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FOR POLITICAL AND ECONOMIC REALISM

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## The Great Betrayal

By C. H. DOUGLAS

ONCE AGAIN WE REPRINT THE SURVEY WHICH ORIGINALLY APPEARED IN THESE PAGES IN 1948. EVENTS SINCE THEN, AND PARTICULARLY THOSE CURRENT, ADD EMPHASIS TO DOUGLAS'S SYNTHESSES:

In the course of a speech delivered on April 12, 1948, in the Canadian House of Commons, Mr. Norman Jaques, M.P., said:

"Speaking of internationalism and the real purpose and motive of internationalism, I have made a few notes on the Social Credit analysis of the hidden motives behind this drive for internationalism. It is an essential strategy for world dictatorship. The central strategy is to gain the monopoly of credit and of world propaganda so as systematically and continuously to spread false doctrines and to exploit the inevitable confusion resulting from putting such false doctrines into practice. This exploitation takes the form of centralising every kind of control, the creation of greater and greater monopolies leading to the police state, and to the final step of world government by world cartels controlled by international financiers. Some of the meshes of this international net are U.N.R.R.A., Bretton Woods, Emergency Food Board and U.N.E.S.C.O., by which nations surrender control of their credit, food supplies and propaganda; in other words, a world cartel of credits, propaganda and food to be used as sanctions against any recalcitrant countries.

"National sovereignty is an obstacle in the way of these international socialists and would-be dictators. An inner ring of internationalists, extending to many countries, repudiate loyalty to the country of their adoption; they give their loyalty to their international ring and its ideals. Through their control of financial policy they are able to exert a controlling influence over the governments of the countries in which they live. Their plan is to replace national with corporate government, the control being within the international ring. This is the empire of international cartels with the international financier as the emperor. With them war is a means to an end. War is 'the pursuit of policy by other means.' These internationalists work to a plan. Let me name some of them. Mond sets up a chemical cartel linked with Germany and America. Samuel recommends state ownership of coal. Isaacs (Lord Reading), negotiates a war debt settlement with Wall Street, binding the British to undisclosed terms. Sieff sets up political and economic planning, using the war as an excuse to overcome opposition. Cassel finances the London School of Economics to train the bureaucracy for the future world socialist state. Laski preaches class—that is civil—war. The state assumes the ownership of coal and other real assets, and international finance involves the state in dollar debt. The socialists bankrupt the state, and the international financiers

foreclose on the physical assets. In the meantime the people, forced into the factories under the slogan 'Work or Want', are controlled by quotas and ration books, ticketed and dossiered by social security.

"That, Mr. Speaker, is a brief but, I believe, absolutely true picture of the real motives behind this drive for international government, and the surrender of national sovereignty to international control."

About the same time, a circular emanating from the publishers of a much advertised Foreign Affairs précis, remarked, "The public is not only ignorant of large facts, as for example the reason why America [*sic*] changed her whole foreign policy, but also of almost all constructive information . . . That we should be in want is fantastic. It is the result of utter incompetence, lack of vision, of Government by managerial mediocrities".

Now it would appear at first sight that Mr. Jaques and the author of the circular in question are putting forward mutually incompatible theories. Mr. Jaques is saying that the disintegration and betrayal of the British Empire is the outcome of internationalists possessing ability of the highest order, as well as immense, perhaps almost unlimited resources. The circular *seems* to contend exactly the opposite, that now, if not previously, "Britain" has come into the control of stupid "mediocrities" whose incompetence is a sufficient explanation of our discontents.

These two aspects of what is only one fact will be familiar, perhaps to the point of weariness, to the more serious students of Social Credit literature, to go no further afield. They relate, of course, to the utilisation of the proletariat to destroy the aristocracy for the benefit of High Finance. They can be synthesised in the statement that history is crystallised politics; it is not a string of disconnected episodes. It is not accidental that we are pursuing a suicidal policy under half-baked careerists trained by aliens sneering at patriotism; it was not accidental that such men as Mr. Benjamin Cohen and Mr. Schmucl Gilman (Sidney Hillman) spent much of their very valuable time in "Britain" when we were "in war, or under threat of war"; it was very far from accidental that Mr. Churchill adumbrated the liquidation of the British Empire in 1942, or that Mr. Attlee, who is reported to have said in 1934 "We have absolutely abandoned any idea of national loyalty, and we are deliberately putting a world order before loyalty to our own country", should have become Prime Minister of what we are so anxious to proclaim is a second-rate Power.

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## The Social Crediter

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## FROM WEEK TO WEEK

Except by regarding the political scene as a spectacle—a sort of gigantic prize-fight with the main rewards to the promoter, but the contestants and hangers-on, the professors of political 'science' and the commentators, getting their livings out of the performance—there remains little to say touching political reality that has not already been said and repeated, to no avail. Political events are in the main determined by persistence in a radically defective financial system, of which Douglas said: "Its banking system, methods of taxation and accountancy counter every development of applied science, organisation and machinery, so that the individual, instead of obtaining the benefit of these advances in the form of a higher civilisation and greater leisure, is merely enabled to do more work. Every other factor in the situation is ultimately sacrificed to this end of providing him with work, and at this moment [Nov. 1924] the world in general, and Europe in particular, is undoubtedly settling down to a policy of intensive production for export, which must quite inevitably result in a world cataclysm, urged thereto by what is known as the Unemployment problem."

The cataclysm took the form of first the Great Depression, followed by World War, entailing enough destruction to re-instate Full Employment for years to come, until we are on the threshold of a further cataclysm, this time, apparently, to culminate in a Communist take-over of the globe, and universal slavery under the guise of Global Reconstruction and the elimination of national cultures and identities—the temporary but utterly destructive triumph of Materialism.

Against this background the manoeuvrings of Party Politics appears as obscene farce. Politics so-called is hardly anything but a blind struggle for personal power. Politicians must somehow know in their bones that a suitably rectified financial system would take the power out of politics.

The Heath administration has now been in office sufficiently long to demonstrate that either it will not or cannot rectify the financial system; conditions will get worse as a totally unnecessary inflation gets worse, and this will finally discredit the 'Conservatives'. Whether this will result in anarchy and revolution, or a period of Socialist totalitarianism leading to Communism by 'peaceful' means, remains to be seen.

The intermediate step of "taking Britain into Europe" would be merely to remove the Governors further from the governed, providing an international sanction for suppressing any incipient national revolt. From the point of view of World Government, this may appear meritorious; but from the point of view of age-old British culture, which came near to a peaceful and prosperous transformation of the world by example, it is treason.

## Why I am a Social Crediter\*

By BRYAN W. MONAHAN

(Continued)

In the long run, everything depends on the ideal we look to. Almost the only one at present is to become rich in terms of money. The only true richness is "treasure laid up in Heaven", which I take to be richness of creative experience. If we make "earning a living" of diminishing importance, and "having life more abundantly" of increasing importance, and re-orientate the social teaching of the Church and of schools accordingly, we can expect to see Society transformed—not overnight, but in the course of a few generations, for there is much evil to die out.

But much evil arises from the love of money. Social Credit, by making, eventually, everyone "rich", would automatically destroy the love of money. Money, at present, is too necessary to too many; an income from week to week is literally a matter of life or death to the majority, while to the minority money represents power. But in terms of industrial possibilities, we all should be rich.

It seems to be increasingly difficult to get people to realise that we all could be comparatively rich; that taxation is not only unnecessary, but is actual and deliberate robbery; that what we now know as Social Service payments could be universalised and increased as unconditional dividends. Almost universally, the cry is "I don't understand economics".

What is difficult to understand is contemporary economic so-called theory; and this is reasoning applied to false premises. To understand the Social Credit proposals, it is only necessary to grasp a few fundamental realities and make some common-sense deductions.

The first fundamental is that labour-saving machines save labour. In the limit, labour-saving would displace all labour, and consequently some other means of distributing the product of the machines would of necessity have to take the place of wages paid for employment.

The false premise from which current economics proceeds here is that labour saved must be re-employed, and that such employment should be provided by financial manipulation. In the long run—it might be a very long run in terms of this generation, but only an instant in the history of mankind—the two policies of labour-saving and full employment cannot be pursued together, and the attempt to do so is a major cause of the inflation which is at the root of the catastrophic social unrest and disorder of our times.

The second fundamental is that money is not a commodity, having inherent value; the idea that it is had some foundation when there was a gold currency, but has none

\*Originally published serially in these pages in 1957.

now. Money now is simply a system, analogous to a filing system. In fact, money is one part of a complex system of accountancy. By far the greater part of this system is operated without the use of *currency*—i.e., notes and coins—at all. And even notes and coins have an inherent value only a fraction of their nominal value.

Now it is quite evident that this system is not giving satisfactory results; but once it is recognised as a system instead of a thing-in-itself, it becomes evident that the system can and should be altered. We are the victims of a wrong system of book-keeping, and orthodox economic theory is merely a description of that system. The remedy is, not to try to understand "economics", but to insist that truthful book-keeping be instituted.

Short of actual catastrophe ending life on earth, in the world of the future there will be "work" for only the few. That fact should be the starting-point of our present plans. Our children, we should say, will be wealthy; let us bring them up to get the best advantage of their wealth. Let us look to a future where the predominant activity will be, in the broadest sense, cultural activity. Where the Greeks had slaves, they will have automatic machinery. For a few generations, we have been building those machines; but now the building is almost over, and it is time to prepare for its beneficial use. We have been slaves, but are about to become free. Let us cast out fear, envy, and greed, and rejoice in all those who achieve freedom. And what greater freedom is there than a secure, independent income of gradually increasing purchasing power?

I have read, thought about, and discussed Social Credit for nearly thirty years, and have become ever more convinced that it is the only policy in accord with the true nature of man, and adapted to our present and future environment. When the genius of Douglas first proposed it, its implementation would have been relatively simple; but, as he observed a few years ago, we have dropped back some hundreds of years, and the task is much less simple now. But the task is still, I believe, the only alternative to disaster.

We have to get away from the idea that the well-being of the human Spirit is measured by the annual production of pig-iron; we have to appreciate that a large part of production in general represents pure waste, and is a crime against our heirs. Production for the sake of employment is sheer madness, the politics of destruction. We have built our house, now let us adorn it with works of art, furnish it with craftsmen's care, surround it with beautiful gardens, and live in it graciously and abundantly. Let us learn to be artists, making the raw materials of our lives conform to the meaning we ourselves put into our lives. The destiny of man requires the uttermost freedom, and a final, awful, personal responsibility. *Life* is initiative: the rest is entropy.

(Concluded)

Why I am a Social Crediter is being printed as a booklet and will be available from K.R.P. Publications at 15p (3/-) posted.

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### The Great Betrayal (continued from page 1)

Perhaps, least of all, is it accidental that Earl Mountbatten, the son of a German and the husband of Sir Ernest Cassel's grand-daughter, should be the last Viceroy of India. When we examine even cursorily the fantastic financial transactions which have characterised the "defence" of India, the necessity for a Viceroy with the broadest possible views becomes evident, although it is equally evident that the British population "couldn't care less". The Soviet writer, E. Varga (*Foreign Affairs*, July, 1947), claims that "Britain" lost nearly a quarter of her national wealth, a figure he put at £7,500,000,000. These figures do not include war damage or depreciation.

In 1939 Great Britain had more (probably considerably more) than £1,500,000,000 in investments and credits in India. By 1946 she had lost all this and owed India £1,400,000,000.

The English middle classes are ruined, the "workers" temporarily are enriched, and permanently enslaved. We must not, however, make the mistake of assuming that no one has "won".

Even quite small traitors have done nicely.

(II)

Mr. Winston Churchill is by ancestry half Hanoverian Whig and half American, and by political upbringing and association a Lloyd Georgian Liberal with powerful Jewish support. None of this would suggest a tendency to produce a starry eyed political idealist with a trusting temperament of a Babe in the Woods, and it is therefore doubly significant that Mr. Churchill (it is stated on good authority) has refused to accept his salary as leader of the Opposition in the present Administration. It suggests that the trend of events is not such as he had anticipated, or at any rate, he has no wish to be paid for even passive complicity in it.

With no desire or competence to find excuses for him, I find it difficult to believe that he has not been double-crossed. And the nature of the double-crossing is not far to seek. Mr. Roosevelt, it would seem, took his measure accurately, recognised his overwhelming passion to be a second Marlborough, and gave him a fairly free hand to win the war so long as not many Americans fought seriously, making, however, complete and effective arrangements to win the peace. Clearly, as Mr. Roosevelt's friends would assure him, no better plan could be imagined than that outlined by Mr. Jaques. How it was arranged that the "Labour" Party should be returned is difficult to know, but that it was arranged is nearly certain. Never in the chequered history of the secret ballot conjuring trick, has such a bare-faced imposture been staged as in the election of 1945, with its hundreds of thousands of U.S. soldiers canvassing against "the feudal system" ("why don't ya have a d'markrazi like Amurrica?") and its three months' interval between the ballot and the vote counting.

At this point, it is useful to obtain some idea of the nature of the Parliament which was "palmed" to use the appropriate conjuring term, on the British Isles under the name of a "Labour" Government. Of the 398 members accepting the Government Whips, 124 are Trade Union officials, 48 publishers, journalists and authors, 45 Municipal politicians, 41

barristers and solicitors, 41 business men, 34 schoolmasters, 12 Co-operative employees, 12 doctors and dentists, 10 university teachers, 10 farmers, five Army, Navy and Air Force officers, three civil servants, three Free Church ministers, one policeman, and five unclassified.

Whatever may be said of this collection, and a good many things may be said of it, it is not "Labour" in any reasonable or distinctive meaning of the word. Anyone with the slightest acquaintance with the subject would recognise its character. It is a Parliament of Fabian Socialists and P.E.P. nominees hand-picked for Mond-Turnerism, united by a common preference for white collar jobs over "workers' employment, and an equal determination to tell other people how to work rather than to work themselves. That is to say, it is almost identical with the New Deal background which had propagandised Franklin Delano Roosevelt and blanketed its failure by precipitating the Second World War. While many of its constituent members did not know it, it was an international, not a British, body, committed in advance to wreck its native country.

It is almost certain that the genesis of the Parliamentary victory of the so-called "Labour" Party can be found in the conditions imposed on Mr. Churchill in 1940 after Dunkirk as a condition of "Labour" support, and the situation at this time can be synthesised by observing that *every party outside Mr. Chamberlain's group was being advised by the same international body*, and that the present interests of that body are geographically centred in New York. In consequence the complete elimination of Great Britain as a Power is essential to the role so engagingly recalled by Mrs. Roosevelt, that "Britain" is the first line of defence of the United States. "That", added Mrs. Roosevelt recently, "is true to-day." That is a proud thought for the survivors of the British Empire.

Obviously, every piece of advice, now practically amounting to an order, which was tendered by Mr. Roosevelt's entourage has been good advice—as viewed from Wall Street and Washington. And, in the main, Mr. Churchill took that advice, which probably included a suggestion to hand over the post-war baby to the trained arms of Mr. Attlee and the London School of Economics. To provide Mr. Attlee with a loyal background on the American model, Lord Citrine (T.U.C.) is now Chairman, British Electrical Authority at £8,500 *per annum*, Sir Frederick Burrows (ex-railway clerk) was made Governor of Bengal (!) at £9,000 *per annum*, Sir Ben Smith, a most admirable ex-able-seaman, is paid £3,500 *per annum* for running the West Midland Coal Mines, Mr. Jack Benstead, a Trades' Union official, £5,500 as a member of the Transport Commission, *etc., etc.* There are dozens of others. These are "out in the country". But, if my addition is correct there are between sixty and seventy Ministers or near-Ministers on the higher pay-roll, all of whom, together with the ordinary Members of Parliament, were immediately rewarded for their allegiance by a large rise in salary. Many of the Opposition Members feel also that it would be a pity to be too censorious of an Administration with such sound principles, more especially as their leaders appear curiously willing, or even anxious, to be more Socialist than the Socialists.

Briefly, then, the public at large may have lost the peace once again, Great Britain may now be "Britain"; but with the aid of significant sections of all political parties, we have achieved the proud position of the First Line of Defence of

the U.S.A., are in process of becoming a Work State on a standard of living arranged from Washington, America will be free to treat the world as her oyster while we fight for her mistakes, will take what she wants from us, and give us what she can't use herself, and it will, and has, become clear that as in Hitlerite Germany and Russia, only fools will work either manually or technically—all the knowing ones will be good Party politicians.

It has been the fashion in Bloomsbury, and in those places where the Fabians sing, to jeer at the British Empire ("pure Kipling, old boy, ha! ha!") and in general the ways of the Victorians. While many valid criticisms can be made both of the organism and the period, most of them traceable to that financial system the Fabians are so careful not to attack, it would be a cardinal error not to assess the significance of this attitude. Passing over the fact that the Socialist is not naturally a traveller or an adventurer, except in the less desirable sense of the word (the very roots of Socialism are antipathetic to individual initiative) he is a worshippinger of logic—of pure reason, which he mistakes for intelligence. The Fabian Society itself is the descendant of the Encyclopaedists who ushered in the Age of Reason. That this is not a British trait—in fact, the typical Englishman distrusts logic to a degree which denies it its legitimate use—is only one of many indications of the alien philosophy sapping our native vigour. The *premises* for arguments in favour of the Empire are in the main hidden, and the deductive method does not apply. But the *proofs* are clear, even if to the man in the street, the reasons are not, that the British Empire was a far more admirable growth than any mechanistic League or Union of Nations, precisely because it was not reasonable—it was organic.

(To be continued)

### "If Leisure is Time to Think"

"Then again there is the baneful effect of Hollywood in lowering the taste of the masses and, in fact, in lowering the whole standard of thought throughout the world. Crowds flock to theatres [written before the more wide-spread effects of television—Ed. T.S.C.], and producers revel in producing the kind of film that tickles the taste of the masses. Crowds also flock to the museums to see exhibitions of outlandish paintings, and some people argue from this that the masses are becoming art conscious. This is not true—the masses are merely what they have always been, namely stunt conscious. I am not a great believer of art for the masses—even to appreciate art and to understand art much prayer and fasting is required, and the habit of deep and prolonged thought is only acquired by those who are supposed to belong to a leisured class. If leisure means having the time to think, then there *must* be a leisured class, for without thought no human progress is possible.

—Lord Lytton in *The National Review*.

#### AN INTRODUCTION TO SOCIAL CREDIT

By BRYAN W. MONAHAN

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