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FOR POLITICAL AND ECONOMIC REALISM

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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.

Possibly by reason of their contempt for, and disregard of, logic, the English have a genius for making systems which are fundamentally indefensible work quite tolerably, just so long as they are left to their own devices. Monopoly is no more—perhaps less—defensible when it is applied to the labour factor in industry, than to the product, and monopoly is the fundamental idea of Trades Unionism. Ignoring the decisive controlling factors which modified monopoly in the mediaeval trade guilds, the Guild Socialists seized on the superficial likeness of the Trades Union to them, and based their infantile constitution-making on organisations fundamentally dissimilar. Alien influence was already working to mould and capture Labour monopoly and it recognised in the National Guilds propaganda exactly what it required (A. R. Orage saw the danger when he dissociated himself from Guild Socialism). The Mond-Turner Conference, the Corporative Fascist State in Italy, and National Socialism in Germany, are all organically related to this strategy. That is history; and like all genuine history, there is a vital lesson to be learnt from it. The Trades Unions have become a public danger, together with the other cartels, and they require drastic modification.

(August 17, 1946.)

While British officials and soldiers are being murdered in Palestine, and the Chief Rabbi of Jerusalem expresses his

horror at the dastardly crimes "to which the Jewish people have been driven by the failure of those responsible [*i.e.*, the British] to carry out" promises which were never made, we notice that the so-called Co-operative Movement and its Collectivist Press are steadily demanding the suppression of opinion voicing what it chooses to label "Fascism." There is only one kind of "Fascism" in this country, and that is the totalitarianism of our Socialist Government backed by the monopolistic cartels, of which the so-called Co-operative Movement is becoming one of the most dangerous. We notice various symptoms of the same kind of propaganda in the student bodies of some of our provincial Universities, and we think that attention should be maintained on the remarks of several Canadian M.P.s in the debates on the Espionage case. A surprisingly large proportion of the individuals involved in various ways were, or had been, connected with McGill University, the Principal of which is Dr. Cyril James, late of the London School of Economics. It may be coincidental that Montreal, in which beautiful city McGill University is situated, has the largest Jewish population of any city in Canada, and Mr. "Fred Rose," M.P., now serving six years for conspiracy against the country to whose Parliament he sought and received election, was Member for the Jewish quarter of Montreal-Cartier. But Mr. "Rose" was a leader of the Fifth Column. And one of its demands was that "steps should be taken to see that Fascism did not revive in Canada."

During the nineteenth century, and in fact until the ruin of this country had been compassed by the throw-outs of Europe, utilised by an international oligarchy, who so fulsome in praise of freedom of speech, freedom of the Press, and other virtues of the Political Asylum of the Persecuted as they were? Asylum appears to have been *le mot juste*. They were allowed to vilify and attack individuals and classes native for a thousand years. Now that our grateful refugees have seized, at least temporarily, the keys of power, largely by the dissemination of a mass of lies, distortions and half-truths which concealed the fact that the major defect of our civilisation was financial, and they were determined that it should not be rectified, freedom of speech and of the Press has served its turn. The only kind of freedom they are disposed to tolerate and that only for the shortest practical time, is that variety so tellingly exposed by Sir Waldron Smithers—four Commu-Socialists, to one "Tory." It is a pretty game; but it is not played out yet.

(August 3, 1946.)

(Continued on page 4.)

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From Week to Week

The so-called Welfare State is simply a device—but a very clever device—to keep the Common Man quiet while the screws are turned. No remission or cessation of the continuous crises is possible until it is understood that the screws are being turned as a deliberate, devilish policy, designed to reduce the bulk of humanity to the status of proletarians, virtually moronic outside each one's specialised employment.

The attack has already gone very far. Universal 'education,' followed by addiction to a debased Press and subversive broadcasts; the break-up of the family with Full Employment for women; the dissolution of moral standards—these and other factors have produced a contemporary mentality which seems to be impervious to reality.

Great Britain was great not for economic reasons, but because of the distinctive culture she had evolved over centuries. That culture has been very nearly eliminated. Under favourable conditions, it could no doubt regenerate, over several generations, from the remnants that are left; but once the remnants too are eliminated, the British culture will have vanished forever. Since a people is dependent as much on its culture as on its heredity, this elimination of culture is as much 'genocide' as is physical destruction.

U.S. and Middle East

... U.S. Middle Eastern policy under Dulles, he said, has "grievously wounded" Britain and France. Before Congress approves the Eisenhower resolutions, Fulbright continued, Dulles should be called upon to account for why these "responsible and friendly governments" had felt it necessary to conceal from the U.S. their plans for armed intervention in the Suez crisis.

"Speaking for myself," said Bill Fulbright, "I need more convincing evidence than I have had, up to this time, that the Secretary of State has evolved policies regarding the Middle East which are in the interest of our national welfare. I regard the policies which he has been following as harmful to our interests, as being calculated to weaken the influence of the free world in the Middle East, disastrous to the NATO organisation, and as damaging to our friendship with Great Britain and France." ...

—*Time*, February 4, 1957.

Taxation and Public Expenditure

Extracts from House of Lords Debates, March 6, 1957.

(Continued)

Lord Coleraine (continuing):

But it is not only the burden of taxation which acts as so great a disincentive in this country; it is injustice, too. What justice can there be in surtax beginning to-day at a level of £2,000 a year? The theory of surtax is perfectly well known; it is the theory of progressive taxation, which probably we all accept in greater or less degree. The theory is that at a certain level a man becomes a rich man and, therefore, he can contribute considerably more than his less fortunate fellow-citizens. But consider that figure of £2,000 in terms of to-day's values and in terms of pre-war values, even in 1938. What we are seeing to-day, in effect, is that the surtax level begins, not at £2,000 a year, but at something like £600 a year, because that is the value of £2,000 a year to-day in terms of pre-war when surtax was invented.

Then there is the question of the earned income allowance. The basis of earned income allowance is that earned income is worthy to be admired and has a social purpose; unearned income, on the other hand, is not so admirable and of doubtful social value. I do not take that view. But that is the general basis of earned income allowance, as I understand it. If that is so, why in the world should earned income be socially valuable up to £2,200 a year (or whatever the figure is) and then suddenly become something despicable and objectionable? . . .

I believe that these two factors, the burden of taxation and the plain and obvious injustice of much of our present taxation system, have a profoundly debilitating effect, which is becoming progressively more marked. I am not expressing an opinion; I am stating a fact, and it is a fact that is reflected in certain trends in the present emigration figures. I am not against emigration. I think it is of value to the world and to this country that a proportion of the best British people should go abroad to other parts of the world, but if that is carried too far, it can be a disturbing symptom; and it is a very disturbing symptom to-day.

Perhaps your Lordships saw in the *Observer*, a month or so ago, an inquiry into the attitude to emigration of undergraduates at Cambridge University. The inquirers took a sample of undergraduates in their second year and in their final year. They found that more than 11 per cent. had definitely decided to emigrate, and that a further 27 per cent. were actively considering emigration. An important element was that of the total, 44 per cent. were science students—in other words, just the kind of men we can least afford to lose. In the great majority of cases, the cause of this decision was given as lack of incentives and high taxation.

That is confirmed by some statistics that have been furnished to me by the professional institutions. Last year, of the new entrants to the Institution of Mechanical Engineers—that is, of young qualified men—more than 10 per cent. left for the United States and Canada; of entrants to the Institution of Electrical Engineers, 5½ per cent.; of those to the Institution of Production Engineers more than 11½ per cent., and of those to the Royal Aeronautical Society,

12.1 per cent. More than one-tenth of those upon whom we are going to rely for the development of atomic energy, for the development of aircraft and for the development of defence by guided missiles and so on, are leaving this country because they find conditions here unjust and intolerable. A day or two ago, my noble friend Lord Home said in your Lordship's House that he considered these alarmist reports exaggerated. I do not believe that these reports are alarmist: I do believe that they are extremely alarming.

I said at the beginning of my speech that I did not expect a statement of policy from Her Majesty's Government. I must add to that comment that I cannot advise them on their policy. Sometimes my mind goes back to 1940. I knew in the early summer of 1940 that this country had to be defended, but I did not know how it was going to be defended. I know to-day that public expenditure has got to be controlled, and that the burden of taxation has got to be reduced, though I cannot say how it will happen. All I can say, with a feeling at any rate of assurance, is what will happen if this is not done. Much more is at stake than any question of prosperity or living standards. I believe that free society itself is at stake. I believe that our Parliamentary institutions are at stake. For far too long in this country economic policy has been a matter of bargaining between politicians of all Parties and voters of all classes, whereby the voters sell their votes to politicians; and the price they are paying, though they do not know it, is their future. I am certain that, unless we pull ourselves together, democracy as we know it, Parliamentary government, must come to an end. It has happened before. It has happened elsewhere. It could happen here, and it could happen soon. I beg to move for Papers.

Lord Grantchester: In the days of absolute rulers, the people of this country made clear that the right to tax was not a privilege conferred upon those rulers, but they have not been so successful in modern times. Perhaps they have been deceived by the delusion that, under a system of universal suffrage, taxation is levied and paid by the same people, but that is very far from the truth. In a simple society it may still be true, but it is not true in the society in which we live in this country. In view of that, I suggest that the maxim that there should be "no taxation without representation" needs restating, so as to bring us back to the principle that taxation should be with the consent of the taxed. Taxation which is not justified in the eyes of the taxed is an affront to a free man. It has to be justified both as to its purpose and as to its extent.

It has become the fashion to-day in many circles to speak as if the State had the right to all the earnings of its citizens; that it was justified in retaining so much as it believed it required, returning only as much as was necessary to keep the citizen still working. Even Conservative Chancellors of the Exchequer have talked of having "nothing to give away," and some economists have aided and abetted them by advising them to "mop up" purchasing power in order to prevent the citizen from exercising the rights of ownership over his earnings. We shall have done a service if, as a result of this debate, this fundamental thesis that taxation must be justified is more widely accepted. I think we shall all agree that it is justified for the purchase of common essential services which are equitably distributed.

I think we should all agree that it is justified to meet the welfare of the needy. . . .

So far as contributions for welfare are concerned, we may perhaps remind ourselves that the Jewish law settled for 10 per cent. of income, with a bonus, I think, in every seventh year; but there was no suggestion of progressive income tax. There was no suggestion of a highly-graduated system of taxation which has been called "the supreme danger of democracy." It was a flat rate on income. There was no question of discriminatory taxation. May I suggest, or repeat, that the sooner purchase tax is replaced by a sales tax the better, not only because purchase tax is discriminatory but for other reasons which I need not go into now, one of them being the arrangements that we hope to make in the European common market.

The point is, surely, that if taxation becomes an instrument of coercion against a minority or a group, it is not only an instrument of coercion but it becomes an instrument of tyranny. . . .

My Lords, I have referred to taxation as becoming an instrument of tyranny. I should like to ask your Lordships to think for a moment what safeguards there are in this country against that kind of tyranny if it is found intolerable and if a person is one of a minority, or belongs to a group which is ill-organised or is not sufficiently vocal. We have in this country no written Constitution to which he can appeal; we have no Supreme Court which can protect him. Relief against this kind of tyranny, which means the effective confiscation of a man's earnings, is not yet included in any convention of human rights. What can a citizen in this country do? In former days he could pack up and emigrate. He has a much smaller opportunity to do this to-day. It is more difficult to find a country to go to and he can take much less with him than formerly. But, as the noble Lord, Lord Coleraine, has said, the number of people seeking to emigrate should make us think, and ask whether it is because they are being deprived of the rewards for which they work, or think that they will be deprived of the rewards if they stay here and work.

It is noteworthy that citizens in this country have much less opportunity than those in any other Western European country at the present time to protect their savings, because they still have no right to buy foreign currencies and they still have no right to buy gold—a right which has been restored in every other Western European country. I should like to ask Her Majesty's Government when the right to buy gold will be restored to British citizens. . . .

. . . more comfort in the office is not a substitute for less money to spend in the home. The economy may be kept going at the expense of the cultured life. It is the cultural values in the home which are destroyed by over-taxation, which is particularly unfortunate at the beginning of a new scientific and technical age. . . .

Most European countries have not at their disposal a highly qualified body of accountants such as we have in this country, who are of inestimable assistance to the Inland Revenue. The taxation officials abroad, so I am given to understand by those who have to deal with them, are much more lenient in fixing the assessments, both personal and company, than the officers of the Inland Revenue in this

country. The noble Lord referred to the surtax level. Surely we can all agree that it is ridiculous, with the £ worth only 7s. 10d. of its 1939 value, that the surtax level remains unaltered. If this group of taxpayers had any shop stewards I am sure they would be ringing bells all day long. . . .

(To be concluded)

The Chosen People Theory

"In our own country the Chosen People theory has in fact been carried to the point of superstition—a superstition immensely advantageous to the Jews—which consists in interpreting the passage of Scripture containing the promise made to Abraham, "I will bless them that bless thee, and curse them that curseth thee," as meaning that favour shown to the Jews—who form merely a fraction of the seed of Abraham—brings with it peculiar blessings. In reality it would be easier to show by history that countries and rulers who have protected the Jews have frequently met with disaster. France banished the Jews in 1394 and again in 1615, and did not re-admit them in large numbers till 1715-19, so that they were absent throughout the most glorious period in French history—the *Grand Siècle* of Louis XIV—whilst their return coincided with the Regency, from which moment the monarchy of France may be said to have declined.

"England likewise banished the Jews in 1290, and it was during the three and a half centuries they remained in exile that she was known as "Merrie England." The fact that their return in force in 1664 was followed the next year by the Great Plague and the year after by the Great Fire of London would not appear to indicate that the Jews necessarily bring good fortune to the land that protects them. The truth is, of course, that kindness to any portion of the human race brings its own reward in the form of moral improvement in the individual or nation that performs it, but no more benefit attaches to philanthropy when exercised toward the Jew than towards the Chinaman."

—*Secret Societies and Subversive Movements*
by Nesta H. Webster, pages 380/381.

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THE DEVELOPMENT OF WORLD DOMINION—

(continued from page 1.)

In view of the general resentment aroused by the terms of the "American" Loan we repeat the paragraph which appeared in our issue of April 21, 1945.

"Among all the present economists, Mr. John Maynard Keynes, British Economic Adviser at the Peace Conference, is entitled to the palm as the champion blunderer. As will be more and more clearly proved by the force of events, Mr. Keynes made himself the promoter of a formula of economic peace with Germany. This formula was so favourable to Germany's foreign trade that, without a doubt, it is largely responsible for the industrial crisis now [1922] affecting all the allied countries, and particularly, Great Britain."

—*The Mystification of the Allied Peoples*, André Chéradame, p. 45.

1945: For "Germany" read U.S.A.

It should be particularly noticed that Lord Keynes, in his speech in the House of Lords on December 18, endorsed the American refusal to consider past events and the disproportionate sacrifices of the British people in the war, as constituting any argument whatever. We emphasise this matter. It is part of the technique for the preparation of the next war. (December 29, 1945.)

In the immediate-post-1918 Armistice Government of Lloyd George, only one M.P., Colonel Meyler, South African, Member for North Blackpool (Nat. Liberal), attacked the financial system. He lost his seat at the next election, and "committed suicide."

Only two members of the first Labour Cabinet spoke against the return to the Gold Standard. They were Colonel Wedgewood and Mr. John Wheatley. Neither of them was ever given Office again. Mr. Wheatley was by far the most capable Minister in the Government of which he was a member, and his complete disappearance from politics, and early death were not easy to foresee.

In the second Labour Government, only one member of the Cabinet resigned as a protest against the financial policy of the Government. It was Sir Oswald Mosley.

(August 17, 1946.)

"Britain" is to be kept just breathing, so that "she" can sustain the major shock of the next war. There is nothing mysterious whatever about Mr. Molotov's tactics; his orders are to fish in troubled waters, and keep them troubled. (August 17, 1946.)

Social Credit and Suez

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