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The Dilemma of Politics (II)

by BRYAN W. MONAHAN

With time and the improvement of the productive processes, the dilemma described in this paper, which appeared fifteen years ago in the Australian Social Crediter, has greatly increased.

AMERICAN OUTPUT

The population of the U.S.A. is, in round figures, 130,000,000. If we allow that 50 *per cent.* of these are capable of work, we have a figure of 65,000,000. Of these, 11,000,000 are in the Services, leaving 54,000,000; but of these 10,000,000 are engaged in war plants†, so that if we allow that the balance are engaged purely in providing basic requirements, it is clear that the whole population is being supported by not more than one third of it. But we know that not only basic requirements, but some luxuries are being produced; that very considerable numbers are engaged in administrative work; and that newspaper, picture, and other large scale industries are still in almost normal production; and that practically the whole population is supported at a sufficient level—on the average, in fact, at a more satisfactory level than before the war.‡

The 10,000,000 in war plants of course produce nothing to meet the normal requirements of the population. They are engaged purely on the manufacture of "gifts" for enemy countries. But as is well-known, their output is enormous, supplying not only their own troops but the troops of other countries as well, with an enormous quantity of highly complicated equipment.

It is sometimes said that this colossal output is only possible by virtue of "living on capital"—i.e., that capital values are depreciated by lack of maintenance. That this is not significant is proved by the very process of capitalisation itself. The construction of factories, machines, railways, roads, houses, etc., was ever possible only, as demonstrated above, by the efforts of a proportion of the population not required for the maintenance of the whole population. In the space of a few hundred years, the U.S.A. has become the most industrialised nation on earth, and at the same time is a creditor nation, which means that, on balance, it has reached its present position by its own efforts. Now depreciation of capital equipment is rated at something like 10 *per cent.*; so that when sufficient capital equipment has been installed, 10 *per cent.* of the population required to construct it could maintain it, even if no other factors were involved. But since the very purpose of this equipment is to multiply the effectiveness of human effort, this proportion must be much smaller still; and again, since the effectiveness of the

equipment reduces the human effort required for basic production, a still large proportion of the population is available. But the figure of 10 *per cent.* includes obsolescence in addition to plain wearing out; nor is maintenance completely neglected even in war. Very little relative effort will be required to make good war depreciation. And in any case there has been a net appreciation of capital equipment, a good deal of which can be converted to peace time uses. Aluminium aircraft are saucepans in another form; the expansion of the aero engine production units represents an increase in the capacity to make all forms of internal combustion engines; so that the fantastic supply of complicated munitions is the potential supply of a far greater volume of consumers' articles. A tank is equivalent to several motor-cars; a Flying Fortress to many light aircraft; a ship to thousands of refrigerators.

Thus the overall picture of the industrial process can be reviewed in the following way: of the population working in industry, a part is engaged in supporting the total population, and the remainder is engaged in improving process. The general direction of the efforts of the latter art is towards making process more and more dependent on solar power, and more and more automatic. The limit of this activity would be a completely automatic and self-renewing industrial equipment — a limit which, presumably, could never be reached, but which forms a useful conception with which to grasp the nature of the modern industrial process. Short of this limit, a point must be reached at which all the roads have been constructed, all the railways laid, all the houses built, the factory system complete and fully equipped, etc. In the U.S.A., this point is not far off—how close it is may be inferred by what has already been achieved; for it must be borne in mind that industrialism is, as we have seen, subject to an acceleration. This means, for example, that if we said that half industrialisation was achieved, beginning from nothing, in, say, two hundred years, the second half might be achieved in, say, ten years.

(To be continued)

The Monopoly of Credit

by C. H. Douglas.

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†1944 figures.

‡Recent [1945] authoritative figures give the rise in the standard of living during the war as 40 *per cent.*

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From Week to Week

It is evident that despite stream-lined controls and modernised terminology the financial system retains the fundamental defects which render long-term economic stability impossible. Apart from the false arithmetic of the system, the salient defect is its use as an instrument of policy.

The new name for 'adverse trade balance' is 'balance of payments crisis'; no doubt the idea of a crisis, and of controls to deal with crises, are judged more suitable for contemporary minds, since most of the present population has been born and reared through a series of crises.

The current and increasing balance of payments crisis lends emphasis to the appreciation of the developing situation published in these pages on August 20, 1960: "The break-down in Africa will be an economic blow to Europe, and the effect of this *will be exaggerated by financial policy*" (emphasis added).

The fundamental fact is that there is no need for economic crises in a world which is ever improving its agricultural and industrial proficiency. The financial system could at any time be modified to distribute the product of that proficiency equitably and continuously; *and the financiers know it*, just as they know that such a distribution would terminate their hegemony.

If you take this (probably final) financiers' depression (sponsored by the products of the London School of Economics and its affiliates) lying down, don't say you were not warned. This is not an act of God; it is an act of Satan.

According to Laurence Thompson, writing in the *Observer* of November 27, 1960, social service expenditure in Britain is now at the rate of £2,124 million a year. Taking the population of the U.K. as 50 million, this rate of expenditure is equal to £43 per head per annum, or about £150 per family. It seems to be obvious enough that if this money were distributed direct to families, it would enable

private family provision of what is now dispensed via a cumbersome bureaucracy; and only a little less obvious that a large number of bureaucrats at present engaged in filling in 'welfare' forms and records could be put to work making goods for the export industry.

It should be noticed that, from the orthodox point of view, a large proportion of social service expenditure is financed by what is comprehensively described as a turn-over tax—i.e., taxation which in one way or another is added to costs of production, and consequently increases prices—thus accentuating the balance of payments crisis.

Really we are sick to death of 'economics.' Someone needs a good kick in the rear, if we may be allowed the four-letter word.

Have Ye Not Heard?

The current troubles of the motor industry, the exhortation to export, and the feeble panacea suggested of three years to pay instead of two, point obviously enough to the fact that the rate of flow of purchasing power does not keep up with the rate of flow of prices. This cardinal fact of our industrial economy was pointed out over forty years ago, yet any expedient is advanced to avoid mentioning it. At times one feels that Calvin was right in proclaiming that humanity was suffering from total corruption. We are all familiar with the small stain that finally rots the whole apple; it would seem that with us the process of decay has now spread beyond this one fault, though the fault in itself is far from small.

Many other factors, including the vast increase of many kinds of irrepayable debt, testify to the correctness of the diagnosis. But those who first tried to illuminate the post-1918 society have not rested content with showing this mechanical aspect of disaster. They have shown that a machine, financial or military, needs a human brain to operate it, and that the brain will have a purpose dependent on its outlook.

Now the classical outlook on government described its purpose as the protection of the citizens and the maintenance of order. Order requires some laws, and these were accepted as based on the kind of people we are and on the kind of aspirations we may have, according to the mind of the Creator. And it was assumed that the creature has a good many more rights than modern industrial man is allowed. Law, then, protected the citizen from force and fraud and so liberated him to pursue his vocation.

The obligation of defence seems simple enough, but formerly it was possible to take for granted a measure of loyalty among our own citizens. I was most impressed recently by a television panel, under some high-sounding name, who all seemed intent on ridiculing and in fact demolishing all that we are. The audience was practically indicted on being British, White, European, Christian; the only saviour was a revolutionary (French) and the only respectable system was by inference Socialist (Russian?) while the African acme was a child of light. If such activities are not a softening up process, then Queen Elizabeth I never reigned in England. I have also heard of members of other professions who accept with equanimity the "inevitability" of communist domina-

tion. The decline of clear or decent thought brings into sharper relief the code of honour which the Armed Services maintain, and accounts for men of those professions often giving a more ethical interpretation than we find coming from leading members of the clergy, let alone politicians whose code is mere expediency.

Citizens degraded into employees of giant concerns over which no one visible has control, teaching and morals subservient to this communistic theory, a general hand-out of our world assets to foster a new monster, "interdependence," all surely indicate a policy most hostile to our own defence or good order. And this happens when the good life was within the grasp of all citizens, thanks to the inventiveness and the dedication of their predecessors. Tyranny has deployed all its lures and forces; irresponsible power, plunder, deceit; envy, hatred, malice; jobs for the boys; a blackout of significant news; the fear of war. Yet no one detects or challenges the hand of tyranny in its full-scale attack on a way of life. No one suggests any alternative to socialism, although the majority vote against it and its failures multiply. We need some fuller term than "brain-washing," for the rot has attacked our fibres and our spirit.

Greece had her civil wars and succumbed. Europe has bled in two vast conflicts and much of its territory has been taken over piecemeal. Now the squeeze in Africa (not to mention the take-over bids) steadily reduces our potential. Yet one can hardly believe that petty bribes can take over the minds of all responsible opinion in quite a large nation, or that a whole people is content to sit down in the face of betrayal and danger. Nor would the notion, "Leave it to U.N.O.!", commend itself to any realist.

It does not need a George Orwell to sketch the menace—a world tyranny with a ruthless "police" which would control the right to anything and where we should receive our tickets only if we worked as directed. It would, of course, be hopelessly inefficient, corrupt and brutal. Curiously enough, such a disposition is the *ideal* of a good many advocates of "world government." Such people seize readily on all hostile propaganda whether from the West (calling us "colonialists") or from the East (calling us "imperialists") and they seriously regard this struggle for power *against us* as a holy crusade. Subversion is a mild word for it.

We have tried to counteract these activities by the extension of Christianity into those important economic sections of life where the idea of robbing Peter to pay Paul usually masquerades as ethics. Unfortunately however, there must be enormously powerful interests who prefer chaos to order, for while publicity is given to any university teacher who sneers at our faith or our culture, our demands for realism and a fuller life *for all* have met with a reception as hospitable as the icecap of Greenland.

I saw a statement not long ago that evil would sweep away all that is not intrinsically stronger than evil, so that it would be well to consider what our outlook and purpose are. The adversary's outlook and purpose are rotten all through and lean heavily on deceit—but nevertheless he is straining every nerve all the time to engulf us.

Now a warning is given and the ancient question arises, "Are you not listening?" Denuded as we are, I trust that we are not stripped down to the marrow so as to have attained the equality of skeletons.

—H. S. SWABEY.

Africa

In a few years, he went on, one of two things would happen in Africa. Either progress would be paralysed with total ruin of economies, degradation of peoples, and the horror of internecine strife, or there would be experiments in international colonialism—irresponsible and inhuman—before which black men, cultured or not, would be no more than a statistical element.

—*The Times*, December 1, 1960, reporting an address to the National Assembly (November 30), by Dr. Salazar, Prime Minister of Portugal.

The Congo

1 The performance of U.N.O. in the Congo has been a disaster. It is time the administration of the territory was removed from U.N.O.'s hands.

2 The situation within the Congo is far more grave than the outside world suspects. There is unimaginable savagery. Horrible things are being done by black man to black man.

3 The only action which can be adopted to avoid an appalling catastrophe is that a major independent Power should immediately assume responsibility for running the Congo—and that U.N.O. should get out.

—From a report by René McColl of an interview with Sir Roy Welensky in the *Daily Express*, December 1, 1960.

Apartheid

Sir Roy frowned and added sombrely: "I have been getting reports about what is really going on in the Congo.

"I can tell you that in many parts of that territory there is unimaginable savagery.

"Horrible things are being done by black man to black man. There is hideous bestiality, sadism, mutilation.

"Witchcraft is resurgent. Only a tiny part of all this has so far reached the West, due to chaotic communications."

Sir Roy frowned again and said: "What seems usually to be overlooked by some of the bloody fools I talk to is that there is no 'African nationalism' as we understand the word 'nationalism.'

"There is tribalism, plus the understandable desire among the 'have-nots' to grab what the 'haves' possess. But that's quite different from nationalism.

"To talk about a 'wave of nationalism sweeping Africa' is sheer bloody nonsense. You've only got to look at the Congo. What have you got there? Why, a reversion to straight tribalism and witchcraft."

—Sir Roy Welensky, quoted by René McColl, *Daily Express*, December 1, 1960.

Sir—To describe apartheid (separate development) as "as diabolically evil a racial policy as has ever been devised by man," as does Mr. Don Wakeling, is to indulge blind prejudice *vis-à-vis* South Africa's racial policies to a diabolical extent.

What is diabolical in the policy of guiding the largely primitive Bantu towards self-realisation and self-government within their own communities and in their own areas—such areas comprising some of the best and most fertile regions of the Union, in which no white man is allowed to own any land?

What is diabolical in the provision of free education for the Bantu in schools, training colleges, technical and industrial schools and university? Where else in Africa are welfare and health services provided for natives from State revenue and other sources to a total of about £60m. per year.

The blacks in South Africa have been lifted by whites from a state of "charnel house" barbarism, to a standard of civilised life above and beyond that of any other native race in Africa, and in consequence they have vastly increased in numbers. The natives from bordering States are so far from finding life in the Union "diabolically evil" that more than 600,000 of them have contrived to enter the country illegally. Surely such achievements compare favourably with the fate suffered for instance, by the native Indian of the United States, Canada and the South and Central Americas. . . . ?

—From a letter by Harry Crossley, *Daily Telegraph*, December 1, 1960.

The Group Swallows the Individual

"Goethe's message to the men of today is the same as to the men of his time and to the men of all times: 'Strive for true humanity! Become yourself a man who is true to his inner nature, a man whose deed is in tune with his character.'

"But, the question arises, can we still achieve such human personality in the midst of the frightful circumstances of today? Is the least sign of material and of spiritual independence, which the individual must possess if he is to realise this end, to be found amongst us? The circumstances of our time are indeed such that material independence is hardly known any more by the men of today, and even their spiritual independence is sorely threatened. All kinds of unnatural conditions are developing daily amongst us, in such a way that man ceases to feel any longer that he is in every respect a being that belongs to nature and himself, and becomes more and more a creature submissive to society.

"So the question is raised which would have been considered impossible only a few decades ago: do we still desire to remain faithful to the ideal of human personality even in the midst of hostile circumstances, or are we now on the contrary loyal to a new ideal for humanity which ordains that man shall achieve a differently ordered fulfilment of his nature in the restless merging of his being in organised society?

"What, however, can this mean except that we, like Faust, have erred terribly in detaching ourselves from nature and in surrendering ourselves to the unnatural?"

—Albert Schweitzer in *Goethe* (Beacon Press) p.54.

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The Time of the Equivocal Man

Peter Winton reviews Allen Drury's novel *Advise and Consent* (Collins) in *Quadrant*, Winter Number 1960.

The author has been a press correspondent for many years covering the United States Senate and Mr. Winton says "the novel is at once an authentic documentary of American politics and a tense staging of the great debate between 'peace'-mongering illusions and realistic policies for survival." . . . "The theme that preoccupies the author is three-fold: a desperate uneasiness about the capacity of the great Republic to rise and defeat the deadly challenge to its existence now visibly approaching; a search for the causes of the inner confusion which has put its capacity in doubt; and a fascinated scrutiny of the character of men as they stand or fall under the gigantic pressure of high political life where the game is played 'for keeps'."

It may be observed very truly that this is what one equivocal man says of another. What is the challenge? Where is it visible? Who is doing the gigantic pressing? The reviewer and the reviewed are so soaked in abstractionism that neither can enlighten the unequivocal man. Both men may suspect that Finance and Freemasonry are active agencies for the "inner confusion." They may be unaware that to follow up their suspicions by ventilating them would mean the end of their "best-selling" prospects—granted that "*The Social Crediter* is the only paper where they could do so. If they have no honesty let them consider Finance, which has no loyalty except to money and power ("the international imperialism in financial affairs, which holds that where a man's fortune is, there is his country" *Quadragesima Anno* P. Pius XI) and Freemasonry whose members, for a mess of pottage, swear allegiance to anonymous masters. How many American, Australian and British politicians are Freemasons? Who will tell us?

Instead we are treated with a description of Bob Leffingwell, "that perfect symbol of mid-twentieth-century America, the Equivocal Man . . . He seemed always to slide smoothly just between the sharp edges of clashing principles and find a glib, soft, woozy area of gummy compromise and rationale that effectively blurred everything, enervated all issues, weakened firmness, and sapped resolve in a way that hamstringed his own country and made it easier for her enemies to move a few steps farther along the path they had set themselves." It is felt unnecessary to read the book to confirm that the "enemies" are unidentified. P.L.

The World State

"Clearly submission to The World State would no more bring peace or security than surrender to the Ogpu or Gestapo brought it to the Russians or Germans. The 'social security' thus gained would be that of Belsen, and the World State would enforce its will by a world Gestapo. In the twentieth century, which has seen this process begin, that 'Parliament of man, and federation of the world' of which the nineteenth-century poets dreamed looms up as the bloodiest tyranny of all."

—Douglas Reed, *From Smoke to Smother*, p. 124.