

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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The Enemy

By C.H. DOUGLAS

(Originally published in *The New English Weekly* in 1933)

I

It is, I suppose, becoming clearer to any persistent propagandist of financial reform that the opposition to be overcome is not primarily intellectual, but is philosophical. Assuming agreement in respect of fact, it is not possible over any considerable period of time for anyone successfully to maintain a logical deduction from those facts, which differs materially from that of anyone else. Logic is not the peculiar prerogative of a specially favoured class, and the weight of popular agreement upon the side of technically accurate deduction is bound ultimately, if not immediately, to be decisive. Philosophy is another matter. *De gustibus non est disputandum.*

The economic fact from which all technical argument of a constructive nature must proceed, is that the world has passed out of a condition of economic scarcity into one of economic abundance, a condition which, except by wilful misuse, is not only permanent but cumulative. The struggle for existence, in the economic sense, has been finally decided by a decisive victory of humanity over its traditional enemy, Want.

But at this point we meet the argument, now scarcely veiled, that this victory is not a good thing, that it is necessary not merely for humanity to struggle, but always to struggle unsuccessfully. The specific objective of the International Economic Conference was to equate, i.e., reduce, Production to the *Power* of consumption, the power of consumption, of course, being measured by present standards, and thus to undo so far as possible the results achieved by the progress of the industrial arts.

I am confident that there is only one method by which to dispose of this philosophical difficulty, and that is to bring it out into the open. If we are to regard the economic system, not as a means of providing ourselves with amenities with a minimum amount of trouble, but as a moral discipline intended to keep Satan from providing idle hands with mischief, we ought to know it. But we ought to know more than this. We ought to know what are the qualifications of those who set us our tasks, and who appointed them to this position, which appears to carry with it a considerable degree of immunity from the tasks which are set to those whose excellencies are practical rather than moral.

Since the methods by which the world has been kept at work up to the present time are obviously breaking down, it would be reasonable to assume that a body of opinion determined to reconstruct the economic system without altering its philosophy, would be busy with alternative plans. It is clear that this is so. We have one such plan in Russia, where a five-year programme, which was to produce the Millennium, is now to be succeeded by another five-year plan, which will defer it. We have the persistent misstatement of the present situation as a problem of unemployment instead of as a problem of leisure, and we have the ominous formation of a militant Fascist Army in Ireland, and the activities

of Sir Oswald Mosley in this country, both apparently designed to supersede parliamentary methods by a coup d'état in the unlikely event of a parliamentary majority being obtained which would be favourable to financial reconstruction of a nature calculated to distribute the available product.

There seems to be a common factor in all these alternative plans which must be significant. Their protagonists, at all events, who represent them in the public imagination, however superficially dissimilar, appear to be united in the characteristic of having no noticeable experience or even ability in the actual process of increasing the tangible economic wealth of the world. Without denying to MM. Lenin, Stalin, Mussolini, Hitler, Montagu Norman and the other outstanding figures of the post-European War period, qualities which have no doubt conduced to their emergence as world-figures, it would be true to say that a more unpromising group of individuals to be wrecked upon a desert island, and there compelled to increase its amenities by their own efforts, it would be difficult to find. It would appear that the willingness to undertake to plan the intimate details of the lives of the persons who compose large nations, and ultimately to carry this process to a world hegemony, seems to be in inverse proportion to the ability to manage the traditional coffee-stall.

This consideration has the greater significance when we consider not merely the theory of a planned state, and ultimately a planned world, but the *personnel* which seems to go with the theory. We have in our own country a promising batch of World Planners largely between the ages of 21 and 30, conspicuously free from the limitations which might be imposed by practical experience. Perhaps these need not be taken too seriously. Behind them, however, and not very dissimilar in philosophy, are the Planned Economists whose views are implemented by the Banking System.

There has, of course, been a centralised planning scheme in operation in this country ever since the War, with the Bank of England as its focus. For reasons sufficiently familiar, estate management in the hands of private owners has been practically superseded by that of Land Companies, for the most part concealing the identity of large insurance companies and banks who are the beneficial owners of their shares. Bearing in mind the advance in the industrial arts between the fifteenth century and the present time it is, I think, instructive to consider the results of Centralised Planning of the financial variety as compared with the results achieved in the Middle Ages in, say, the Cotswolds. There are still numbers of architects from all over the world who visit Broadway and its district in order to mould their ideas upon the cottages and small manor houses to be found in special excellence there, as in Cheshire and Shropshire, but I have yet to

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This journal expresses and supports the policy of the Social Credit Secretariat, which was founded in 1933 by Clifford Hugh Douglas.

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Announcement

The Social Credit Secretariat considers that the economic and political situation has developed to the point of impending catastrophe on a world scale, as heralded by the terrible events in South-East Asia.

The Social Crediter has outlined and documented this unfolding tragedy and the reasons for it, since the beginning of World War II, with penetrating commentaries by C.H. Douglas until his final illness and death; and since has continued along the path he indicated as events conformed to his forecasts. Much of this material has been preserved in book form, and is listed herein.

We believe that a massive effort in the form of an electoral campaign for the abolition of poverty immediately in countries such as Australia, Canada, the U.S.A., etc. — or any one — offers, at this stage, at least a chance of averting universal disaster. Douglas realised that it was not so much the fact of a defective financial system that was of primary importance, but the fact of deliberate — wilful — *persistence* in that system.

The proposed Electoral Campaign for Economic Democracy is intended to bring this issue into the open. Readers of this journal who have had experience of previous campaigns will know what to do, and can teach others.

Since it is obvious to unbiassed observation that a country like Australia has an abundance of the primary requirements to provide food, clothing and homes for *all* citizens, this fact must be publicised and emphasised, and obstructionists to the universal distribution of the means of sharing that abundance must be exposed and pilloried.

If the abolition of poverty can be established anywhere, it will be an example for the whole world, and perhaps civilisation's salvation.

A booklet explaining the economic and political background to this Campaign has been prepared and is to be published shortly — serially in *T.S.C.*, but available as a booklet when printed. It shows that calculations based on current data demonstrate that an average household income several times greater than the current average, together with falling prices without loss to the entrepreneur, can be fully justified.

Issues of "The Social Crediter" from May, 1970 to December, 1971, were bound in a volume of 176 pages of articles and commentaries tracing the development of world dominion, and giving an alternative to disaster. The volume is available from K.R.P. Publications Ltd., 26 Meadow Lane, Sudbury, Suffolk CO10 6TD, at £2.00 posted. Copies of this current issue are available at 3 for £1.00; 5 for £1.50; 10 for £2.50.

The Electoral Campaign for Economic Democracy

Attempts over the years to halt progress towards disaster have failed; but there is reason to believe that there is now a more widespread public recognition of our predicament, and a latent will to face up to it.

Parliamentary Democracy decayed over the years to Party Politics; and Party Politics has degenerated to voting for Government dictatorship under alternative labels.

Party politics needs, as never before, to be countered by Economic Democracy. *Action* is needed to rectify the defective economic system, and it will have to be grass-roots action.

Economic democracy would mean that basically the money supply would be in the hands of the community; and that out of that supply, a proportion would be voted by Parliament to finance projects of which Parliament, representing the community, approved. The money so approved would be "subscribed" by the equivalent of a sales-tax. All other taxation would be abolished.

• • •

All that matters is to grasp firmly and clearly that in a country like Australia or Canada the Age of Abundance exists, but is being denied to us, the citizens of our country and the heirs of our fathers, grandfathers.... Now if you believe that it should be denied to us, then the action to take is to wreck the industrial system, as the apostles of revolution are doing. Inflation and penalisation suit their book admirably. So does the consequent social disorder, strikes, violence and intimidation. But if you want "life more abundant" you will have to go after it. And the road is through your Member of Parliament.

Your Member of Parliament of whatever Party, once *elected* becomes your *Representative* in Parliament. His duty as such is to represent the fundamental common requirements of the majority of his constituents. If you, and as many others who agree with you and who will find others of like view, can impress on your Representative that it is your combined *will* that since we *demonstrably* have already the resources to provide every family in the country with food, clothing and housing, and more besides, it must be the top priority of the Government to establish the mechanism to *ensure the distribution* of that "abundance".

President Franklin Roosevelt was once accused of yielding to pressure: to which accusation he very properly replied: "It is my business to yield to pressure".

A Government's top priority is to remain in office. To do so, it will yield to pressure from a majority of its supporters in Parliament.

A Member's immediate priority is to remain a Member. He will yield to pressure from a majority in his electorate — either he will, or one of his opponents will.

So there is a potential chain of cause and effect waiting for you to set it going. This could be realised in practice by a chain-letter campaign, as well as by word of mouth.

Since it is physically possible to abolish poverty in this country, you must *will* that it be done. First things first: Food, clothing and homes for everyone.

If the cost of that "first" is less *total* employment, it is not a cost, but a *bonus* — the bonus of an increased leisure. Why does the worker strike for a shorter working week? For added leisure. Then why not a demand for a shorter working *life*, to have full leisure at an age to enjoy it?

It is *not* Full employment that we want; it is just sufficient employment to enable the industrial machine to deliver the things we really want with the least bother to ourselves. Why do you buy a washing-machine? — So that you won't have to spend half the day standing over a wash-tub and wringer.

Individuals buy as much labour-saving equipment as they can afford — for their own good reasons. Industrial production is just those good reasons generalised. You don't buy several washing-machines to keep yourself employed using them — one is enough, just as, in the words of a famous comedienne, "a rose is a rose is a rose".

You are being led by the nose is a nose. It is time to say the "noes" have it.

It *must* be done. If it is not, the system will collapse. It will collapse in war or revolution, and no one can say what will follow. Another Kampuchea? Another Gulag Archipelago?

Centenary

This year we (or some of us) have been celebrating the centenaries of the births or deaths of many people famous in their various ways: Rowland Hill, originator of the Penny Post; the newspaper magnate Beaverbrook; the actor Garrick; Captain Cook, the explorer; Einstein with his Theory of Relativity. The bicentenary of Grimaldi, the clown (born December 18, 1779) is yet to come.

The centenary of one remarkable man, however, does not seem to have been celebrated at all, or even mentioned in the world at large. He is C.H. Douglas ("Major Douglas"), the Scots engineer and economist who originated the theory of Social Credit and was born on 20 January, 1879.

That Douglas should be dismissed as an obscure crank is natural enough. What is interesting is that he should, in the centennial year of his birth, be totally ignored, passed over as though he had never existed, even as a curiosity. Why should this be so?

In his book, "The Monopoly of Credit," published in 1931, Douglas wrote: "Considered as a means of making people work (an aim which is common both to Capitalist and Socialist party politics) the existing financial system, as a system, is probably nearly perfect.

"Its banking system, methods of taxation and accountancy, counter every development of applied science, organisation and machinery, so that the individual, instead of obtaining the benefit of these advances in the form of a higher civilisation and greater leisure, is merely enabled to do more work."

Douglas believed that the ultimate outcome of this system, reached through wars and catastrophes on a scale he could not then foresee, would be a Total Work State — the One World for which we are constantly exhorted to hope and pray.

Had Douglas discovered, in his deceptively simple but percipient Scots engineer's way, something about the modern world which it is not thought good for us to know or even speculate about? Is this why the centenary of a man remarkable by any standards must go unremarked?

— Peter Simple in *The Daily Telegraph*,
London, Oct. 19, 1979.

THE ENEMY

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hear of any sustained pilgrimage to view the ribbon building schemes which deface practically every main road leading out of London.

Now it is pertinent to ask how it is that this pestilent separation of the desire to rule from the ability to create, has come

about, and I believe that the quite simple answer is that the ability to create has provided sufficient mental, or, if you prefer it, spiritual satisfaction to its fortunate possessors, and the opportunities for the exercise of their talents have been so considerable in the material world that they have been too busy to worry about law-making. In effect, they have said, "Let me build the roads, the railways and the bridges of the country, and let who will make its laws." But it won't do.

Let me beg you to notice that I have not said that the only qualification for making the laws of the country is that you have made the roads of the country. Far from it. But I have affirmed that inability to make the roads or to run a business is not in itself a qualification for organising the activities of those who do carry on the processes which make available the wealth of the world for general use. Lack of experience in organising one business does not in itself appear to be a well-grounded recommendation for the post of Chief Organiser of businesses collectively.

The matter may perhaps be put in this way. One of the earliest lessons learnt by the worker in concrete materials, the Builder, the Chemist, the Agriculturist, is that you cannot bluff a Natural Law, a natural law being something that makes the same thing happen in the same way when the conditions are the same. The learning of this lesson is conducive to the acceptance of fact as fact. Any attempt to treat a physical law as non-existent, results in failure to achieve the object desired.

No observer can fail to notice, however, that when we enter the realm of constructive politics any conception of fact and Law in the scientific sense disappears. The most that can be said for governmental institutions at their best, is that they may be founded upon a crude empiricism probably satisfactory in a static society, but unsuitable to a changing age such as the present. The word politician has become almost synonymous with a term of contempt. I think we make no mistake in this matter. It does not seem possible that a system of regulating the affairs of nations by so misrepresenting facts as to obtain the acquiescence of the public to a course of action leading to an end they do not desire, can be satisfactory. Rightly or wrongly, the politician is suspected of being a person who can talk of "Chinese Slavery" in one place and "Unemployed Relief Works" in another, while meaning the same thing in either case.

II

Why does the idea persist that to be understood in matters of legislation, is to be found out? Why must we continue to pursue, in matters of national moment, the technique which is admittedly ineffective in matters of smaller business? Why does, e.g., Sir Stafford Cripps, as gentle a Parlour Pirate as ever slit a cream bun, advocate the wholesale looting of the well-to-do, when he would, no doubt, faint at the suggestion that he should steal a teaspoon?

We are not seriously helped in obtaining an answer to these questions by saying that what this country needs is a little common honesty. It needs a great many things. Additional grey matter between the ears of some of its leading men would be a help. There is small doubt, however, that Great Britain and America are handicapped by a system of political thought which takes its immediate rise from Puritanism, although Puritanism, as well as what is commonly called "capitalism," which is an ally of Puritanism, can be traced much further back. Philosophically, one of the characteristics of Puritanism is the transcendence of God, as distinguished from the immanence of God. Arising directly out of this philosophy there has grown up a convention, to use the mildest description, that to be respectable it is necessary to be "other-worldly." "Thy Kingdom come" is noble, but "Give us this day our daily bread" is vulgar, and "Let me get at the bread which

is going to waste," is downright immoral.

Possibly you may have seen a Clydesdale horse confronted with the proposition of dragging an immovable load. He gives two or three hearty tugs at it, after which nothing will induce him to do more than lean gently into the traces. As the result of several centuries of endeavouring to do the undoable, there probably never was a time in which disinterested legislation was so rare, just as there probably never was a device which was so effective in silencing criticism of interested legislation as this idea of self-interest on a worldly plane must necessarily be wicked.

I would therefore make the suggestion, in order to add to the gaiety of nations by creating a riot at once, that the first requisite of a satisfactory governmental system is that it shall divest itself of the idea that it has a mission to improve the morals or direct the philosophy of any of its constituent citizens. And the second axiom might reasonably be that the prime object of a government is to remove the causes of friction between individuals, rather than to repress the results.

Possibly we can get a little nearer to the subject. In any problem of a practical nature in which the co-operation of considerable numbers of individuals is required, the first essential is agreement upon the objective. If anyone knows the objective of the British Government at the present time, I should be grateful if they would share the information with me. But I do not believe that the British Government, as such, has any objective, and that may be one of the more favourable features in the situation, because I am confident that it is not in possession of the data to enable it to formulate a satisfactory objective.

Sir Walter Fletcher, whose remarks were quoted by Sir Frederick Gowland Hopkins in his Presidential address to the British Association this year, said, "We can find safety and progress only in proportion as we bring our methods of statecraft under the guidance of biological truth." I think that this is one of those remarks which illuminate a subject much as the skyline is illuminated upon a dark night by a flash of summer lightning. We know little about ourselves, and less about our neighbour, and almost nothing at all about the nature of a healthy Society. Nor do we display any particular anxiety to increase our knowledge in these directions. Yet there is, nowadays, none so poor that he is not prepared to produce at short notice the plans which will put every human being in his place, and re-construct an organic Society in all its parts, within the space of a few short weeks. Preferably, with the aid of a few good machine-guns.

It is no less than a tragedy, that the inductive method, for which in particular the English temperament is specially suited, is not in itself a reliable instrument in this emergency. The physical scientist who wishes to obtain a sure foundation for the formulation of laws, begins his investigation by standardising his reagents. Temperature would be meaningless if we had not something we call "zero." But in regard to the biology of the State, we are in a difficulty. We do not know what a healthy State would be like. We do not even know how unhealthy we are, though we have a strong suspicion that we are very sick indeed.

To those, then, who are anxious to make a definite contribution to the salving of a sick world, it may not be impertinent to suggest that the natural creative forces of the universe might plausibly be expected to produce at least as good results, if left alone to work themselves out through the agency of the individual, as may be expected from planning which is undertaken without any conception of the relation of the plan to the constitution and temperament of those who are affected. In words which are just as applicable to this situation as to that in which they were uttered, it may be said, "Gentlemen, I beseech you to consider the possibility that you may be mistaken."

If all history and all observation has not been misread, there is

implanted in the individual a primary desire for freedom and security, which rightly considered are different forms of the same thing. There is no such thing as a freedom and security which is held upon terms, whether those terms are dictated by the State, by a banking system, or by a World Government. Until it can be shown that, with the resources which science has placed at his disposal, the individual is incapable of making freedom and security for himself, the multiplication of organisations whose interference he cannot avoid will only make a world catastrophe the more certain.

THE DEVELOPMENT OF WORLD DOMINION

By C. H. DOUGLAS

Paperback £1.15, hardback £2.25

The whole world at the present time is suffering from a gigantic man-made disaster which threatens to culminate in a new Dark Age of tyranny. It is the fact that the disaster is man-made which forms the subject matter of this profoundly important book. Over sixty years ago the late C.H. Douglas divined the shape of things to come, and in a series of books laid bare the true and the false principles of political economy in an effort to forestall this present disaster. But the coming of the Second World War ushered in the contemporary World Revolution, and it is with the protean manifestations of this revolution that this book deals. Nothing like it has ever been published, and it will amply repay repeated and careful study. Christian Civilisation could yet be restored if its underlying principles were first understood, and then applied. "A national culture is the soul of a people, and the idea that a people can lose its soul and retain its identity is of a piece with the rest of dialectical materialism. . . . But the malady is much graver now, and probably only the surgeon offers an effective solution."

The selection of commentaries comprising this very important book make it unique among Douglas's works, and highly relevant to the current situation.

THE MOVING STORM

Contemporaneous commentaries on linked events 1964-1968, with an Introduction on historical significance

By BRYAN W. MONAHAN

Paperback £1.15, hardback £2.25

The Twentieth Century A.D. has witnessed a transformation of the world more profound and extensive than in any period in the existence of the globe. In its beginning it seemed to promise such a flowering of Christian Graeco-Roman civilisation as had never appeared possible, for now the Curse of Adam would be borne by the magnificent complex of machines, setting free the Spirit of Man.

Instead, the Twentieth Century has seen the death, despoliation and torture of hundreds of millions of men, women and children. The destruction of mankind has become a technical possibility, whose threat is employed to impose a universal slavery. The beneficial use of the miracle of modern technology has been centralised in the hands of would-be World Rulers, seeking to perpetuate a dynasty over a permanently enslaved mankind.

This book, a companion volume to *The Development of World Dominion*, comments on the progress of this fatal conspiracy, displaying the pattern which underlies apparently disconnected events.

THE SURVIVAL OF BRITAIN

CHANGE OF ADDRESS

From 30th November, 1979, the business address of K.R.P. Publications Ltd., will be: 26 Meadow Lane, Sudbury, Suffolk CO10 6TD. Telephone: Sudbury 76374 (STD Code 0787).

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