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FOR POLITICAL AND ECONOMIC REALISM

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“Wheresoever the Carcase is . . .”

By C. H. DOUGLAS

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Now that Mr. John Winant, millionaire assisted by Mr. Benjamin Cohen, has come from the International Labour Office at Geneva, as Ambassador and instructor to Mr. Ernest Bevin on the Labour Policy of Great Britain, Mr. Averill Harriman, multi-millionaire, has come to take charge of our Finance, Mr. Wendell Wilkie has taken our temperance, and Mr. Harry Hopkins, late of the Federal Loan and Mortgage Board, remains as bailiff's man, and all of these are enthusiastically welcomed by the Socialist Party, it is perhaps of some interest to find an answer to the riddle—“When is a rich man not a rich man?” (for the purposes of Socialism).

The first answer can be obtained by inspection, as our Maths. Master used to say. It is when his riches are the result of monetary manipulation, and particularly, the result of bond flotation and sale. Each and every one of our, probably long-term, guests is in the orbit of the Kuhn, (i.e. Cohen), Loeb Finance Group. Not one of them is a manufacturer, or an agriculturalist, but all of them are here primarily to fix the conditions under which both manufacturing and agriculture are, they hope, to be carried on for the next five hundred years. And all of them are in enthusiastic agreement with the Socialists in the main tenets of Socialism. These are:

- (1) A Preamble that sets out the many glaring defects of the present Economic and Social Systems. (No mention or criticism of Finance permitted.) Obviously this gets a majority vote at once.
- (2) “Labour creates all wealth.” Wealth is the object of life, especially if not used but exported. Therefore *Present* labour has a right to all wealth so long as it exports it. Anyone who has the enjoyment of wealth without labour is a parasite. (From this postulate is derived the curious inversion that anyone paid by the State is *ipso facto* not a parasite.)
- (3) The holding of property, particularly land or buildings, by an individual is robbery of the Public and is likely to lead to the use of property for pleasure. The holding of property by *any* organisation is better, and the larger the organisation and the more secure it is from criticism by individuals, the better it is. The State, which is immune from Prosecution by Legal Process, is better still, at the moment, but a World State, which would be Omnipotent, would be best of all.
- (4) Everything can be reduced to a Book of Regulations. For this reason, a Civil Servant in Whitehall, or Washington, or Geneva, can farm land in Ross and Cromarty, or Cheshire, or Alberta much better than

the farmer who lives on the land. Or if he can't, it doesn't matter much, does it? Nobody knows the Civil Servant's name, he'll never see the farmer or the farm, and anyway, both the farmer and the Civil Servant will be dead soon.

- (5) The main objective, therefore, is to take everything from the individual, vest it in an untouchable organisation, the larger the better, and thus change the choice of minor tyrannies, which are vulnerable, into an overriding single tyranny, which is invulnerable. Taxation is the primary tool by which to attain this desirable end, but restrictive Law, and in particular Licence Law, is a valuable auxiliary. But Law is the Agency both of taxation and Licensing.

When you have done this, you can put everyone on the wage and salary list, and invent a job for them, even if it's only filling in Forms to show how many people are filling in Forms. Then you will have solved the unemployment problem, which is the curse of Capitalism—if you don't know enough to recognise it as the coming of the Age of Leisure. And if people don't like filling in Forms, well, “He that will not work, neither shall he eat”.

Now, there is every justification for the acceptance of Socialism of this character by a very large majority of the population at this time, for reasons which a little later I propose to recapitulate briefly. It is a remarkable tribute to the sound instincts of the Anglo-Saxon public that the majority is not larger, and that it is far from solidly convinced.

But before dealing with the grounds for the views somewhat reluctantly held by this majority, let us for a few moments consider their millionaire friends, for instance, Mr. Winant, Mr. Averill Harriman, or even President Roosevelt, not forgetting Mr. Benjamin Cohen, *et al.*, in the background. Why are they so anxious to vest all property in the State, at any rate in England, and to tax the private property owner out of existence?

Why, for instance, was it freely stated in Washington in 1920 that a certain notorious witness was given £10,000 from New York to advocate the nationalisation of the coal industry; that the Railways, although ostensibly Company owned, are since 1920 entirely divorced from the control of their Shareholders; that Mr. Montagu Norman “welcomes” nationalisation; that the London School of Economics, founded by the Fabian Society but mainly endowed by Sir Ernest Cassel, is practically a manufactory for Bureaucratic Socialists with international financial doctrines; and much other evidence to the same effect?

(continued on page 3)

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FROM WEEK TO WEEK

"At the same time, however, we saw the danger that Mr. Wilson, while ostensibly seeking agreement, might in fact be aiming at just the opposite in a manoeuvre the point of which would be to secure what he could parade as proof that no settlement with the 'rebel régime' was possible. The breakdown of the talks leaves the suspicion that the latter course was adopted." So the *Daily Telegraph*, Oct. 14, 1968.

History has demonstrated often enough that Prime Ministers have made mistakes; but to be virtually accused of outright dishonesty within a term of office by a responsible newspaper is something else again. If Mr. Wilson's hoped-for break-down of law and order in Rhodesia provides the pretext for armed intervention, it is to be hoped that he will be in the front line of the invasion forces, if he has not been dealt with at home before then.

Paul Scott, in an article in *Human Events*, Sept. 7, 1968, reports that, according to intelligence briefings for U.S. presidential candidates, the dress rehearsal for the military 'intervention' in Czechoslovakia "included the building of roads and airfields and laying of camouflaged pipeline in rough country. Tanks and trucks were landed from supply planes. Other planes brought fuel and soldiers".

Why the camouflage? And is the pipeline to be pulled up when the 'intervention' terminates? Is NATO laying pipeline to points where surprise attacks might occur?

Writing in *News of the World*, Oct. 13, 1968, Desmond Donnelly says: "The Russian defence planners have been baulked by NATO's land defences ever since 1949. This (the Russian naval build-up in the Mediterranean) is the crucial attempt to outflank NATO."

Defence is against *attack*; how do you defend yourself against defence? And an attempt to outflank is a preliminary to attack—or, if successful, to ultimatum.

This strange misuse of words seems to be evidence of a trance-like state of mind, very reminiscent of the pre-1939 years so faithfully described by Leopold Schwarzschild in

his *World in Trance* (Hamish Hamilton, 1943). He recalls the publication in 1935 by the British Government of a White Book on Germany's rearmament, and writes "what a signal for the zealots and the demagogues! A storm broke out over the White Book. The *News Chronicle* stated with bitterness: 'The consequence is a catastrophic increase of Germany's suspicions and fear of encirclement. In twenty-four hours, the British Government has immeasurably deteriorated the entire international situation.' 'To publish such assertions . . .' wrote the *Economist*, 'makes Germany a scapegoat . . . The document does not take the German point of view into consideration and creates the impression that England has joined in the encirclement of Germany' (March 9, 1935)".

Similar sentiments abound today. Russia can repeatedly assert that Communism represents the "wave of the future", that Communism will "bury" us; but the zealots and demagogues and the Weeklies accept Communism's 'defensive' posture while the biggest logistic manoeuvre since World War II takes place in the strategic heart of Europe, and Europe is outflanked by Russia under the guise of military aid to the Arabs.

What Schwarzschild wrote of Spring 1935, when Germany announced conscription is true of the situation following the 1967 Israeli-Arab 'war': "A world had collapsed. What was buried under the débris was not a volume of printed paper, not a piece of parchment, a treaty, a statute, but the whole structure of international co-operation. The very foundations of that structure had cracked; the meaning of the victory of 1918 had ceased to exist. What had been won by dint of the fiercest struggles and at the cost of millions of lives, not to mention the sufferings and sacrifices of hundreds of millions, had been squandered and lost."

There once was, in a very real sense, a *Pax Britannica*, essentially benevolent, and founded on an industrial power only a fraction of Britain's present potential power. Through treachery, treason, and financial chicanery that position has been squandered, and the lives of more millions placed in direst jeopardy. For the third time we are threatened with rivers of blood, this time finally to transform the monopoly of credit into a monopoly, absolute and ruthless, of power eternal. Unless the criminals responsible are brought to judgment, even as C. H. Douglas foresaw, there is no hope for Christian civilisation visible.

It is highly important, in considering overall Communist strategy, to remember that an essential ingredient is the Marxian prediction of the 'inevitable' collapse of the Capitalist industrial system; the Communist Party is organised to be ready to form an alternative government when that catastrophe occurs. Little things like strikes, demonstrations, and sabotage, are partly rehearsals for "the day", and partly an effort to speed up the collapse which they await. When it comes (and the Wilson régime's economic and other policies are hastening the day), the Communists are *ready* to seize power; and, of course, when that day comes, they will be able to call on the Comrades who by then will be just across the Channel, to assist them in maintaining it. Of course, employment will quickly be found for the 700,000 unemployed bequeathed to the revolutionaries by the bourgeois Social Democratic Government, guilty of having compromised with the reactionary forces of Capital-

ism (like the Gnomes of Zurich, say). It is doubtful that they will be under the supervision of Sergeant Wilson, whose eventual fate is, perhaps, indeterminate.

On the other hand, just think of the joyous reconciliation in Peking and Moscow as the Chinese gratefully acknowledge the success of Moscow's leadership of the World Revolution. And to demonstrate Finance's impartiality, perhaps the Star of Wall St. will be bestowed on *both* leaderships.

"Wheresoever the Carcase is..." (continued from page 1)

However reluctantly, I feel that we must abandon any explanation of these phenomena which assumes, for instance, that Messrs. Winant, Harriman, and Hopkins (assisted by Mr. Benjamin Cohen) have come over here to commit financial suicide, or to sell all they have, and give to the poor. I feel almost certain that the "New Order" in Europe, and Great Britain in particular, like the Socialist Paradise in Russia, while it may impoverish and enslave millions, and destroy the culture and achievements of many centuries, will still leave Messrs. Harriman, Kuhn, Loeb, *et al.*, assisted by Mr. Benjamin Cohen, in a situation which they regard with complacency. That is, of course, if nothing goes wrong.

We have therefore to approach Socialism, in order to appreciate it as a policy, from a somewhat unfamiliar angle. What is it that is concealed in a doctrine whose first postulate is a protest against economic inequality, which makes it so attractive to a special group of international millionaires who are the outstanding beneficiaries and primary cause of the inequalities attacked?

Obviously, the answer to this most important question will be found, not in what Socialists have said, but in what Socialism has done. And the first step to understanding what Socialism has done, is to be clear in regard to what Socialism has *not* done, such as invent and develop railways, roads and bridges, motor cars, dynamos and aeroplanes. The activities of Socialists have been almost exclusively in the field of Law (assisted by Mr. Benjamin Cohen, *et al.*), and the situation in which we find ourselves is only to be understood by considering the Socialist legal trend against a background of scientific advance for which Socialism can take no credit whatever, but for the use of which it is responsible to the extent that its legislation has affected such use.

(II)

It is, I think, important to keep in mind this fact that Socialism is simply a system of Legalism, because it is not a British product, and all Legal Systems must be based on some particular conception of Society and must aim at realising or perpetuating that conception. Socialism is "German", in the same sense that the Rothschilds (*Red-shields*) are "German", or that the Reformation was "German", or that Kuhn, Loeb, or the Warburgs are "American". It is, and has been always, primarily a theory for export, and in the country of its nativity, has been, and is, kept severely in its place which is to crush independence. The hey-day of "German" Socialism was in the day of Bismarck, who said of it "We march separately, but we fight together".

The downfall of Russia in 1917 was consummated by the introduction, in a special train from Germany, of Lenin and Trotsky. Freemasonry, financial and moral corruption,

and Socialism, accompanied by a horde of petty bureaucrats, have brought about the downfall of France; and the strong tendency of the better elements of French society, in all classes, to Anglophobia is the result of the widespread conviction that the British Government is now merely the tool of the same Dark Forces.

The situation we have to consider, therefore, is simply this. Two quite distinct influences have been at work for at least two hundred years. On the one hand, we have had the material progress of the industrial arts, which, as most people know, has been easily sufficient, considered by itself, to raise every member of the British public, by the use of power, to a position of economic independence, while at the same time reducing the necessity for economic labour to a small fraction of that available. Almost contemporaneously with this, we have witnessed a systematic expansion of Legalism, of which Socialism is an increasing part, which ignores and in fact systematically attacks and distorts this situation. And the net result is insecurity, more labour-hours, poverty, and war.

While it is probable that a majority of those who are interested understand how this situation has been brought about, it may be desirable to recall that the *physical* causes have been: Export of production, either unpaid for, inadequately paid for, or paid for in raw material only useful in the production of further material for export. The objective of this has been exchange manipulation. Grossly unbalanced production—too many machines, too few comforts. Sabotage: Artificial trade booms and slumps, with the break-up of plant and organisation.

Large-scale "Rackets" such as the Grid Electricity Scheme, which was an imitation of, and inspired from the same source as the Utilities racket in the U.S. Hundreds of millions of pounds worth of magnificent machinery and plant was consciously and unnecessarily broken up in connection with this scheme alone. All of these were rendered possible by subtle propaganda which treated money as wealth, and only employment paid for by money as being the production of wealth.

The *political* cause was the determination to maintain the monopoly of credit and to buttress that monopoly by Law. The most vital result of this was that purchasing-power was, and is, inadequate to buy the goods produced at the prices at which the price system requires that they should be sold, so that a majority of production has to be given away to an enemy, while the purchasing power involved in its production is used to make up the deficit in respect of the remainder. At the same time, the controlled Press hypnotises the public to demand universal employment. Of course, nothing could be more favourable to the temporary re-establishment of this system than the present holocaust of sabotage and free gifts to the enemy if the world is still foolish enough to agree.

We are now perhaps in a somewhat better position to proceed with our examination of the apparently contradictory attractions of Socialism, *if we realise that it is simply more Law, an extension of exactly the process which has stultified the progress of the industrial arts. There is no more prospect of producing a tolerable state of Society by passing more Laws, and imposing more sanctions, than there is of repairing a motor car suffering from a choked carburettor by devising a fresh tax upon it.* The world is suffering

from a fantastic and unnecessary book of Regulations, every additional one of which, while apparently beneficial at the moment, exacerbates the disease.

There are thus two aspects of Socialism, attracting very different supporters. There is the aspect which attracts Messrs. Winant, Harriman, and their like, with Mr. Benjamin Cohen, the Incarnation of Law, joyously assisting. These people see in Socialism, quite correctly, a line of thought which can only lead to the concentration of power in their hands, power they are determined to maintain and extend, just as Stalin and Hitler have power which the Czar and the Kaiser never had. The aspect which attracts the rank and file of Socialists is in the main something much more subtle, I think.

Passing over the fairly obvious influence of the revenge complex on the part of the under-privileged (who have for the most part been kept in that position by the millionaire "Socialists" in order to be used as a disintegrating force) and the attraction offered by petty bureaucracy to lovers of power without responsibility, I believe that one definite delusion accounts for more Socialists than any other single cause. It is the delusion of the supremacy of the intellect, with the derivative that an order is the same thing as its execution.

Now, anyone with reasonably wide experience of life and affairs knows that the intellect has very definite limits. "The Professor" is recognised as a legitimate butt for mild humour, not so much on account of his knowledge, as for the lack of any ability to use it in his daily life.

We recognise that what is lacking is something we call judgment, or (very misdescriptively) "common" sense, and that this faculty, so rare that when it is combined with intellect it can almost command its own price, is an ability to check constantly and almost automatically, theory and ideas, against experience. It is exactly the lack of this faculty which is conspicuous in Socialist circles, which by common consent draw their support largely from the influence of well-meaning elementary school-teachers. The modern State-controlled school is the perfect model of bureaucracy designed primarily for control by the Government rather than for any genuinely educational objective. There is no standard of output, except *Si monumentum requiris, circumspice*. Once again, it is evidence of the magnificent material of the British people that a large and increasing proportion of these teachers are revolting against this tendency. But a good deal of harm has been done.

Now to this type of mind, the fact that you can multiply x by itself five times, for instance, and the result is called x^5 is not merely proof of a fifth dimension, it is ground for a political world of five dimensions. Or to put the matter another way, "the Government" can order golf-club secretaries to grow asparagus in bunkers. Therefore asparagus will grow in bunkers. This confusion between Aristotelian and Baconian thinking is one of the most valuable tools of arch intrigue.

At this point, it may be desirable to dispel the idea, if it exists, that international financiers spend their time hatching out, e.g. Socialism.

To paraphrase a well known example from the theory of Chance and Probability, if ten monkeys tapped ten typewriters long enough, they would be bound, eventually,

to write Karl Marx's *Das Kapital*, as well as everything else, even if they didn't understand it. But that would not mean that it would be broadcast weekly with variations by the B.B.C., commented upon by the "Woof", sponsored by the *Daily Poursuivant* modified for use in schools and Churches by the London School of Economics, and hailed on the outbreak of war as the Blue Print of the New Order. It is control of *distribution* upon which international financiers rely to stultify *production*, either of goods or of ideas.

What happens is that a comprehensive watch is kept on proposals of every kind and from every source, which have the smallest bearing on major issues. As an instance of the rapidity and efficiency with which this intelligence service acts, I might perhaps cite the fact that in less than three weeks from the publication of what might be called the first article on the relation between Finance, Centralisation and World Hegemony, which appeared in the *English Review* in 1918, an important member of the Rothschild family had sounded an alarm in appropriate quarters about it. If a proposal is dangerous to financial and high political interests, the press is closed to it. On the other hand if it is an attack on any interest *other* than these, and particularly if it is buttressed by "moral" argument, it is subterraneously assisted, since the destruction of these interests does not mean that they cease to exist—it merely means that they are transferred to international Finance. It is hardly too much to say, at this time, that if a policy of social reform is not attacked in the Press, or refused reasonable publicity it is certain to contain, hidden in it, a conspiracy against the plain man. The torrent of abuse, misrepresentation, downright lying and calumny, which has been directed against Social Credit, more particularly in Canada and Australia, is probably the highest compliment to its potential effectiveness which could be offered by the world's mischief makers.

(To be continued)

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