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FOR POLITICAL AND ECONOMIC REALISM

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Why I am a Social Crediter

by BRYAN W. MONAHAN

(Continued)

In the long run, everything depends on the ideal we look to. Almost the only one at present is to become rich, in terms of money. The only true richness is "treasure laid up in Heaven," which I take to be richness of creative experience. If we make "earning a living" of diminishing importance, and "having life more abundantly" of increasing importance, and re-orientate the social teaching of the Church and of schools accordingly, we can expect to see Society transformed—not overnight, but in the course of a few generations, for there is much evil to die out.

But much evil arises from the love of money. Social Credit, by making, eventually, everyone "rich," would automatically destroy the love of money. Money, at present, is too necessary to too many; an income from week to week is literally a matter of life or death to the majority, while to the minority money represents power. But in terms of industrial possibilities, we all should be rich.

It seems to be increasingly difficult to get people to realise that we all could be comparatively rich, that taxation is not only unnecessary, but is actual and deliberate robbery, that what we now know as Social Service payments could be universalised and increased as unconditional dividends. Almost universally, the cry is, "I don't understand economics."

What is difficult to understand is contemporary economic so-called theory; and this is reasoning applied to false premises. To understand the Social Credit proposals, it is only necessary to grasp a few fundamental realities, and make some common-sense deductions.

The first fundamental is that labour-saving machines save labour. In the limit, labour-saving would displace all labour, and consequently some other means of distributing the product of the machines would of necessity have to take the place of wages paid for employment.

The false premise from which current economics proceeds here is that labour saved must be re-employed, and that such employment should be provided by financial manipulation. In the long run—it might be a very long run in terms of this generation, but only an instant in the history of mankind—the two policies of labour-saving and full employment cannot be pursued together, and the attempt to do so is a major cause of the inflation which is at the root of the catastrophic social unrest and disorder of our times.

The second fundamental is that money is not a commodity, having inherent value; the idea that it is had some

foundation when there was a gold currency, but has none now. Money now is simply a system, analogous to a filing system. In fact, money is one part of a complex system of accountancy. By far the greater part of this system is operated without the use of *currency*—i.e., notes and coins—at all. And even notes and coins have an inherent value only a fraction of their nominal value.

Now it is quite evident that this system is not giving satisfactory results; but once it is recognised as a system instead of a thing-in-itself, it becomes evident that the system can and should be altered. We are the victims of a wrong system of book-keeping, and orthodox economic theory is merely a description of that system. The remedy is not to try to understand "economics," but to insist that truthful bookkeeping be instituted.

Short of actual catastrophe ending life on earth, in the world of the future there will be "work" only for the few. That fact should be the starting-point of our present plans. Our children, we should say, will be wealthy; let us bring them up to get the best advantage of their wealth. Let us look to a future where the predominant activity will be, in the broadest sense, cultural activity. Where the Greeks had slaves, they will have automatic machinery. For a few generations, we have been building those machines; but now the building is almost over, and it is time to prepare for its beneficial use. We have been slaves, but are about to become free. Let us cast out fear, envy, and greed, and rejoice in all those who achieve freedom. And what greater freedom is there than a secure, independent income of gradually increasing purchasing power?

I have read, thought about, and discussed Social Credit for nearly thirty years, and have become ever more convinced that it is the only policy in accord with the true nature of man, and adapted to our present and future environment. When the genius of Douglas first proposed it, its implementation would have been relatively simple; but, as he observed a few years ago, we have dropped back some hundreds of years, and the task is much less simple now. But the task is still, I believe, the only alternative to disaster.

We have to get away from the idea that the well-being of the human Spirit is measured by the annual production of pig-iron; we have to appreciate that a large part of production in general represents pure waste, and is a crime against our heirs. Production for the sake of employment is sheer madness, the politics of destruction. We have built our house, now let us adorn it with works of art, furnish it

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Goethe's Message for Our Time

"... the message of Goethe to the man of today is the same as to the man of his own time and the man of all times, namely: 'Strive to be really man! And thou thyself, be as a man living an inner life, a man who, in a way that corresponds to his own nature, is a man of action.'

"But, the question arises, can we in the terrible circumstances of our time still achieve such personal human existence? Do we still possess the minimum of material and spiritual individual independence which is the requisite condition for success? The circumstances of the age in which we live are indeed such that the man of the present day hardly possesses any material independence at all, whilst his spiritual independence is also most seriously threatened. In every way our position, daily becoming more unnatural, is developing in a direction which involves that in every respect man more and more ceases to be a being who belongs to Nature and himself, and is ever more subjected to the social organisation in which he lives.

"There arises a question which even half a lifetime ago we should have regarded as impossible: Is there any longer any sense in holding on to the ideal of personal human individuality, when circumstances are developing in just the opposite direction, or is it not on the contrary our duty to adjust ourselves to a new ideal of human existence, in accordance with which man is destined to attain a differently constituted perfection of his being in unreserved absorption into organised society?

"But what else is this than that we, like Faust, going astray in an appalling fashion, should break away from Nature and surrender ourselves to a monstrous unnaturalness?

"And indeed, what else is that which is going on in this frightful age than a gigantic repetition of the Faust-drama played on the world-stage? In thousands of flames the cottage of Philemon and Baucis is burning! In thousandfold acts of violence and thousandfold deeds of murder a mentality which has lost all human qualities wages its wanton sport! With a thousand grimaces Mephistopheles grins in our faces! In thousandfold ways man has let himself be led to renounce his natural relationship to reality and to seek his weal in the magic formulas [*] of some economic

or social system which only thrusts still further the possibility of escape from economic and social misery!

"And the terrible significance of these magic formulas, to whatever school of economic and social witchcraft they may belong, is always that the individual has to surrender his material and spiritual personal existence, and may continue to live only as belonging body and soul to a plurality which controls him absolutely.

"Goethe could not foresee that a time would come when economic circumstances would in this way make for the destruction of the material independence of the individual. But with the mysterious prescience by which he was conscious of the danger of the introduction of machinery, whose first beginnings he experienced, he foresaw that in the future the spiritual independence of mankind would be menaced by the appearance of a mass-will. This foreboding was the cause of his unconquerable aversion for all that was revolutionary. In his eyes revolutionary activity was mass-will trying to subject individual wills to itself. As a witness of the first indications of mass-will in the French Revolution and in the movement of the wars of liberation, he had a clear consciousness that something had made its appearance whose consequences reached beyond the range of vision. Hence his hesitant attitude to the wars of liberation, an attitude that gave occasion to much misinterpretation. He certainly desired freedom for his fellow-countrymen, but the manifestation of a mass-will directed to this end had for him a sinister look, as we know from a conversation he had with the Professor of History at Jena, Luden by name, in 1813, when with deep emotion he gave vent to thoughts which he usually kept to himself.

"He was the first to experience something like fear for the future of humanity. At a time when others were still unconcerned, it dawned upon him that the great problem with which approaching developments would be concerned must be how the individual would be able to maintain himself against the majority."

Albert Schweitzer: *Goethe* (1949).

WHY I AM A SOCIAL CREDITER

(continued from page 1.)

with craftsman's care, surround it with beautiful gardens and live in it graciously and abundantly. Let us learn to be artists, making the raw materials of our lives conform to the meaning we ourselves put into our lives. The destiny of man requires the uttermost freedom, and a final, awful, personal responsibility. *Life is initiative: the rest is entropy.*

(Concluded.)

"Whose Service is Perfect Freedom"

by

C. H. Douglas.

Foreword by Tudor Jones.

5/- Post Free.

[*] If due weight be given to the adjective 'magic,' we think Social Crediters may not dissent.—Editor, *T.S.C.*

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.

We rate the intelligence of the readers of this review highly. It is not written for morons, who we recognise are widely catered for in productions of much larger circulation.

The full recognition of these facts enables us to dismiss at once any idea that there is some stratum either of society or Government composed of individuals who, if only we could penetrate it, would see the light, and work effectively towards it.

Let us make this point as clear as we are able, because it appears to lie at the root of wide misapprehensions. World politics are (irrevocably, we think) committed to the centralisation of Power. We are committed irrevocably to the decentralisation of Power to *the limits of the capacity of the individual*. The first Policy postulates the equality of all men and women; the second recognises the absolute individuality and increasing differences of every human being.

There can be no greater practical mistake at the present time than to suppose that Social Crediters can engage usefully in what Lord Keynes called Essays in Persuasion, directed to the conversion of conscious opponents.

The die is cast; whether the phrase "the war between Christ and Anti-Christ" is taken to be symbolical or literal, one side must win.

Now, the practical effect of this is to put to some extent technical arguments into cold storage. Not the least of the fundamental fallacies of Fabianism was that Economics preceded and conditioned Politics. Precisely the opposite is true, and our task is, *not to capture politics*, but to fragmentate them.

With this preamble, and in the light of it, we make the following suggestions which do not replace, but rather reinforce, previous Constitutional proposals:—

- (1) The Bank of England should be de-nationalised.
- (2) The shareholding should be distributed to individuals as a basis of pensions.

- (3) The Ways and Means Account should be abolished, and Supply voted directly by means of deduction from wage rates (P.A.Y.E. accompanied by an analysis of the destination of the deducted money).
- (4) All Government expenditure to be audited by accountants paid by local Councils.

(September 30, 1950.)

To anyone closely in touch with affairs in the ten years before the outbreak of the second phase of the War, it was obvious that Keynes, and the Keynesian distortion of the Social Credit Thesis, were the Financiers' Answer to the attack on the Banks. Lord Keynes was an able man, and was furnished with the best assistance unlimited money could provide; and the Keynesian Proposals for Deficit Spending, by which the under-distribution of purchasing-power disclosed by the A plus B Theorem, and rather cleverly admitted by Keynes, was paralleled by money issued to finance Public Works which were not for sale (the current British equivalent being the wages, salaries and dividends paid in respect of Exports which cannot be bought; these however serving as a tax on the whole community equivalent to coin clipping) were a brilliantly devised trick to put the population permanently to work for Lord Keynes's employers.

But it is evident from many quarters that Social Credit is a chiel' that winna ding; and one of the more recent items in the evidence is a production "intended mainly for the general reader" by a Dr. Klien, with acknowledgments to O. Lange, J. Letiche, J. Lintner, G. Malanos, F. T. Malm, J. Marschak, C. Myers, D. Patinkin, and S. Pu. And, last but not least, The London School of Economics.

In the decade preceding what may be termed the Keynesian Apocalypse, the Chairman of The Westminster Bank, an amiable and cultured banker, placidly repeated at yearly intervals a denial of the proposition that banks create financial credits—"the means of payment out of nothing." This denial of what had been almost universally admitted ten years earlier must have served some purpose; and Dr. Klein's book no doubt has much the same objective.

(March 4, 1950.)

From many and varied quarters we receive proposals for lines of action which rely for their validity on an appeal to the moral law. Let us hasten to say that we have the greatest sympathy with this appeal.

But we do not think it is generally recognised, at any rate with sufficient clarity, that this appeal begs the primary issue now before humanity. There is no law without a sanction; has "Right" or Decency, or Justice or Mercy any sanction? It is not a question which permits of a facile answer; in fact the answer may be what religion has always contended it to be, one which may be so final as to dispose of any subsequent problems.

(October 14, 1950.)

Probably not many of our readers see Mr. Manning's Alberta paper *The Canadian Social Crediter* (sic), but for the benefit of those overseas who do we may issue a note of warning against the technical inaccuracies which are beginning to reinforce its politics. For instance, the Keynesian fallacy adopted by Mr. Vincent Vickers that "spending new money into existence" is a cure for the flaw in the price system is being rather subtly substituted for the application of new money to the reduction of prices *at the time of purchase*.

"Time" is one of those subjects which seems to offer great difficulties to most people, but it does not appear too much to ask for the consideration of the difference between, say, paying out new money for a hydro-electric scheme which will "sell" nothing for five years, and paying out the same amount of money to reduce the cost of power.

Of course, the international finance groups have no objection whatever to the former course—it is almost as good a method of raising prices and promoting loans as having a good war.

The most charitable, and probably in the main, correct explanation of the disappearance of everything but the name of Social Credit from the Alberta Government is that its executives have entirely "lost the thread of the story"; that beyond wishing to retain office, they have no policy.

(December 17, 1949.)

The New Babylonians!

The following extracts are from *The Bible as History* (Keller: Hodder & Stoughton).

"*Audiator et altera pars*—There are always two sides to a story! If we want an objective picture it is always advisable to study the war diaries of both opponents . . . The Mesha-stele adds the necessary colour to the Biblical narrative and illumines its obscurity. The stele and the Bible agree on the decisive point, namely that the campaign ended with the defeat of the Israelite king. The Bible describes at length the initial success of Israel, which king Mesha passes over in silence. The unfortunate outcome of the campaign is only briefly hinted at in the Bible, whereas the Moabite king revels in his victory. Both are telling the truth." (pp. 231/232.)

" . . . Jerusalem was given over to plundering; the royal palace and the temple were set on fire, the city walls and fortifications were razed to the ground . . . Once more in 587 B.C. part of the population was deported . . . Nebuchadnezzar erased the royal house of David, which had reigned without interruption for 400 years. The land of Judah became a Babylonian province. Those who were left waged a maquis type of war from their hide-outs in the mountains and claimed as their victim Gedaliah, who had been appointed governor . . . The third deportation was a reprisal for this, and it was also the last. . . . The Babylonians permanently destroyed and de-populated Judah: in brief, as far as archaeology is concerned they made a clean sweep. . . . The story of . . . Israel is at an end—the story of the Jews begins." (pp. 280/281.)

" . . . Build ye houses, and dwell in them: and plant gardens, and eat the fruit of them . . . that ye may be increased there and not diminished. And seek the peace of the city whither I have caused you to be carried away captives." Jer. 29 five-seven).

"So wrote the prophet Jeremiah from Jerusalem to the elders, priests, prophets and to the whole nation that at Nebuchadnezzar's bidding had been carried off to Babylon. Following his well considered advice, they sought and found 'the peace of the city,' and did not fare at all badly . . . One family which had made the grade has left to posterity its dust-covered business documents on clay. 'Murashu and Sons'—International Bank—Insurance, Conveyancing, Loans—Personal and Real Estate—Head Office: Nippur—Branches everywhere—a firm with a reputation throughout the world, the 'Lloyds' of Mesopotamia. The Murashus—displaced persons from Jerusalem—had done well for themselves . . . for 150 years they had enjoyed the confidence of their clients, whether it was a matter of conveyance of large estates and sections of the canals or of slaves . . . The rate of interest was 20 per cent., not introduced by Murashu, let it be said. That was the normal rate in those days . . . In their homeland they (the Israelites) had only been peasants, settlers, cattle breeders and tradesmen. The law of Israel had made no provision for commerce: it was an alien occupation. . . ."

"The switch over to this hitherto forbidden profession was extremely clever—a fact that is seldom properly understood, for it proved to be in the last resort, when added to a tenacious attachment to their old faith, the best guarantee of the continuance of Israel as a people. As farmers and settlers scattered throughout a foreign land they would have intermarried and interbred with people of other races and in a few generations would have been absorbed and disappeared. This new profession [*] demanded that their houses should be in more or less large societies, within which they could build themselves into a community and devote themselves to their religious practices. It gave them cohesion and continuity . . ." (pp. 283/285).

[*] "This new profession," strangely enough, is referred to by the author or translator as that of *merchant and trader*. No mention of Banking appears; and yet, without knowledge of the money trick the "switch-over" would have been impossible. As merchants and traders the erstwhile peasants, cattle-breeders, etc., would have had to compete—on equal terms—with no less capable *established* nationals. *Audiator et altera pars*—There are always two sides to a story; even when told by Archaeologists.—W.H.P.

BOOKS TO READ

By C. H. Douglas:—

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