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The Situation and the Outlook

by C. H. DOUGLAS

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Consider then Karl Marx (Mordecai): "The mode of production in material life determines the general character of the social, political and spiritual processes of life" (*Critique of Political Economy*). If that means anything at all—I am not sure that it does—it means that our desperate social, political and spiritual processes derive from "the mode of production."

I don't think "the mode of production" was even remotely understood by Marx. What he meant was the business system. And I should say myself that it is the political and spiritual processes which are evidenced by the business system. Hence the projected World Empire of Big Business and the increasing desperation of our plight.

A dispassionate consideration of such events as the Mond-Turner Conference (not to mention the deliberations of less known bodies) ought to convince anyone that the Materialistic Conception of History, which Marx popularised, but did not originate, is, like so many other theories and ideas which are current, an inversion of the truth. Mond, and possibly others with him, was perfectly conscious of what he was aiming at, and was animated by a *conscious* hatred of the traditional English way of life, which represented an *unconscious* subordination of the "employment" and production systems to spiritual and social needs. It was the remnant of Christian Europe. Given that conviction, it is not difficult to see that mass production, majority democracy, collective bargaining and collectivism, one world government (intended to be ruled by Zionists) and World War and World Annihilation are all of a piece. They are the inescapable results of a choice—conscious in a small minority, unconscious and essentially passive in "the Common Man."

It has often been observed that there has been a steady degradation in the attractiveness of life in England, and perhaps to a less extent in Scotland, as the statistical wealth of the nation has increased. Since (a) the population has increased—rather mysteriously—and (b) the rate of production per man-hour has been accelerated by a factor of at least one hundred and probably more, it is indisputable that something must be happening which is ignored. There are many factors of this character. The first is that most of our production has little value in adding to the pleasure of life. The second is that a startling amount of our exports

are a complete loss, from which we get no return. A third is that we get less return each year per unit of export, so that the amount of labour paid per unit of *import* tends to remain constant, or to increase irrespective of the productivity of that unit. At the present time, as a result of labour agitation reinforced by the failure of this policy to raise living standards, actual output tends to drop.

That is the system, and its apotheosis is, "full employment" for unspecified ends. Now, in fairness to many people whose education and daily work renders it nearly impossible that they should comprehend the insanity of this policy, it has to be admitted that war is its justification. If we are to contemplate more world wars, competitive armaments, not absolute standards of military strength, are inescapable. Put quite shortly, the world is doomed, and at no distant date, if this is the only conceivable policy by which to deal with the threat of war on a modern scale.

But there are at least two policies which can be applied to the situation. One of these is being publicised by every means which modern methods can suggest. It is the policy of the omnipotent World State. And the second is hardly mentioned and still more infrequently understood. It is the policy of the Free Individual.

It is difficult to pick up any newspaper at this time without reading a suggestion of the growing risk of war, accompanied by the remark, "Of course, nobody wants war." Well, if nobody wants war, from whom do wars proceed? The answer is: From the Common Man, manipulated by his Greatest Enemy, the Power Maniac. Without the common man, the Power Maniac is helpless.

There is really no room for argument about this matter. Not a day passes without some action being taken to make the individual more impotent and to transfer his individual initiative—his personal power—to the mass. The Trades Union, the Co-operative "Movement" (Co-operation between High Finance and the "Labour" Party to monopolise and cartelise distribution), the Producing Cartels, the various infringements on real property, and, most deadly perhaps of all, the combination of calculated inflation, taxation and "coupon" restriction are all steps to Russian serfdom.

Perhaps the greatest disservice to struggling humanity which the past hundred years has witnessed has been fostered

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From Week to Week

In his budget speech, the Hon. E. W. Hinman, Treasurer in the Government of Alberta, forecast the distribution to all adult citizens of the Province, who have resided in Alberta for five consecutive years, of one-third of the oil and gas royalties for the previous fiscal year. This is expected to yield a "dividend" of about twenty dollars per head, subject to Federal Government income tax.

The proposal, while bearing no relation to Social Credit technique, is important in that it recognises the right of citizens to an unconditional and unearned dividend as shareholders in their country. Mr. Hinman is reported to have said that the government believes the present generation is contributing assets to future generations which more than offset the amount of capital required to pay the royalty dividends. A wide-spread recognition of the truth of this, and of the importance of its corollaries and implications, might be the beginning of an appreciation of Social Credit philosophy, leading ultimately to the implementation of Social Credit political economy.

... In Washington, on June 7, 1945, (just a matter of weeks after Hurley demanded that John Service be recalled from China, where he was visiting Communist headquarters in Yenan) the F.B.I. arrested five men and one woman on charges of conspiracy to violate the espionage laws. These six persons were: Philip Jaffe, publisher of a small Communist magazine called *Amerasia* which was used to promote the cause of the Chinese Communists and criticize the Chinese Nationalist Government; Kate Mitchell, editor of *Amerasia*; Mark Gayn, a freelance journalist who specialised on Asiatic Affairs; Naval Lieutenant John Roth, who had been a research worker on *Amerasia* and had recently served in Naval Intelligence; Emmanuel Larson, a specialist in the State Department's China Affairs Division; and John Stewart Service.

"For some time, documents labelled 'restricted' and 'top secret' had been disappearing from the files of the State Department and other Government agencies. More than 1,700 such documents had vanished. Then material from these secret files began appearing in articles in *Amerasia* (in some cases entire documents appeared verbatim), and in articles written by Mark Gayn, which appeared in other magazines. When arrested, these persons had some of the secret stolen documents in their possession.

"Service was not indicted, and the whole affair was buried under a cloud of secrecy."

—An extract from *Patrick J. Hurley*, a biography by

Don Lohbeck, quoted in *Human Events*, March 9, 1957.

More evidence of how "mistakes" arise in U.S. foreign policy.

"Ben-Gurion Repays a Debt to Ike"

"In response to a personal appeal from President Eisenhower, the Israel Premier has decided to steamroller withdrawal from Gaza and from the Gulf of Akaba through his hesitating Cabinet. Behind this decision lies the story of a remarkable meeting between Ben-Gurion and Eisenhower that took place just over 10 years ago.

"It was in the early summer of 1946. Ben-Gurion was a hunted man in Palestine. He could not set foot there, nor in the United Kingdom. On the Continent the flood of illegal immigrants moving towards Palestine was mounting. D.P.'s from Eastern Europe added to Eisenhower's burden in the camps in the American Zone of Germany.

"Ben-Gurion was in Paris when he received a summons to visit the Supreme Commander in Frankfurt . . . He was sure Eisenhower would upbraid him—with some justice—for all the additional difficulties caused by the refugee movement. . . .

"The General was sympathetic and directly helpful. His understanding appreciation of the 'illegal' movement percolated into the U.S. administration. It enabled the organisers to take many short cuts afterwards. One example was that the American troopship, *Ascania*, sailing under SHAEF authorisation, carried some thousands of immigrants through the blockade to Palestine. . . ."

—John Kimche in *The Evening Standard*, March 5, 1957.

Wasn't it the *Ascania* that Bevin stopped en route and returned to Hamburg?

Compare:

"Lieut.-General Frederick E. Morgan, Chief of UNRRA Operations in Germany . . . declared in Frankfurt yesterday that Jews leaving Poland on a regular route from Lodz to Berlin were well dressed, well fed, healthy, and had 'pockets bulging with money' . . . A new factor in the U.S. Zone—the arrival of a whole carload of Jewish children from Rumania and Hungary—added to his belief that a world organisation of Jews was being formed.

"He did not know who was financing the movement or stuffing Jewish pockets with Russian printed occupation marks . . ."—*Belfast News-Letter*, January 3, 1946.

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The Development of World Dominion

During the period of the Socialist Administration in Great Britain, following the end of World War II, *The Social Crediter*, analysed the activities of that administration in our progress to disaster; and emphasised over and over that a change of administration would not mean a change of policy. The Constitutional issue, philosophy, politics, economics and strategy were examined in the notes under the heading "From Week to Week." Written or inspired by the late C. H. Douglas, these notes are a permanent and invaluable addition to our understanding of the policies of opposed philosophies, and we propose to re-publish a considerable selection of them, both for their relevance to a situation which has developed but not otherwise altered under a 'new' Administration, and for the benefit of new readers of this journal to whom otherwise they are not readily available.

The date of original publication is given in brackets after each item.

The identity of the forces which ruined first Russia, then Austria and Germany, and are now ruining Great Britain is demonstrated, if further demonstrations were necessary after Sir Ernest Cassel's gifts to the London School of Economics and his explanation of them, by the monotonous repetition of financial tactics fitted to the overriding strategy, which is to deprive the individual of spontaneous initiative and make him into a pliant tool of imposed policy.

In Russia and Germany crude and unlimited inflation transferred power almost overnight to the bankers and big industrialists (just as truly in Russia as in Germany, except that they lived in Wall Street as well as in Berlin). In Great Britain, what the international rogues have christened "controlled inflation" superimposed on punitive taxation and a purposely starved consumer market, together with the organised police state, is elevating the "coupon" and the "point" into the equivalent of the *rentenmark* and debasing the pound towards its value as wallpaper. There is nothing new about it—it has been done before, and by the same people. It has never been stopped by words or ballot-boxes; and we are not sanguine that anything but rough methods will induce our Etonian world-rulers to abandon their vision of one great Russia, with themselves as the controllers of a puppet Stalin. But the Zionists may be getting out of step. (August 24, 1946.)

"Gustave Le Bon, whose writings remain the keystone of the arch modern psychological warfare, discerned that the unconscious action of crowds may be exactly contrary to the character of the individuals composing them. Thus a crowd may be hysterically brutal, whereas the individuals of which it is formed may be actually slow to violence. . . His monumental discovery was the fact that it was the unconscious action of crowds which had substituted for the conscious activity of individuals in determining the political characteristics of the present age."

—*The Gentlemen Talk of Peace*: William B. Ziff.

"Until its ascendancy began to wane, the influence of money was great enough to sway the course of international events, and even to wage bloodless and undeclared wars of its own. . . . The harnessing of money to the planned economy destroyed not only its freedom and integrity, but its ability to make its own necessary self-adjustments. . . . As soon as trade became the function of the State rather than of private individuals, and the monied oligarchy began to disintegrate as a form of power, the surviving currency system became a menace to the peace of the world."—*Ibid.*

The preceding quotations are taken from a book which, by any standards, is a remarkable production. It purports to be written by William B. Ziff, the initial possibly representing Benjamin, or even Baruch. We use the word *purports*, because, if Mr. Ziff did not assure us that he did it with his own little hatchet, we would have said that it bore internal evidence of the work of a team of specialists chiefly united by a common desire to show that "Britain" is finished, and that the fragments of Empire should be transferred to Uncle Sam while there is yet time. An additional consideration leading to this misapprehension is that the "remedies" contained in the concluding chapters are in direct contradiction to the situation exposed by the analysis, a juxtaposition we have come to recognise as part of the technique of Communist propaganda.

Nevertheless, this book is highly significant. It is one item in a growing body of written and spoken attack on British policy and culture, which, however skilfully done, discloses a venomous determination to eliminate us. We are obliged by the renewed warning, and we imagine it will not be lost on those quarters whose business it is to deal with it. (April 28, 1945.)

"There were the tough tycoons who built mergers and financial empires, and let the public be damned. They were the same breed as the German *gesellschaft* boys, and latterly have belonged to the same cartels. . . . And both the tycoons and the socialists had the same illusion as in Germany, that centralised power in the long run could be held by themselves.

In Germany, first the socialists enervated any possible resistance to big business; then the big business men accepted the help of the bestial mob; then the mob took over."

—*Planning is a Fighting Word*, David Cushman Coyle.

Mr. Coyle has just returned from England, where he has been economic consultant to the U.S. Board of Economic Warfare. We compliment him on the foregoing summary of the situation, which seems to dispose of the outlook in a minimum of words. (August 10, 1946.)

One hundred and twenty-nine thousand indictable crimes were committed in London in 1945. The percentage of these committed by aliens is not given. You ain't seen nuffin yet, Brother. A little more of the Planned State, and crime will be the only relaxation, and we shall go into

it in a big way. It is not for nothing that our legislators are beginning to put about that Planning doesn't really mean Socialism or Planning, you know. Mr. David Cushman Coyle, who appears to be one of those Americans who came over with Mr. Benjamin Cohen to see that we didn't make anything out of the war, and lost what we had before, seems to have retired hurt from the struggle with P.E.P. and remarks in an article entitled "Planning is a Fighting Word" in the June *Harpers* "the less we read of controversial works published in London, the less likely we are to lose all track of what we are talking about."

And how. (August, 10, 1946.)

Few people appear to realise clearly how immoral, in the strict sense of the word, are the various measures which the Socialist Government has passed into "Law."

We are not, at the moment concerned with any specific action, but with the underlying principle which is blatantly evident in the attitude adopted to private property and interests. This exceeds in totalitarianism anything ever conceded to Royalty since the days of King John. A story for which we do not vouch is current that a representative of the British Medical Association approached Mr. Aneurin Bevan with a view to finding out whether any basis of agreement on the Medical Service could be found. The answer he received was that Mr. Bevan is not greatly interested; he had the necessary Parliamentary votes.

The curious point is that no pirate of the Spanish Main was half as predatory as the Socialist Cabinet, nor was able to do himself one tenth so well at the public expense; yet there are millions who cannot see that Captain Kidd possessed all the essential qualities of the Chancellor of the Exchequer, together with an equally engaging personality.

In considering this situation, it must be remembered that "the Divine Right of Kings" which, with improvements, has been taken over by the Socialists, was strictly derivative and contingent on the agreement of the Church. That this had a real validity is amply proved by the success of European civilisation in the twelfth, thirteenth, and fourteenth centuries, during which period the balance of spiritual and temporal powers was a living organism.

The modern Socialist totalitarianism has no doctrinal basis to which to appeal, although covertly Judaic, and in the political sense is monotheistic (we do not waste time in discussing the "control" of the electorate). "Absolute power corrupts absolutely." In the event of a triumph of Judaism, we revert to the morals of Babylon; and in the more likely disappearance of any fixed principles, it is a race between social disintegration and the atomic bomb.

(August 17, 1946.)

"Monopolies and cartels are the natural forms of capitalist economy in its higher stage of development. It is impossible for an economy like America's to go back to the pre-monopoly stage. The free enterprise system is the freedom of capital to concentrate and centralise itself. We find in many circles of the capitalist class much keener appreciation of this problem in its practical terms than we

find in most of America's traditional liberals at the present moment."

—Earl Browder, U.S.A. Communist Leader.

Waal, waal, waal, isn't that just too sweet, Brother Baruch? (August 10, 1946.)

THE SITUATION AND THE OUTLOOK—

(continued from page 1.)

by those "money reformers" who have supported the "nationalisation" of the Bank of England. It is simply appalling in its implications that men, well educated in the everyday sense, should be so unconscious of the very roots of the democracy for which they profess such admiration that they cannot or will not grasp two elemental propositions. The first is that genuine control of genuine finance was the core of a genuine Parliamentary system, not its electoral devices, and that this involved getting the money from Parliament not from a Ways and Means Account, and that "nationalisation" of the Bank of England has now made it quite unnecessary to bring financial questions into the House of Commons at all. So evident has this become that the proposal to vote thousands of millions of pounds merely empties the House.

It ought to be elementary, but it is not, that if no considerable number of individuals as *individuals*, can be found to say they want war, then the way to prevent war is to prevent those individuals from being coerced or deceived, by desire for money or State action, into a war which only a tiny minority *do* want, because of its indispensability to a Power World Organisation. The present Administration is going further and faster than any previous Administration along the course in which Mr. Churchill's Administration concurred, and against which the so-called Conservative Opposition is making no real protest—the transfer of power and initiative from the individual to the institutions controlled by International Finance. And no Power on earth can avert the consequences, failing a reversal of the policy and the discredit of its Philosophy. Those consequences are war and the death of civilisation.

(To be concluded.)

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