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### The Last Chance: A Conspectus

By BRYAN W. MONAHAN

In 1918 Major C. H. Douglas, a Scottish engineer, published a short article which drew attention to certain relations between Finance, Centralisation, and World Hegemony. In 1920 he published a book, *Economic Democracy*, in which this matter was closely analysed. What emerged from this examination was the fact that the operation of the financial system was inherently centralising, forcing on society a pyramidal organisation, with Finance, in the form of the banking system, at the apex of power.

At first, Major Douglas was undecided as to whether this situation was fortuitous or brought about by design. He foresaw, however, that the progress of centralisation would bring a relatively small group of people to a position of unprecedented world power, and that since such a degree of centralisation is oppressive to individuals, while power once attained is never relinquished voluntarily, a situation of conflict between centralised power over mankind, and reaction against such power, would eventually come about.

This general theme was elaborated by Major Douglas in a series of books examining the central problem from various points of view and various aspects were investigated in a series of articles and addresses. In a period of what appeared to be ever-expanding prosperity, Douglas forecast an economic catastrophe, which in fact occurred with the great depression which began in 1929.

The paradox of poverty amidst plenty drew attention as nothing else could to the part played by money, and particularly by financial credit, in production and distribution. All over the world, thanks to the propagandist efforts of the relative minority of people who had grasped the significance of Douglas's explanation of the actual functioning of the financial system and its relation to industry, large numbers of people became familiar with what up till then had quite literally been regarded as a mystery. A growing demand arose for a reform of this system, and the culmination of this demand was the election of a Government in Alberta, Canada, pledged to such reform.

#### II.

This was a decisive event. It resolved the question beyond any doubt, as to whether the operation of the financial system was fortuitous, or the outcome of a deliberate conscious policy. Quite clearly, immediate purposive steps were taken by financial institutions to hamstring the new Government. Every attempt made to bring about financial reform was foiled, whilst an immense but obviously organised campaign of lying and misrepresenta-

tion was unleashed to discredit the Government.

Douglas's growing conviction that behind the troubles which beset the world was a definite intention to establish a World Hegemony of Finance was thus brought to a certainty. But now the rise of Hitler, and subsequently the policy of re-armament, relieved the depression; and increased availability of money coupled with the distraction of the growing threat of war, diminished public interest in monetary reform.

Douglas had now decided that events were too ominous for financial reform to be effective. He saw that the conspiracy underlying events, and those concerned with the conspiracy, must be exposed. In a series of works, beginning with *Whose Service is Perfect Freedom*, begun just before the Second War broke out, he exposed the drive for World Hegemony as a conscious conspiracy, and showed the relationship of the war itself to this conspiracy in works published during and after that war.

On the evidence and analysis he adduces, it is quite clear that the war was brought about deliberately by those at the apex of control of the financial system. German re-armament was accomplished with the assistance of the Bank of England — one of the world series of central banks which are themselves evidence of the hierarchical policy of Finance—while British re-armament was hampered and socialist pacifism encouraged. But during this period there were prepared a series of far-reaching centralising administrative controls which were imposed on the British public when war broke out.

#### III.

One effect of the Great Depression, and of the monetary reform propaganda which accompanied it, was to make another such depression virtually politically impossible; so an alternative method of carrying forward the conspiracy for World Hegemony had to be provided.

The core of the pre-war system of finance was that costs of production continuously exceeded the flow of incomes to meet them—a system that automatically kept money in short supply and consequently power in the hands of those able to supply it. Before the great depression it was not understood outside a very limited number of students that the great bulk of 'money' is in fact financial credit and that this latter is absolutely nothing but the creation of the banking system, most of it existing, indeed, only as figures in books. Nowadays, however, the 'creation of credit' is a commonplace of discussion, and the policy of 'the Government' in regard thereto the main preoccupation of political discussions.

—(continued on page 3)

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## FROM WEEK TO WEEK

*American Opinion* (June, 1960) in a brief review of U.S. foreign policy under Secretary of State Christian Herter remarks that the record is much too consistent to be explicable by the assertion, sometimes made—as if that would excuse the calamitous failures—that Mr. Herter is stupid. Major Douglas, particularly during and after the war ridiculed what he called “the village idiot” theory of the worsening situation of the world. As he said, if the mess we are in is not the result of conscious and deliberate intention, there is simply no hope for us. If there is any hope, it lies in recognising the intention, and dealing definitely with those responsible.

The Communists have been consistently successful in the strategy which they quite openly proclaimed — a strategy not of a third world war, but of conspiracy, subversion, and revolution. But all the intelligence of the world is not concentrated in Moscow, or even in the Communist Party. Before the Second World War, the Communist strategy seemed so far-fetched that it proved impossible to get anyone to consider it seriously; but with its increasing success it is impossible for anyone acquainted with the strategy and the facts of the current situation to miss the connection. Yet we are still supposed to believe that the current threat is of the Third World War, and the alleged preparations for this still further increase the actual progress of the Communist World Revolution.

If it is impossible to get those in control of the remaining sanctions of independence to see that so far from U.S. Foreign Policy being conducted by idiots, it is in fact conducted skilfully but deceptively to further Communist police-control of the world, while appearing to build strength for a War Against Russia, then our doom is certain — as is that of the ordinary people of the U.S.

It is only necessary to grasp the even more dubious fact that Finance licenses foreign policy to realise where

the heart of this conspiracy to bring down Christian civilisation and enslave the world lies. It has, indeed, been obvious these many years — so obvious as to seem incredible. But then our situation now as viewed from, say, the turn of the century, is equally incredible.

The most drastic action, immediately, is required.

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In the course of an Address given well before the Second World War, Major Douglas warned what was, we should imagine, a somewhat sceptical audience that not one of those present was secure in his way of life as he knew it. And none was. Now even today we meet many who are so apathetically disgusted with our ‘democratic’ governments that they even say that the increasingly obvious possibility of a Communist take-over might be preferable, on the grounds that a frank dictatorship would be more efficient, and would probably be mollified and modified by increased prosperity.

The trouble with this argument is that the only real efficiency of a dictatorship is tyranny, and tyranny and prosperity are incompatible. So far as the Communists and their masters are concerned, this incompatibility will be dealt with not by modification of tyranny but by abolition of prosperity. For this reason they actually prefer bloody and violent revolution and disorder, to achieve the actual physical destruction and disorganisation of the means of prosperity, so that re-organisation can be undertaken under the slogan of “production for use and not for luxury,” while the concentrated wealth of the world is dissipated by export to ‘under-developed’ areas: not for the real benefit of the inhabitants of those areas, but to keep mankind enslaved under massive and successive Five Year World Plans. The much publicised ‘population explosion’ is guaranteed to perpetuate this pet dream. And with a suitable re-distribution of population, even the memory of Christian civilisation will soon be lost.

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It is widely believed that there has been a notable reduction in ‘labour hours.’ In fact, under ‘Full Employment,’ labour hours have probably increased, because the labour force now includes a huge number of mothers and children of an employable age, even if some of these are employed seasonally—in the ‘holidays.’

Houses, factories, railways, roads, machines — the greater part of our present potential wealth was produced by men almost alone—no doubt exploited, but not severely so. Their emancipation from such exploitation as there was is almost wholly at the expense of their dependants. The labour saved in the home by machines is labour available for the factories and offices.

The tragedy of the Whites in the Congo was foreseeable and foreseen. The tragedy of the reader of these notes is foreseeable. It seems always to be the case that in the face of catastrophe elsewhere the reaction is: It can't happen here. Yet over and over again it happens.

## One-World Government

*American Opinion*, June, 1960, in its section "If You Want It Straight," after examining the political record of the new Secretary of State, Christian Herter, ends: "... What Mr. Herter is and wants is entirely clear. He is an extreme internationalist, who wishes to see a one-world government established with enforceable power over all the nations of the earth—with all of these nations socialised and equalised and denationalised, so that a one-world administration would be practicable. If it happened to turn out, through the accidents of history and the fortuitous concatenation of present forces at work, that the seat of that one-world government was in Moscow; that the world-wide armies enforcing universal peace were under control of the Kremlin and using the Kremlin's highly efficient police-state methods; that the necessary mechanics for making socialism work gave the Kremlin's agencies and viceroys complete control over the raw materials, farm production, and industrial output of the whole world, to move around and distribute as they saw fit; and that in the making of the world-wide omelet of peoples a few tens of millions of human heads unavoidably got busted and a few hundred millions of other human beings lived out their whole span of years as miserable slaves; if the achievement of the glorious, beautiful, egalitarian, socialised, and peaceful one world, ruled by world law, should just happen to evolve in that manner, this would be a most unfortunate coincidence, which we are sure Mr. Herter would consider regrettable. But not too regrettable, of course, if there were no other way to bring about so desirable an end."

The continuation of "In South Africa," the first instalment of which appeared in our last issue, is interrupted to give priority to the publication of "The Last Chance: A Conspectus."

This review, by Dr. Monahan, will very shortly be available as a pamphlet from K.R.P. Publications Ltd., 11, Garfield Street, Belfast, Northern Ireland.

## Student Riots

Communist infiltration and planning were behind the sensational riots in Newport, R.I., during the jazz festival in that centre of American society last week, according to Red investigators of the U.S. Government. It is true—say these probers—that no political issue was involved, but the Communist role is characteristic of Moscow's pattern in all sorts of civil disturbances all over the world, particularly when students are involved. Some student leaders actually do not realise they have been manipulated by Moscow.

In Newport, students from Boston played a big part in the disorders and it is reported that Communist infiltration has gone far in some of the institutions of higher learning in the Boston metropolitan area. Although no political issue precipitated the Newport riot, the Communist directors reportedly want as many outbreaks by students as possible, no matter what the excuse may be. In short, a snow balling of student uprisings.

Prominent in the minds of U.S. Government agents who deal with subversives is the memory of the recent riots staged against the House Un-American Activities Committee in San Francisco (see "Frisco Riots," page 277)

which bore the trademark of "made in Moscow" and skilful Communist direction of students. The same goes for the anti-racist sit-ins in the South and border states in which students play a big role. And all such disorders bear the same stigmata as the student manifestations in Korea, Turkey and Japan: they are related to and, indeed, correlated by the same Red G.H.Q.

Finally, these informed sources say, some of the Nazi or anti-semitic demonstrations in this country have received help from the Reds; although some of the bigots (just as some student group leaders) at the head of such outbreaks remain unaware of the fact. The ranks of such elements—formerly obscure and little noticed—have been infiltrated recently by Communist agents; once the Reds got in, the demonstrations assumed such an aggressive character that they reached the front pages of the newspapers.

This, too, is not altogether surprising to experts on Red manipulation, for last winter the anti-semitic disorders in Europe, especially in Germany, were traced to Communist instigation.

As Capital experts see it: Never has the Communist fifth column around the world been so aggressive nor so cleverly directed since the Bolshevik revolution in Russia in 1917. If the snow balling of such Red "jobs" as those in San Francisco and Newport continues, the Communist fifth-column problem may well take a major place in the coming American election.

—(*Human Events*, Washington D.C.  
July 14, 1960.)

## Henry Fielding

Of all the works of imagination, to which English genius has given origin, the writings of Henry Fielding are perhaps, most decidedly and exclusively her own. They are not only altogether beyond the reach of translation, in the proper sense and spirit of the word, but we even question, whether they can be fully understood, or relished to the highest extent, by such natives of Scotland and Ireland, as are not habitually and intimately acquainted with the characters and manners of Old England.

The author of a novel has neither stage nor scene-painter nor company of comedians, nor dresser, nor wardrobe; words, applied with the best of his skill, must supply all that these bring to the assistance of the dramatist. Action, and tone, and gesture, the smile of the lover, the frown of the tyrant, the grimace of the buffoon,—all must be told, for nothing can be shown...

("Biographical Memoirs of Eminent Novelists"  
by Sir Walter Scott, 1821)

## THE LAST CHANCE: A CONSPECTUS (ctd. from page 1)

The problem of the conspirators was, therefore, how to provide the ever-increasing volume of credit required to keep production up—since public opinion would no longer stand for severe depression brought about by shortage of finance—but at the same time prevent the people becoming 'rich' and thereby able to escape that economic control which is the basis of centralised government.

The answer is the Welfare State, augmented by Aid to Underdeveloped Countries, Armament Programmes, Space Research, Exports and Inflation.

The Welfare State, so called, is only necessary (and

indeed possible) because the vast majority of people are kept so poor that they are unable to make provision for themselves. In order to grasp in post-war policy the continuation of pre-war policy it is essential to understand this matter. Poor does not mean poor in the sense of lack of material possessions; it means poor in the sense of lack of financial independence. Now since depression in the pre-war sense is politically inexpedient, if not impossible, the progress of the industrial arts makes an expanding production inevitable. But if it can be arranged, as it is, that the 'standard of living' absorbs their total income for the majority, then the minority whose income is significantly greater than their 'cost of living' can be dealt with by Progressive Taxation to maintain the Welfare State, and by inflation.

Even so, the fantastic productivity of modern industry would in due course render even this ingenious conspiracy ineffective. With the majority in continuous employment the lack of financial independence is not widely felt; but continuous expansion and employment of the industrial machine is rendering material progress so obvious that the question must arise sooner or later. Pending more definite arrangements, therefore, it is essential to the conspiracy against the common man to slow down the distribution of consumer goods. This is achieved by an excess of exports over imports—either in the guise of a 'favourable' balance or 'aid' to underdeveloped countries; and an excessive production of capital goods at the expense of consumer goods.

The physical effect of the aid and export programmes is, of course, identical—an excess of physical goods leaves the country. But one is 'profitable', and 'essential' to our survival, while the other is 'costly' and therefore a base for further taxation, but of course equally essential, because the Communists say so.

Aid to underdeveloped countries is based on just the same principles as the Welfare State. Just as the 'wealthy' are—nowadays—an insignificant proportion of the population (less than 5 per cent.) so the population of industrialised countries is insignificant as a proportion of the populations of 'underdeveloped' countries. To put the matter another way: if the production of industrialised countries were to be exported so as to equalise the standard of living all over the world the standard would be at Coolie level.

To see this matter in its correct perspective, it is necessary to understand the nature of civilisation: *Civilisation is an organic process* just as the germinal centre of a fertilised egg spreads out into, and takes over, the yolk and the white, so civilisation spreads out into and takes over the 'under-developed' areas of the world. Now the idea that the yolk and white of mankind can be brought to civilisation by planned 'aid' is just as ridiculous an idea as that an unfertilised egg can produce a normal chicken by following Economic Bulletins issued by the London School of Economics.

Scientists have given the name 'ecology' to the study of the complicated inter-dependence of all forms of organic life. From this study has emerged the realisation that anything but gradual re-adjustment has resulted in the extinction of whole species. And we know from history that complete civilisations have collapsed, and suddenly disappeared (they are now merely the raw material of Archaeology).

Modern industrial civilisation began, roughly speaking, with James Watt's invention of the steam engine. British civilisation—much more integrated and prosperous than we are led to believe—was like an egg awaiting fertilisation. The introduction of non-animal power—the utilisation of energy from coal, oil and hydraulic resources—represented a 'centre of fertility' in the egg of existing civilisation. Now admittedly this expanding process transformed the egg: it became the chicken.

From the point of view of the egg, this transformation was a most unpleasant process. But it was an indigenous transformation: what was inherent in the egg was actualised by a new principle—the replacement of human work by solar-energy.

Colonialism properly considered is an organic transformation of a people in the same way. A nucleus of civilisation is established, and grows and expands. Under modern conceptions, the alleged exploitation of the native peoples is undoubtedly much less than the exploitation of the British in the early stages of the industrial revolution. The result of that exploitation was to equip Great Britain (as she then was) with an immensely productive factory system. But the colonial Power equips *another* country with its industrial system, and from a realistic point of view loses physically on the transaction, even if book-keeping methods show a profit.

If this process were not so widely misunderstood, we should not have the bad conscience which has enabled the propaganda for 'self-determination' to drive us from our colonies, where our net achievements for the native peoples have been magnificent, and leave them either to their collapse and reversion to their tribal ways and wars, or exploitation by a Power more ruthless and determined than ourselves.

The basis of this misunderstanding springs largely from the hypnotic belief in the ultimate importance of a 'favourable' balance of trade. A 'favourable' balance is where exports exceed imports. Now supposing a country exported the *whole* of its production, and imported nothing, it is clear that its population would be dead in a week or two. This is obviously an unfavourable condition, however satisfactory the financial position might appear. At what stage between this limiting condition and say balanced trade does the position become 'favourable'?

The apparent necessity for this excess of exports over imports is of course to get 'money'—or, as it is more generally called today, 'foreign exchange.' Before the war, before the money-myth was exploded, it was a simple shortage of money that imposed the necessity to trade 'favourably'; now it is the manipulation of international exchange which keeps us in the same predicament; both situations were contrived by international financiers, because they give them power over nations.

(To be concluded)

#### ERRATUM

In *The Social Crediter*, August 20, 1960, p.1., the second paragraph of *The Situation* should read,

The objective of the U.N.'s handling of the situation is not to restore order, but to prevent such restoration, and discreetly to increase disorder.