

# THE SOCIAL CREDITOR

## FOR POLITICAL AND ECONOMIC REALISM

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### Correction, Please!

A SELECTION OF EXTRACTS FROM *The Review of the News\**, MARCH 1, 1967.

ITEMS: From Editorials in HEARST'S *Boston Record American*, February 16 and 18, 1967; and, from "Editor's Report" by WILLIAM RANDOLPH HEARST JR. in the *Boston Sunday Advertiser*, February 19, 1967:

Disclosure that the U.S. Central Intelligence Agency for the past 15 years has secretly helped finance the nation's largest college student organization is a sensational development with repercussions that will be enormous.

It is inevitable that the hush-hush activities of the mysterious CIA will now once again be the subject of attack in Congress. Left-wing student groups will whip up a storm on campuses from coast to coast. The worldwide Communist press will have a field day . . .

In itself, this aim is sensible and practical. For many years it was a notorious fact that Communist countries dominated international student meetings because they openly financed delegates to spread their propaganda line. To assure that U.S. students would be present to speak for their country was simply a case of fighting fire with fire.

We do not believe the CIA should have gotten so involved, or that government aid should have been secret. A mistake in judgment was made which will seriously damage both the CIA and the NSA. But let us remember in the furor, now developing, what the CIA was trying to do. (February 16)

There is only one thing wrong with the fact that the U.S. Central Intelligence Agency helped finance operations of the National Students Ass'n, the nation's largest college student organization. Since the purposes of the aid were perfectly legitimate, it never should have been given in secret.

Unfortunately, the hubbub now resulting from disclosure of the clandestine relationship has all but obscured those legitimate purposes. They were, quite simply, to counteract the Communist push for domination of the world student movement. (February 18).

Another instance of the readiness of certain elements to criticize just about anything and everything American—you might call it "instant anti-Americanism"—was demonstrated in the revelations concerning the Central Intelligence Agency and the National Student Association.

Certainly there is something contrary to the American tradition in the association of an espionage organization with an educational group. President Johnson (who has

many, many other things on his mind) moved with commendable promptness in ordering the CIA practice of subsidizing such groups to cease.

But a closer look at the episode should result in second thoughts on the part of those who were so quick with their criticism. The first and foremost consideration is whether the CIA operation was in the national interest. There should be no other criterion.

Former CIA Chief Allen W. Dulles explained that the U.S. had to find some way of countering the massive Soviet financial support being extended to its own participation in "Student Conferences." With the aid of such funds, Communist delegates to such conferences were frequently able to manipulate them to effective propaganda advantage.

The Soviet Union has its own vast intelligence service—the KGB—an immense organization that is charged with coordination of every activity of Soviet citizens who come into contact with foreigners. The KGB is highly active in Soviet diplomacy, in its news gathering and dissemination, in its foreign trade, its shipping, its airline—and, of course, in its "student" activities.

The CIA obviously saw the necessity for the U.S. to compete, and it thus channeled funds to the N.S.A. and other groups. There was obviously nothing wrong in the CIA's motives.

But there would be nothing wrong in open, above-board U.S. support of N.S.A.-style activities either. That would be more like the American way—and thus the best way. (February 19).

CORRECTION: The editorial stance of the Hearst chain raises many questions and answers none. What justification is there for calling the CIA-NSA collaboration secret or clandestine? It has been revealed that over a fifteen-year period officials of the NSA have been aware of the CIA subsidy and control of NSA. What has not been revealed is the number of these officials and how many have violated secrecy. It has been revealed that a great many foundations and organizations—perhaps as many as twenty—have been involved in the operation. What has not been revealed is how many officers of these foundations and organizations may have violated secrecy. Or how many clerks, auditors, bookkeepers, accountants, and other personnel connected with these foundations and organizations may have violated secrecy. And, even more important, how many foreign intelligence establishments have been made aware in one way or another of this entire operation.

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## Age of Materialism

(Originally published in 'The Social Crediter', March 3, 1956)

One of the main characteristics of an Age of Materialism is its apparent lack of a unifying principle, and this is probably the main reason for the prevalence—almost the universality—of the episodic view of history. The episodic view—not only of history, but of life—is that everything happens from day to day, a sort of "I wonder what will happen today?" outlook. It is as if night had the power to cancel the consequences of the day.

If, as we believe, history is crystallised policy, it must be remembered that that policy is the application of a philosophy. History, and insofar a given civilisation or culture, is the concrete expression of philosophy. "In the beginning was the Word." "Society is primarily metaphysical." If these statements are true—and the Social Credit position rests on the assumption that they are—then even a Materialistic Age has a metaphysical basis. That is to say, day to day events and appearances are the outcome of a continuous policy, which in turn derives from a definite belief. So far as the masses are concerned, this belief may be that there is nothing to believe in, apart from the 'good' of employment and amusement.

But there is much evidence that this 'belief' of the masses is the outcome of a policy designed to inculcate it—a policy of attack against indigenous culture, carried on by subversive propaganda (not Communist only), and by cross-breeding. To paraphrase Professor Toynbee, the industrial revolution is being used to break up indigenous cultures, and create large cosmopolitan cities whose populations are being recruited from all corners of the earth.

Behind this policy again there must be the philosophy from which it derives. Just as the centuries of greatness of the British Isles, and Europe, for example, were the outcome of a belief, issuing in policy, in a Trinitarian God; or in the case of China, in a belief, again issuing in policy, in the Tao—so the Welfare State is the outcome of the belief, issuing in policy, in the mission of a Chosen People to rule One World.

This belief, and its derived policy (which, of course, has varied in its adaptation to circumstances) has had a beginning in time; but now we are faced with a tremendous

acceleration in its spread—thanks largely, as Professor Toynbee points out, to the industrial revolution and the annihilation of distance, to which we may add the virtual simultaneity of modern communications.

It is this acceleration that constitutes the Social Credit problem. It is this that makes the episodic view, particularly of contemporary events, appear appropriate. Events appear now 'to happen by themselves,' so that their derivation from a steadily applied policy is so much harder to grasp.

The reason for this acceleration is the progressive replacement of one philosophy, or system of belief by another. A homogeneous culture can naturally be displaced only slowly at first, but as this displacement and replacement proceed, a point comes when the advantage lies with the replacing philosophy. And that is where we are now.

The situation is like a set of scales, with Social Credit on one side, and the Welfare State on the other; as one side rises the other falls. It is not a question of a system, but of an *outlook*. Social Credit is the policy of a philosophy; at present the wrong philosophy is in the ascendant, so that, *in this sense*, Social Credit policy is inapplicable, and, *a fortiori*, so is Social Credit technique. The latter, however, is quite applicable in the sense that at least an arithmetically correct financial system is a prerequisite to recovery *when we are in a position to recover*. Thus the correct application of Social Credit policy at present is to reduce the ascendancy of the opposing philosophy. Now there are signs of opposition to this philosophy on many fronts, as the fruits of the tree become apparent. But it is no use our hanging figs on the thorn-bush; it has to be rooted out; then we shall see what condition the fig-tree is in.

## The Peacemakers

In direct contrast to the bellicose self-righteousness of the neo-Christians, the British Council of Churches, Mr. Jeremy Thorpe and left-wingers, the Archdeacon of Inyanga states a moderate and reasonable case in "Rhodesia and Christian Principles". The whole article, of which I have an off-set, should receive wide circulation for the Ven. A. R. Lewis gives the view of a settled Rhodesia, whereas the public only know of the hysterical outbursts of people who have visited the country for a few hours. The Archdeacon asks what hope there is in Britain today of gaining a hearing for "Rhodesia's Christian case", so that *The New Christian* and other media are challenged to print views which question their monopoly of truth.

The Archdeacon in fact asks many probing questions, whether Rhodesia had behaved wickedly on the "illegality" issue for instance, and what is God's will in the particular circumstances, whether Christians are committed to the belief "that political rights, as commonly understood at this moment in history, must take precedence over justice and good order." He uses experience of Africa, and not theories, as his guide, for a Christian, he says, should be concerned "with the actual merits of the case," and he denies that a just and Christian society "must practise adult male suffrage . . . One would suppose that the welfare of the majority and the protection of minorities ought to be the primary Christian concern." And he adds that no Christian "has a moral right to resort to persecution (that is what sanctions are) to enforce his views . . ." Those churchmen who demand one man one vote are either not in Rhodesia or could hastily depart. "Unlike the ordinary African, they

have no stake in the country."

"We have minds and consciences and principles too," says Mr. Lewis, and he pleads for Christian humility and charity, through which "Christian values may yet survive in this part of Africa. But if Christians will not love one another and respect each other's integrity, then only communist tyranny lies beyond the holocaust."

But if the conciliar Christians are not charitable, they are a little worried, for (*Church Times*, Feb. 24, 1967) Dr. O. Frederick Nolde, director of the Churches' Commission on International Affairs — the Committee of the World Council of Churches who were welcomed to Windsor by the Archbishop and received by the Queen — "confessed to a feeling that sanctions would not be effective."

Furthermore, Mr. Vorster (according to a London *Daily Telegraph* article, Feb. 28, 1967, entitled "Mr. Vorster's Black Friends") is emerging as peacemaker of the African continent. He has established good relations with Botswana and Lesotho, while Malawi abstained on the South-West Africa issue at the United Nations. South African commercial travellers are said to be welcomed in Zambia, Mr. Githii of Kenya stayed two months in South Africa, and the Ivory Coast is said to have "certain ideological sympathies with South Africa in that they are staunchly opposed to communist influences." The writer also mentions the disillusionment "which many African states are having with international communism" as a contributory factor to South Africa's "political bridge-building."

The contribution which these men, and those who listen to them or bargain with them, are making to stability and good order probably far exceeds what they imagine, and may well blow away some of the froth of the international mischief makers (*solvitur ambulando*).

—H.S.

#### Correction, Please!

(continued from page 1)

The Hearst chain defends the CIA-NSA operation as having a "sensible and practical" aim to fight Communist fire with pro-American fire. What pro-American fire has Hearst discovered in the activities of NSA officials? Or, for that matter, what activities of NSA have caused the slightest discomfort to the Communists? In its history, NSA has condemned the anti-Communist Cuban leader Batista and praised the Communist tyrant Castro;

... has persistently called for the abolition of the House Committee on Un-American Activities;

... has protested against the firing of Communist teachers;

... has advocated membership in the United Nations for Red China;

... has propagandized against the anti-Communist regimes of Portugal and Spain;

... has defended anti-United States demonstrations by Japanese students;

... has extended hospitality at its 1962 Congress to the Communist Party, Communist Fronts (Emergency Civil Liberties Committee, Progressive Youth Organizing Committee, and Citizens Committee for Constitutional Liberties), the Trotskyite Young Socialist Alliance, and the Young Peoples Socialist League;

... has allowed distribution of Communist and pro-Communist literature by the Students for a Democratic Society at its 1965 Congress;

... has opposed legislation which would ban the distribution of Communist propaganda through the United States mails at subsidized rates;

... has expressed regret for the lack of contact with the All China Student Federation—the Chinese Communist Student Union;

... has condemned United States intervention in the attempted Communist takeover of the Dominican Republic;

... has recommended that the United States cease bombing and other offensive military action in Vietnam as a unilateral move toward a cease-fire;

... has recommended that the Viet Cong participate in negotiations to end the Vietnam War;

... has described the student riots at the Berkeley campus in California as responsible action;

... has rejoiced in the Communist takeover of Algeria; and

... has had on its adult advisory council such well known anti-anti-Communists as Eleanor Roosevelt, Harold Stassen, Walter Reuther, Ralph Bunche, Erwin D. Canham, Reinhold Neibuhr, John Cogley, and Ralph McGill.

The Hearst editorials admit that for many years Communists dominated international student meetings. The obvious implication is that the CIA-NSA operation reversed the trend. What evidence is there that such a reversal ever occurred?

The Hearst editorials say "we do not believe the CIA should have gotten so involved." Would a lesser degree of involvement be legitimate?

The Hearst editorials praise President Johnson for his commendable promptness in ordering a halt to the CIA-NSA collaboration. Does not Hearst wonder how a former Senate Majority Leader, a former Vice-President, the leading member of the National Security Council, and President for three and a half years (all of which Johnson has been) could remain ignorant of such a widespread operation as has been revealed?

The Hearst editorials assert "there was absolutely nothing wrong, in the CIA's motives." Then, in a remarkable display of subjectivity, cite, as authority for such assurance, Allen W. Dulles—former Director of the CIA. Did the Hearst people think Dulles was going to confess to wrong motives?

ITEM: From the syndicated Column of DREW PEARSON in the *Washington Post*, February 12, 1967:

*When the history of the postwar decades is finally written, it will feature the efforts of Henry Morgenthau, then Secretary of the Treasury, to bring peace to the world.*

*Ironically, Morgenthau died in the same week President Johnson was pushing vigorously the policy Henry initiated, but failed to achieve; better understanding between the United States and the Soviet Union . . .*

*Morgenthau . . . was pilloried as stubborn, as wrong, and as pro-Communist. One weapon used against him was the fact that his special assistant, Harry Dexter White, resigned under a cloud because of his contacts with the Russians.*

*White died of a heart attack before the matter could be cleared up. And as late as seven years after he died, J. Edgar Hoover participated in a carefully staged press conference, along with Attorney General Herbert Brownell, in order to revive the Harry White "Communist" issue against Democratic candidates for Congress.*

CORRECTION: We have seldom encountered a more distorted version of recent history than in Pearson's defense of Harry Dexter White. White was engaged in espionage and subversion on behalf of the Soviet Union. Much of White's activities were conducted through the Silvermaster Cell, a Communist espionage group located in Washington, D.C. White was not a special assistant

to Morgenthau when he resigned from government service. Morgenthau's tenure as Secretary of the Treasury ended on July 23, 1945; White resigned on April 7, 1947 from his position as United States Executive Director of the International Monetary Fund.

The Brownell-Hoover chapter of the White story occurred in 1953 (five years—not seven after White's death). In 1953 (not a Congressional election year as Pearson implies), Attorney General Brownell made a number of speeches and wrote a number of magazine articles on the matter of Communist infiltration in Government. In Chicago, November 6, 1953, Brownell said:

... Harry Dexter White was a Russian spy. He smuggled secret documents to Russian agents for transmission to Moscow. Harry Dexter White was known to be a Communist spy by the very people who appointed him to the most sensitive and important position he ever held in Government Service.

The FBI became aware of White's espionage activities at an early point in his Government career and from the beginning made reports on these activities to the appropriate officials in authority. But these reports did not impede White's advancement in the Administration. A number of these facts have been made public before.

But I can now announce officially for the first time in public, that the records in my department show that White's spying activities for the Soviet Government were reported in detail by the FBI to the White House by means of a report delivered to President Truman through his military aide, Brig. Gen. Harry H. Vaughn, in December of 1945.

In the face of this information, and incredible though it may seem, President Truman subsequently on Jan. 23, 1946, nominated White, who was then Assistant Secretary of the Treasury, for the even more important position of executive director for the United States in the International Monetary Fund.

As soon as White's nomination for this sensitive post became public, the FBI compiled a special and detailed report concerning Harry Dexter White and his espionage activities . . .

This new summary of White's activities as a spy was handed by the FBI to Brigadier General Vaughn for delivery to the President on February 4, 1946, and, yet, the Senate Banking and Currency Committee was permitted to recommend White's appointment on February 5, in ignorance of the report. The Senate itself was allowed to confirm White on February 6, without the Senate being informed that White was a spy . . .

The Senate Internal Security Subcommittee and the House Committee on Un-American Activities were interested in pursuing the Harry Dexter White case and Brownell's charges. The HCUA subpoenaed former President Harry S. Truman, former Secretary of State James Byrnes, and former Attorney General Tom Clark—all of whom were in office when White, the Soviet spy, was appointed to the International Monetary Fund. The three former officials all declined the subpoenas. But on November 16, 1953, in a nationwide radio-TV speech, Mr. Truman charged that Brownell lied. On the following day, Mr. Brownell and FBI Director Hoover testified *under oath* before the Senate Internal Security Subcommittee. The two men offered incontrovertible proof of the matters raised by Mr. Brownell in his November 6 speech. Messrs. Truman, Clark, and Byrnes never appeared under oath to refute the testimony of Messrs. Brownell and Hoover.

The facts so contrary to Pearson's version may be found in such sources as Robert Morris' *No Wonder We Are Losing*, James Burnham's *The Web of Subversion*, Ralph de Toledano and Victor Lasky's *Seeds of Treason*, and "Interlocking Subversion in Government Departments," Part 16, Hearings before the Senate Internal Security Subcommittee.

ITEM: From the syndicated Column of WALTER LIPP-MANN in the *Boston Globe*, February 21, 1967:

*A year ago the preponderant mass of Americans still felt that they were at war—cold war if possible, but a nuclear war quite possibly. This is no longer the prevailing American opinion.*

CORRECTION: Pollsters should stop wasting their resources. With Lippman's capacity for mental telepathy, the pollsters need only ask Lippmann what the preponderant mass of Americans think.

ITEM: From *Time* magazine, February 24, 1967:

*Over the years, N.S.A. [United States National Student Association] actually did have dribbles of cash coming from the Ford and Rockefeller foundations, as well as from the State Department . . .*

CORRECTION: And let us not forget that really bashful contributor—*Time* magazine. (See, page 17 of "Toward a Better Understanding," a publication of NSA's National Staff.)

## The Web of Subversion

by James Burnham

With names, dates, and specific facts this book reviews some part of the Communist infiltration into the U.S. government itself which had already been exposed, before the executive order of May 17, 1954, issued by President Eisenhower, made such further exposures impossible.

8/3 posted

## Seeds of Treason

by Ralph de Toledano

The true story of the Hiss-Chambers case, this book is more than a tale of spies and treason—it is a commentary on an America that has allowed pro-Communist behaviour to become not only commonplace but also fashionable.

8/3 posted

## Ill Fares The Land

The Famine Planned for America

by Dan P. Van Gorder

There never has been, and there is not now, any food surplus in America. The overproduction thesis is a hoax designed to bring America to its knees.

6/3 posted

## Third World War and Second Front

These two articles are being reprinted in leaflet form. The leaflet which includes a selected descriptive list of books will be free on request from K.R.P. PUBLICATIONS LTD., 245 Cann Hall Road, London, E.11, and should be given wide-spread distribution.

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