

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### Try it on a map!

*(The substance of a letter, dated April 23, 1962, from the Advisory Chairman of the Social Credit Secretariat to the Editor)*

[You ask] what I said at the meeting here between Dr. Steele, Mr. Sim, Mr. Lyons and myself [in 1959]. If I had Dr. Steele's precis before me, I might expand it to its full length. As it is, I remember what it was that occupied my mind at the time; but in some respects this has been elaborated during the interval which has elapsed since. On this account, I can now only give you an account of the present state of my mind.

There were two interrelated preoccupations in my mind, which can be briefly stated:—(1) A grave error (in my opinion) in the attitude of most Social Crediters towards Douglas relatively to themselves and (2) A remark which seems to be obscure to many which Douglas had printed in "From Week to Week." This remark rebuked Churchill for saying that all one must do was to keep one's eye on the objective. "Oh, really!" said Douglas in effect if not literally—I have not the copy of T.S.C. at hand—"You don't know where you are, but you know where you want to get to; and all you have to do is to keep that in mind. TRY IT ON A MAP!" The stark realism of this injunction seems to be incomprehensible to readers who are not fundamentally scientific—mathematical; logically rigorous and uncompromising. What does it mean: "Try it on a map?" What has a map got to do with it? If anyone asked me that, I should get up, go to a drawer, take out a map, go to another drawer and take out two (2) pins, and come back saying: "We are told to try it on a map!"—"Yes"—"Well now, put one of the pins in that spot we are told to keep in mind, the spot we want to go to."—"Certainly: there it is:" London, or Sydney or the North Pole. "Now take the other pin and mark the place exactly where you are."—"But I can't! I don't know."—"Very well, then you can't get to London, or Sydney or wherever you want to get until you DO!"—"Why not?"—"Try. Trace out the path you will take. There is an infinity of possible paths, but you can't choose between them until you know exactly where you are—now—at this moment, the moment that is of setting out." I think that slowly the idea would dawn. Would it? Apart from the use I am going to make of this remark, I think it shows us one thing—the difference between Douglas's mind and that of most Social Crediters. It is the difference between an original mind and a disciple's mind; between a truly philosophical mind and an imitator's, a partisan's. Probably you will agree with me in thinking that this little demonstration of Douglas's was not solely for Churchill's benefit, but equally, if not chiefly, for ours. However that may be, I suggested to our friends here that it applied to us with great force and was, all things considered, a matter which should receive our full attention.

Where are WE? We are (now, in 1962, ten years after Douglas's death) trying to do something—no matter what—in a political environment about which Douglas could no longer tell us anything at all. What he had to tell us related to his political environment (and ours up to 1952). Was it unchanged? In regard to some important things, no; in regard to other important things, and they actually present, yes. How? Materially so far as we were concerned? Did they know? Did anyone know? We couldn't resurrect Douglas to ask his opinion. In any case, how did he reach his opinion, even when it concerned matters immediately open to his inspection? By 'genius'? Doubtless! But whose genius? Well, his own, of course. So, if immediate expression of his genius contemporarily related was required, we were done: finished. We hadn't got it. The one necessary thing for our success was lacking.

I went on to say that while the whole topic was beset with tactical difficulties requiring great skill in the handling to avoid false charges against individuals—myself, for example—this had to be done. What was 'genius' anyhow? And what was peculiar about Douglas's 'genius'? I criticised the view of Douglas held by the majority of Social Crediters as being at once false and self-condemnatory of them. It went a long way towards effecting what Douglas consistently tried to prevent, the interposition of himself between his idea (which we were alleged to share) and the natural fruiting. This was acknowledged by competent observers to have been the cause of the failure of many ideas to materialise. Douglas himself thought Christianity was one of them.. He quoted *at* (not *to*) us: "Be ye perfect, as your Father in Heaven is perfect." What did Jesus mean? What did Douglas mean? They meant the same thing. Most people's notions of 'genius' have their origin in the Rat Race . . . The only men 'of genius' are the winners in the Rat Race. No one else has 'genius.' I said that, on the contrary, every man had 'genius'—that was what made him the unique personality emphasised by the New Testament's constant references to his potentialities. So Christ and Douglas were no different in that respect from anyone else. Christ said: "Be YE perfect." Douglas said he wanted the Secretariat to go on after him. How could it, if the primary requisite was inevitably lacking? Also (by quotation) he told us to be perfect. Was he asking the impossible? Not at all, genius for all is the condition of Social Credit: not genius for T.J., or B.W.M., or Byrne, or anyone we can name, but for everybody. The 'movement' however, rooted as it is in the Rat Race psychology, while it sees the inconvenience incidental to the elevation of 'little Douglasses', is quite blind to the fact that that is not what Douglas desired and hoped for. He was as much opposed to bogus 'little Douglasses' as anyone else. But in conformity with his Social Credit view of life, he thought greater Toms, Dicks and Harrys were not only possible but essential.

*(Continued on page 3)*

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### IN AUSTRALIA—

Business—Box 2318V, G.P.O., Melbourne.

Editorial—Box 3266, G.P.O., Sydney, Australia (Editorial Head Office).

### THE SOCIAL CREDIT SECRETARIAT

Personnel—Advisory Chairman: Dr. Tudor Jones, Chairman: Dr. B. W. Monahan, 36 Melbourne Avenue, Deakin, Canberra, Australia. Deputy Chairman: British Isles: Dr. Basil L. Steele, Penrhyn Lodge, Gloucester Gate, London N.W.1. (Telephone: EUSon 3893). Secretary: H. A. Scoular, Box 3266, G.P.O. Sydney, N.S.W.

## Trade Balances

In an article whose interest and importance is only blemished by the silly gibe at "starvation amidst plenty," from which no Liberal economist seems able to refrain, with the usual mis-statements of it, Herr Frederick Jellinek, maintains the high standard of *The Tablet* as a beacon of sanity in a mad world.

Two propositions emerge which seem fundamental to the present crisis, whether we regard that crisis as political or economic. The first is that Mr. Jellinek envisages the essential conflict under the, to us, novel protagonists of the Universities of Vienna and Berlin, between the years 1860 and 1910. In regard to the latter, he observes "The men of Berlin [exactly like those of the London School of Economics where the intellectual leaders of the present British Government were bred] insisted that their teaching was not Marxism but a specific form of Socialism adapted to their nation."

It must immediately occur to readers of these columns that this geographical localisation of economic-political theory is merely to set up Austria and Germany, or still more exactly Vienna and Berlin, as the incarnation of Christian and neo-pagan culture, and anyone who knew and understood those cities before 1914 must at once concede the truth of that conception.

Mr. Jellinek's second proposition is so important, and so immediately apposite to the present situation, that it would be improper to paraphrase it: "In an economic system where currency is not degraded by State action to being a commandeered internal means of payment, even a considerable deficit in the external trade does not matter. The epoch from 1885 to 1939—one and a half generations—has taught us that the most progressive, thriving countries—France, Germany, Switzerland, Belgium, Japan—had, almost during the whole of this period, regularly, large trade deficits. In a small, although extremely wealthy country, for instance, like Switzerland this deficit during fifty-four years was not less than 22 billion Swiss ["gold." Ed. T.S.C.] francs . . . But the most significant example is Germany, the inventor nation

of autarchy[?]. From 1890 to 1914—the period when the growth of Germany into an economic world power of the first rank occurred—her yearly excess of imports over exports amounted to approximately 1250 million gold marks. From the very day when an enforced policy of National Socialism started, namely 1933, the deficit figures were either small or replaced by slight excesses of exports. Yet these were the years when Germany's economy was finally destroyed by rulers whose main characteristic . . . was an almost unbelievable degree of stupidity. *Caveat Britannia.*"

Now, if every country in Europe during the period of Europe's greatest material prosperity had an enormous excess of imports, (a trade deficit) who supplied them? Not the U.S.A. And if, as stated by Mr. Herbert Morrison on August 20, our exports have reached an all-time record, and, as he stated on the same occasion, our economic situation is most grave and is worsening, and we must curtail our imports, and, as every returning traveller will testify, Great Britain and Australia (which is being run by the same gang) are the only "victorious" countries which are not recovering from the war, can it be that Great Britain and Australia are being "finally and utterly destroyed by rulers whose main characteristic . . . is an almost unbelievable degree of stupidity?" Or is it?

—*The Social Crediter*, August 30, 1947.

In référence to our quotation in these columns from an article in *The Tablet* which emphasised the large surplus of imports over exports of the most thriving European countries in the nineteenth century—a surplus which was largely supplied by Great Britain—a correspondent writes to enquire how the people who exported to these countries got paid, and why there was no dissatisfaction on the part of exporting Governments or merchants.

The answer is that realistically, we never were paid. That is why we are now probably the poorest country in Europe. The mechanism of the process was that the exporting firms drew a Bill of Exchange on the Continental buyers, who "accepted" it. The "British" merchant then took the Bill to an International Bill discounter, and got the "money", i.e., a bank credit, minus a small discount. That was all we did get—paper payment which went in wages, salaries and imported raw materials, mostly for further export.

The International Bill discounter either collected the Continental money on the maturity of the Bill or took a mortgage on the merchandise or the property of the buyer, banking the proceeds in the Continental country which also had the British-made goods. This was what was meant by the phrase "London is the Financial Centre of the World."

We built up the . . . States in the same way.

To put the matter shortly, we made goods costing A + B, exported B at cost or slightly over, charged our own people A + B for A, and obtained the "money" to buy A at the price of A + B by getting it from the Bill discounter.

*The Social Crediter*, September 20, 1947.

The over-riding objective of British policy has been to obtain and to maintain an excess of exports over imports, in order to obtain 'money' representing the difference in 'value' between the two. The effect of this policy has been the loss of vast quantities of real goods in exchange for intangible 'foreign exchange'—some of it in gold, but most of it merely ledger entries. For some reason, governments and peoples alike are hypnotised by this process, which, in fact, is the mechanism of our ruin.

A 'favourable' trade-balance is an economic fallacy, since, if exports exceed imports, the 'money' obtained in the process can be spent only on goods remaining in the country. It is *not* necessary to import 'money' to buy your own goods.

The possibility of escape from the trap which is being sprung on us is based squarely on the fact that our trade and employment policies are rooted in fallacy, in fraud and deceit.

What is left of the British Commonwealth is still largely an economically self-contained unit, and, as the recent Prime Ministers' Conference revealed, there is still a remarkable feeling of a sense of unity within the Commonwealth, common purpose with Britain and loyalty to the ancient Constitution and to the Queen.

Were the fallacy of a 'favourable' balance of trade, which has bedevilled our history now abandoned and discarded—the 'loathsome mask' stripped from the face of our country—the way would be open to a system of industry re-orientated to local consumer needs, and, instead of 'capturing'—a military, aggressive expression—foreign markets, trade could be confined to the peaceful and necessary exchange of goods for goods. It must never be forgotten that a large part of present imports is simply raw materials for later export to 'captured' markets—that we *lose* the materials and the labour put into them, and the true trading requirements of the country are vastly less than appears to be the case.

—*The Social Crediter*, October 27, 1962.

In Strasbourg, the French vice-President of the Common Market's Executive Commission, M. Robert Marjolin, said the Market's balance of payments deficit deteriorated by 1,300 million dollars (about £580 million Aust.) in 1962.

He said the balance of payments deficit would presumably increase further in 1963, though in "limited" proportions."

—*The Sydney Morning Herald*, February 6, 1963.

Figures released by the Commonwealth Bureau of Census and Statistics for the financial year 1961-1962 show that exports from Australia exceeded imports by £A.192,538,000 based on f.o.b. values at ports of shipment.

In spite of the "favourable" (to whom?) balance of trade larger sums of money are being spent and all forms of propaganda are being used, with taxation incentives, to encourage more exports.

Perhaps some assistance to our limited editorial staff will be forthcoming to collect information on trade balances for other countries particularly of those still left in the British Commonwealth.

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### TRY IT ON A MAP (continued from page 1)

These opinions of mine do not by any means inhibit the question: "What was there about Douglas's genius which distinguished it from that of all men?" There again 'the movement' is hopelessly lost. It thinks Douglas's 'genius' exhausted itself in the discovery of the A plus B Theorem. Actually (as must be clear to anyone familiar with what goes on in 'Science') there was little that was extraordinary about Douglas's discovery. It was quite a normal (and common) occurrence—a man lets his mind look all hypotheses squarely in the face, however contrary to accepted opinion they may be and however apparently absurd and intuition confronts him with the (temporarily) unbelievable. But, by persistence in selflessness, he comes to test the suggested solution and, to his astonishment, finds it fits the facts. Matters of far greater inherent intellectual difficulty are successfully undertaken *every week* by our atomic physicists in most of the universities of Christendom. This is, of course, a matter concerning which most people in 'the movement' are quite ignorant. Douglas wasn't. He once described to me what happened to him as he sat in his office in Farnborough, *after* his A plus B idea had come to him. He saw in a flash the immensity of the opposition his discovery would elicit and said to himself: "Well, it not *my* business!" He found himself unable, however, to sustain this comforting conviction. Observe that there is little or nothing specifically intellectual about that. That is a matter of ethics, of morals, isn't it? "There is a tide in the affairs of men . . ." Most investigators (I am inclined to say *all* investigators, innovators) who for whatever reason fail to take that tide 'at its flood' FORGET it completely: the experience sinks not only into the Freudian 'unconscious' but deeper still: it is lost and irrecoverable. Douglas rode the tide 'at its flood' (which, I say, is a moral event, open to Tom and Dick as well as to Douglas whenever the occasion arises) and, as he told me, for some days, if not weeks, he lived in another world, in a sort of mystical state, conscious of vast forces within him, ceaselessly at work, 'doing the job.' Hence (to repeat): "Be ye perfect . . ." I agree that the attempt to apply the injunction often has its peculiar pitfalls—in loss of humility and so on. They arise from both an intellectual and a moral defect: from a double misunderstanding; but they need not arise at all.

What I am saying is that the 'movement' disastrously fails to trace Douglas's characteristics to their true source. If anyone doubts my diagnosis, let him consider the ease with which Lord Hailsham multiplies the number of 'scientists' by mass production methods. Not everyone, it is true, is an adept at playing tricks with his cortical neurones; but, in themselves such tricks are no more meritorious than expert billiard playing or ballet dancing. But very many more than we need can be trained in all these directions. Douglas's excellency has its root, fortunately, in a capacity attainable by all sane individuals without exception—the moral sphere. I remember lunching with him and Hewlett Edwards in London. He remarked that "character is the sum total of individual policies." I said I thought that was true and asked him who said it. He said: "You did, and it is perfectly true." I don't remember saying it; but, whoever said it it is quite

fundamental. When we come to analyse the policy of individual thinkers of great ability—particularly in the higher reaches of art, science and philosophy, we find a rather wide variation; but I believe the true ‘scientist’ (not to be confused with the Sir Charles Snows, etc.) is a man who is capable of the ‘negative capability’ attributed by the poet Keats to Shakespeare. This is the same faculty as Bernard Berenson attributes to the painter, Piero della Francesca outstandingly, but also to the nameless artist who carved the pediment of the Parthenon and to Velasquez. Berenson calls it ‘impersonality’ and perhaps I may quote here what he says. He says it holds us spellbound and goes on:—“The impersonality of art”—a phrase not familiar enough to pass without comment. I mean two different things, one a method, the other a quality. As a method, impersonality has been understood by all the great artists and the few competent critics who have ever existed. They have appreciated the fact that in art, as in life, those few among us who have not reduced the whole of the phenomenal universe (or at least all of it that concerns us) to a series of meaningless symbols, those of us whom physical and mental habits have not so crushingly enslaved but that we retain some freedom of perception—they have understood that such people will react to every different object in a different way, no matter how slight the difference. If a given situation in life . . . produces an impression upon the artist, what must he do to make us feel it as he felt it? There is one thing he must not do, and that is to reproduce his own feeling about it . . .” There is some elaboration of this theme. I see Berenson’s point; but I think there are other ways of making it as clear and even more comprehensive. If a man thinks that the light which makes things (material things) visible comes from himself, he is mistaken, and as a punishment for his mistake all he sees is the shadow of himself cast by the light upon the object he is supposed to be desirous of seeing. He never sees IT.

Douglas (with an appropriate mental background) accepted his individual responsibility—that is a moral excellence, which we all can attain to. Instead of trying to do so (on all ‘fronts,’ not just on the front, congenial to agitators and reformists at all times, of confession to our beliefs in the merits of a bottle labelled ‘Social Credit,’ the contents of which are too narrowly known) the ‘movement’ stands around on stilts, each pair of stilts neatly adjusted so that each follower is raised to an even height just below that of Douglas who stands in the midst. They are mere proselytes idly flattering themselves and each other on being ‘the elect.’ All this is wrong and quite different from what Douglas hoped for when he tried to bring us up in the way we should go. In backing the Secretariat (with its unique constitution) he was not conferring an honour on anyone: he was backing a chance against a certainty, which is sound practice.

To turn now to the second question: Douglas lived in an environment as we all must do. The political environment of his time, the cultural environment of his time. Has this altered in any way significantly since his death? (we accepted his judgments, often without the slightest idea of what their bases were; we repeated what he said uncritically like parrots. Was he right? In my opinion almost always; but that is no excuse for abandonment of an objective, critical attitude.) The point for us is: has the political environment altered? If so, in what way? This is to go back again to “Try

it on the map!” Since Douglas’s death, material developments have taken place in several directions. He is dead and (presumably) knows nothing of them. If he knows, he can’t tell us what he knows, in any case. He saw (hence his observation to me sitting in his car near Aberfeldy about the “small dynamo” and its essential difference from “this monstrous overgrowth”) the coming excessive fertility of ‘science,’ and said we must challenge it. We have not done so. That is today, we have not done so successfully.

When our friends met here, I had already in my rack awaiting consideration for what I hoped would be a considerable article, which has not materialised, a special supplement to *The Times Literary Supplement* giving the comments of between twenty and thirty allegedly leading literary people, novelists, poets *etc.*, on the then present state of ‘literature.’ The state of mixed apprehension and complete confusion of mind revealed was (to me) startling. It was quite evident that these ladies and gentlemen certainly could *not* pin-point their starting places “on a map,” nor had they much idea concerning their destination, which some regarded as vaguely desirable to reach and which was though vague quite frightening to others. And these people were alleged (by a suspect agency) to be ‘the cream’ of our intelligentsia. I held up the bulky document for our friends to see. “Just look!” I said. Also I had by my side a pile of books, some by journalists cashing-in on a profitable sensational spurt (*Brighter Than a Thousand Suns*), others by original writers—first raters: the atomic physicists themselves, writing about things they *knew*, not just things they had heard about, and grave and thoughtful philosophical people.

Douglas did not disdain to read anything but his own books. Most Social Crediters seem to think they have done more than enough if they have skimmed through one or two of his, and have not, of course, put themselves to the test of writing anything, as you, as editor of *T.S.C.* very well know. Douglas looked at very many books. If the first pages revealed to his judgment that the writer had some serious fault, he cast the book aside. If not he read it slowly, sentence by sentence, mastering each and critically reviewing its incidence on matters he had in mind. Why should he do that? You may be sure it was not because he thought that what he had written himself was all that men needed to know. I remember once questioning some philosophical point, and he came out with it at once: “Oh, yes: you’ll find an account of that in Schopenhauer’s *Die Welt als Wille und Vorstellung*.” Very well! And now, ten years after his death we’ve got “The World as Will and Imagination”—or haven’t we? Where do we put in our second pin on our map? I think I have now probably made my point clear; but, if I haven’t, tell me.

Douglas lived intensely in the present—*his* present. But he stopped living ten years ago. Do we now reverse his habit and live in the past? If we do we shall fail him.