

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### Programme for the Third World War

By C.H. DOUGLAS

THIS TREATISE, HERE CONTINUED, WHICH FIRST APPEARED IN THESE PAGES BETWEEN APRIL & AUGUST, 1943, WILL NOT BE FAMILIAR TO MANY OF OUR PRESENT READERS. FOR OTHERS A RE-READING SHOULD PROVE ENLIGHTENING

#### III

The practical history of Bolshevism may be said to commence with the financing of Japan in the 1904-1905 War against Russia. The Japanese Minister of Finance Takahashi wrote a Memorandum to the Japanese Government, in which he said:—

“Mr. Schiff had a grudge against Russia on account of his race. . . for this purpose it was deemed fit to admonish the ruling class by an object lesson. Mr. Schiff saw in the war a welcome opportunity to give effect to his cherished idea.” (*Jacob Schiff, Life and Letters* by CYRUS ADLER.)

The immediate result was the issue of the Imperial Japanese Government 6 per cent. *Sterling* (not dollar) Loan.

It might appear, at first sight, that this transaction was merely a routine example of financial practice, similar, for instance, to the assistance given to Hitler by the Bank of “England” under Mr. Montagu Norman, which was so helpful in enabling Germany to re-arm.

But I think that there are differences. It is true that Mr. Norman has expressed his contempt for the general population in no uncertain terms (“The dogs bark, but the caravan moves on”). On the other hand, he has also regretted that he is no economist, and does not know what to do (*Montagu Norman: A Study in Financial Statesmanship*, by PAUL EINZIG). So we must assume that he is only the broker’s man. To know with certainty whether there really are differences between financing Hitler and financing Bolshevism, we should of course require to know who is the broker. But to revert to Mr. Schiff.

It should be realised that the effect of his initiative on this occasion was to set the British to work (it was a *Sterling* Loan) to build up the Japanese Navy, because Mr. Schiff, like all his co-racialists, dislikes culture, and prefers Kultur. The object is clearly stated—an American, or German (without reference to dates, it is difficult to say) Jew, he “deemed fit” to put the British to war against “the ruling classes of Russia” as “an object lesson.”

At the same time: “The subsidies granted to the Nihilists at this period by Jacob Schiff were no longer acts of isolated generosity. A veritable Russian Terrorist organisation had been set up in the U.S.A at his expense. It covered Russia with its emissaries, charged to assassinate Ministers, governors, heads of police *etc.* . . . and to create insurrection . . . the cost was estimated at more than fourteen million

[gold] roubles” (*Figaro*, Paris, February 20, 1932). Of course it all came back ten times over in profits from the “re-construction” of Russia. To quote the banker’s hymn: “Whatever, Lord, we lend to Thee, repaid a thousandfold shall be.”

Now, before briefly considering the consequences of this operation, I think it is important to be quite clear that the merits or otherwise of the Russian Imperial Government, *from the point of view of the Russians*, are not in question. The only point on which we can be certain is that no Russians have figured in general intercourse outside Russia since it disappeared. Whatever the results, and we are beginning to experience them now, the “ruling classes” were to be taught a lesson because they were not willing to take orders from a German Jew resident in America. That the results to the *Russians* were of no consequence, is demonstrated by the fact that many millions of Russians, not of “the ruling classes” perished, and millions more were reduced to poverty and exile, by the Bolshevik Revolution. But no Jews. Soviet Russia is “presented” to Europe and America and represented by two Jews, Maisky and Litvinov, who are as typically Russian as a Sassoon is typically English.

“Of course the consequences were much wider. In the article in the *Ottawa Citizen*, by Mr. Herridge, to which reference has already been made—an article which reads like the *rechauffe* of a conversation with an exponent of international Freemasonry—amidst a welter of what, without wishing to be offensive, I can only describe as dangerous nonsense, he remarks, “Germany attacked; a fact of only tactical significance. For if Germany had not attacked, Russia would have.” In that I am sure he is right, and that the social and economic structure both of Russia and Germany make war certain.

It is not too much to say that the consequences of the activities of Mr. Schiff, his firm, and his associates were:—

(1) The inauguration of an Asiatic war complex, accompanied by a delusion that the day of the white man was over, not merely in Asia, but everywhere. “Pearl Harbour” was conceived in New York. Trouble in India dates from the beginning of this century, and was hardly existent before. Yet political reform in India has been rapid and continuous.

(2) The World War had as its fundamental idea “*Drang nach Osten*.” A weakened Russia, like all these World Revolution movements, played straight into the

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## Crystallised Policy

AN EDITORIAL WRITTEN BY B.W. MONAHAN,  
PUBLISHED IN MAY, 1973.

*The Social Crediter* since its inception forty years ago has always been a journal of policy, not of opinion. It has been concerned continuously with political and economic realism, so far as reality can be perceived.

The perception of reality is always a matter of insight—not of reason. It is a direct vision of the whole which underlies the parts; of the pattern which underlies apparently disconnected events. What we call history (*Definition*: "Continuous methodical record, in order of time, of important or public events . . .") the late C. H. Douglas, the author of the conception of Social Credit, characterised as "crystallised policy", meaning that the events recorded as history were to be understood only in terms of the policies which brought them about—or the conflict of opposing policies.

Douglas also perceived that there were only two fundamental policies operative in the world of events—policies deriving in their turn from two opposing philosophies, or conceptions, of the nature and purpose of Man. One conception is that the individual is simply an interchangeable component of a larger unity, like the spare parts of a motor-car. This is the Collectivist-Materialist view—the philosophy of which Socialism is the policy. But to paraphrase George Orwell: even in this view, some men are more interchangeable than others. The characteristic of the Collectivist society is *centralisation*—a pyramidal power-structure, with those at the apex of power replaceable, as a rule, only in the event of death, from violent or natural causes. In other words, the car has a driver.

The second, and opposed philosophy—of which Social Credit is the policy—regards the uniqueness and increasing differentiation of the individual as of supreme importance, so that, in consequence, social organisation should be such as to enable each individual to fulfil his personal destiny (whatever it might be) with increasing ease and certainty.

For a full understanding of Social Credit the study of Douglas's original works is indispensable, and of course underlies the relevant commentaries on events which have appeared in *The Social Crediter*. Several years ago a selection of such commentaries, written by Douglas, was pub-

lished as a book under the title *The Development of World Dominion*. Later, two other selections of commentaries by B. W. Monahan were published under the titles *The Moving Storm* and *The Survival of Britain*. All these volumes were largely prophetic—that is to say, they forecast the probable outcome of persistence in certain economic and political strategies current at the time of writing the commentaries. But with the passage of time, the prophecies have almost all become history.

We feel now, though, that the momentum of events is so great that this present generation will witness the greatest tragedy in human history—the culmination of a centuries-old Conspiracy. But just as medical practitioners preserve the lives of sufferers from 'incurable' cancers, lest research suddenly produces a near-miraculous cure (as happened in the case of infectious diseases), so we may hope that a widespread understanding that the evils that beset us are the outcome of conspiracy may yet give the Conspirators ultimate defeat.

## Review

ALSO REPRINTED FROM OUR MAY, 1973 ISSUE ARE  
DR. MONAHAN'S "FROM WEEK TO WEEK" NOTES.

One Jeremy Campbell contributes to the *Evening Standard* of April 4, 1973, a rather light-hearted article quoting New York stock exchange analysts as predicting "a money panic that will bring about the greatest crash in history" — ". . . the crash will spill into the general economy and create a very, very nasty recession. I can see small companies going bankrupt and some banks closing" — ". . . we may soon see the start of a world-wide deflation that eventually could make the great depression of the 1930s seem like a summer festival".

John Vaizey contributes to *The Sunday Telegraph* of April 8, 1973 an article entitled *Don't ask the economists for the answers*. "At the moment those who have the temerity to call themselves economists are in a strange way. We know—but the public do not—how insecure our knowledge is, first because the facts themselves are exceedingly vague and secondly the theories to interpret the facts are in an exceptional state of disarray". Mr Vaizey lists "several main strands of economic thinking" and adds ". . . it is important to realise that throughout Europe the Marxists are the dominant group of intellectuals." And he ends: "One day there will be a disaster of thalidomide proportions as their [some commentators' and civil servants'] credulity and our ignorance join together in some prescription that will do great harm." Phase III?

Marxian theory — *and practice* — is predicated on the eventual collapse of the 'capitalist' system. But Marxism is only one aspect of a much deeper and continuing conspiracy designed to achieve world-government by a self-perpetuating minority of the world's population. Financial manipulation and Communist organisation—on an international scale—are the complementary aspects of this Conspiracy. Built-in inflation is progressively potentially dispossessing individuals of their property—the great prototype of the mechanism being the great depression of the 1930s. This inflation—which is quite deliberate—creates mounting unrest, but also an increasing inability to resist ever more totalitarian government to restore 'law and order'. At the same time Communist

activity is assaulting traditional Society on every available front, to bring about a state of anarchy in which the organised Communist Party, *backed by the Red Army*, can seize control when the predicted (but carefully engineered) economic disaster occurs. "The Red Army stands ready to shake the tree when the rotten fruit is ready to fall". *That*, and not a conventional nationalistic confrontation, is the essential military strategic situation; and in conventional terms, it has gone beyond the point of no return.

Permissiveness (which has led to an epidemic of venereal disease), subsidised pornography, drug-pushing (Red China is the major source of supplies of opium and its derivative heroin), abortion on demand, student protest and riots, the adulteration and subversion of religion, massive brain-washing through the mass media, the corruption of genuine learning and the use of tertiary education for indoctrination to make "the dominant group of intellectuals" Marxist, and mounting industrial strife fuelled by inflation—all are so many weapons, carefully co-ordinated, aimed at the collapse of Christian civilisation. And a plainly ridiculous 'science' of economics disguises the part played in all this by sheer conspiratorial financial power. The key to the situation is deliberately maintained inflation in the face of a known but suppressed remedy.\*

Years ago, we suggested that a patriotic Government should institute genuine financial reform. This would undoubtedly have provoked external sanctions—even the threat or actuality of war. But it would have afforded a *chance* of survival as against the certainty of cultural extinction, now almost accomplished. The idea that the military situation in Europe can be repaired in the face of the officially proclaimed Soviet superiority of about three to one is on a par with current economic theory, as described by John Vaizey. Economic theory and military strategy are equally tools of Finance-Communist Conspiracy; and if a way out of threatening disaster remains, the first requirement is a full and explicit recognition of that fact, and its exposure. By whatever means, the Conspiracy must be forced into the open so that the enemy may be seen; and financial reform still appears to be the best means to that end. Party politics is a dead loss and frightful danger; but an informed public opinion could conceivably turn the tide.

## Continuity

### REPEATING WHAT WE SAID FIVE YEARS AGO:

The present situation is, disastrously, developing much along the lines of our earlier, fearful predictions and very little of consequence can now be added to what has already been published through these pages, much of which has been repeated from time to time. To keep lines of communication open it has been decided to publish *The Social Crediter* at two monthly intervals. Should urgent matters arise to warrant doing so an early edition will be published.

These new arrangements will ease the burden of mounting costs for printing and postage and defer consideration of increasing subscription rates which have remained constant for so many years

\* See *Alternative to Disaster*, by Bryan W. Monahan: K.R.P. Publications and Tidal Publications.

## PROGRAMME FOR THE THIRD WORLD WAR

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hands of Germany—the Germany of Frederick the "great" who is now being idealised by Goebbels.

(3) The transfer of the subversive activities of international finance to France and England. The technique of flooding the country with refugees, many of them propagandists, is a repetition of the period following the French Revolution. How is it that no Socialist Party has ever attacked Finance? How is it that the programme of the Commonwealth Party (notice the Cromwellian touch) reads like a banker's dream?

Russia is a country of nearly 200,000,000 people with vast resources. The individual Russian has always been a brave and fatalistic soldier. For twenty years, the Soviet Government has been preparing for war. Where is all this propaganda coming from, which in quarters accustomed to denounce war as a capitalist trick, heralds as an immense military achievement *derived from the Soviet system*, the very desirable, but surely not very remarkable fact that 200,000,000 of people, fighting on their own soil, on short lines of communication, have held up (if they have held them up), *one* enemy fighting on lengthening lines of communication while an allegedly inefficient country of 45,000,000 held up three empires, and assisted the Russians? Who in their senses could argue that the most backward and illiterate country in Europe is the pattern for the rest? To anyone who will consider the evidence, I cannot see any conclusion from it but one—that the totalitarian state in all its forms is a gigantic plot against civilisation, and that only political adolescents could fail to see that it proceeds from an international source, using international bribery for the benefit of an international caste to whom all cultures and races, but one, are foreign.

The object of the various New Orders is simplicity itself—it is to prevent the rectification of the defects in the organic growth of civilisation, almost all of which proceed from the Finance which the New Order mongers never attack.

## IV

A deceased diplomat, whose superb self-confidence adorned an almost invincible stupidity, explained the ideals of what, for brevity, we may term the Chatham House Gang.

Speaking at a dinner in New York just before the war, he remarked, "Peace comes from there being overwhelming power behind Law." The capital letter was, I think, in the original report. The speaker did not explain whose Law, or whose power.

Apart from the fairly obvious fact that more elaboration would appear to be required on these two matters, I feel that a little de-bunking of Law with a capital letter is both necessary and desirable at this time. Both the word and the thing are becoming overworked.

In parenthesis, the kind of Law in the abstract to which reference is made in the speech just recalled has many characteristics which distinguish it from natural law. For the moment, it is only necessary to refer to one. It is almost invariably negative—"Thou shalt not —." It is an interesting indication of the origins of the Law, that nine out of ten of the Commandments of the so-called Mosaic Law are negative, while the sole Commandment of the New Testament is positive.

I think that the important point to recognise is not merely the minus sign of the Law (because there is room for a good deal of elaboration on that point) but that negative direction is almost invariably a sign of immaturity *when taken by itself*. All children love to order people *not* to do things. Beginning with "naughty dolly," they work up to a point, usually reaching a maximum at about the age of eighteen, in which almost everything is coded—it is either "done" or "not done." Quite a lot of people never get past that stage, particularly if their life is spent in office work.

The perfect comment on this kind of Law is that of William Blake, the poet and mystic, who said that, "One Law for the lion and the lamb, is oppression."

While, in the last analysis, I think this goes to the root of the matter, it would be absurd to suggest that enforceable law has not a quite limited use. The Common Law of England worked on the whole to the general benefit, largely because it always had regard for the fundamental maxim *De minimis non curat lex*—the law is not concerned with trivial matters. And it is small matters which make up the essential life. The principle has only to be stated for us to see how far we have departed from it, and how fantastic it is to have an organisation which is forever grinding out new laws. But that is something else again.

While this place for law in its proper place, and stripped of the nonsense of majesty and sanctity, may be admitted, it is yet possible to say, I think without any effective reply, that *Law becomes more irrational, oppressive, and ultimately intolerable as the number of persons affected by it increases*. So far from the ideals of the Chatham House Gang having any basis in inductive experience, only "intellectuals" encouraged by gangsters could fail to see that Home Rule movements are an affirmation of the healthy reaction against the World State. "Equality under the Law" is primarily intended to benefit the lawyers and their friends. So far from peace proceeding from it, there is not a country in Europe which is not seething because of it. Of course, it is open to anyone to say, as in the case of Dr. Temple, that "we need supremely the control of human purpose" and to defer the explanation of what you mean by human purpose and who "we" are.

For my own part, I am satisfied that this reaction against legislation is easily the most hopeful outcome of the war so far. No people ever became great by passing laws, and the combined tendency to regard law as a substitute for action, while abandoning industry for bureaucracy, is one of the most dangerous symptoms of racial degeneracy.

I am personally familiar, from a position of comparative detachment, with the working of two Government "spending" Departments.

The human material in them is usually good, but deteriorates rapidly. One of these Departments, the first example of nationalised industry, the Post Office, is a proof of the greatness of this country. No country which had not immense powers of endurance could sustain an organisation such as the Post Office, and survive.

In order to reconcile this with a fair, but rapidly deteriorating postal service, it must be realised that a very high proportion of the work of the Post Office is not done by the Post Office staff. It is done by the commercial organisation of the country. Practically the whole of its material is bought; nearly all of its transportation is contracted for by "outsiders"; and a high proportion of the

most troublesome collection and distribution is the work of small sub-post offices which double the job with that of the village shop. With the exception of telegraph and telephone maintenance, and the mechanical equipment of the large city post-offices, the main function of the Postmaster-General's Department is that of a pure bureaucracy, operating under a set of intricate "Laws" known as Regulations. If a commercial undertaking of comparable size had the "overheads" of the Post Office, and dealt with its problems by the same methods, it would not stay in business for six months.

The ostensible work of this swollen bureaucracy consists in writing "Minutes" in "Files"; and the art of writing minutes consists in never by any chance committing yourself to any responsibility for anything whatsoever. But, in fact, the main employment of these huge staffs is departmental intrigue mixed to an increasing extent with OGPU-Gestapo practices. They are riddled with Freemasonry; their Class Distinctions, like those of the Communist Bureaucracy in Russia, far exceed those of so-called capitalist society, any activity requiring practical knowledge being confined to the Lower Orders.

While I am confident that before much time has passed something will have to be done with the Post Office by someone, my object in expressing a mild and limited opinion on its merits is simply that in it we have a working model of what a complete bureaucratic state would be like. And the almost incredible fact is that the great mass of the population outside these organisations (in the main hypnotised by the economic security attached to State employment) have no idea of the facts, which are simply that the weight of them, which grows daily, is carried by the diminishing number of people who do any useful work; and that the economic security is simply parasitism.

The Post Office is Socialism in being under the most favourable conditions. It is a monopoly; it relies on a more efficient system to do most of its hard work at low pay; it is grossly overstaffed and has much more than its fair share of Jews in key positions. It is rigid and lacking in initiative; always looking for a reason why something should not be done, rather than why it should be done. It is impossible to hold it responsible for anything, and like internal Russia its one fear is publicity.

With this picture of Socialism under the most favourable conditions in our minds, we can consider the links between the inauguration of the Socialist State, Russia and the Fascist State, Italy, the allegedly opposing system.

(to be continued)

## The Meaning of Meaning

"The true meaning of a term is to be found by observing what a man does with it, not what he says about it."

—*The Logic of Modern Physics*, Bridgman.

"A controversy is normally an exploitation of a set of misunderstandings for warlike purposes."

—*The Meaning of Meaning*, Ogden and Richards.