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The Political Problem

by C. H. DOUGLAS

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It is a curious commentary on our carefully directed educational system that what is perhaps the most quoted phrase of that useful tool of international Finance, Abraham Lincoln—"Government of the people, for the people, by the people"—is an exposure and condemnation of Lincoln himself. What is a people?

The United States in 1861 consisted broadly of two Anglo-Saxon settlements, the "Yankees" or new Englanders in the North, the descendants of the bitter Puritans of the Massachusetts Bay Settlement, and the Southern land-owners, very much of the George Washington type, the Lees, Randolphs, the cadets of many Scottish Lowland families. Hereditarily, these were a "people" in any usual sense of the word. The rest of the population was an undigested mass of Dutch, German, and Mid-European elements, the disappearing "Red-Indians," and the negro slaves.

It is only necessary to contemplate these unquestionable facts to be convinced that Lincoln's words are "a tale told by an idiot, full of sound and fury, signifying nothing." Two parts of the only recognisable whole led the two sides of the American Civil War; Lincoln's actual policy (*i.e.*, the policy of which he was the visible executive) contradicted almost every one of his spoken statements—as for instance, his declaration that any country had a right to secede if it had the power—and a cold analysis of his most publicised apophthegms indicates that they can bear any meaning which it may appear desirable to read into them.

If the orbit of the ideas for which Lincoln's verbiage was supposed to be the expression were bounded by the North American Continent, they might be left to work out their true meaning, as they are doing to-day, on the graveyard of the noble redskin. But of course, they did not originate in America, and they are not confined to it. Lincoln's travesty of "Democracy" is the sheet anchor of the Supreme state; *vox populi, vox Dei* is the travesty and blasphemy of the Immanence of Good; and Tool Power Politics is the Incarnation as manifested in the Coming of the Prince of This World, the False Messiah.

Nothing is more remarkable in matters of politics than the sheer inability of even thoroughly honest and well-intentioned people to realise the consequences of their opinions.

There are as many definitions of "democracy" as there are men; yet, in fact, as has been admirably expressed in an Australian Broadcast, the key to democracy is to reduce a problem to the limits of interest and understanding of those concerned. That is to say, democracy is not so much a question of the mechanism of voting (although that is not of negligible importance); but rather a rigorous exclusion of matters for which the franchise is too wide: and at present the number of persons who think they understand everyone's business, but cannot manage their own, would suggest very simple electoral issues.

It is not too much to say, I think, that anyone who cannot grasp this simple idea, or, having understood it, will not admit its validity, is unworthy of a vote and is a public danger if in possession of it. In the light which it throws upon the limitations of democratic theory, it is perfectly understandable that the condition of the world in general and Great Britain in particular has deteriorated in proportion to the extension of the ballot-box plot. No one would give a child of six a ten-pond note, turn him loose with a box of matches in a firework shop, and tell him to set off the pretty rockets. But that is exactly what has been done by giving the initiative to an uninstructed—worse, a misinstructed—electorate, and allowing it to provide something claimed to be a mandate to interfere in the business of everyone having "a vested interest."

There are many matters which require attention; but interference with them will only deliver us from bad to worse until we can admit that power without understanding is the tool of the Devil. There is only one worse thing than the fool in politics and that is the technical expert who knows everything about his business except its legitimate object. We have often miraculously survived the former; but the latter shows signs of writing our epitaph.

The "Do-gooders"

"No people do so much harm as those who go about doing good."

—Mandell Creighton, Bishop of London, 1904.

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From Week to Week

“. . . who is sufficiently acquainted with the elements of monetary theory to know the incredible stupidity of social credit theories . . .”—So D. L. Munby, a lecturer in economics at King's College, Aberdeen, in *Theology*, March, 1957.

“Monetary theory” is analogous to a theory that the barometer controls the weather—what might be called “barometric theory.”

Real economics is rooted in the actions of individuals in producing and consuming, saving and investing. These processes go back far beyond even the most primitive monetary system. When money was introduced, it was as a first approximation to an accounting system, in which a unity of ‘money’ stood for (accounted for) an actual article: *pecus* = animal. If a man owed an animal, *he* issued a token for it.

But the issuing of tokens has been taken over by a third party; and this third party wishes to superimpose on the transactions of individuals his own *fiat*. This *fiat* is “monetary theory”—the divine right of Kings.

“Monetary theory” leads to production being undertaken primarily to obtain a *financial* result. Social Credit theory, on the other hand, proceeds from the assumption that the primary reason for production is to satisfy the requirements of consumers. Now although it took several years of dispute with the D. L. Munbys and other exponents of “monetary theory” to establish the fact, they all now concede that credit is money, and that it is created by banks, so that all that remains in dispute between them and Social Credit is whether this credit should be handled by “managers” in the interests of a planned economy, or by consumers in their own interests.

So we don't accuse Mr. Munby of incredible stupidity. We recognise that he knows which side of his bread is buttered; he is all for the system that puts the expert on top.

In *Time and Tide* of April 13, 1957, Diogenes carries further his excellent analysis of ballot-box democracy. He quotes Macaulay, whom, as he says, he contemptuously threw aside in his youth: “. . . If it be admitted that on the institution of property the well-being of society depends, it follows surely that it would be madness to give supreme power in the State to a class which would not be likely to

respect that institution.” “If you grant [universal suffrage] the country is lost.”

Diogenes sees three principal roads to the spoliation of modern times: Trade Unionism, which, by forcing up prices, destroys the property of all outside the T.U. movement; ‘social reform,’ by which the money of the upper and middle classes is used to buy the votes of the electorate; and “the Budget, originally devised to finance the minimum requirements of Government, becomes an instrument whereby the property and money of the well-to-do is transferred to the pockets of the less well-to-do. Our Death Duties and our tax system generally represent sheer spoliation.”

We hope that Diogenes will give more consideration as to why these things have come to pass—as to whether it is all a sorry chapter of accidents, or on the other hand whether others besides Macaulay foresaw the outcome, *and designed it that way*. For what is our position? “No security now exists either for the present or the future.” In other words, we are at the mercy of whoever controls the bureaucracy. We are enslaved.

Africa

It would be very unfortunate if what happened in Asia was repeated in Africa, and American political and commercial representatives, combining idealism and business, sought to hasten the end of European rule and saw themselves putting the new countries on their feet, only to find what limitations there are to what dollars and firm handshakes can do. There would be no economic progress without political stability, and no political stability without responsible electorates. The universal enfranchisement of people without education or property qualifications leads directly to cheering mobs surging round the demagogues who nationalise foreign property and give their excited followers the illusory impression that they have become collectively rich overnight.—*The Tablet*, April 13, 1957.

Security and Liberty

“You cannot guarantee security and preserve liberty, and if liberty goes, your guarantee of security becomes worthless, because a state which enslaves its citizens cuts itself off from the only source of power, the self-reliance and initiative of free men. When we offer to protect people, as we have done, from the cradle to the grave, we are corrupting the character of our people, and betraying the democratic ideal.”—Lord Lloyd, P.C., at St. Andrew's University, 1938.

Social Credit and Suez

by BRIAN W. MONAHAN.

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The Development of World Dominion

During the period of the Socialist Administration in Great Britain, following the end of World War II, *The Social Crediter* analysed the activities of that administration in our progress to disaster; and emphasised over and over that a change of administration would not mean a change of policy. The Constitutional issue, philosophy, politics, economics and strategy were examined in the notes under the heading "From Week to Week." Written or inspired by the late C. H. Douglas, these notes are a permanent and invaluable addition to our understanding of the policies of opposed philosophies, and we propose to re-publish a considerable selection of them, both for their relevance to a situation which has developed but not otherwise altered under a 'new' Administration, and for the benefit of new readers of this journal to whom otherwise they are not readily available.

The date of original publication is given in brackets after each item.

It is doubtful whether many people (we are not overlooking *Truth's* significant leader "Farewell to Zion") realise what a turning-point in British history is marked by the dual relinquishment of the Palestine Mandate and the re-orientation of Foreign and Colonial Office policy, if not openly in favour of the Arabs, definitely away from the Jews.

Without the over-simplification against which we are so often warned, English history, which is the determinant history of these islands, can, like Gaul, be divided into three parts (English history is not Anglo-Saxon history).

The first period extends from the Conquest to the partial expulsion of the Jews and the apparent suppression of the Knights Templar by Edward I; the second from the beginning of the fourteenth century to the Civil Wars of the seventeenth (a period which includes the Wars of the Roses in which most of the original and feudal aristocracy were eliminated and the Mediaeval Church corrupted and dethroned); and the third, from the Hanoverian succession to the present time, which covers the return and the subsequent rise to almost complete power of the Jewish Financial Hierarchy.

If we were to say that for nine hundred years, the corporate fortunes of the islands have been swayed positively or negatively by an alien body of Oriental and Tartar outcasts moulded into a race by a religion, it would in the first place sound fantastic, and, in the second, it would not be true without considerable elaboration. But such is the conditioning of our minds that it would not sound unreasonable to claim that the power of gold had ruled us, and the modern historian, while, perhaps rightly, objecting to so simple a thesis, would not deem it ridiculous. And if we acknowledge the supremacy of the Jew, not merely as a bullion-broker but as a master of the techniques for manipulating the intangibles associated with gold, we arrive at much the original conclusion by an alternative route.

It ought to be emphasised that, if we accept this statement of the determining power of finance (always admitting the existence of factors which have modified it profoundly), it still does not provide a legitimate indictment of the Jews. Except under duress, the Jew has never denied his separateness, and has asserted his superiority. If it were true, which of course it is not, that it has taken nine hundred years for the English to learn that bankers create the means of payment out of nothing, while simpletons produce the things paid for, it would merely prove that the English were born to be ruled by Jews.

The true case against the Jew is one which can be laid against many Orientals—the systematic and continuous use of bribery and corruption to sterilise genuine reform and to popularise error and degradation. As the Jew, Dr. Oscar Levy, wrote "We Jews are the world's deceivers." This is what has made these islands, first a tool, and now a scapegoat. And the end of the Mandate is our chance to put our house in order. * (June 5, 1948.)

In *The Scotsman* of March 8 under the heading of "The Middle East: Russia, the U.S., and Palestine" a correspondent whose letters will be familiar to our readers, W. L. Richardson, remarks ". . . it is not too safe to assume that 'Soviet' policies are necessarily made at the Kremlin, or, for that matter, inside Soviet territory at all . . . The supreme lesson . . . to be learnt from these fateful years . . . is that on certain matters of the highest policy the U.S.A. and the U.S.S.R. have acted in the highest accord."

In pursuit of this thesis, the letter proceeds: "From the point of view of the ultimate goal, it does not seem that the successful outcome of war, in the military sense, matters very much."

This statement will clearly bear a great deal of elaboration. What is probably meant by it, and what is certainly true, is that the promoter of prize fights is careful to see that so long as there is a fight, and it is a big fight, his profits will be a handsome solace to him for any catastrophe which may overtake one or both of the contestants. In fact, if both contestants are nearly killed, the affair will be nearly perfect. But if we analyse this situation, it would appear that *both* gladiators must really be serving the primary interest of the promoter. We know beyond peradventure that prizefighters have no quarrel with each other, neither do they like fighting. They are doing something which is essentially irrational—insane. Without the promoter and his interests, there would be no fight. For the first time in history mankind has an opportunity to get the promoter into the ring. Signs are not wanting that the New York Jews are seriously alarmed at the turn events are taking in Palestine. If war starts there, they will, for the first time, be in it. The British Honduras and Falkland Islands episodes are attempts to shift the locus, and have evidently failed. If the British manage to draw out of Palestine (and we shall see every effort to upset the present

decision to that effect) the Jews will have to find an army, and call it the *Jewish Army*, because U.N. won't. That will be the most hopeful development of the past thousand years, and the first justifiable war of modern times will, we hope, be fought to a finish ("unconditional surrender") since it is clear that nothing else will discourage the Promoters and their jackals.

May we repeat, we are under no delusion that wisdom was born with us. If the ostensible Leaders of this country cannot see that the only beneficiary of a national war is an international power, it is not because much intelligence is required—it is because they are traitors. And, if they cannot see that an international power is potentially the weakest of all powers, they are incompetent traitors.

Werner Sombart, an able Jew, writes that "Wars are the Jews' harvests." Rotation of crops is a feature of sound husbandry. (March 20, 1948.)

A steady stream of well-written books, produced and bound to a standard which is only a memory in "Britain," is pouring from American presses, the *leit motif* of which is always the same. We read them with attention, and we quote from one of the most recent, *America and Russia in the World Community* by Harold H. Fisher of Stanford University. (Most of these books are issued under the *aegis* of some University, as most of the Russian Fifth Column in the Canadian Spy trials seemed to have a connection with McGill University).

After mentioning Earl Russell, who, so far as our knowledge serves us, has never yet been right on any major political or social issue, as saying "I doubt whether most Americans have yet realised the extent to which Great Britain has sunk to the position of dependency on Washington." Mr. Fisher adds some kindly words of patronage, concluding: "We can still do honour to our British Allies, and yet recognise that the conditions which produced Britain's (*sic*) world dominance and the *Pax Britannica* have changed." That is as polite a way to put it as we have noticed, but in the context, the meaning is clear: the old dog is done, and we know what is the kindest course with outworn old dogs.

There are many rather odd features about this theory which ought to warn us against that facile acceptance of its truth which is evidently regarded as becoming to us, and is in fact, the general keynote of our local Fifth Columnists. It might be asked, for instance, why in two world wars the old dog has been enthusiastically elected to fight the world's greatest military nation in the first onrush of its strength, and has been left to that dubious and expensive honour until it became clear that the fruits of victory could be garnered by the late-comers with a minimum of loss and a maximum of profit; why, even in the final blow at Germany, the so-called Second Front, British and Canadian troops were given the almost impregnable left wing of the landing near Caen, on nearly open beaches, while the Americans had the sheltered elbow of the Cherbourg peninsula and the spectacular but far easier flanking operation?

But, for the moment, we should like to emphasise the

similarity of the strategy to that song of our youth, "The ten little nigger boys." Can it be that the reduction of World Powers to a successively smaller number is the Big Idea—Monopoly? If so, the fascinating problem arises as to which little nigger boy will fill the role of "then there was one" and the still more intriguing question as to what will happen to that one little nigger boy so that "then there was none"?

But, of course, it might happen that there was still a nigger in the woodpile. (January 4, 1947.)

The fact that War is the end term of a series leading up to it obscures the fact that it is the series, and not the end term, which is the major problem of the world. Any-one who will devote a little attention to history and fact can ascertain for himself where this series begins. It is at the point at which it is, or is judged to be, more profitable to get a living by taking it off someone else by force or fraud than by making your own. The next link in the series is to organise your neighbours to join you in banditry. The remedy is not in more organisation but in less. One bandit amongst a busy, normally peace-loving, community, is no problem. The general community is peace-loving; it is the bandit-organisers, *e.g.*, the Trades Unions, who force him to break the peace. A clean-up of the conscious and purposeful banditry would help; but the essential is to cripple their organising mechanisms, which have been tripled by our present administration. Some of the members of it may be well-meaning coxcombs; some of them are bandits; but they are all deadly enemies of the decent citizen.

(January 4, 1947.)

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