

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 47 No. 21

SATURDAY, 13 JANUARY, 1968

1s. 3d. Fortnightly

Social Engineering

An address given by Major C. H. Douglas to the Women's Engineering Society in London on January 19th, 1938.

I was proposing to-night to give a talk to engineers, but on looking round I see that a number of quite respectable people have drifted into the room, so I had better say at once that any bad language I may use is directed to engineers, who generally learn all about that sort of thing early in their career.

While I am addressing engineers primarily, I should like to take a somewhat wider view of the profession of engineering than that commonly taken to-day; to take instead a conception of engineering which in my opinion it has deteriorated from (if I may give emphasis to a sentence by being allowed to end it with a preposition).

There are certain aspects of engineering with which engineers are quite familiar, and in which words are used that have become common language, and one of these aspects is comprised in the word "efficiency".

Perhaps it will help to an understanding of what I am going to say about efficiency if I recall a story current in the Royal Air Force of a capable young pilot who was sent on a special mission to visit a sheikh in some comparatively inaccessible spot 100 miles inland of the Red Sea. The journey took him thirty hours, and as it was part of his mission to impress the sheikh with the marvels of modern European efficiency, he enlarged on the fact that the trip had taken him only thirty hours, whereas it was a journey that could not have been made with camels in less than six weeks. So, as he emphasised, he had been able to save nearly six weeks. To this the sheikh replied with a question very pertinent to what I shall have to say: "And what are you going to do with the six weeks?"

There is a great deal of loose talk about efficiency, the engineering definition of which is the ratio of input to output. But that definition is not quite comprehensible enough, for the important question is, "output of what?" That is the question that should be answered clearly whenever there is talk about efficiency.

It is quite possible to have an inefficient machine with highly efficient components. A nut and bolt, for example, may be very efficient, but there is no guarantee that the machine of which they are a part is efficient; and, from a similarly small point of view, there is no doubt that many departments of engineering, just like the nut and bolt, are extremely efficient. I should like to emphasise very strongly that any particular section of industry is, in the modern world, like the nut and bolt, part of a larger machine, so that it is possible to have many very efficient parts while the machine as a whole is decidedly inefficient.

Before starting on an enterprise of any kind it is essential to have a clear idea of the objective. Otherwise it is true

to say that no one and nothing can be efficient in a universal sense. For example, the objective of engineers is, fundamentally, to save labour. Engineers are engaged essentially in the substitution of power-driven machinery for manual labour, and, in doing so, they are consciously or unconsciously applying the principles contained in the Charter of the Institution of Civil Engineers, which defines the profession of engineering as the direction of the greatest sources of power in nature for the use and convenience of man. Now if you are trying in every possible way to substitute for the labour of man the forces of nature derived in the main from the energy of the sun, while at the same time the small group of men who are in charge of policy—who control the destinies of this and other countries—say that the objective we must strive for is the employment of everybody, then, with such a conflict of objectives, there must be complete inefficiency.

You must know your objective before you can have any real efficiency; and until you have a clear conception of the objective, any talk of efficiency is useless, except in a very limited and delusive way. For example, to facilitate rolling motion, ball bearings are highly efficient, but for the purpose of generating heat—as a heat engine—they would be extremely inefficient.

If the various departments of modern industry—and the smaller the sub-division the truer this becomes—are taken at the equivalent of the nut and bolt stage of my argument, they are, in the main, extremely efficient; but the more you try to enlarge the sub-divisions the less the efficiency becomes.

Consider for a moment what happens in this vast hive of activity which we call London. Stand on one of the principal Thames bridges at about 9 o'clock in the morning, or in one of the main thoroughfares from a big railway station, and watch the people teeming in, and consider what most of them are going to do. I do not think it would be an exaggeration to say that at least 80 to 90 per cent of them are going into offices to make marks on bits of paper. Now the efficiency of what these people do in relation to the realities of economic life is practically nil. These people are wasting their own and other people's time, and I hope that none of them will imagine for a moment that I am being offensive to them when I say so.

Take, for example, insurance. Thousands of people are engaged in making marks on paper regarding insurance, and insurance is nothing but a parasite on a particular system. Under some other system practically the whole of what is done in the insurance world at the present time would be

(continued on page 3)

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

This journal expresses and supports the policy of the Social Credit Secretariat, which was founded in 1933 by Clifford Hugh Douglas.

The Social Credit Secretariat is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: Home and abroad, post free: One year 40/-; Six months 20/-; Three months 10/-.

Offices: Business: 245 Cann Hall Road, Leytonstone, London E.11.

Telephone: 01-534 7395

Editorial: Penrhyn Lodge, Gloucester Gate, London NW1

Telephone: 01-387 3893

IN AUSTRALIA—

Business: Box 2318V, G.P.O., Melbourne, Victoria 3001

Editorial: Box 3266, G.P.O., Sydney, N.S.W. 2001

(Editorial Head Office).

THE SOCIAL CREDIT SECRETARIAT

Personnel—Chairman: Dr. B. W. Monahan, 4 Torres Street, Red Hill, Canberra, Australia 2600. Deputy Chairman: British Isles: Dr. Basil L. Steele, Penrhyn Lodge, Gloucester Gate, London, N.W.1. Telephone: 01-387 3893. Liaison Officer for Canada: Monsieur Louis Even, Maison Saint-Michel, Rougemont, P.Q. Secretary: H. A. Scoular, Box 3266, G.P.O., Sydney, N.S.W. 2001

Frustration as a Technique

(Originally published in *The Social Crediter*, Nov. 8, 1941)

Recent investigation has shown that even rats, confronted with a situation which they must solve, but to which their sense and experience only give replies which leave them still caught, fall, under the shock of complete frustration, into mental collapse.

Nervous exhaustion—whether in rat or man—renders the individual submissive and easy to control and is the product of the manipulation of conditions, of which the wirework of a trap is only one variant. The technique of the reduction of human beings to centralised control has very many forms, but rests upon a basis which is simple: individuals are placed in positions where they can attempt to secure desired objectives only by means which will not provide them.

Bureaucracy, for example, let loose to organise the efforts of a nation willing enough to go the limit, effectually prevents it from doing so; for bureaucracy postpones decisions, conceals responsibility, destroys initiative and so fails to provide the all out push which most of us wish to see. Democracy, in the debased verbal currency which obtains, means the Party System, and Freedom merely the absence of physical constraint. Such objectives, unless defined and reduced to concrete objectives, are dust in the yes.

It is often argued that obstructions such as these, which are placed between us and the fulfilment of our desires, are only the outcome of stupidity. Without going so far as to deny that attribute to our bureaucrats, it is certainly not the quality which distinguishes the releasers of bureaucracy; they are far too clever to give themselves away. And if you should doubt that, you are recommended to uncover the reason why M. Lapoint refused to allow an enquiry into secret societies, because that was a matter of *policy*. And why do our own ministers persistently refuse to discuss the Bank of "England" in Parliament?

"Put a wet towel round your head and think that one out!"

—H.H.

It is not alone what we do, but also what we do not do, for which we are accountable.—Molière.

Vietnam

How You Can Help

The following letter was addressed to the Representative for the electorate of Eden-Monaro, Mr. Dugald Monro, M.H.R.:

Dear Sir,

There are times, as you know, when villages, towns, and even entire cities are threatened by fire, flood, or other calamity. In such an event no worthy citizen will waste time on trivia. Every man, woman and child will at least attempt whatever useful activity the circumstances permit and, while no worthy representative will consciously cause panic, neither will he by word or deed, or by studied inaction, attempt to make it seem that the danger does not exist.

In War, provided the nature of the conflict is clear and uncontradictory, and the leadership above reproach, a similar spirit prevails: but when these conditions do not exist a different condition sets in—a sort of apathetic paralysis—which is ideal for the purposes of the ever-active enemy within.

Now, since you took office as Parliamentary Representative I have made it abundantly clear to you that America, on which country in relation to defence we appear to rely, is in the hands of traitors. I use that word with due regard for its meaning and I think it high time our correspondence was made public.

While approving of Conscription (like yourself and others of your Party) these people are at the same time ensuring that their country's enemy, who daily kills more and more of their country's youth, is adequately supplied with the necessities of war, in the shape of food, knowledge and equipment that the enemy cannot himself provide and without which the war could not be continued! In other words, if the aid were discontinued the war would soon end.

Yet Sir, as anyone who cares to read our correspondence and compare it with your public and printed utterances (*vide*, for instance the local paper, *The Examiner*) will see, you have done nothing to reveal the facts or expose the people behind the so strangely conducted war in Vietnam; nothing to explain current events, and nothing to improve the situation in any way. You have concerned yourself with parochial matters only; seeking, like a typical Party Hack, to improve your political standing while acting as though blind or indifferent to the real danger that steadily encompasses us all.

So now in support of what I have said here and in other correspondence about the state of our defence and the reality behind Vietnam (and I must point out that your Government also gladly sanctions the supply of essential commodities, in keeping with Mr. Holt's cry of "All The Way With L.B.J."), I send herewith an article entitled *Vietnam, How You Can Help* (reprinted from *The Review of the News*, August 30, 1967). It puts the facts very clearly and with much background of knowledge and in such a way as to be quite unassailable from a patriot's point of view, and I now charge you to do something really useful about the situation . . . to do, and to keep on doing, without cease, until matters are mended and the public, better informed than at present, are satisfied that the defence of this country and their future, and their children's future, and indeed of the whole world, is in capable and trustworthy hands.

So please get on with the job, without delay; in Parliament and out of Parliament, and in so doing earn the respect of those whom you profess to represent. In doing that which is requisite and right you will not lack support, but in the meantime I shall exercise my right of circulating this letter and the article to which it refers, trusting that by so doing I shall be assisting you in your right efforts. Perhaps *The Examiner* will help you too.

Yours sincerely,

W. PRESCOTT

Durras, N.S.W.
October 14, 1967.

Social Engineering

(continued from page 1)

totally unnecessary. The same remarks apply to the immensely complex, irritating and time-wasting taxation system, which keeps hundreds of people busily working, and is a complete waste of time. The whole of the results which are supposed to be achieved by the system of taxation could be achieved without any book-keeping at all; they could be achieved entirely through the price system.

In the early days of the engineering profession, the great engineers all began as mechanics. Men like Boulton, Watt, Stephenson, were engineers with their hands; but as the engineering profession expanded, they grew into professionals, but still keeping close to the earth—to realities. They became great men, men like Telford and Brunel, who were authorities on engineering, who established a situation in which they gave orders instead of taking them. From these high-standards the profession of engineering has degenerated during the last 20 or 30 years, and the business of engineering is becoming more mechanical, though the mechanics of to-day are mechanics of the brain instead of the hand. The ability to handle a slide rule and make the complicated calculations and adjustments which are the business of engineering at the present time, are purely mechanical unless there is a consciousness, a real consciousness, of what it is you are doing, and why you are doing it.

I think this degeneracy of which I am speaking is much more pronounced in European countries than in America. There, there are engineers who are endeavouring to take a wide view of the profession of engineering. They have taken the stand that it is necessary to have a common knowledge of the objective, and this is extremely important, even though the objective they may be thinking of is a wrong objective. I am referring to what is known in the U.S.A. as an industrial engineer. We have no industrial engineers in this country like Gantt, who died some years ago.

Such men are breaking into a new type of engineering. They have a knowledge of the capacity of tools and materials, and how to get a job of production done. They are interesting themselves in a new kind of mechanics, examples of which will be found in the well-known time-study methods and efficiency mechanisms connected with their names.

These men are delving into and building up something which may be called the dynamics of society, which is equivalent to a study of the way in which the economic machine as a whole can be used to reach the objective. Once again, I would stress that it is immaterial at this point that the objective may be wrong. The fact is that

these people are framing the dynamics of social action in the same way that earlier engineers built the dynamics of physics, built the theory of structures, of thermodynamics, of aerodynamics and so forth.

The point I am trying to make is this: there is a type of engineering for which there is a clamant need in this country. I will call it social engineering, and it is perfectly possible to go to work on just as sound principles as those which are used for bridge building; and just as, when you are building a bridge, there are certain principles which must be followed or the bridge will not stand, so there must be principles of social engineering which, if respected, will produce workable results.

Now the people who are actually engaged in this work at the present time are pre-eminently unfit for the job. For example, the man who rules this country is a man who knows nothing about figures. Another man who was a blacksmith—and I have nothing whatever to say against blacksmiths except that they are not necessarily fit for work outside the smithy—is ruling Italy. And another man who was a paperhanger rules Germany. Not one of these men has the very slightest idea of attacking a problem as an engineer would.

There are three simple principles which must be observed if any organisation in which human beings are concerned is to be continuously successful. They need not be taken too literally, but the fact is that they are universal in their application. The first of these principles is called policy, the second administration and the third technique.

It is impossible for people to work together satisfactorily for any length of time unless they are agreed upon policy. Policy is in the nature of things democratic. In fact, the real difference between dictatorship and democracy is exactly equivalent to the difference between, say, compulsory and voluntary cricket. While no one in his senses would say that a game of cricket should be RUN on democratic principles, the question whether to play cricket or not is for democratic decision. If you play cricket, you play according to M.C.C. rules; the game is not held up while votes are taken on what to do next. But if you don't like the rules, then you don't play cricket.

People will do the most extraordinarily disagreeable things in the name of pleasure, and they are ready to do these things because they are not compelled to do them; they can stop doing them whenever they want to. Otherwise, it is quite inconceivable to suppose that anyone would put up with having his nose rubbed in the mud on a cold, wintry afternoon, in a game of football! And in this connection, I think it is well worth noting the reaction of the population to the physical fitness rubbish which is being put about just now. It is only necessary to pass a law to make people play football, whether they want to or not, to kill all interest in football.

You must, therefore, have democratic agreement on policy—on the objective—and when you have agreement on policy, you should then forget all about democracy, and realise that there is an essential hierarchy in carrying it out, a hierarchy of administration. The general manager cannot possibly consult the office boy before taking a decision. People are ready, properly organised in regard to administration, to give orders and to take them, for the very good reason that they want to get the job done.

In short, there is no democracy about technique. I should like to stress here that you do not get things right by compromise. The amount of rubbish which is talked about compromise would sink a ship. It is quite impossible to compromise about physical facts. It is no use arguing, for example, as to whether or not sulphuric acid is really composed of certain elements in certain proportions. Its composition is represented by the symbols H_2SO_4 , and if one party wants to represent it as HSO_4 , and another as H_2O , no progress can be made. You cannot compromise about facts, so you must get facts right.

Here, then, is where the mind of the engineer ought to be applied to the working of the world. At the present time the world is in a very bad case. It is like a huge and powerful engine which is being run by a lot of half-baked theorists and idealists who have no notion how to control it, and it is time that others took a hand. In fact others must take a hand.

I want to ask you to get out of your mind the mesmerism of bigness. There is an idea which is very much put about at the present time, particularly by financial interests who have no knowledge of facts, which suggests that it is best to have everything so big that there is only one of it; only one coal-mining industry, and so forth; and it is all based on an illusion that bigness means efficiency.

In point of fact, there is no doubt that the most efficient unit is something quite small. The so-called efficiency of huge combines exists only on paper. They sometimes—and only sometimes—look efficient because they have certain facilities. For instance, they can impose prices and they can get loans because bankers love bigness. But don't let that deceive you; financiers do not deal in facts. The greatest financier marooned on a desert island would die of starvation where an ordinary mechanic would probably knock up quite a good living.

Ideas of the essential efficiency of bigness are delusive. There is, as a matter of fact, quite a simple criterion of the most suitable size of a unit, and it is just about the size in which you can get agreement on general principle. In engineering, I should say that the largest efficient unit should not employ more than 700 to 1000 men. I really do not believe that the enormous units of to-day are really efficient. They may look efficient because they can buy well and can afford to scrap and replace obsolete plant, and because they have special financial facilities; but the fact is that smaller undertakings could do the job better if not hampered by financial restrictions. I am fairly certain that the trend of the future, providing always that the world survives the imminent catastrophes of the immediate future, will be for these huge undertakings to break up into smaller units; so that in about a hundred years' time you will find mostly smaller, much more flexible units, with much better access to the facilities they require than they have at the present time. The picture that I have in mind is exemplified by the idea of a number of different manufacturing units attached to a central power distributing station. There is no need to amalgamate them all into one unit just because you have one power distributing station.

I want to conclude my talk by repeating to you the very effective words which are contained in the American Declaration of Independence. I cannot vouch for the complete accuracy of my quotation, but it runs something like this: "We take it to be fact that all men are entitled to life,

liberty, and the pursuit of happiness".

Notice particularly that the word "liberty" comes after the word "life", for without life there is nothing. But after life they placed liberty, and I think it is profoundly true that we shall never get a stable condition of society until we all have the fullest possible facilities to pursue our own conception of happiness within a system designed in accordance with the laws of social dynamics. For just as it is possible to sail a boat in any wind by conforming to the laws of aerodynamics, and to go where we choose, though we cannot choose the wind, so when we understand the forces which play about the social structure, then and only then shall we make progress on the way to the kind of world we should all like to live in.

K.R.P. Prices and Devaluation

We regret that, as a result of the devaluation of the £, prices of all books from overseas publishers are increased by approximately 3/- in the £.

The State of the World

The state of the world has grown steadily worse since 1945, and appears now to be on the brink of explosion. And the evidence of conspiracy, once in the main largely conjectural, is now abundant, clear and readily available. But not through the usual channels.

You can help in making the evidence known by buying books at bulk rates for distribution, preferably for resale, or by becoming a distributing agent. Write for details.

Our latest booklet, *The State of the World*, is available at the following prices:—

1 copy 3/- posted 3 copies 7/6 posted
6 copies 13/- posted 12 copies 21/6 posted
Larger quantities, prices upon application

The Truth about Vietnam

by Robert Welch

The purpose of this article is to raise the question: Does the death of Americans in Vietnam constitute deliberate, conscious, and cold-blooded murder on the part of the Johnson Administration?

2/3 posted

More Truth about Vietnam

by Robert Welch

This pamphlet is devoted to the issue, "Why fight 'em in Vietnam and help 'em everywhere else?"

2/3 posted

This is It!

by Robert Welch

The special Bulletin of The John Birch Society, from which we recently published an extensive extract.

2/3 posted

The Social Crediter

Additional copies (over one or more issues) can be obtained at the following prices which include postage:—

6 copies 6/6 12 copies 10/6 25 copies 18/6

K.R.P. Publications Ltd., 245 Cann Hall Road, London, E.11

Printed by E Fish & Co Ltd Liverpool