIG TREE* (OLD SERIES), SEPTEMBER, 1936]

All mammals and many other creatures undergo some course of training as soon as possible after they are born. The training is conducted by members of the previous generation, usually one or both of the parents of the individual concerned, and serves to eliminate possible modes of behaviour which might lead to consequences unfavourable to the individual, the family or the species.

Thus the habitual, as distinct from the inherited behaviour of young animals, is produced, leaving more extended experience to effect some modification.

Deprived of this training, the individual commonly suffers some disadvantage. It is not easy to say how much, because the common cause of such deprivation is separation from the mother, by death or otherwise, at a critical time in the life of the individual. Large or small in its total effect, something is handed on by each generation to the next. It is something added to the natural inheritance, as might be called the *nurtural* inheritance.

In man this *nurtural* inheritance is mixed up with a cultural inheritance which is quite a different thing. Broadly speaking, the influence of each generation upon the next in respect of nurture is, in animals other than man, the same. Alterations in the mode of life of the species through adaptations to changes in the environment are on the whole more likely to subtract from it than add to it, and this nurture, as it may be observed among domesticated animals, is a poor, uncertain and fitful inheritance compared with its counterpart among wild animals. In man a great increase in communicable modes of action occurred before the dawn of civilisation; but during the development of civilisation, this increase has become so vast that the body of effective knowledge accumulated at the time of the birth of each individual is now greater than can be communicated to him during his lifetime. During his lifetime a further large increase will occur in this store of effective knowledge, and the rate of such increase accelerates.

II.

The magnitude of the cultural inheritance is dimly apprehended by individuals. At best each is directly aware of only a fragment of it. This fact can readily be demonstrated by directing one's own attention to any small collection of objects in sight at any time, and asking oneself to explain how they got there, in sufficient detail as to suggest that one could secure their reappearance, by the

same means *ab initio*, if they should be destroyed. Simple as it is, and few as the objects may be, provided they are products of civilised life and not merely natural objects, this experiment leads to the startling conclusion that *no one* has enough knowledge to satisfy the conditions. Indeed, the knowledge possessed collectively by all the individuals living in our time is not nearly enough to achieve the end required, since the historical development of human abilities is known only fragmentarily.

This is a *fact* as well known to Diffusionists as to Tylerians. No school in anthropology is so foolish and mistaken as to pretend to possess more than the crudest of maps, faded, torn, full of erasures, corrections, blots, holes, inevitable mistakes and falsifications. To take one of these "maps" rather than another, is not to take sides or to open some new door to endless discussion which is the chief source of ineffectuality in our time. In regard to the point I wish to illustrate, one is as good as another: the whole point is not the uncertain and bitterly contested lines of the "map" but the holes in it. What Sir Grafton Elliot Smith and his collaborators never cease from stressing—that man had inhabited the earth for ten thousand centuries before the firing of the "pistol shot" which was the signal for the sudden expansion which we know as civilisation—is not seriously contested; the details of the weapon, the velocity of propagation of the explosion, and so on; these are the matters of dispute. It does not matter for my argument whether in history each fresh impulse forward is unique, or whether the spirit, "blowing where it listeth" pants like a driven hart. The point is that most of the "puffs" are unrecorded. If we know that the artificial germination of barley secured an abundance "when and where it was required" in the Nile Valley, we know nothing of the condition in which the discovery was made that stored grain sprouts. Neither do we know by what process, material and psychological, the ancient Egyptians overcame what anyone with imagination must regard as a natural repugnance to draining the udders of cows to augment the infant food supply. We know only of the deification of the cow, and surmise that, having thus made his peace with her, man, now civilised, entered upon a period of development and expansion of which we know some of the results and scarcely any of the means. The results themselves are beyond the grasp of any living individual.

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This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: *Home and abroad, post free:**
 One year 30/-; Six months 15/-; Three months 7s. 6d.
 Offices—Business and Editorial: 11, GARFIELD STREET, BELFAST.
 Telephone: Belfast 27810.

*Note: The above rates cover subscription to *Voice*, appearing fortnightly in alternate weeks with *The Social Crediter*.

From Week to Week

“ . . . The practical problem involved might be stated thus: Is it possible, from now on, to maintain and defend, or even to reconquer, the right and claims of leisure, in face of the claims of ‘total labour’ that are invading every sphere of life? Leisure, it must be remembered, is not a Sunday afternoon idyll, but the preserve of freedom, of education and culture, and of that undiminished humanity which views the world as a whole. In other words, is it going to be possible to save men from becoming officials and functionaries and ‘workers’ to the exclusion of all else? Can that possibly be done, and if so in what circumstances? There is no doubt of one thing: the world of the worker is taking shape with dynamic force—with such a velocity that, rightly or wrongly, one is tempted to speak of daemonic force in history.”

This quotation from Joseph Pieper’s essay *Leisure the Basis of Culture* is a precise statement of Social Credit’s aim, and the essay itself could very well be characterised as a statement of the philosophy of which Social Credit is the practical policy.

Heredity

One of the curious features of these curious times is the constant repetition of statements such as “all men are born equal,” by which it is intended to convey the idea that race and heredity are mere superstitions—or “Fascism.” This phantasy does not, of course, apply to animals—the buyer of the pedigree bull in Scotland, recently, for about £14,000, would not have agreed to take delivery of the same weight in beef-on-the-hoof from any of half a dozen dairy herds within a few miles of Perth, where the aristocrat was sold.

The only argument ever adducted in regard to human beings in this relation, which bears a superficial veneer of plausibility, is that marriage is purely haphazard, whereas cattle breeding is not. The premise, of course, is that all the subtle forces which, more particularly up to the nineteenth century, influenced human selection, are recognised and understood. Only a generation bemused with Darwin-on-a-postcard, neatly mixed with London School of Economics materialism, would have the assurance to believe that.—*The Social Crediter*, July 20, 1946.

Inflation

FOR EASY REFERENCE, AND FOR USE, WE REPEAT WHAT WE PUBLISHED ON JANUARY 10, 1948:

It is of vital importance that the key demonstrations which together constitute the case for Social Credit should receive simultaneous expression. This is exactly what the authors of the Revolution are bent upon preventing, and whereas large-scale organisations, business or political, meet deeply considered and organised opposition late rather than early in their progress, and after rather than before they have secured for themselves an adequate ‘platform,’ personal and financial, we, owing to the exceptional insight displayed by Major Douglas into the realities of the world historical development, have to make headway, if at all, in face of powerful, resourceful and determined opposition from the start. Most if not all issues of *The Social Crediter* contain material carrying forward the argument ‘on all fronts’; but we appreciate that, to make full use of it, reference backwards and forwards is an assistance, and readers have not the time to complete this preparation for themselves. As a collateral rather than a subordinate service in helping readers to extend the influence of the paper, we print the following collection of references on the Inflation issue:—

Now there is one unchanging feature of every social, economic, and military conflict of the last two thousand years at least: Government systems may change, kings may be replaced by presidents or dictators, feudal customs may give way to oligarchies or soviets. Through them all runs the dual thread of money and prices.

Yet this purely artificial, and fundamentally helpful system has been the target of attack throughout the ages. Not once, but many times, men have risen to denounce the evils which they have traced to its perverted use. And all these men, as far as I am aware, have come to the same conclusion. The evils which have arisen from a defective use of the credit system are without exception due to the use of it as an instrument of policy and not as an accounting and distributive system. This is the financial embodiment of the basic cleavage between Socialism and Social Credit, between Judaism and Christianity.—C. H. Douglas, *Programme for the Third World War*, p. 54.

Shortly, the characteristics of inflation are: enormous increase in production, fantastic rises in prices, speculation, submergence of the professional and so-called cultured classes, centralisation of economic power, and industrial serfdom. There is little unemployment, at any rate for a time, but if you are unemployed, you starve immediately. Your immense output cannot be internally absorbed . . . the urgent necessity of markets means certain war, sooner or later, and the greater the inflation the sooner the war must come. In the meantime, however, you become more capable of the immense output which war demands; and your centralised industrialists who do not expect to line the trenches, regard the prospect with complacency.—C. H. Douglas, *The Breakdown of the Employment System*, p. 3.

If I have made myself clear, you will see that credit issue and price-making are the positive and negative aspects of the same thing, and we can only control the economic situation by controlling both of them—not one at a time, but both together, and in order to do this it is necessary to transfer the basis of the credit-system entirely away from *currency*, on which it now rests, to *useful productive capacity*. The issue of credit instruments will then not result in an expansion of money for the same or a diminishing amount of goods, which is inflation, but in an expansion of goods for the same or a diminishing amount of money, which is deflation.—C. H. Douglas, *The Control and Distribution of Production*, p. 49.

No monopoly has ever existed in the world such as the monopoly of credit: the monopoly of those tickets which are producing your effective demand.

No monopoly has ever existed of such far-reaching powers as this monopoly, and it would be absurd for us to say that those who are in possession of that monopoly will not fight to retain it, and therefore you may expect that all possible misrepresentation and confusion, which can be thrown into this matter, will be thrown into it, and is thrown into it, and one of the very favoured devices is to suggest that anything which is a change towards producing more purchasing power is something that is called "inflation."

Well, now, let me define the thing. There is such a thing as inflation: there was inflation in Germany after the War, and in Russia and elsewhere. Inflation is an increase in the number of tickets accompanied, mark you, by a corresponding increase in prices. So that both price and effective demand are equally raised, and the purchasing power in that case is decreased. That is true inflation, and simply amounts to a tax upon those people who already have purchasing-power because their purchasing power, owing to the rise of prices which is produced by true inflation, will buy less.

They are simply taxed to the extent of the inflation, and that is exactly the thing which the orthodox economists and the bankers are asking to take place at the present time when they say that what is required is a rise in prices. So that we are at one with those people who say that inflation is to be avoided.—C. H. Douglas, *The Use of Money*, an Address at Christchurch, New Zealand, 1934.

In fact, although it has been kept out of the daily press, with the exception of brief references in the financial columns, it is becoming generally known that the banks have already created large amounts of credit which has been used as additional purchasing-power by the Government to pay for war supplies . . . but the money (credit) which the banks create and make directly available to the Government, does not come through the productive process. It does not form part of the costs of any product, and it need not therefore raise prices. It is not the same thing as increasing salaries or wages which have to be entered into the costs of some product. This being the case there is absolutely no reason why the Government cannot by legislation regulate prices at a level which makes a reasonable allowance for cost

plus profit. The Government has shown already that it *can* regulate prices. If this is done, therefore, whatever the amount of new money issued as purchasing power, prices can be prevented from rising and the producer and retailer will not suffer, because their costs are not increased.—*The Inflation Bogey* by J.M. in *The Social Crediter*, February 22, 1941.

The extent to which *Inflation* has been 'groomed' for star-bogey-dom was apparent from the manner in which Mr. Montagu Norman was able to address his listeners over the wireless on October 9. Discussing the sources of money to finance the war he stressed the necessity of investing in war bonds lest we should have recourse to, "the source I hesitate to mention—the unmentionable source . . . which makes everyone tremble at the knees to mention its name—inflation."

Even the *Financial News*, which has recently been advocating the restoration of the incentive of monetary gain to both employers and employees in order to increase production, while admitting that in such a case inflation might tend to occur, says that its evil effects could be countered by certain measures—it suggests strict rationing.

Possibly the financial powers foresee that in the near future they will be forced into openly unorthodox methods of finance, and by keeping alive in the minds of the public the fear of inflation are leaving themselves a backdoor to regain more 'orthodox' methods when the pressing need of war time conditions is past.—*The Social Crediter*, October 25, 1945.

The Inflation Racket: Prices current in Chester in 1740. Beef and Mutton, 2d. per lb.; pork, 1½d. per lb.; tobacco 10d. per lb.; beer, 3/6 a barrel. The rise in prices very roughly parallels the increase in the National Debt minus improvement in process, and dates from the foundation of the Bank of "England." It has operated to defeat all improvement of process, and invention, resulting in forced exports and war. The mechanism is simply the price "system" of charging the highest the public will pay, and issuing new money as loans, thus reimbursing the financial institutions for taxation and higher costs.—*The Social Crediter*, September 18, 1943.

Algerian Burgundy, which is a good and wholesome wine costing about twopence a quart in Algeria, is now on sale in this country being distributed "under the direction of His Majesty's Government" at a controlled price of *eight shillings a bottle*.

You see . . . how important it is to avoid inflation, which is a rise of prices, and how "the Government" is taking the lead in this noble cause. But you may overlook two other facts: (a) that Algerian burgundy won't keep, and so we must stop getting something for our trouble in North Africa, (b) That, after taking ten shillings in the pound off you in income tax, "the Government" is doing everything possible to give a lead to price-inflation so that

your remaining ten shillings will buy less than half what it otherwise would purchase. Beginning with 2½d. stamps in the first week of the war.—*The Social Crediter*, September 25, 1943.

It will be noticed that managed currency systems ostensibly intended to keep price levels constant, are incompatible with economic decentralisation. Managed currencies are controlled currencies and require a controller. The essential requirement of a free economy is radically different. In such an economy the proper function of money is to reflect facts, not policy. If it is a fact, as of course it is, that the "costs" of production are in reality, if not in unstable currency units, decreasing, then both individual prices, and consequently price levels ought to move to lower levels to reflect this process. The argument that falling prices mean loss to production and stagnant trade is merely perverse. Compensated prices even of a crude and unscientific type are a day-to-day process at the present, and deal with this situation simply, comprehensively and successfully.

. . . every rise in price, whether direct, or in accompanying taxation, is a transfer of economic sovereignty from the individual to a centralised Sovereign. And the imposition of any condition of law on the free purchase of any article is a similar transfer . . .

Falling prices, by themselves, are the most perfect method of passing improvement of process on to consumers. They have the effect of increasing real and psychological credit, and raise the international exchange value of the unit, which loses any economic reality if "controlled" or "pegged."

There is no evidence to indicate that a nationalised banking and currency system would be anything but more oppressive than a partly decentralised system. Each approach to centralisation, and this approach has been rapid, has increased the tyranny of Finance, a tyranny which in itself is technical, but becomes political by reason of the immense advantages which accrue to its manipulators. There is no more effective claim to totalitarian power than the claim to the sole right to issue and withdraw (tax) money, and no mere manipulation of monetary technique which does not resolve and decide this question can do anything but complicate the problem.—*The Social Crediter*, 1945.

Mr. Herbert Morrison bids fair to rival Viscount Snowden as the darling of the City and the international financier. At a love-feast to celebrate the centenary of the *Economist*, which is edited by the ineffable Geoffrey Crowther, and commonly considered to represent the views

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of Sir Henry Strakosch, who in turn represents the South African Gold interest, Mr. Morrison and Mr. Montagu Norman appear to have been the chief guests. Mr. Morrison did not repeat on this occasion the celebrated dictum of Viscount Snowden acclaiming the Bank of "England" as the greatest moral force in the world, but just you wait, Clarence.—*The Social Crediter*, September 18, 1945.

Certain propositions have always been fundamental to the Social Credit approach to the Finance-Economics problem, and are unique to it. They are:

The core of the problem is *cost*. Either the industrial-technological system provides lower unit costs or it is valueless. It is not an attractive system, *per se*. If it provides lower unit costs these ought to provide lower unit prices, *i.e.*, higher purchasing-power *per* monetary unit.

We are more than ever, if possible, convinced that a falling price-level, without loss to producers and entrepreneurs is the very core of social and industrial pacification. And we are equally convinced by thirty years specialised experience and observation that the coterie which is at the core of world unrest knows it too, and is determined at whatever cost, extending to the complete destruction of civilisation and even of the terrestrial globe, it will not have that solution, which would automatically wrest power from it as nothing else would. That is the problem of the Sphinx, which man has to solve or die.—*The Social Crediter*, September 20, 1947.

CONSUMER CONTROL OF PRODUCTION IS THE ONLY POSSIBLE BASIS OF FREEDOM; AND NO METHOD OF OBTAINING CONSUMER CONTROL HAS EVER BEEN TRIED WITH SUCCESS WHICH DID NOT BAN STATE CONTROL OF MONEY AND CREDIT AND INCLUDE DECENTRALISED INDIVIDUAL CREDIT POWER.

OUR CULTURAL DISINHERITANCE—

(continued from page 1.)

We do not know, in a fashion which would ensure repetition by us, without the assistance of example, of the brooding thought or the flashes of insight which led to any one of the great discoveries, nor to any one of the numberless trifles which are links in the chain that we call the development of process. G. F. Powell has shown that most of us, however humble, have unwittingly contributed more than one, and we are ignorant of the event, let alone the means. We do not know what passed in the mind of Napier that led to Logarithms. We do not know how the stratagem was conceived that, after many years, led to the supremacy of Newton's teaching over Descartes. We know neither of the lives stripped of everything but resolution that were somehow fruitful, nor of them that illuminated nothing but themselves. All we know is a resultant environment of man, incredibly potent to secure human satisfaction, and incredibly active to prevent it. The potential and the resistance have grown throughout history. More and more gigantic opposites confront each other in the equation.

(To be continued.)