

SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 70 No. 2

MARCH—APRIL, 1991

Wherever a philosophy of self-sacrifice is operative, you will find an army present to collect those sacrifices. Selflessness invites Attilas, Hitlers, Stalins, Khomeinis and Saddams; in fact, they cannot exist without it. The only insurance against subjugation is reverence for the rights of people as individual entities.

*Letter in Time Magazine
from Nick Morgan,
Stockton, California*

OF SOVEREIGNTY

In the introduction to his recent book *'Ulster: Conflict and Consent'* Professor Tom Wilson opines: "Although the members of any particular nation may differ widely in their views on many matters, they must, nevertheless, have enough in common to want to belong to the same state and to live under the same central government. A nation, in this sense, needs to be founded on a *consensus*, and that is a far more searching requirement than a ballot-box majority."

Speaking of a microcosm, he speaks of the whole; yet how do we achieve a working agreement? In January 1883, the first issue of *The Christian Irishman* carried an article signed RK noting "the real wants" without which there would be no freedom, prosperity or happiness.

"We want a new race of Politicians - honest, faithful, earnest men, true patriots - not a set of manoeuvrers for the supremacy of any one party or sect; men whose hearts beat high for love of country, for just and impartial laws - not sycophants of the great nor slaves of the multitude; men who are equally above the influence of priest and parson, not men who fight for the retention of class privilege, or who pander to ignorance and prejudice; men who will be ready, at any sacrifice, to denounce dishonesty and oppression with equal firmness - who neither sow the seeds of discord nor foment rebellion. We want a race of men who are in true sympathy with the people; who seek their honest good; who are infinitely above pandering to their prejudices or exciting visionary hopes. In a word, we want a race of honest, unselfish, fearless, yet God-fearing politicians."

Much more followed but we must now turn to Dr Sun Yat-sen as he laid the basis for the Chinese nationalist movement, Kuomintang, in the early 20's.

He drew a distinction between a 'nation' and a 'state'. In this thinking, a state is a population ruled from the centre; a nation is a population come together and held together by a process of nature, what the Chinese call wang-pao, the royal way. Many are the examples of artificial borders, brought about by force - what the Chinese call pa-tao. The Soviet Union is the obvious case in point.

A nation, then, consists of people who feel they "belong" together. A state comprises diverse kinds of folk, pushed and held together even against their will.

Here Sovereignty enters. It can mean different things in common perceptions but it relies upon a basic belief that power is theirs, the people's and variable at their behest, more or less by general consent. This is not necessarily 'democratic' - benevolent dictatorship might be convenient

in many places for many reasons. After all, as we have seen in Eastern Europe, a dictator can last only as long as the subservient souls accept him, ceding him their own power.

In Western Europe, dictatorship is not vested in an individual but in a system, a bloc. Power is seized not by violence and open onslaught but by manipulation and stealth, employing the best techniques in misinformation, disinformation, party manoeuvring and appeals to fear, greed and selfishness.

As Douglas Reed has put it:

"Hatreds, passions and prejudices are to some extent innate in man and may be reduced by wise leadership or inflamed by bad. As I have gone along, I have seen that they are incited, in all countries, by organised forces from outside for the purpose of setting up the World State on the ruin of Christian nations. That key once found, the dark origins of our 20th-century wars and the strange doublings their courses take are alike plain to understand."

Australia's Christian Alternative Movement personalises the issue:

"Power does not vary quantitatively. It either belongs to the individual in the sufficiency needed, or is taken by others. When retained by the individual and not used to destroy the power of others, it will be used to both develop the resources and strengths of the individual, and to serve others. Conversely, if power is transferred from the individual by either force or deceit, then the individual is subject to power imposed externally and he loses control of his own destiny."

What then is required? A saviour? There are always some of these ready to rush in. But as C.H. Douglas noted in his "Programme for the Third World War" in 1943: "Most crooks in a big way are saviours. . . Generalised, the idea is to arrange an intolerable situation, and save you from it at the cost of accepting one barely tolerable."

At this time, that could well be our best comment on the Gulf crisis. But Douglas was not distracted by the immensity of any mass. He was convinced that "one of the fundamentals of genuine Christianity is that the only true focus of power is the individual, which is simply a matter-of-fact method of affirming the Immanence of God over Monotheistic Jehovah. The conscious man is not born to be ruled, neither is he born to rule over other people. Jesus said so, and the Jews crucified him. They could do no other."

I. McG.

How could Communism, its control seemingly complete and comprehensive, collapse so suddenly?

Roger Boyes' book offers an economist's explanation. Boyes a social-democrat in the European sense, hopes that something of socialism - "Market socialism"-may be saved from the wreck, though the evidence he presents ought not to make him optimistic. His book, subtitled "Gorbachev, The Underworld and the Rebirth of Capitalism," is not an academic treatise; it is a journalist's book, in journalist's prose. He presents his argument in the first part and then supports it with a series of pen-portraits of people he has met as a correspondent in the Soviet bloc for the past ten years. There is the honest policeman, a ruthless "Godfather" (who first organised his "mob" in the Gulag and continued on release); and the pitiful prostitute. It also transpires that Kuwait has been the centre of the Arab "Tourist" industry to Eastern Europe. Boeing 727s flew rich Arabs, sixty at a time, into Eastern Europe for organised "sex".

Boyes' explanation of the sudden collapse may be summarised thus: the collapse was not sudden; its seeds lay in Communism from the start. For the Communist state, The Plan is all important, but the Plan cannot work. The market responds to and is served by the myriad free decisions and arbitrary choices of numberless individuals. It is true that the general trends and effects of these choices, given a sufficient "mass," can be plotted by actuarial science, but they cannot be planned for in advance, and no central plan can replicate them. In effect, the Plan creates shortages of *EVERYTHING*.

TARGETS

First, impossibly high targets are set. Factory and farm managements falsify their returns to show that they have over-fulfilled their quotas. Factory managers hoard components against possible future need, so the next stage of manufacture is disrupted for lack of the components. Goods which the Plan asserts are in the shops have not even been made. The breakdown would have come even sooner if it were not for that epiphenomenon of planning and socialism, the Spiv. The "Tolkachi" knows where things are being hoarded. He travels between factories bribing their release. Where that fails he visits the black-market which satisfies the demand by stealing the supply, either from the factories or from the transport system. In short, the Plan, the essence of Communism, criminalises society.

The *NECESSARY* corruption of the production and distribution networks is only a fragment of the picture. The Plan criminalises the consumer, and does so from the cradle to the grave. Neither maternity wards nor crematoria are exempt from the shortages created by the Plan, and people must bribe or be bribed to give birth or dispose of their dead on time! Even in the one case where the Plan appears successful, the production of tractors, the law that people will always do what is easiest defeats Communism. The U.S.S.R. produced 4.5 times as many tractors as the U.S.A., although it has less tillable land, but with state subsidy the collective farms find it easier to buy new tractors than to repair the old. Consequently there is always a waiting list for tractors.

Communism has criminalised society, but particularly the party and the police. The black market may provide the things people need to live, and therefore be tolerated, but it creates an economy which is outwith the control of the Party, and the Party begins to decay. By the 1980s it had lost control, but still bore responsibility.

BOOK REVIEW

THE WI

"The Hard Road to Mark
pages, Index, £17

The Left, particularly the New Left and the Old Left of Trotsky, make strenuous efforts to disentangle Marxism from Stalinism. The truth is that the alternative market which Communism makes necessary and which has destroyed Communism, antedates Stalin. It is at least arguable that it was only the Stalinist terror which shored up the fallacies of Marxism for so long. In the same way the press have made much of the fact that Gorbachev is now invested with more power than any previous Communist leader. More power than Stalin? It is difficult to believe, but there is a difference. Stalin's absolute power was derived from his office of General Secretary of the Communist Party. Gorbachev's new power derives from that now invested in the Head of State. It is *CONSTITUTIONAL* power, and this is the culmination of the revolution against Communism. It is not the State which has withered away, but the party.

And yet Boyes' book only supplies the contemporary evidence for the truth of what we knew but did not dare to hope. Over 2000 years ago, Aristotle, in his criticism of Plato's communist "Republic," made the point:

"There is a further drawback to common ownership: the greater the number of owners, the less respect for the property they exercise care over public property only in so far as they are personally affected. Other reasons apart, the thought that someone else is looking after it tends to make them careless of it."

(The Politics: Book. I chap. 3)

"Again, it would be only fair to count not merely the evils of which property-sharing would rid us, but also the advantages of which it would deprive us. Such a count would show that to live in the way suggested would be really impossible. The cause of Socrates' error lies in his false premise about unity it is as if one were to reduce harmony to unison or rhythm to a single beat There is another point that ought not to be overlooked; the immense period of time during which this form of communism has remained undiscovered, as it surely would not have remained had it been really good? The force of our arguments about unity would become clearer if we could see a Platonic city actually being put together."

(The Politics: Book I chap. 5)

We *HAVE* seen it; and we know that it does not work.

C. H. Douglas however has provided a more recent critique, and it is the more germane since it is directed at "The Plan." Douglas' defence of the market against the Planners is best understood from his vivid illustration of the golden sovereign. When a man entered a shop and requested an item from the shelf, proffering a sovereign as effective

HERING

Roger Boyes, hardback, 322
Secker & Warburg.

demand, he immediately set in motion an order for the item to be replaced on the shelf. On receipt of that order, carters carted, factory workers set machines in motion, ships sailed, farmers sowed and reaped, miners mined and quarrymen quarried. The only weakness in the system was that not enough people had sovereigns with which to command, and for *THAT* Social Credit proposed a remedy. No centralised Marxist or Fabian "Plan" can provide for all the free actions necessary to replace the item on the shelf. This is because, as Douglas argued in "*Social Credit*", Plans are static - Platonic abstractions - whilst Society is dynamic. By the time the minutiae of The Plan have been gathered, society has moved on to new situations; a fact which defeated Labour's "National Plan" in 1969. The "Plan" is an Ideal Form so that even in Platonic terms, actuality can never be identical to it.

THE BIG IDEA

The entire argument of Boyes' book may indeed be summarised by a quotation from Douglas' monograph, "*The BIG Idea*."

"The idea so skilfully inculcated that confiscation of property will assist in the distribution of wealth is, of course, completely without foundation. Socialism is a restriction system . . . and it has two well defined fundamental principles - centralization of power and espionage."
("*The Big Idea*": C. H. Douglas, 1983 edn. page 9. Bloomfield Books, Sudbury)

"It has no chance whatever of success, but it has a real chance of setting back the clock of human happiness by hundreds of years." (page 62 *ibid*)

What Douglas prophesied, Boyes testifies has happened.
Anthony Cooney

RECOMMENDED READING

Benson, Ivor	This Age of Conflict.
Burkitt, B. & Baimbridge, M.	What 1992 Really Means: Single Market or Double Cross?
Douglas, C. H.	The Brief for the Prosecution. The Development of World Dominion. Economic Democracy. The Monopoly of Credit. The Policy of a Philosophy. Social Credit.
Maré, Eric de	A Matter of Life or Debt.
Monahan, Bryan W.	The Moving Storm. The Survival of Britain. Why I am a Social Crediter.
Robertson, Thomas	Human Ecology.
Social Credit Secretariat	Elements of Social Credit.
Tether, C. Gordon	The Great Common Market Fraud.

Full booklist and prices upon request.

SECRETARIAT APPOINTMENTS

Mr Harry Scoular, who has served for many years both as Chairman of the Secretariat and latterly as Deputy Chairman, Australasia, has intimated his desire to retire from office for personal reasons. On his advice and recommendation, the following appointments have been made and confirmed:-

Deputy Chairman, Australasia: **Mr E. Lloyd Wood**, 52 McKell Avenue, Sunbury, Victoria 3429.

Director of Lectures and Studies: **Mr Vic Bridger**, 3 Beresford Drive, Samford, Queensland, 4520.

FUNDS

There has been an encouraging response to our recent appeal for additional funds, and all those subscribers who have contributed so far are warmly thanked for their donations. The appeal remains open and subscribers who wish to do so are invited to send their donations as soon as possible to Mr John P C Dunlop, CA, Treasurer, The Social Credit Secretariat, 17 Randolph Crescent, Edinburgh EH3 7TT.

THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, founded in 1933 by Clifford Hugh Douglas. The Social Credit Secretariat is non-party and non-class, neither connected with nor supporting any political party.

Subscription rates (one year): U.K. inland £5.00; overseas surface mail £6.00; overseas airmail £7.50; Australia \$10.00; New Zealand \$11.00; New Zealand airmail \$12.00.

- Offices — Business: K.R.P. Publications Ltd., 26 Meadow Lane, Sudbury, Suffolk CO10 6TD. Tel. 0787 76374.
— Editorial: 21 Hawkhead Crescent, Edinburgh EH16 6LR.
— In Australia (Editorial, Business and Books): Tidal Publications, 11 Roberson Road, North Curl Curl, N.S.W. 2099. (Subscriptions): Tidal Publications, 3 Beresford Drive, Samford, Queensland 4520.

BOOKS and booklets on the subject of Social Credit and allied subjects are available from Bloomfield Books, 26 Meadow Lane, SUDBURY, Suffolk, England, CO10 6TD; and in Australia from Tidal Publications, 11 Robertson Road, North Curl Curl, N.S.W. 2099.

ADDITIONAL COPIES of THE SOCIAL CREDITER and back numbers are available from K.R.P. Publications Ltd., 26 Meadow Lane, SUDBURY, Suffolk, England CO10 6TD; and from Tidal Publications, 11 Robertson Road, North Curl Curl, N.S.W. 2099.

Chairman and Editor: Donald Neale, O.B.E., 21 Hawkhead Crescent, Edinburgh EH16 6LR.

TAKING ACTION

Feel free to photocopy and pass on to clergy, politicians, friends, libraries, community centres, etc.

*Please send me **The Social Crediter** for a year.

NAME:

ADDRESS:

Enclosed: £

FIRST THINGS FIRST

How do you put across Social Credit in simple terms – in fact, how do you get through to people that it is an outworking of the Christian imperative? Further, if that be so – how do you present the Gospel of Jesus Christ in one steady message taking in Social Credit?

A very satisfying and modest answer comes from Dewi Hopkins in a Gild of St George Pamphlet, priced £1, called 'Dear Laura'. This is a series of actual letters from father to daughter that cover the main questions young folk ask, when they are instinctively seeking to be moral and responsible and adherents of – pursuants of – the truth.

While it is obvious that Laura is both thoughtful and already a Christian, her queries fall into the category of "Lord, I believe, help thou my unbelief". In that, she speaks for us all.

Her father does not assume too great maturity nor too much adolescence; he is not patronising, not writing down, not possessed of all the answers. But these certain things he knows and they are sufficient for salvation, national quite as much as personal.

He starts off well: in the beginning, God. In brief, he treats of the soul . . . what is it, or what it is not. He goes on to consider religions and our own Trinity. After some diversions he ends up at Heaven and who we will see there and whether it's worth the candle. Then he goes into slavery – and here he is particularly helpful and powerful. He says:

"I'd consider it slavery if I had no option but to work in a factory that exposed me to radiation or dangerous chemicals. Since I have a normal conscience I'd feel the same about being compelled to pollute the environment for other people; or to devise advertisements that tempted people to buy things they didn't want, or things that didn't do what they were supposed to do; or to design goods in such a way that they would wear out quickly to make people buy new ones sooner than they should need to; or to have a 'created' job that didn't really need doing at all. Anybody could go on thinking of pointless or harmful jobs, and to have to do such work or starve is what I would call 'wage slavery' or 'salary slavery'."

Dewi Hopkins finishes that letter with the "hope that one day every citizen will be guaranteed a modest income as part of his nation's inheritance. Then all work done for money will be done by free contract."

This naturally leads into money and inflation and his illustration is both apposite and homely, indeed domestic. He pinpoints usury and its Biblical condemnation (Leviticus xxv, 36-37; Psalm xv; Ezekiel xxii 12 etc).

"Yet all countries, all over the world, base their finances on usury.

"I have given you the example of house-purchasing finance. The increase in house prices is so important that it will obviously have an effect on all other prices, and as house prices rise people's wages and salaries must rise, too."

However, he shows how there is a deeper distress – how the Treasury is nobbled:

"... the Treasury works closely with the Bank of England, and all other Government Departments are controlled by the Treasury, because their plans to spend money are allowed or disallowed by it. If the Treasury is controlled by the banking system then the Government is controlled by the banking system."

He then explains how the banks create the money they lend to the Government at interest:

"If a bank were to lend you a hundred pounds there would be a hundred pounds in circulation that did not exist before. If you repaid the loan at 10% interest the hundred pounds would cease to exist, but the ten pounds interest would still exist, and it would belong to the bank."

Hopkins points out how Government taxes never meet the debts to the banks, giving rise to the monstrous National Debt. "The Queen's Government has the sole right to create money, and it has handed over that right to the Bank. So another fair question would be, 'Which is the real Government – the Government or the Bank?'"

Keeping the young interest focussed, the writer sees Laura and pal entering the Fashion business:

"You'll need money to do so. You'll need it for two different types of cost. One is to pay for somewhere to have your business, for sewing machines, materials, fuel, advertising and so on. The other is to pay wages, salaries or fees to people who work for you and dividends to any who have invested in your business. Then, when you have made your dresses and things, you will have to try to sell them at a reasonable profit.

"Now just to break even – that is, not to make a loss – your prices must be equal to these two sorts of costs added together. The two lots of costs added together are the full cost of all the things that you have to sell."

Hopkins notes that the money paid out to people cannot be other than a fraction of the whole production cost. That means: "these payments to your workers and investors are less than the smallest price you can possibly charge for your beautiful clothes (that is, without making any profit at all), and these people cannot possibly buy all you produce.

"Every business in the country is in the same position. So all the money that people earn in this country is not enough to buy all the goods that are produced in this country. This means that even if everyone had a job there would not be enough money to buy what can be produced. This is why there are huge amounts of stuff that are never bought even though people want them. There is 'poverty in the midst of plenty'."

The cause is the financial system, with two basic faults: "One is that employment (even full employment) can never produce enough money for us to buy all the things that are produced. The other is that money is issued as debt to be repaid at interest, which can never be fully repaid."

The need is for more money to be created – and it is; but always loaned at interest. The banks get richer as the poor get poorer.

"This means that firms have to compete against one another. I don't mean normal, healthy competition. They are fighting for their lives. Those that succeed do so because others go bankrupt. It means that countries have to compete against one another to export goods, those that fail becoming 'debtor nations', victims of the 'trade war' that is a main cause of actual armed warfare. It means that masses of unsold produce are destroyed, while people go hungry – and an excellent way of producing what will be wasted by being destroyed is to produce weapons and materials of war."

Hopkins itemises three uses for war: "to stop other countries competing with us for exports; to make conquered nations into customers for our exports; and to get rid of what is wrongly called 'surplus production' (and surplus people!)."

The solution:

"Insist that the banks have no right to own our money system . . . employ those bankers who are willing to be employed to operate a reformed money system . . ."

"It must be calculated how much we want to produce and the cost of producing it, in terms of energy, materials and labour. Then the money must be issued to finance it (if we can afford the *real* costs). A carefully calculated proportion should be issued to every citizen as a basic income, or 'National Dividend'. Another carefully calculated proportion should be issued in discounts to all firms that agree to sell their goods or services at a fair price. Others would be free to opt out of the system and sell their goods for as much as they liked. People who wanted more money than the Dividend would have jobs, just as people do now."

I. McG.

The Social Credit Secretariat

December 1990

From: 21 Hawkhead Crescent
Edinburgh EH16 6LR

Dear Subscriber,

AN URGENT APPEAL

The Social Credit Secretariat has always depended for its continuity on the voluntary efforts of the few, acting on the invitation of the Chairman for the time being. In accordance with its Constitution, which reflects the intentions of its Founder, Major C.H. Douglas, that remains the situation. Its financial costs have therefore always been minimal.

Its main expense is the subsidy to THE SOCIAL CREDITER. Ever-mounting costs of production and distribution necessitate this continuing, despite an increasing number of subscribers in recent years. Other activities, including particularly Public Relations exercises, also need financing. There is a need for new pamphlets applying Social Credit principles to contemporary issues, and for re-publication of some now out of print. Other tasks include re-housing and re-activating the Secretariat's extensive library as soon as possible.

It is a long time since supporters were last approached for funds. I do so now only because they are becoming seriously depleted. The future of the Secretariat depends on a substantial inflow of funds NOW. All donations, small and large, in lump sums or in instalments, will be gratefully accepted. While funds are needed now, the option of leaving a legacy to the Secretariat may also appeal to some subscribers.

Whichever course may be preferred, I feel sure that you will respond as generously as you can to ensure that the cause of Social Credit continues to be projected in the years ahead. Thank you for whatever you may give.

Yours sincerely

Donald Neale, OBE, Chairman: Dr. Basil L. Steele; H.A. Scoular; John P.C. Dunlop, CA; Iain McGregor.

To Mr John P.C. Dunlop, CA, Treasurer, The Social Credit Secretariat,
17 Randolph Crescent, Edinburgh EH3 7TT.

I wish to donate £25, £50, £100, £1000, OR please state other sum here £

by cheque herewith by monthly/ quarterly instalments

by means of a legacy please send receipt

Please tick as appropriate.

Name.....

Address.....