

# THE DEVELOPMENT OF WORLD DOMINION

*By C. H. Douglas*

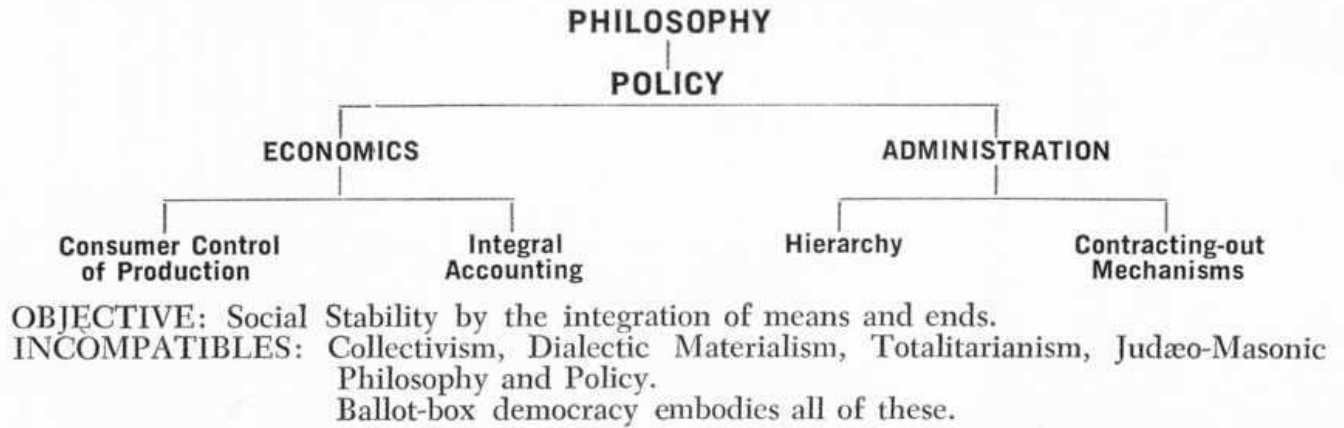
*"It is suggested that the primary requisite is to obtain in the re-adjustment of the economic and political structure such control of initiative that by its exercise every individual can avail himself of the benefits of science and mechanism: that by their aid he is placed in such a position of advantage, that in common with his fellows he can choose, with increasing freedom and complete independence, whether he will or will not assist in any project which may be put before him."*

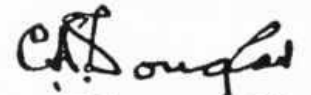
—C. H. Douglas: *Economic Democracy*, 1918.

## WHAT IS SOCIAL CREDIT?

*This specification was drawn up by C. H. Douglas as one of his last public activities to counteract the tendency of the Social Credit Movement, as all movements which have a philosophical basis, to develop perspective disproportionately:*

Social Credit assumes that Society is primarily metaphysical, and must have regard to the organic relationships of its prototype.



  
February, 1951.

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 fifty 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."

Published for the Social Credit Secretariat

Printed in Australia by

BLOXHAM & CHAMBERS PTY. LTD.

113-115 HARRINGTON STREET, SYDNEY 2000

1969

## Foreword

Anyone who begins to read this remarkable series of extracts from a journal of small but worldwide and continuous circulation since 1938, *The Social Crediter*, will recognise why words of introduction in the customary sense are not only superfluous but, if intended to review or summarise in advance the argument presented, an affront to the reader's intelligence.

Every paragraph cited is expository and militant at the same time, and the foregoing condemnation of any attempt to epitomise applies with equal force to both these aspects. It is not the business of the writer of an introductory note to assimilate the contents of a book on the reader's behalf. Indeed he cannot do so; assimilation is an individual function. Also, concerning the militancy of the paragraphs, it is particularly important to recognise that, so far from there being any validity in the deluge of propaganda directed towards persuading the individual that there is nothing he can do to arrest the process, already far advanced, of reducing him to the status of lifeless raw-material for exploitation by the twin abstractions, "Science" and "The State", he, and he alone, can effect this greatly-to-be-desired change in the direction of policy, backed, even as it now is, by apparently overwhelming, unprecedented and scarcely imaginable resources of power. The paragraphs thus constitute an arsenal and an armoury from which the individual can choose whatever weapon is suitable to his condition. The first step and perhaps the only necessary step towards freedom is assumption by the individual of responsibility for the use of *himself*.

The date of original publication of each item is given in brackets at the end of it in most cases.

During the period of the Socialist Administration in Great Britain following the end of the Second World War, *The Social Crediter* analysed the activities of that administration in our progress to disaster, and emphasised over and over again that a change of administration would not mean a change of policy. The Constitutional issue, philosophy, politics, economics and strategy were examined in notes under the heading "From Week to Week". Recognising that the most recent excesses in productive enterprise, reducing whole populations to a state of hysterical paralysis of sound judgment on almost all topics, so far from being genuinely a new and revolutionary element in human affairs, was merely an extension and culmination of an old, probably a very old policy, that the political direction was completely unchanged, and had to be changed, those in control of *The Social Crediter* collected the relevant passages in the notes, all from the pen of the late C. H. Douglas, and republished them in 1957 and the early weeks of 1958. Hence the text which follows.

It was almost immediately apparent that the point was taken. Letters from all parts of the world indicated that, while the more expensive agencies of propaganda—mass-circulation newspapers, broadcasting, television, and so on—were proceeding from dizzy height to dizzier heights, commonsense was recovering here and there from the narcotic administered by events during the first half of the twentieth century and that attention denied to Douglas's demonstrations on their first appearance could be gained at ten years' remove. Let us hope that it may still be possible for John Ruskin's image of 'Capitalism' as a bulb issuing eternally in bulb, incapable of envisaging such a thing as a tulip, to be seen to be strictly applicable to the space missiles of the latest and largest lunacy: the 'sputnik' as finance-

capitalism's 1957 model in bulbs. It is nothing else: a drain for the superfluous productive power of mankind—a thing he cannot eat, or wear *or sell* at a just price to someone who wants it.

Llanelltyd, February 20, 1961.

TUDOR JONES

## A Note on the Arrangement of the Material

C. H. Douglas's occasional observations as they appeared in *The Social Crediter* do not lend themselves to easy classification. This is because they are primarily philosophical, so that his treatment of a subject, be it historical, political or economic, is always informed by his philosophy, though seldom explicitly.

Yet the merely chronological order does them less than justice. The selection presented here covers the period beginning in the terminal phases of the Second World War and ending in the terminal phases of the post-war Labour-Socialist Administration in Britain. It is in this period that the real objectives of the War emerged, and it is in the perspective of this emergence that Douglas's observations must be seen. Why, *in 1939*, did Anthony Eden announce the coming of a *New Order*? The years from 1944 to the present have witnessed the *becoming* of this Order—a world under the threat of annihilation or slavery. What is the relation of Marshal Tito's statement "Our first target is Great Britain" to Defence Minister Healey's adoption of policies which the *Times* characterised as leading to suicide or surrender?

Douglas's Notes point in this direction; his warnings have become our predicament. The arrangement here given attempts to bring out this 'pointing', this movement of a consistent policy *through* history, the movement of a storm centre through a world ravaged by its progress.

BRYAN W. MONAHAN.

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## The Development of World Dominion

**1** The set of ideas which became the movement known as Social Credit began with an examination of the problem of the relationship of the individual to the group, and the financial proposals which emerged were consciously, and in all their developments, designed to free the individual from group domination. It is evident that the essential nature of the problem, not merely has not changed, but has become more sharply defined.

It was, early in the elaboration of the ideas, recognised that the group is essentially atavistic; it is something from which the individual has emerged, and his return to it is in the nature of spiritual death. Without, in this place, elaborating the connection between the anti-religious aspect of Communism, the soullessness of mass production, and the incompatibility of cartelism and Trades Unionism with peace, it may be emphasised that there is a connection between all of them, and it is epitomised in that amazing reply: “Render unto Caesar that which is Caesar’s, and unto God that which is God’s.” Caesar is, of course, functionalism, and if functionalism can be made paramount, if the Will can be paralysed by the Arm, if the Good which I Will I do not can be made uniform by the omnipotence of the atavistic Group over the emergent individual, then indeed the Devil is triumphant.

(Nov. 1, 1947.)

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**2** There is a certain body of opinion which is under the impression that we have abandoned the financial aspect of Social Credit. In this connection, we are reminded of a pungent criticism made some years ago, that the great disadvantage under which the Social Credit movement then laboured, was that it was largely composed of Socialists who wanted nationalisation of banking.

People who hold this type of opinion have not taken the trouble to grasp the fundamental subject matter with which we have always been concerned, which is the relationship of the individual to the group. Thirty years ago, that relationship was predominantly a financial relationship. Quite largely through the exertions of Socialists, strongly assisted by the highest powers of International Finance, the Central Banks have become practically impregnable, and the sanctions which they exert have shifted from the bank balance to the Order-in-Council.

It ought to be, but unfortunately it is not, apparent to everyone who takes an intelligent interest in these matters, that the fundamental problem has been greatly complicated by the developments of the past twenty years; and that the immediate issue is in the realm of Law and military power, not of book-keeping. That does not mean in the least that book-keeping is one penny the less important than it was when we directed attention to it; but it does mean that it is the second trench to be taken, not the first. For that, we have to thank in great part, the obsession with “nationalised” banking.

The problem presented by the centralised (“majority”) political vote is the same in its fundamentals as that of which it is only another manifestation—the monopoly of credit.

(Oct. 16, 1948.)

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**3** From many and varied quarters we receive proposals for lines of action which rely for their validity on an appeal to the moral law. Let us hasten to say that we have the greatest sympathy with this appeal.

But we do not think it is generally recognised, at any rate with sufficient clarity, that this appeal begs the primary issue now before humanity. There is no law without a sanction; has “Right” or Decency, or Justice or Mercy any sanction? It is not a question which permits of a facile answer; in fact the answer may be what religion has always contended it to be, one which may be so final as to dispose of any subsequent problems.

**4** There is higher authority than ours for the observation that though one rose from the dead, yet would they not believe. Yet, to take only the period of history covered by the three hundred years since Cromwell, the evidence for the existence of a conscious organised, Evil Purpose in the world appears so overwhelming that it would seem axiomatic that mankind could have no prior interest than to root out its Incarnations wherever found. Yet, so far as we can judge there is general though not universal apathy on the subject, and where there is not, the concern lacks focus.

It is probable that one factor in this situation is the identification of nations with the policies they appear to pursue. For nearly two hundred years, Germany has been the embodiment of this Evil Power, yet it is not intrinsically German. Russia appears to compete with the United States for possession of the Banners of Hell yet Russians, as individuals, like Americans, are no doubt good, bad, and indifferent.

The situation is in fact not greatly dissimilar to the group psychology explored by Gustave le Bon in such books as *Psychologie de Peuples*, and, recognising this, we can see that a nation, considered as a group, is not rational; it is a force, not an intelligence; and therefore one nation or group after another can be used and manipulated by a concentrated Supernatural, Conscious Intelligence. The geographical shift of the Storm Centre in Europe from Spain to France, via Holland and England to Germany, and now to Russia is paralleled by the shift of certain activities, largely but not wholly Financial. This Storm Centre has, of course, its secondaries, its “Fifth Column” everywhere.

*“Britain” is now apparently the target of the most venomous hatred by its manipulators, a position we have usurped from Imperial Russia; and the practical lesson to be learnt from this analysis is to direct our attention to the current Storm Centre. It is not in Russia, except as a fulcrum for Wall Street; Russia is finished; it is in New York.*

(Oct. 2, 1948.)

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**5** There appears to be a tendency (which we have done our best to discredit) to suggest that the Social Credit Secretariat should mould its activities on those of the American statesman who concluded his electioneering address with the words, “Them’s my principles, gents, and if you don’t like ’em, I’ll change ’em”. So far from complaining of this attitude, in moderation, we recognise that it represents a degree of confidence for which we are grateful.

But in fact, the idea that there is some magic word which if discovered and pronounced would transform the situation can be very dangerous. At some risk of being platitudinous, may we repeat what in effect we have been proclaiming for thirty years—that policy,



function and power are all different, and that the fundamental “sin” of our present era is that we allow policy and power to be dependent on function. To put it in the simplest manner, to our orthodox philosophy, there’s nothing like leather.

It is from this fundamental fallacy that we derive such fatuous ideas as the “right” of “Labour” to do this, that, and the other, *e.g.*, “Full Employment”. “Labour” has no rights whatever except the right of the *individual* labourer not to function—to contract out.

If this situation is clearly grasped, and it is surely not too difficult of apprehension, it should be obvious that the best of policies (and it must be remembered that we can only impinge upon ideas which go to form policy) is quite powerless without function and power. We commenced our crusade by emphasising that finance controls policy, and (because we have a fraudulent financial system) our policy is fraudulent.

Finance is part of our Constitutional system (more so than ever since the “nationalisation” of our Central Bank) and to rectify Finance, we have to rectify our Constitution. We have made consistent suggestions, alone amongst contemporary movements to embody these policies. They have not so far been pushed very hard (that is neither our business, nor within our competence), but we have no bright ideas to offer which will make the walls of Jericho fall down even without trumpets.

“Them’s our sentiments, gentlemen, and if you don’t like them, we’re sorry.”  
(June 10, 1950.)

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**6** For the second time in a few months, *The Nineteenth Century* publishes in its current number an article— “Quality and Equality” by Robert Fordyce Aickman—which shines like a good deed in a naughty world, and comforts as the sound of the curlew over the moor, the sanest sound we know. The article should be read; but its trend may be grasped by considering: “We have nearly all fallen into the clutches of six myths. . . the myth of equality. . . the myth that work is intrinsically good and beneficial to the workers’ soul, whereas it is the Curse of Adam. The myth that heredity is in some way (hard to define) superseded. Shall we call this the illusion of merit? The myth that there are no rare spirits whereas society is held together and all good things advanced by exceptional individuals. Mass movements are the perpetual movement of the Gadarene swine. The myth of the more the merrier. The myth of . . . the desirability of uniformity. Whereas individualism is the basis of all quality and can only flourish in freedom. Equality is the great enemy of quality.”

(March 24, 1945.)

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**7** It is becoming daily more obvious that the proximate agency for the suppression of vital information (which is not to say that it is the ultimate power) is Freemasonry.

While the financial-technical aspect of Social Credit was heartily disliked and ridiculed in influential quarters, it is possible to recognise in retrospect a well-known phenomenon—that an incomplete case always affords an opportunity to those who are in possession of one more comprehensive. Quite inevitably and logically, the financial-technical aspect of Social Credit was an attack on bankers, although a carefully premised attack.

Anyone who heard the late, and much belauded President of the United States deliver his

Inaugural Address in 1933 when the economic life of the North American continent was paralysed, must be pardoned for believing, as so many Social Crediters did believe, that here was Social Credit enthroned in the seats of the mighty. No attack ever made in this country was half so virulent as that upon *bankers* (neither the system nor the money power) by the late Franklin Delano Roosevelt.

The closest attention was directed to this speech by qualified Social Crediters, and the conclusion was reached that it was a centralising speech—a conclusion soon confirmed by everything connected with the New Deal, including its *personnel*. The Buxton speech and policy was the outcome of this conclusion. But the point we have in mind at the moment is that some—quite a large number—of bankers were thrown to the wolves of an unrestricted and condemnatory publicity. Banking, *as such*, was clearly not the Ark of the Covenant, and since hearing Mr. Roosevelt we have still more closely defined our criticism of banks. Centralisation was the signpost, and at the centre would be found the Centralisers.

Let us consider the views of Mr. Douglas Reed, whom we believe to be both well-informed and courageous. Writing in *London Tidings* of September 14, 1946, he observes “Is there an organised power in the world which pursues some worldwide aim and is powerful enough to promote, manipulate and prolong wars between nations and in the pursuit of this aim? Is there a super-national conspiracy, directed against the freedom of *all* peoples, which uses such men as Hitler as its servants? The strongest evidence in favour of this theory seems to us to be that there is a powerful ban, in practice, on the very suggestion; the mention of the word conspiracy is taboo. Politicians and newspapers shun it. Yet we have had abundant recent proofs that conspiracy is a very real and living thing in the world. The essence of conspiracy is secrecy. To our mind, that is why all attempts to penetrate this secrecy are so severely repressed. But they are also the proof that powerful conspiracy exists; they would not otherwise be necessary”.

Ideas, and even whole paragraphs (but never those relating to a conspiracy) which first see the light in *The Social Crediter* can be read in increasing numbers in various reviews and periodicals, and with the exception

of journals carefully branded as crankish (i.e., courageous), almost invariably without acknowledgment. So far from objecting to this, we welcome it; but that does not alter the confirmation the procedure gives to Mr. Reid’s thesis, which is also ours.

(July 17, 1948.)

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**8** It is a curious fact that the decreasing number of people who pour scorn on “World Plot” explanations of the present state of the world (not of one country only) do not appear to recognise the implications of their opinion. If they were right, the present discontents are inherent; we can do nothing more about them than we can do about the normal equipment of mankind with two legs and two arms. But if the “Plot” theory is correct then we can deal with it, great though the difficulties may be. Either all men are alike, as the Socialists would have us believe; or some are turned to the Light, and some love the Dark. That is the awful interpretation of the Judgment.

(Oct. 11, 1947.)

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**9** The calculated leak of Lord Keynes's statement that the British losses in killed and missing were three and a half times as great as those of the U.S.A.; that the British forces contributed twice as many man-years to the war as the U.S.A.; that total British war expenditure was 50 *per cent* greater; the United Kingdom suffered thirty-five times more loss of external investments than U.S.A.; lost twenty-million tons (one-half) of shipping while U.S.A. shipping *increased* four times may be helpful to the horse-trade now proceeding in Washington, but we are far from sure. The reaction of the Americans is quite likely to be "Anyone can be sold a pup once; but people who allow themselves to be sold worse pups every twenty years don't need sympathy; they need a trained nurse". And we find ourselves not wholly without agreement.

It seems impossible to believe that this country has always to start behind scratch and to win barren victories at ruinous prices. The Americans are, averaged out, a capable agglomeration—about one-fifth to one-eighth as capable as they think and say they are. But it is obvious that they are incomparably better managed than we are, or seem likely to be. We are worse managed nowadays than we have been for two hundred years.

The position may be hopeless, but there is little doubt that instead of allowing ourselves to be insulted by atrocity trials of sadistic half-wits, we need some impeachments of such "leaders" as the ineffable Baldwin and some of the big bankers and industrialists who surrounded him. We will grant Mr. Attlee and his "Labour" Party this point, with compliments: that the conduct of British affairs between 1919 and the access to power of Mr. Chamberlain, a period during which Baldwin was dominant and Labour an eager accessory, passed all bounds of incompetence, and verged on downright treachery. And everyone concerned, who is still alive, should be arraigned for it.

(Oct. 6, 1945.)

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**10** One of the curious, not to say sinister, features of the current period is the prevalence of that form of Black Magic which consists in saying and affirming that evil does not exist. With the decline of institutional Christianity, a decline by no means inexcusable, even if regrettable, a myriad of "interpretations", most of them perversions of Gnosticism or Neo-Platonism, have invaded the more or less swept and garnished chambers of the public mind. Christian Science is perhaps the best known and most widely distributed, although it would be straining the meanings of words to term it non-institutional. The non-existence of Evil appears to be one of its teachings.

May we say at once that a great deal of valuable instruction, and much help and comfort have been disseminated by the Christian Science organisation, and its activities in many directions command real respect?

One of its outstanding achievements is the production of perhaps the most popular "Centre" newspaper in the English language, the *Christian Science Monitor*, widely read on its merits by many people who would not accept, and in many cases are not interested in, its metaphysics. Yet they probably absorb the atmosphere unconsciously.

Nevertheless and notwithstanding, the Devil never did a cleverer piece of work than when he persuaded his victims that he does not exist.

The proofs of it are everywhere. The growing inability to distinguish good from evil, with its corollary that nothing matters, there are no objectives except the whim of the moment (and the whims themselves are giving out), no absolute values; nothing is “proper”, therefore there is no property; that since it is now much easier (temporarily) to vote yourself into your neighbour’s house than to build one for yourself, work is foolish and politics without preparation is the universal career. These are the logical outcome of a crude monotheism.

The combined inability and unwillingness of so many of the pseudo-educated, firstly to recognise the wave of Evil which is sweeping the world, and secondly to realise the extent to which its Servants rely upon absence of publicity and criticism is a major factor in the spiritual Armageddon which is in progress. It is becoming increasingly true that only one metaphysic, dialectical materialism, is presented, in various forms, to a conditioned majority: (nothing could be more remarkable, outside a Russian “Trial”, than the acceptance of responsibility for the present chaos by those who are the greatest sufferers by it). Good and evil have no place in this; Power is Lord of all.

The denial of evil is an affirmation of equality—having no quality. This is the end of entropy unmodified—Power which renders itself powerless.

(Aug. 20, 1949.)

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**11** All serious students of affairs must realise that “the climate of opinion” and “the technique of organisation” are two of the major factors of a civilisation: and that the civilisation we recognise as European is the result of a special relationship between these two factors which we ascribe, and rightly ascribe, to something we call Christianity. What is not so widely appreciated is that there are two Christianities, the Judaic and the Graeco-Roman. It would be simple to say that one is not Christianity at all, but it would not be wholly correct. It is correct, however, to say that the culture which is being sacrificed in Europe today is the flower of Graeco-Christian influence; and the engines of destruction which are laying Europe waste derive their terrible efficiency from the incarnation of Judaeo-Christianity in modern industrialism. Whether both Peter and Paul are essential to the Kingdom on Earth, we do not know; but it is easy to see that if they are, the words “I came not to bring peace, but a sword” require no further explanation.

It is far from unlikely that one key to the World problem is involved in these matters. Only a simpleton would suppose that twenty-five years of anti-god societies have seriously modified the influence of a thousand years of Greek Orthodoxy on the essential Russian peasant; the soulless efficiency of the Prussian has been nurtured on the iron predestination of Luther, Calvin, and Huss. Yet Byzantium is overrunning Geneva, the jewelled cope is triumphing over the black gown. And it is obvious that the conflict is in Russia itself, just as much as between Russia and Germany.

(March 24, 1945.)

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**12** “I had a chance to discuss the political trends of postwar Europe with one of Britain’s [sic] leading Conservative statesmen and publicists in London. Heartbroken as he was after the defeat of his Party, he envisaged a catastrophe even worse than mere socialism, in the near future. ‘Believe me,’ he stormed, pacing the floor of his fashionable West End apartment, ‘the communists are going to take over. They’ll step

in when the socialists are through as sure as Lenin succeeded Kerensky, and there's nothing you or we can do about it.' 'Why?' I asked. 'Because the communists have got something. What have we got' *etc., etc.*"

The foregoing lurid extract is not from a Hollywood thriller but from an article by Mr. Ernest O. Hauser, an associate editor of the *Saturday Evening Post*. We should suppose that Mr. Hauser is an American Jew of German connections, but we may be wrong. The interest of Mr. Hauser's article, to us, lies in the confirmation it affords of a fact which is becoming increasingly clear. There is not room in the Universe, not to mention the planet Earth, for commu-socialism and Christianity. There can be no more fatal mistake than to suppose that socialism is merely an economic system—it is, in its materialistic aspect, the policy of a philosophy. The war between socialism and Social Credit is only an earthly simulacrum of a War in Heaven. Whatever of the meanings, which are almost endless, we choose to attach to the word 'occultism' there is no doubt that in various forms it is the background of Russian policy, just as the downfall of Imperial Russia was connected with Rasputin phenomenon. Occultism stands out from Mr. Hauser's suggestion that one of 'Britain's' leading (God help us) statesmen . . . stormed and said there was nothing we could do about it—the communists had something. It stands out a mile from the Canadian Spy Trials and their amazing revelations of completely inexplicable (by normal standards) subversive activities by well educated Canadians, Scots, and English. And it underlines heavily the really awful danger in which the majority of decent people in these islands stand by reason of a pathetic faith in the possibilities of salvation by an electoral turnover. A mysterious Power which can manifest, as it is manifesting, on every plane of human, and perhaps superhuman, activity, is not going to take a ballot-box very seriously except so far as it is helpful to the Big Idea.

(July 19 1947.)

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**13** Practically every visitor to these shores, who does not come with some special interest to exploit, is struck by the sullen apathy of the general population. Words, written or spoken, are just sales talk for another gold brick.

The News-Film for January, in recording the assassination of Ghandhi, refers to him as "the loftiest soul in Asia, the greatest spiritual force of the last two thousand years". This is A.D. 1948.

Is it really necessary to look further for the explanation of the apathy of a population which is fed on this kind of stuff? We are more than ever convinced that if Ghandhi had not contacted Smuts in South Africa, and conveniently transferred his activities to an arena in which they served the ends of Wall Street, instead of hindering them, he would have remained amongst the millions of Hindus whose one consuming ambition is to argue before an audience, whether in Court or "Conference". Which aspect of Ghandhi is of vital interest to the British?

**14** There is a curious, awful, inevitability in events at the present period which, it would appear, involves the conclusion that they really are out of hand—that while they are the outcome of long-laid schemes, the schemes themselves have taken charge of affairs and we have to endure their consequences.

This conclusion is strengthened by the evidences of panic discernible in many quarters which, not so long ago, showed every sign of confidence. It may be assumed that President Truman is a fair indicator of certain policies, and his poise is not impressive.

The more deeply these matters are pondered, the more important becomes the idea embodied in Captain Dunn's *Experiment with Time*. In one sense, of course, the idea is latent in every religion; it is latent in the commonplaces of engineering and architecture. Anyone with access to the blueprints of *e.g.*, the Sydney Bridge could have "seen" the Sydney Bridge before even one of its girders was rolled. And anyone with experience of large undertakings knows how they acquire momentum, and, after a certain point, resist innovation.

There are dozens of Plans extant in which no one believes, not even their Planners; but they proceed to their inevitable failure.

(May 15, 1948.)

**15** In the current number of that very able little review, *Blackfriars*, the unfamiliar and startling, but not novel proposition is advanced that the great enemy of Man is the Divine Law. This may sound shocking; but it appears to be evident from the context that it is what the Orientalists call Karma, the Law of Cause and Effect, to which reference is made, although the word is not used, and the doctrine is attributed to Paul.

Little reflection is necessary to see that an inescapable chain of cause and effect establishes determination—man becomes simply an automaton. We think it was Dr. Tudor Jones who suggested that the key doctrine of Christianity is the supremacy of repentance over the Law—that there is what may without irreverence be called a technique by which the chain of causation can be broken. If this is so, it is certainly far from an easy technique; and there is room for a very wide exercise of it at present.

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**16** There are many instances of a policy which has a corporate existence extending through many hundreds or even thousands of years. Christian Catholicism, Confucianism, Mahommedanism are all such policies, and they have altered the history of the world, all of them mostly for the better, by injecting certain ideals which have been operative over these long periods.

A proposition such as the foregoing would be accepted by any reasonable individual as being neither very startling nor debatable. But say to most of these, "Just as there are long-term policies with a corporate embodiment whose objectives and results are for the most part 'good' so there are similar policies with corporate embodiment whose objectives and results are more or less evil", and they will at once suspect you of mental unbalance—a fact which is in itself, properly understood, confirmative of the thesis.

We are satisfied that the policy which is grappling at the throat of civilisation now, is such a long-term policy, and that its first large-scale effort was that of which Cromwell was the ostensible leader. For this reason, if for no other, the description of Cromwell and his times as seen by two contemporary delegates to his "court" and published in 1907 (*Studies in the History of Venice*, Horatio F. Brown) is of high current importance.

"The Parliamentarians do not cease to bite their nails for having allowed him, step to step, to mount to such a height as to render him odious to the people. . . On his appearance not the slightest sound of applause nor of satisfaction was heard . . . very different from that which used to happen when the King appeared in public. [Cromwell] enjoys but little affection, nay there are not wanting signs of that hatred which grows

daily . . . Cromwell, however, persists in his habitual attitude of humility . . . he protests that he is only what they have made him . . . that he will never be other than what they wish him . . . He is content with his authority and power, beyond all comparison greater not only than that of any King who ever reigned in England but than that of any Monarch who wields a sceptre in the world just now.

“The fundamental laws of the nation are upset and Cromwell is the sole legislator. His laws are dictated by his own judgment and desires. All offices issue from his hands. The members of the Council must be nominated by him; nor can they rise to power except through him; and that no one may become master of the Army he has left the office of Lieutenant General vacant.

“As for his wealth, no King ever raised so much from his subjects. England pays at present one hundred and twenty thousand pounds sterling a month in burdens; besides this, the duty of five per cent on all merchandise sold or bought in a city of such flourishing commerce as London amounts to three million two thousand crowns a year.”

To this add the confiscation of the fortunes of the Duke of Buckingham and others of the nobility.

(Aug. 27, 1949.)

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**17** Only that outstanding characteristic of d’markrzi, hatred of quality, stands in the way of understanding the history of the past hundred years of British history.

The Dark Forces quite correctly recognised that the form of aristocratic tradition which had developed in the British Isles and built up the British Empire was an insuperable barrier to the Slave (?Slav) World. There is no better guide to the realities of this situation than the plough-boy William Cobbett. The problem they set themselves to solve was to retain and increase the powers of the ruling class, substituting fresh bureaucratic names for the offices, and filling them with individuals—the more alien in extraction, the better—who neither possessed the tradition of patriotism, nor inherited the coterminous culture of Mediaeval, or Christian, Europe. Taxation and encroachment on land was the key, emphasised by Colonel Goldschmidt in 1905. It is grimly significant that the Officers Club, which was blown up in Jerusalem, was named after him.

We now are living under tyrannies far greater than those dreamed of by the most arrogant aristocracy, unrestrained by any cultural code. The momentum of the old habits of thinking acts as a temporary restraint. One generation would wipe that out as an effective force.

(March 22, 1947.)

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**18** We believe that there is a small number—loyal and valued members of our public—who although, because of their loyalty, they accept our views on certain aspects of the Jewish race, yet have an idea that these are an excrescence on “Social Credit” and, they feel, might have been left unnoticed. We are not concerned with the reactions of the crypto-Communists and their accusations—“anti-Semitism”, “racism”, “negative criticism” and other catchwords;—but we are ready at all times to explain to our friends what we recognise as a very excusable failure of comprehension.

Perhaps the simplest way in which to deal with this matter is to enunciate certain propositions.

- (1) Both Judaism and Social Credit are rooted in philosophies. Even in the case of non-orthodox Jews, race and philosophy are inseparable. Heine refers to Judaism as “the portable Fatherland”.
- (2) Social Credit is Christian, not primarily because it was designed to be Christian, but because it was painstakingly “dis”-(un)-covered reality. If Christianity is not real, it is nothing; it is not “true”, it *is Truth*. “Ye shall know the Truth, and the *Truth* shall make you free.”
- (3) Judaism is implacably anti-Christian, and it is, by definition, an Incarnate Lie. “Ye do the deeds of your father ... he is a liar, and the father of it.”
- (4) Both philosophies have a policy and these policies cannot live together. The Founder of Christianity was quite unequivocal on the question. “I came not to bring peace, but a sword.” It is remarkable that many people who complain of the suppression of vital information by the Press and the Broadcasting Agencies, will resent the exposure of Jewish policy, even if the exposure is merely the publication of statements made by Jews themselves.

Bearing these propositions in mind, it must be recognised that the practical problem which we have to face is not intellectual, it is militant. Mere conversion to an understanding of the A + B Theorem, the creation of credit by the banks, the foreign Acceptance swindle, and the whole network of International Finance *by itself*, leads nowhere. Probably ninety *per cent* of the adult population of this country suspect that they are being swindled. Even if they understood exactly and technically *how* they are being swindled, it would make little difference. But it does make a great deal of difference if they know *who* is obstructing the rectification of the swindle, and who is the major beneficiary. The general population of the country has been completely misled as to the identity of its enemies, and has turned on its most effective leaders, who were far from perfect, but were incomparably better than the mixture of Trades Union careerists and alien schemers who now afflict us. Witness the state of the country, and the worse future with which we are threatened.

For all these reasons and others, we conceive it to be our vocation to indicate, without prejudice but without favour, those whom we conceive to be the enemies of our culture and ideals; to unmask their aims. It does not make a cheerful story; many people would prefer to escape into Utopia, just as “the workers” have been hypnotised into the Utopia which is spreading over Eastern Europe; but it is our conception of Reality at this time, and only from Reality can you proceed to Realisation.

(Feb. 7, 1948.)

**19** That the antagonism between Judaism and Social Credit is fundamental and religious could hardly be better expressed than it is in the following quotation from a review of Wernher Sombart by Dr. Jacob Fromer, in *Die Zukunft* for October 28, 1911, p. 113: —

“Nothing in the Jewish religion is done for nothing; everything has its reason and object. This original trait of cool-headed piety runs from the Patriarchs by way of Mosaism and Talmudism uninterrupted down to the present day. There are no essential differences between the service of Abraham to Jehovah and the religiosity of the pious men who predominate in



the Ghetto. Both are based on a *do ut des* system, and are diametrically opposed to the Christian Doctrine of unearned grace.”

Now graft a national dividend, or the theory of unearned increment, on that stem.

Most of us, because we have been conditioned to think that way, have a natural reluctance to accept “occultism” as a considerable force in world affairs. There could hardly be a greater error—it is the primary adversary of Christian civilisation. The forces of which it disposes are probably amoral; but the intention of those most evidently in possession of them is Satanic. The Jewish Cabala is one of its main roots.

(March 13, 1948.)

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**20** When, if ever, the *true* history of these times comes to be written, the feature of them which must impress the historian is that of selective and controlled publicity.

When D’Israeli, with that peculiar inability of the Jew to avoid the risk of a boast, wrote: “And so, my dear Coningsby, you see that the world is governed by far other than those whom the public believe to be its rulers”, he must have known or assumed that his statement of fact would not penetrate any mind of consequence which was not aware of it already. And so, much later, in 1852, he again wrote:

“It was neither parliaments nor populations, nor the course of nature, nor the course of events that overthrew the throne of Louis Phillippe. The throne was surprised by the Secret Societies, ever prepared to ravage Europe.”—*Lord George Bentinck*, Benjamin D’Israeli, p. 552. And the general population paid just as much, or as little, attention as it did to the clear warning contained in *Coningsby*.

Thanks to the fact that they appeared under the auspices of *The Morning Post* and its courageous editor, the Honourable Rupert Gwynn, perhaps the last of his kind, *The Protocols of Zion* did attract a certain amount of attention when they first appeared, but not nearly so much as a current tip for the Derby. And in fact, there is nothing in the *Protocols* which was not known to any serious student of the matters with which they deal, although (and that is why they arouse so much fury) they do contain a handy and understandable synthesis of matter which must otherwise be gathered from widely differing, apparently unrelated, and mostly uncatalogued sources. What many readers of them do not grasp is that “Big Business”, Socialist Government, and World Politics are merely components of Jewish Freemasonry.

Five minutes’ consideration of this subject, which is either pure moonshine or the most vital subject which affects us on earth, ought to convince anyone that a ballot-democracy can only be advocated by two kinds of persons—the abysmally ignorant or the consciously traitorous.

(June 4, 1949.)

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**21** We are not seriously concerned in regard to the arguments which attend any mention of the Protocols of Zion since it is their correspondence with events, and not their alleged origin, which gives them significance. But not for the first time, we feel bound to protest against the word “forgery” which is constantly used by those who wish to discredit them. There is no

question but that portions of them can be found elsewhere, notably in the *Dialogues* of Maurice Joly. It is improbable that they were the work of Joly, and if they were, they would be a plagiarism, not a forgery. If, as the Jews in dealing with this matter contend, there is no body corresponding to the Learned Elders of Zion and, at the same time, the Protocols cannot be shown to be claimed as the work of anyone else, the term “forgery” seems to be rather like the use of the word “murder” when there is no body, and no one is known to have disappeared.

(Nov. 2, 1946.)

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**22** In its commentary on Nuremberg, *The Tablet* raises the question of restricted national sovereignty in a form—in our opinion, the only form—in which that vital question can be taken out of the realm of political charlatanry. Examining the main plea of the accused, that anything they did of which the Court disapproved, they did under orders, our contemporary points out that the *British Manual of Military Law* was unobtrusively amended in 1944 to remove the defence of superior orders.

Passing over the considerable probability that, as in 1944, the outcome of the present war was clear, and that the alteration cleared the ground for the Nuremberg Trials demanded by Mr. Samuel Rosenman, it is obvious that the point at issue cuts to the root of contemporary society, and it may be put in a more provocative form by enquiring as to the difference between a strike, a refusal to obey orders from “a competent authority” and a mutiny. It is probable again that the answer is concerned with the profound problem of the respective natures of the individual and the group, or mob. But, in any case, every indication points to a negation of the claims made for U.N.O. What is required is the establishment of a barrier to mere “Orders in Council”, and the re-establishment of unquestionable Common Law.

(Oct. 5, 1946.)

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**23** It appears to us to be axiomatic that (what, in fact, its experts have always contended) religion, in the sense of a binding back of life to reality, is of primary importance. Until you have some kind of reliable chart, you are a mere waif on the ocean. Clearly religion in this sense is a seven-days-a-week matter, and requires to be distinguished carefully from “good conduct”. It ought to result in good conduct, and in fact be the only test of good conduct, but that is something else again.

Speaking, then, as determined laymen, and not with greater claim than that to be heard, it appears to us that there is excessive and unnecessary controversy amongst the experts on mere words. What we ought to recognise, and what we seem in danger of losing the power to recognise is that we are playing the game of life:

*On a board untrue,  
With a crooked cue,  
And elliptical billiard balls.*

We must have a datum line. We do not overlook the claim that we have such a datum line, but the fact is indisputable that most people cannot see it. How many persons, taken at random in a small provincial town, could enunciate the Christian Doctrine of the nature of Man and his relation to this earth in terms which would define a “Christian” agriculture?

Probably very few people would accept the story of Genesis as a literal narrative of Creation, dates included; but how many can extract usable information from it as an allegory? We lack, not large generalities, but usable formulae.

(Feb. 26, 1949.)

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**24** The speech of the Earl of Darnley in the House of Lords on July 10, 1946, affords an outstanding

instance of a little recognised, but formidable problem. Perfect in form and manner, it was a moving appeal for the replacement of Power Politics by the Christian Ethic and the Golden Rule. Where, it may be asked, is there any problem in that, other than one of wholesale conversion? Let us, in order to elucidate the difficulty, compare Christianity to the Theory of Thermo-Dynamics, and assume, for the purposes of the argument, that all the essentials of that theory were widely known two thousand years ago. It is not difficult to imagine that those who grasped the implications of it might say “Here is the key to a better society. Here is the title deed to a leisure world. Disregard all else, and apply thermodynamics”. Remember that we are assuming that James Watt was still to be born. And the world at large would have said “This man says the magic word is Thermo- Dynamics. Crucify him”.

Now the fact, which ought to be patent to anyone, is that it is the Policy of a Philosophy which is important (because it is the *evidence* of things not seen); and that Thermo-Dynamics means nothing without Heat Engines, and Christianity means nothing without the Incarnation. You cannot drive a dynamo with Boyle’s Law, or the “Queen Elizabeth” with Joule’s Equivalent. This country is not now the Policy of a Christian Philosophy, and before it can again, as an organisation, put into practice *successfully* those Christian principles, for which Lord Darnley pleads, it must understand their application through proper mechanisms—not so simple a matter as he would appear to think it is. Failing that, “the children of this world are, *in their generation*, wiser than the children of Light”. Chivalry, “Manners makyth Man”, were imperfect Christianity; “The Century of the Common Man” is not.

(Aug. 3, 1946.)

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**25** The superior persons who dominated the Age of Reason, roughly the nineteenth century, used to marvel delicately at the simple credulity of the Scots of the sixteenth century who were split in twain by arguments regarding salvation by Faith and Grace, and salvation by Works. But to anyone who can grasp the fact that the Age of Reason, and its mental processes, embodied one of the worst aberrations of the human intellect with which mankind has been cursed—an aberration which is the direct and immediate parent of the condition in which we find ourselves it is easy to see that the Scots made no mistake in their estimate of the issue, though they chose the wrong answer. Professor Laski, who says that Christianity has failed (to meet his requirements), and that the “Old Testament” embodies the Gospel of Work, is everlastingly right, and the Slave State is the inescapable consequence of his rightness. He recognises, as his progenitors who used the salons of the Encyclopaedists to propagate their incredible plot recognised, that you have only to deify work, to install automatically a priesthood which will define what is work and what is not work.

“Salvation”, on this earth, being bed, board and clothes, anyone who, by definition, does not work, is a “parasite”, battenning on the Elect, now installed in the seat of Him who knoweth ye

have need of these things. Anything which savours of criticism of this doctrine clearly constitutes blasphemy, and deserves forfeiture of bed, board, and clothes. To avoid the risk, and to satisfy the doctrine, all unearned incomes must be expropriated, and luxury reserved for those whose Obeisance to Anti-Christ is most profound and whose efforts conduce to the enlargement of Sacrifice and the veneration of the Priesthood. This is the issue which underlies every other issue, including monetary reform. “Salvation by Works” is not primarily a justification of work, which needs no justification, but a condemnation of the Creator. He didn’t know enough to make the lovely vales of Cheshire and South Lancashire properly; So Jehovah, the God of the “Old Testament” took them over, and made them into Warrington, Widnes and Wigan.

The Scottish Highlands are next on the list, perhaps as a reward for the doctrinal choice of the sixteenth century.

If we had the faintest hope that they would understand what we are talking about, we should commend these considerations to the Conservative Party, as a substitute for “catching the Whigs bathing, and stealing their clothes”.

(Sept. 29, 1945.)

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**26** It is fairly obvious that many good-hearted and well- intentioned people have lost all sense of political direction, so that, in consequence, their opinions on current legislation bear no relation to their good intentions. The situation is quite similar to that which confronts the British financial “system”—it has ceased to be based on gold, and yet has no discernible substitute. In other words, it has substituted no system for an unkempt system. Many people have abandoned their belief in the Christian ethic, which would have furnished them with a foot-rule with which to measure politics, and have accepted a rubber string as a substitute. That they show signs of confusion is hardly to be wondered at.

As never before, the maxim that a lie is both murder and suicide in the spiritual world, applies to this condition, and the safest and only ultimate goal both to finance and politics is a sense of reality. The idea that you can improve matters by juggling with accounts in a “national” sense, whereas you put in gaol a trader who juggles with accounts in a trading sense; that you can increase wages without regard to their effect on costs, and export three-quarters of your production without increasing your true prices by 300%, and that politics consists in robbing Peter to pay Paul, the only criterion being whether you can get away with this, is simply a challenge to the axiom just quoted. You can do it of course, just as you can lie, and lie, and lie. But the idea that you can get away with it indefinitely seems to us to be merely infantile. You might just as well say that you can go on knocking a surreptitious stroke off your score at golf, and still find yourself in request on the links. Even if the Christian ethic were baseless, it would still be necessary to assume it as a working hypothesis; and to suppose that a world can be made to operate on the complete absence of principle, which appears to characterise current legislation (because “nationalisation” is not a principle, it is organisation divorced from reality), is to assume that politics are more powerful than culture—a fallacy of which we shall see the disproof before many months have passed.

(Feb. 15, 1947.)

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**27** Almost the highest attribute of man is “judgment”, the exercise of choice. Far more than learning, it moulds the character and shapes the abilities, and there is no more conclusive proof of the essentially Satanic origin and nature of Socialism than its insidious and all pervasive attack on the powers of judgment and choice. We believe that it is far more this frustration of judgment than the positive hardship of the present tyranny, which is sapping the manhood of the nation. Judgment is a faculty requiring constant exercise; and it is being killed by strangulation. “Shopping” for the love of which women used to be gently derided, was an outlet for this vital instinct. Observe the queues of weary women waiting for what the shopkeeper deigns to give them.

They are starved of “choice”.

(Oct. 18, 1947.)

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**28** But of course, the answer can be read by any one who cares to observe the flood of books pouring from every American University Press treating of the passing of the European Age and the dawn of the Glorious Era of Mass Man. Gone are the days of St. Augustine and the Venerable Bede; of Manners Makyth Man; of Leonardo da Vinci and Michael Angelo; of Bruce, Wallace and the Good Sir James; of Drake, Hawkins and Frobisher; of Francis of Verulam, Pitt and Wellington; of Nelson, Clive and “Jan Nikal Seyn”; of William Cobbett and Lord Shaftesbury. Enter Sigma (BBZP: 108: I) Rosums Universal Robots Fully Employed (the categories will be drastically simplified by the enforcement of artificial insemination from approved males with Kew certificates, segregated for the purpose).

Truly these are great days.

(April 28, 1945.)

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**29** In that noteworthy study *Grey Eminence*, Aldous Huxley propounded the thesis that all ‘great’ politics are essentially evil, which is only another way of saying what has often been said in these pages, that mankind has no real business with politics: all politics are bad; and the business of man is with himself, not with politics at all.

What has really happened in the world lately is that civilisation has gone back on Social Credit 500 or 600 years; and, while Social Credit was, at any rate soon after its inception, a practical proposition for almost any civilised community, we are now 500 to 600 years ahead. The world has fallen back to a far greater extent than we have advanced. Whatever may have changed in the purely technical field (which is after all merely relative) there is visible no change at all of policy from that which proved so disastrous after 1919. Exports, employment, *etc.*, *etc.*: the same identical song is in the mouth of every politician and industrial ‘leader’.

The same old problems are being forced upon mankind, problems which simply do not exist except as the edicts of an overriding organisation. We have no problems worth mentioning. There is not even a suggestion that when the Organisation (which has all the attributes of a personal Devil) has at last disintegrated everything, reduced everything and everybody to a dead (literally dead) level and is confronted with the question what is it (or he) to do with it, that he has any idea. And has anyone else? And so, we are back at the root question: how we can torpedo the organisation—any organisation but particularly this organisation which has the world by the neck. A civilisation

which is on the point of expiring from too much control is looking only for means of control. It hasn't the nerve to hold itself in check by simply giving itself more line, as a salmon is held by giving it line; and there is nothing else necessary.

(Oct. 20, 1945.)

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**30** 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 reorientation 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.)

**31** Only a perverse obscurantism would deny the value of Reason properly regarded, just as it would be fatuous to condemn a slide-rule, with which it has an organic connection, as

being in itself reprehensible. But the idea, if it can be so called, that “values” are ultimately physico-mathematical (put forward, *e.g.*, by Sir Edmund Whittaker in the 1948 Herbert Spencer Lecture) seems to us to be a compact instance of the delirium of Idolatry not the less fatal because of its appeal to Rationality.

(May 21, 1949.)

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**32** It is highly significant that the worship of logic is characteristic of immaturity, of youth. At the age of eighteen or so, logic presents an indisputable proof for every problem. And it will be noticed that there has been, and is, a conscious “youth movement” carrying with it the implication that wisdom reaches its apex in the early twenties.

Yet it must be plain to anyone that not only is evidence lacking that logic has solved any political problems of consequence in the past, but, conversely, that the policies now current in world affairs which pretend to base their appeal on logic, threaten us with final destruction.

There is no saying requiring attention more clamantly than “Unless ye become as little children ye shall in no wise enter into the Kindgom”. There is nothing logical about a little child.

(May 21, 1949.)

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**33** It is a most unfortunate, but not the less incontrovertible fact, that only a very small minority is able to say what it means, to ask for what it wants, or to recognise it when it gets it. This fact, simple as it is, lies very near to the root of the world’s troubles, because it provides the background for the *Fuehrerprinzip*—a perversion of functional hierarchy into the region of political absolutism. “Big Business as Government.”

An instance of this is the growing condonation of trespass, in the general as well as the more conventional sense. “Property” simply means decentralised sovereignty.

A man who “owns” a small business in a regime of *genuine* private ownership is sovereign in that business. The political power of ownership is almost entirely a financial perversion. Every intrusion, whether by a Trades Union or a bureaucrat representing a State or Local Authority, is a trespass—whether legalised or not is largely immaterial. Socialism, of course, is legalised trespass carried to its logical conclusion—all sovereignty is centralised in the bureaucracy, and the individual has no “rights”. Once again, it is largely immaterial to a consideration of this question whether such trespass—currently termed “sweeping away vested interests”—appears to meet a functional necessity, because functional necessity is conditioned by policy. “Who wills the end, wills the means.” Certain fundamental and vastly important consequences proceed from trespass as a recognised principle, and the violent reaction against it in the international arena (and all war is excused as a reaction against trespass) is for that reason certain to be reflected in domestic politics. And the further the trespass proceeds, the more violent will be the reaction. For this reason, if for no other, there is no inherent stability in Russia, and the exceptional stability of England under great provocation from financial and social injustice, has been largely due to the tenacious insistence on the principle of “rights”. Hence the stealthy undermining of them from quarters which regard “traditional” Britain as the great stumbling block to world dominion.

It is far from accidental that “trespass” is the generic crime alone mentioned in the principal Prayer of Christianity.

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**34** There is a theory, which is not so fantastic as it might appear at first sight, that all emotion, as well as ideation, is external to us, and that we stand in relation to it much as a telephone exchange operator, who can plug in on any line desired; with the difference, however, that most of us are asleep, and do not exercise conscious control over our “calls”.

We are led to recall this hypothesis by observation of the widespread prevalence of sadism, ranging from outright cruelty to much more subtle forms of trouble-making; as though the devil’s wave-band were so powerful and so close that an abnormal number of receivers picked up the vibrations. One very noticeable form in which this activity is abroad can be met in nearly every legislative effort. Nearly always, the proposal is to take something off individuals, by taxation, restriction or prohibition. If one is to judge by mere noise, whether transmitted by the “B.”B.C. or otherwise, there is immense enthusiasm for making everyone poor, and no articulate desire to increase the number of persons who are “rich”, even if that number comprised the total population. It is not a pretty phenomenon, even from the moral point of view. But as a political religion, it is nothing less than deadly, and only requires to be pursued over a few short years to ensure the collapse of the nation on which it takes root. It will be remembered that, when accused of responsibility for the economic crisis, Mr. Montagu Norman is said to have replied, “I do not think it is good for a nation to be prosperous”. He now has many imitators.

(Feb. 17, 1945.)

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**35** The preceding notes had been written prior to the appearance in *The Scotsman* of two articles entitled “The Method of Democracy”. The articles themselves are uneven in quality; what they do is to bear witness to the vicious nonsense masquerading as “science” which permeates our political thinking. As the writer observes “few economists have ever managed anything more complicated than a one-roomed flat, with the result that most of their preaching is futile, unreal, and more often than not, utterly wrong”.

If the national newspapers of large circulation, instead of parroting cries for greater haste down wrong roads, would shock their readers into some kind of realisation of the self-evident failure of our policies, they would render a service unique in its urgency.

(Jan. 7, 1950.)

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**36** It is becoming increasingly clear that it is downright dangerous to use any word current in politics or economics without defining what you mean by it. The general population (and we include many well informed people) are so saturated with the ideas disseminated by the French Revolution and its organisers that such a phrase as “sovereignty resides in the people” carries with it an implication which is almost, if not quite, opposite to anything which will bear examination. As we observed in these pages some weeks ago, economic sovereignty in the nineteenth century was contained in the gold sovereign, *and was exercised by the holder*. We shall return to this question, since the idea that “the People”, or a majority of them, are the inheritors of the Divine Right of Kings, is not merely untrue; it is in the fullest sense,



blasphemous, and, like all genuine blasphemy, brings a terrible retribution. When Professor Laski says that “the supremacy of the House of Commons is the pivotal principle of the British Constitution” he is not merely talking nonsense, since pivots aren’t made of principles, but he is playing on the ignorance of his audience. The power of the House of Commons *de jure* is similar to that of the House of Lords and the Crown. *De facto*, the House of Commons *was* supreme because of its power to withhold supplies.

As Professor Laski knows quite well, the House of Commons is just about as powerless nowadays as a golden sovereign which had dropped down Mount Vesuvius. What Laski will learn in due course is that, appearances notwithstanding, the British Constitution does not turn on Professor Laski, either.

The kind of honour, or even honesty, to which we can look forward under the rule of a Party of which Professor Laski is the Chairman is well illustrated in his remarks on compensation for the nationalisation of the coal mines. (We quote *The Scotsman* of January 7, 1946): “Professor Laski said he had never been worried about compensation so long as there was a Labour Chancellor of the Exchequer who could fix the levels of taxation, especially Death Duties, Estate Duties and Legacy Duties. Compensation was a bookkeeping transaction.”

Or, as the Talmud puts it, “It is always praiseworthy to despoil a Goy of his property”.  
(Jan. 19, 1946.)

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**37** It must be obvious to anyone not bemused by the current manias, that a State merely requires a few massive and generally agreed laws, only changed after the greatest consideration and deliberation. It requires those laws not so much as restrictions, because in one sense all law is restrictive, but as a fulcrum against which the lever of social purpose can react. Administration *by* law is as fatuous as playing a game *by* law, which is wholly different from playing a game *according* to law. We have no doubt whatever that the growing lawlessness which is noticeable everywhere is an unconscious response to the perversion of the state principle. An infinity of laws is precisely equivalent to no law.

This must be what Professor Laski means when he talks about “the historic right to victory” of the Left. Water has “an historic right” to run down hill, and buildings have “an historic right” to decay. People who are competent to obtain useful results from water do not refine on the law of gravity, nor do builders hand over their plans to claimants to the discovery of perpetual motion.

Anything more intrinsically funny than to put a man with the qualifications of Sir Stafford Cripps in charge of Aircraft Production it would be difficult to conceive. Yet, so perverted is the whole conception of government, that it is quite possible that a doctrinaire Communist who doesn’t know a planning machine from a plane tree is an essential feature of the situation.

(January 6, 1945.)

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**38** There is an unfailing test of political sincerity, and it is in the means to the result aimed at, and not in the nature of the words used to protest it. Does it claim to pay Peter by robbing Paul, or does it indicate to Peter how he can become as rich as Paul, leaving Paul untouched?

We might add that the Present Government is consciously aiming at robbing both Peter and Paul, and that if its constituent members do not know it their place is in a kindergarten for afflicted children, not in position of usurped power.

(Nov. 16, 1946.)

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**39** Not many matters are a ground for certainty nowadays, but on two of them it is possible to be fairly dogmatic. There will be no sensible improvement in world society until there is a radical decentralisation of money power; and there will be no decentralisation of money power by any centralised Government, no matter what it may call itself.

So far as Great Britain is concerned, every so-called progressive movement has become the focus of the money power, for reasons which are quite simple. Every progressive movement is (assuming sincerity of intention) a distributive movement; and every distributive movement which does not distribute credit is inevitably a movement for organised robbery, which the money-power is delighted to support. The distribution of credit is the distribution of the substance (under-standing) of things hoped for, the *evidence* of things *unseen*: things seen belong to somebody, and their arbitrary distribution by *force majeure* is robbery, no matter how it is disguised.

An understanding of this situation is the key to the policy of scarcity—which is the Ark of the Covenant of High Finance-World Dominion. Given the illusion of a fixed and insufficient body of wealth, a popular movement for the destruction of “vested interests” (stability of tenure) can always be worked up. And stability of tenure is the one thing which the money power will not tolerate except for itself.

Nothing is more remarkable than the contrast between the sentiments expressed by Gladstone in regard to the claims of “the City” to dominate finance, and the Liberal Party, so long led by Gladstone, the chosen instrument of international Jewry. And the Lloyd George who courageously opposed the South African War as a gold racket, was the chosen instrument of the Isaacs, the Samuels, and the Monds, in their concerted attack on “the landed, vested interest”—an attack which coincided with and diverted attention from the degradation of “British” commercial morality to a standard, or the want of it, lower than that of the South Sea Bubble.

(January 13, 1945.)

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**40** Nothing is more remarkable than the contrast between the claims made for “Progress” both scientific and political and the steady degradation of human life. The phenomenon is analogous to, and in fact is part of the passive acceptance in the United States, in October, 1929, of an overnight transition from abounding prosperity to economic collapse.

The innate absurdity of supposing that a world which was capable of supplying every luxury on October 29, 1929, could be “ruined” on November 1, is of the same nature as the claim that a nation which could fight the most devastating war in all history without suffering from lack of food, should on the cessation of hostilities take every possible measure to interfere with the processes by which it had previously lived. When, in consequence, not of war but of legislation, an alleged famine threatens, every explanation is adduced except the true explanation, that real credit— “the correct estimate or belief in the capacity of society to

produce and deliver goods and services, *as, when, and where* required”—is breaking down.

We are in the hands of a gang of crooks utilising a pack of conceited careerists; and everyone knows it and is bored with the game. Ability to produce is greater than ever; but why should we? Don't tell us, because “ye are of your father the devil . . . abode not in the truth, for there is no truth in him . . . he is a liar, and the father of it”.

(May 25, 1946.)

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**41** The simple test to be applied to all legislation at this time, from the point of view of those whose policy we endeavour to express, is “Does it centralise power, or does it free the individual?”

We entirely agree with the contributor to *Truth* who complains of the overplaying of “Your freedom is in danger”, by the Conservatives, because in itself, that statement is becoming nearly meaningless. It was, if our memory serves us, Commander Geoffrey Bowles, R.N., who wrote some little time back, that no one born less than fifty years ago was able to give a personal opinion on freedom from experience of it, and again we agree.

And the explanation is in essence both simple and incontrovertible—instead of being self-contained units we are, more and more, becoming components of a function, masquerading as ‘economics’, but accurately described as “full employment”. Five minutes’ consideration will convince anyone not mentally infirm that a *policy* of full employment (full employment *in war* is a necessity, not a policy) means, and can only mean, direction of labour. Combine that with egalitarianism, and you have the slave state—you cannot possibly have anything else. As frequently, *The Tablet* puts its finger (if tablets have fingers) on the fatal error of current Conservatism. “They are much too fond of running with the hare and hunting with the hounds, of claiming a main share in creating the present mould in which an Englishman's life is cast, and then representing themselves as the people naturally best qualified to break that mould and set the people free.”

Unfortunately, and also as usual, *The Tablet* shies off the obvious and inescapable deduction, refusing to go further back than “Mr. Lloyd George and his political entourage . . . and German inspiration”. True; but not true enough to have practical value.

(March 13, 1948.)

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**42** It must now be evident generally, as we have been doing our best to proclaim for twenty-five years, that it is absurd to challenge the logic of modern politics and economics, which are irrefragable. It is the so-called “axioms” which demand examination. In what time may remain to us, we propose, at intervals, and as objectively as possible, to examine these “axioms”.

Fifty years ago, a Conservative Member of Parliament replying to a criticism made at a private dinner-party, said, “Well, you know, politics is a dirty business, always has been a dirty business, and always will be a dirty business”.

We have here, a *fact*, which is stated as an *axiom*.

Fifty years ago, politics were far cleaner than they are today—probably at their cleanest. The explanation of this is simple—they were less professional. The average Member of Parliament was a man of private means and diverse interests. It was not a matter of life and death to him to retain his seat, and there were limits beyond which he was not prepared to go to retain it. The Member just quoted was of this type, yet he did retain his seat, and he admitted that he was employed in a dirty business. If he had troubled to justify himself, he would no doubt have said, “Politics is the art of the possible”.

It is not necessary to look very far for an explanation of the *fact*. It is stated with admirable clarity in the *Protocols of the Learned Elders of Zion*, and is of course, the basis of Machiavellianism. The real reason that the *Protocols* have roused such furious denunciation is precisely this—that they explain the divergence between public and private honesty. Protocol I, XI reads: “The political has nothing in common with the moral. The ruler who is governed by the moral is not a skilled politician, and is therefore unstable on his throne. He who wishes to rule must have recourse both to cunning and to make-believe. Great national [sic] qualities, like frankness and honesty, are vices in politics. . . .” Compare “Full employment”; “Public Ownership”, “The Dictatorship of the Proletariat”, “*Liberte, Egalite, Eraternite*”, etc.

At this point, we are clearly confronted with a difficulty. Have moral qualities any real existence and justification, or as the Socialists contend, are they merely a trick to make the mob easier to control? Socialist politics, while only a few steps further on the road, are obviously not hampered by any doubts on this point—they are completely a-moral. Their objective is the supremacy of the bureaucrat so long as he obeys orders. Nothing else.

Fortunately, we are not thrown back upon authoritarianism for an answer to this vital question—it can be obtained from one of the most thoroughgoing exponents of the empirical technique—Gustave le Bon. *A mob has no morality; an individual depends for his individuality on his morality.* Lying and corruption disintegrate a man. No society can survive amoral leadership.

In consequence, a Collectivist Government is inevitably the most corrupt form and must lead to a tyranny unredeemed by any virtues.

(Sept. 15, 1945.)

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**43** “Axioms” of Society. No. 2 “Trades Unions are necessary and desirable, and are an indication of a progressive community”. (Trades Unions, in the British sense, have been abolished in Russia, the Socialist paradise.)

Perhaps few subjects are so little understood by the general public, and even by trades-unionists themselves, as trades-unionism. Its activities may be classified as (1) Intimidation of non-Trades-Unionists. (2) The exaction of tribute. In America that amounts to sheer blackmail accompanied by threats and violence, both to employers and employed. (3) The provision of a rapidly increasing number of well-paid bureaucratic offices. (4) The restriction of output to bolster up a large labour-force and maintain political power. (5) The transfer of the independent status of the craftsman to the Trades-Unions. (6) The raising of the commodity-price of labour at the expense of the public. (7) The robbery of private property, jointly with the Financial- International Cartels, and its transfer to the Trades-Unions. The

first steps in this final item are forecast in the present Government programme.

(Sept. 22, 1945.)

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**44** “The root trouble is that this generation of Englishmen understands nothing in the field of politics but political parties, and expects political parties to reflect an opposition between capital and labour.”—*The Tablet*, June 18.

The position is complicated by the fact that this generation doesn't understand what is meant by capital, or labour either.

(July 2, 1949.)

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**45** In uttering “a note of warning” to the Planners, by which the context indicates that the more or less honest dupes of the Plotters are indicated, Sir Frank Mears shows the first signs of awareness in public life of the technical fallacy involved in “Large Scale Planning” (we use the phrase beloved of Mr. Israel Moses Sieff and P.E.P.).

Premising once again that the fundamental object of Planning is Monopoly, a political not a technical aim, we must recognise that the second-rate technocrat is easily persuaded that exactly the opposite is the case. Very few technicians in these days have the opportunity to gain a wide outlook (in the golden days of the development of the Empire, the specialist was not nearly so prevalent), and the man or woman who “succeeds” in the current world has reasonable excuse for believing that the talents he daily applies to “planning” a collar stud, a tablecloth, or a valve-gear, are so indispensable to a satisfactory outcome of “social engineering” that only a half-wit could think otherwise.

The fallacy is diabolically subtle, but it is absolute, and perhaps the quickest way to grasp this truth is to realise that a Plan is the graveyard of an Idea. Everything begins in the imagination, *not in reason*; and when the rational processes legitimately begin, creative processes, in the real sense, cease. “Large Scale Planning” assumes that we have come to the end of the story.

Much the same principle is exemplified in the profound remark that “*Le mieux est l'ennemi du bien*”. But not merely is the best plan the enemy of a good plan; *any plan is the enemy of any subsequent plan*.

Now if the Plan merely comprehends collar-studs, it will probably retard the arrival of the best collar-stud, but will not, *per se*, prevent the use of buttons. But if it is a really “large scale Planning” (“viewing the problem as a whole, you know, my dear fellow”) and you don't approve of the nationalised, or Monopoly, collar-stud, that will be just too bad.

(Jan. 7, 1950.)

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**46** Perhaps the most amazing feature of these grotesque times is the daily accumulating evidence of world-wide preparation for the imposition of an essentially identical culture, “the New Order”, under cover of them. There is even evidence that the preparation extended to the systematic pattern of atrocities by

German and Japanese soldiers acting on a technique designed to destroy prestige as much as to inflict pain. The steps taken in Great Britain since 1940 to destroy the sense of “property as a fundamental right” are almost identical with those taken by the Japanese for the same purpose, and the objective is to destroy all sense of security not derived from the omnipotent state. It may also be noticed that a well-documented propaganda is now appearing, more particularly in the United States, which attributes the origin of this to the Teutonic Knights of the Thirteenth Century. The curious feature of this propaganda is its timing. So far as we are aware, there is nothing now known about the Teutonic Knights (who were undoubtedly a pestilent crew) which was not known about them ten years ago. But, if they were mentioned as a cause of war, the fact has escaped us. And in the numerous highly capable and profoundly interesting volumes on this subject, which bring the matter down to the present century, the part played in Germany by the Ballins, Warburgs, Schiffs, Bleichroeders, Deutsches, Gwynners, Rathenaus, Sterns and others of similar persuasion (who certainly were not Teutonic Knights) seems to be either completely overlooked or treated as of trivial importance. Very odd. It produces an instinctive feeling that Lord Vansittart is not making his case quite as effectively as he might.

All these things being so, isn't it desirable that a statement should be obtained from Mr. Eden as to the exact meaning of his pronouncement in 1939: “It seems that our New Order must come through war; but it will come, just the same”?

(April 28, 1945.)

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**47** It is now reasonably clear that there is (E. & O.E.) no immediate danger of a clear cut war with Russia, although for obvious reasons, it is not desired that the general public of these islands or of the U.S.A. should feel any confidence to that effect. The general basis for such a statement is that the ends of the Sanhedrin, or B'nai B'rith, or Zionists, or the “Less than four hundred men who govern the World” of Herr Rathenau, are much better served by a series of medium sized wars, no one of which settles anything and all of which serve as a cloak for MONOPOLY and centralisation, than by an atom-bomb conflagration in which there would be serious risk of injury to some of the Chosen, or Four Hundred.

We are as confident as it is reasonable to be on such a subject, that President Truman received assurances for which it was not necessary for him to leave Washington, that a “war” with North Korea would be absolutely safe (to him), that Stalin would be instructed not to interfere, that the “British” would be still further humiliated, and the World Government at Lake Success would be saved thereby from ignominious dissolution in a storm of exasperated ridicule.

The technique of fomenting little wars has been one of the major tools of “American” finance, commonly called Dollar Diplomacy—a tool developed and perfected in South America in the nineteenth century, with India and South Africa as sidelines of increasing importance. It is easy to see that the apparent genesis of such wars can be shifted from New York to Moscow almost in a week, and it is by no means certain that the growing hostility to “Communism”, and its identification with Zionism in the United States, may not have just that effect. In the meantime, Fifth Columnists everywhere can be trusted to see that the excuses for a fight are ready for use almost anywhere, as required.

(Oct. 21, 1950.)

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**48** Whether our rulers are really becoming more contemptuous of the ruled, or whether events are taking the finish off their style, we do not know. But the character of President Truman's speech to the Congress and Senate, at almost the same hour as the Masonic United States of Europe was tied up and handed over the counter with rather less ceremony than accompanies the fixing of a County Rate suggests that either in war, or under "threat of war", a fresh batch of insults is to be added to our present injuries.

It must be painfully obvious that Mark Twain's story of the country doctor, whose practice was to give all his patients a dose which would produce blind staggers, because he knew a remedy for blind staggers

although it left a broken leg, is a faithful presentation of our State Political Hospital, and you can't go to an alternative practitioner.

Perhaps the only grain of consolation to be derived from the situation is that, for the moment, we are fairly certain that "threat of war" is more in the minds of the political quacks than its reality. But there is little doubt that, to use the American expression, we are living on borrowed time, and that a situation is being constructed which will leave us mentally, morally and physically bankrupt. It would be no compliment to our readers to elaborate the fact that the fundamental nature of "Russian" and "American" High Policy, monotheistic centralisation, is identical, and that *if* they are not dictated from the same source, it is only because they do not need to be. But it may not be superfluous to point out that there is one alternative and one practical alternative only, while Time remains, and that is the British Empire, of which the fundamental link is *cultural*. And if that is realised, it will also be realised that the Empire of the Spirit and the Dominion of the Atom Bomb cannot coexist.

(March 27, 1948.)

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**49** While we are satisfied (as the result of observation, information, and experience covering a period of thirty years devoted to attention to the state of the world as unbiased by pre-occupations as is humanly possible) that there is something operative at such high levels that it corresponds to the doctrinal concept of Anti-Christ, it would nevertheless be both childish and misleading to overlook the embodiment of this doctrine in the large industrial manufacturers, now so interwoven with the large financial institutions, banks, insurance companies, issuing houses, and so forth that it is becoming accurate, as previously it was not, to speak of "the industrial system".

So far as Great Britain is concerned (and we strongly suspect that "our plan" of the U.S. New Deal and Israel Moses Sieff stem from the same source) the Mond-Turner conferences held when the trades unions had been disciplined by the General Strike, were the first *concrete* step towards the organisation of the whole population under a new type of government far more tyrannous and powerful than anything the world has ever seen. It is only necessary to note the immense increase in the power and wealth of the industrial undertakings represented at those conferences and the complacent attitude of the Federation of British Industries to realise that they were the most gigantic conspiracy against a free public which, outside Russia, the world has ever known.

We do not wish to be misunderstood; we quite realise that the industrialists had been almost intolerably provoked by the antics of "labour", and were, for the most part, very single-track minds; but they did the devil's work and, we have little doubt, will be held accountable for it.

In the meantime, however, with their nominees, the “Socialist Government” and selected bureaucrats, they are doing quite nicely at our expense. Any idea that the ballot-box, as operated, can worry them is beneath contempt.

(June 4, 1949.)

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**50** According to the *New York Herald-Tribune*, Mr. George Bernard Shaw finds Russia the most interesting country in the world, not excepting his own (we are not sure which has the honour of his ownership).

Mr. Shaw is a brilliant and interesting playwright. As a politician and political economist, he is and always has been not merely a crashing bore, but rather a repulsive “poseur”. If he feels that Russia would suit his talents, and bear with his eccentricities better than England, why in the name of common sense does he not join his friends there?

(July 2, 1949.)

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**51** Not the least of the weapons in the armoury of the Dark Forces is the carefully-managed ridicule which accompanies any general suggestion of their existence. So far as we are aware, there is no very effective answer to this tactic other than the lapse of time, because it is a subtle appeal to what the Americans call “a regular fellow”—a type beautifully portrayed in *Babbitt*. Nevertheless, the trail of the serpent is becoming more visible daily, and one of its curious manifestations is the fervour of the Left for Internationalism for the British Isles and Nationalism for everyone else, and particularly for the British Dominions.

In the Canadian House of Commons a discussion—not the first—on the question of a national flag for Canada has been in progress. Who so ultra-patriotic as Mr. *Rose*, the Jewish Communist who sits for the Cartier Division of Montreal as “Labour-Progressive”? And Mr. Coldwell, the Leader of the Socialists (C.C.F.), born in Devon and an alumnus of the London School of Economics? What is “Britain” to him? “I hope a choice will not be made of a flag which will prove to be not sufficiently distinctive” (i.e., distinctively non-British).

Through all the arguments of both Mr. *Rose* and Mr. Coldwell, together with others more obviously anti-English, ran a dislike of a flag *composed of three crosses*—those of St. George, St. Andrew and St. Patrick.

(Jan. 26, 1946.)

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**52** That peculiar tenderness to Collectivism, Socialism, and their inseparable brother Statism which seems to characterise the evangelical “Christian” churches is well illustrated by the Amsterdam Conference “Draft Report on the Church and the Disorder of Society”. After observing, very properly, that “We must, however, say to the advocates of socialisation that the institution of property is not the root of corruption of human nature” it adds that property ownership is not an unconditional right, and must be preserved, curtailed, or distributed in accordance with the requirements of justice. It is perhaps unnecessary to add that the report offers no definition of justice.



We are confronted once again with this curious passion for policing as a cure for social ills. If there was any body of evidence to show that the individual man had administered property worse under the conditions of possession existing, for instance, at the time of Magna Carta, there would still be fundamental objection to institutional interference in what ought to be individual responsibility and initiative.

But in fact, all the evidence, properly understood, is in the opposite direction, and lacking some further pronouncement, we can only conclude that broad platitudes well separated from criticism of Finance and Administrative Centralisation, are all we shall get from Amsterdam.

“So the student of sciences finishes his education with little left of his earlier (Christian) belief about man. He may have made the change gradually and without any open argument or even conscious decision. In fact, this transition from one belief to another is, in most cases, a subtle drift of attitude in response to the viewpoint of teachers and books; it can be as much the result of pure suggestion as was the childhood acceptance of the older concept of man.”

—*The Reach of the Mind*, Dr. J. B. Rhine; p. 13.

“Do not suppose for a moment that these statements are empty words; think carefully of the successes we have arranged for Darwinism, Marxism, Nietzsche-ism . . .

“Who is going to verify what is taught in the village schools? . . .

“We have fooled, bemused and corrupted the youth of the *goyim* by rearing them in principles and theories *we know to be false, although it is by us that they have been inculcated.*”

—*Protocols of Zion*, Marsden Translation.  
(Oct. 2, 1948.)

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**53** It is probably an indication of the extent to which the Church of England, regarded as an organisation, has become honeycombed by Freemasonic and Communistic ideas, that the Archbishop of York, in his enunciation of human rights, significantly omitted any reference to the right to own property—a right on which the Roman Catholic Church has always placed emphasis as a basis of freedom. It will be recalled that the Preamble to the American Declaration of Independence originally contained the phrase “the right to hold and own property” but under Masonic influence, said to be exercised through Jefferson, the meaningless phrase, “the pursuit of happiness”, was substituted.

(May 22, 1948.)

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**54** In these days of paper restriction and consequent pressure upon our space, we should not mention Mr. Strachey if he did not exemplify a matter of fundamental importance. We have in mind the automatic relationship of character to particular social and economic forms of organisation and may recall that it was examined at some length thirty\* years ago in *Economic Democracy*. Professor Hayek has put similar views in his much discussed *Road to Serfdom*, under the heading “Why the worst get on top”. To quote him: “If we wish to find a high degree of uniformity and similarity of outlook, we have to descend to the regions of lower moral and intellectual standards, where the more primitive and ‘common’ instincts and tastes prevail.”

Since the prevalent political theory is that the majority must not merely be represented, but that their views must prevail, we obtain quite automatically by a ballot-box democracy, the government of the whole by the worst.

(Oct. 16, 1948.)

\*Now fifty—*Ed.*

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**55** It is the fashion nowadays to regard the so-called Mosaic (probably Egyptian) Ten Commandments rather patronisingly, and as being outmoded by the Higher Gangsterdom and P.E.P., but for those to whom they have a sentimental value, Captain Arthur Rogers made a point recently which we have not encountered before in the excellent form in which he put it.

Remarking that the Government had simply stolen property under the Defence Regulations he suggested that to those to whom the Eighth Commandment had validity, it implied that property was not merely a convention, as our Socialists would have us believe, and an outmoded convention at that, but was an absolute right. You cannot “steal” something which does not “belong” to someone.

This argument brings into relief a question which becomes more urgent daily, and will have to be faced. Has this country abandoned every “principle”, in favour of pure short-term expediency?

If it has, we do not know where we are, because we have no terms of reference, but we do know where we are going. And that is straight to hell.

(April 14, 1945.)

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**56** The Earl of Chatham (William Pitt), speaking in the House of Lords in 1770 (*Parl. History*, Vol. 16., Col. 660), said: —

“The Noble Lord Mansfield assures us, that he knows NOT in what code the law of Parliament is to be found; That the House of Commons, when they act as judges, have no law to direct them but their own wisdom, that their decision is the law; and if they determine wrong, the Subject has no Appeal but to Heaven.

“What then, my Lords, are all the generous efforts of our ancestors: are all these glorious contentions, by

which they meant to secure themselves and to transmit to their posterity a known law, a certain Rule of Living reduced to this conclusion, that instead of the Arbitrary Power of a King, we must submit to the Arbitrary Power of the House of Commons?

“If this is true, what benefit do we derive from the exchange? Tyranny, my Lords, is detestable in every shape, but none so formidable as when it is assumed and exercised by a number of tyrants.

“But, my Lords, this is not the fact, this is not the Constitution, we have a Law of Parliament, we have a Code in which any Honest man may find it:

“We have MAGNA CARTA.”

It should be realised that Pitt, in speaking of “the Law of Parliament”, was referring to the *limitations* on the law making powers of Parliament implied by the conception of the Constitution in his mind.

We have no doubt whatever that a large portion of the so-called Laws which have been passed on to the Statute book since the middle of the nineteenth century are wholly unconstitutional, and it is remarkable that their authors have not been impeached.

(Oct. 14, 1950.)

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**57** The full text of the Pope’s Christmas Broadcast confirms the opinion previously expressed in this column, that it was unsatisfactorily reported in the general press. It is in two parts, and the first part, “On True and False Democracy”, appears to us to be the centre of gravity of the address, rather than the highly-qualified endorsement of a World Organisation to maintain peace—an endorsement contained in the second part, “On the Machinery of International Security”, which can only be understood in reference to the very difficult premise “. . . we understand why the authority of such a society must be vigorous and effective over the member States: in such wise, however, that each of them retains an equal right to its own sovereignty”.

This section of the Broadcast concludes with a most peculiar, and, it would appear, studied, slight to Great Britain—unique thanks to the United States and its representative at the Vatican and “equal praise and gratitude to the Head of the State, Governments and people of Spain, Ireland, Argentina, Australia, Bolivia, Brazil, Canada, Chile, Italy, Lithuania, Peru, Poland, Roumania, Switzerland, Hungary and Uruguay”.

(Jan. 20, 1945.)

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**58** It must be obvious that our system of education, whether by intention or not, blinds the intelligence of the average sufferer from it so that events do not produce a normal reaction. In no plane of activity is this more startling than in that which is supposed to be the primary interest of the population—goods and services.

So far as we are aware, there has been no general reaction to the virtual disappearance of immense war surpluses, far exceeding those which were available to the domestic consumer for at least ten years after the First Armistice. We have made reference to this matter on at least five occasions; no one is interested.

A correspondence has been proceeding in *The Scotsman* from actual eye-witnesses who report that, *e.g.*, at Lisbon and at East African ports hundreds of new and unused British cars are lying in the open to rust and rot. Presumably these are “paid for” by Export Credits, since they are clearly not paid for by the countries on which they are dumped. Nobody cares, and almost nobody takes the trouble to understand the results.

The fact that wages are generally more than eighty *per cent* of the cost of production and are rising, and that profits are generally less than five *per cent* of the cost of production and are falling, does not prevent the

T.U.C. from pretending that the “worker” is being defrauded of higher wages by such profits as are distributed, and that lower prices can be combined with higher wages without higher unit production.

We have never agreed that the “democratic” parliamentary system was even a sane method of selecting individuals to control business; but even we never believed that it could be so startling disastrous.

(May 8, 1948.)

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**59** It is as sensible—neither more nor less—to speak of “the necessity of restoring the control of currency and credit to the Government” as to speak of “the necessity of restoring the control of wheat-growing to the Government”. Mr. Mackenzie-King, in his much quoted and significant speech at Saskatoon in 1935, knew exactly what he was saying when he used those words, because he had been told. The control of currency and credit has been in the hands of the “Canadian Government” as well as of the “British Government” for nearly ten years. And where we are is where it has got us, and Bretton Woods is where we are going.

What matters both about money and wheat is: who gets it, and on what terms. It should hardly be necessary to refer again to the fallacy that individuals of the general public have any control over the Government, either directly, or through “their” Members of Parliament, and Bretton Woods is explicitly above Governments.

The root of this matter is that a collectivity has no moral standards of its own, and invariably reflects the lowest morals of its constituent units. If any additional proof of this statement beyond the investigations of Gustave le Bon were required, it is supplied at the moment by the “Government” Surplus racket. As we have several times stated, without apparently causing a ripple of public interest, everything made by “Government” instruction, and therefore paid for either by taxation or inflation, belongs to those who bear the taxation or inflation, without further payment. But it is being given away or sabotaged without even the pretence of permission. Not only does the taxpayer not get his property, which certainly amounts to hundreds, and may easily amount to thousands of millions in value, but eight months after the end of the German War, not a visible dribble of the piles of available stores is reaching the consuming public, even by purchase. We don’t wonder that Mr. Ellis Smith resigned. Any man who doesn’t resign from this racket is an accessory before and after the fact of the most gigantic robbery in all history.

And this includes the High Priest of Austerity.

The essential point to notice in all this is the dissolution of all the framework of civilisation. Under the tawdry and discredited argument of “efficiency”, property is stolen and sequestered, liberty is curtailed and abolished, and alien vulgarity is forced on an ancient and honourable culture. It is so well understood that any association which is to function over a period of time must have a “constitution” that no limited company can trade without a memorandum and articles of association, which defines its powers, and are not changeable except by a difficult procedure. But the Company of Gentlemen Adventurers in Great Britain now has no rules, written or traditional.

Any gang which gets a majority, by a fallacious ballot and a manipulated agenda, can upset all the rules, sell or give away all the assets, and liquidate the Company, all in the sacred

name of d'markrazi. It is not a question of "Party", but it is beyond question that the less scrupulous the gang, the less it is handicapped either in the achievement of power, or the use of it.

(Jan 26, 1946.)

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**60** Observations of the events of the past few years has confirmed our opinion that the only legitimate power (and properly exercised, it is immense) of a democracy, as such, is negative—it is almost comprised in the power to contract-out. We say almost, because such criticism of the present Government mentality as that of the Dean of Chicester, Dr. Duncan-Jones, is of immense value, although negative in form. "Positive" politics cannot possibly be democratic—the idea of obtaining a majority for a specific policy which is

comprehensive and sound is, on the face of it, ridiculous. But an educated minority can reject a fallacious policy and, in so doing, automatically provide a demonstration which will ultimately be effective in forcing the substitution of something better.

It is with great satisfaction that we notice the growing body of negative criticism of totalitarian Governments, Viscount Cemil's Motion on the Power of the Cabinet being symptomatic. That way, and, we think, only that way, will the poisonous growths, which have stifled us for much too long, be eradicated. There is an organic connection between "inevitable and automatic progress" and "positive", Planned Legislation. The difference between the statesmen of England's great days, and the Aneurin Bevens and Shinwells is that the former knew their limitations; the latter cannot conceive that they could have any.

(June 10, 1950.)

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**61** We have from time to time expressed the opinion that the Roman Catholic outlook on economics and sociology is the essentially Christian outlook; and that no other Christian body of opinion is so consistent in its *official* attitude. It is beyond question that the anti-Christian venom of the Communists is focused on Roman Catholicism, and that Protestant bodies, when not used as tools (and even then), merely excite contempt.

Having this in mind, and with a special desire to re-emphasise our appreciation of the greatness and venerability of the Church of St. Peter, it is with deep regret that we feel obliged to criticise sharply the political antics of a minority of the Catholic Hierarchy in Quebec, which we associate with a peculiar undercurrent, not representative, but powerful. At the moment we have in mind Msgr. Desmarais, Roman Catholic Bishop of Northern Quebec, who, referring in a pastoral letter to speeches made by P. H. Ashby, M.P., and Real Caouette, M.P., as "unclean demagoguery", ordered his priests (many of whom are most valuable workers for Social Credit) not to rent parish halls and schools for Social Credit meetings. Since many French-Canadian villages have no hall but the parish hall, this amounts to interdict. This pastoral letter was read in every Church in the Diocese, and in it, Msgr. Desmarais, referring to Mr. Ashby as saying "we are not here on earth to work, we are just here to seek the results of our work": observes, "Try to make sense of that if you can".

If the most reverend Bishop cannot perceive the difference between work as an end in itself, and work as a means to a clearly understood objective, we think he would be well advised to leave the subject to those of his Communion who have a closer acquaintance with the ideas of St. Thomas Aquinas. His interference with so short an interval still to elapse between it and

the Provincial Election savours not so much of policy as of politics and will be wisely construed in that sense. His actions and opinions serve directly the interests of Socialism.

At the risk of some repetition, it may be desirable to state the essential basis, and difference, which distinguishes the attack of Social Credit, primarily upon finance, but inferentially upon politics.

We hold no exclusive patent on either monetary reform or political economy, using the term in the sense in which it is understood, *e.g.*, in Cambridge. But, so far as we can observe we appear to be alone in insisting that monetary reform is *not* Political Economy. Perhaps we may elaborate a little.

We say that a money system is a special form of accounting which should indicate a balance between prices of goods in the market (including intangibles) and available purchasing-power. But further, we say that wages and salaries are payment for an intangible which is a component of all tangibles, and that these two propositions taken together impose a balance which is factual not political. Political Economy only begins where finance *ought* to leave off. For instance we should characterise the monetary policy of the Socialists in general, and the present British Administration as similar in fact and essence to a fraudulent balance sheet, not because we dislike their policy, as we do, but because we have a complete contempt for their accountancy.

If the matter rested on this plane alone, it might possibly, though not unequivocally, be claimed that the Churches are free to take sides, or to ignore, the subject as purely technical. (Is a fraudulent balance sheet purely technical?) But it does not. The essence of a genuine wage contract is that *it implies* (because wages go into cost) *a definite share of the goods produced or their cost equivalent. It does not contemplate the violation of that contract through robbery by a third party through differential taxation, or the introduction of undisclosed factors by a political economy contemplating devaluation of the units of payment.*

If Monseigneur Desmarais and other Catholic prelates who have criticised Social Credit activities cannot be induced by their better-instructed brethren to realise the existence of the undercurrent to which we have alluded, which is worldwide, and that they cannot shirk this issue, still less afford to be mistaken, it will not, in the event, be the Social Credit movement which will suffer.

The essence of civilisation is *free contract under duress*. To suppose that you can have a contractual system which does not provide duress after contract is to adopt the social system of the “unauthorised strikers”. But when that “*type, espèce de l'homme*”, Mr. John Strachey, mouths his “fair shares for all”, irrespective of ability to pay, he is sabotaging all the wage and salary contracts on which our present society is supposed to rest. Whether Mr. Strachey and his colleagues know this, and are consciously working for unrestricted anarchy; or whether he and they neither know nor care so long as their eminently bi-lateral acceptable situation is maintained, we cannot say. But of two things one. Either the contractual is inherent in the nature of things and should be clearly recognised and upheld, or unilateral totalitarianism is better, and should be proclaimed. To suppose that “the British genius for compromise” can be applied to the half-slave, half-free situation without understanding what is involved, is once again to resign ourselves to the more truly British genius for learning the

hardest possible way.

The essence of the National Dividend proposals of Social Credit technique is to provide for *free negotiation without duress, not contract without penalty*. We are altogether too much given to accept power politics as the basis of all activity, economic and political. Why have the “Scraps of paper” if they bind no-one?

(July 24, 1948.)

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**62** In the course of a review in the *Tablet*, it is remarked that the theory of Evolution, as generally understood, with its associated idea of Progress is in direct opposition to the *facts* of entropy.

This is important, and the antithesis, so far as we are aware, has not previously received attention. It has always appeared to us to be axiomatic that all *genuine* progress is conscious, the result of directed effort. Darwinism, as generally understood, is an automatic, deterministic, process, similar or identical with entropy, and in opposition to conscious effort towards an objective, which is not evident in environment.

(Oct. 2, 1948.)

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**63** Not since the wild fury of Senator Pittman, Solly Bloom, and Emmanuel Celler when Mr. Chamberlain nearly succeeded in averting the Second Phase of the War in 1938, has there been such an outburst from New York and Washington as that which has greeted the Labour Party’s criticism of the so-called Schuman Plan. We cast a mild suspicion on the real origin of the Plan, because its enthusiastic acclaim in quarters of which President Truman (‘the cleverest politician and the worst President America has ever had’) is the figure-head, shakes our child-like faith. More specifically Messrs. Dillon Read of New York are said to be the immediate sponsors.

It has been admitted that the prominence of the ineffable (but deadly dangerous) Aneurin Bevan and Dr. Hugh Dalton in the Labour Party’s revolt against both the Schuman Plan and the Council of Europe seems at first sight to be anomalous, although it assists the Kremlin, but we think that the incongruity is more apparent than real. It should be remembered that a policy of centralisation is always (but only) favoured by individuals who expect to be at the apex of the pyramid. As an *ultimate* policy, all the Leftists favour

centralisation but only at the correct moment. There are, beyond all reasonable doubt, three *apparent* World Policies at the present time; Zionism, Communism (with its ancillary policies of the Managerial State and State Capitalism) and World Government. It is more than probable that at the highest levels these are all one; that the U.S.A., Moscow and Messrs. Bevan and Dalton are all working to the same end, although with a limited comprehension of what that end will be. *But that end involves conflict, as the only alternative to the threat of conflict*. “Only in war or under threat of war” as Mr. Bevan’s friend, Mr. Israel Sieff, said through his P.E.P.

(July 1, 1950.)

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**64** It ought to be clear without much elaboration that the 1914-1918 and 1939-1945(?) War had as its primary objective, a World Government. There is every evidence that the League of Nations was a primary excitant to war, just as its double, UNO, is doing more to make peace impossible than any other single factor at the moment. Now, it is absurd to say the majority of people want either war or UNO—the reaction against both is increasingly violent.

Where is the pressure coming from? Dr. Alfred Nossig, the distinguished Jewish author of *Intergrales Judentum*, supplies what appears to be an almost complete answer:

“The modern Socialist movement is in great part the work of the Jews, who impress on it the mark of their brains; it was they who took a prepondering part in the directing of the first Socialist Republic, although the controlling Jewish Socialists were mostly far from Judaism [?]. The present world Socialism forms the first step of the accomplishment of Mosaism, the start of the realisation of the future state of the world announced by our prophets. It is not till there shall be a League of Nations; it is not till its Allied Armies shall be employed in an effective manner for the protection of the feeble that we can hope that the Jews will be able to develop, without impediment in Palestine, their national State; and equally it is only a League of Nations penetrated with the Socialist spirit that will render possible for us the enjoyment of our international necessities, as well as our national ones. . . .”

It would be easy to be flippant about this extract; instead, we commend it to the most serious attention. It is a clear indication of the magnitude of the world’s danger.

(Feb. 23, 1946.)

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**65** We don’t know whether the repetition of the warnings we have given (as to the military nature of the problem to be solved before correct financial measures are possible) serve any useful purpose, but in case anyone should suppose that we are “just another group of anti-semitics” we bring to the attention of our readers once more, a serious, documented publication, written in German, but published in Switzerland, by an author who elects to be known as Severin Reinhard. The title of the book is *Spanischer Sommer*, and we are informed that most of the details, although not the main thesis, are extracted from a book which was published by a famous Dutch firm, but of which only two copies escaped to the general public; the remainder of an edition of two thousand were bought up and destroyed by an agent of the Warburg family.

We hope to devote more adequate space to this book; but the fundamental issue can be stated in a few words.

The thesis is that a small group, whose names and history correspond with those pilloried by, for instance, Monsieur Coty in his *Figaro* articles of some years ago, is constantly engaged in fomenting wars, revolutions and economic crises, with the object of wrecking society everywhere in order to step in and assume absolute control, or world dominion. They financed Hitler, partly through the Bank of “England”, in order to destroy England.

The masses of “workers” are the primary tool with which to ruin the otherwise stable middle classes, and

both the finance and the brains of Socialism, Communism, or what have you, come from this immensely rich and powerful, but quite small, group.



Now if this proposition is even approximately true (and we believe there is ample evidence to that effect) then our current “politics” are just the make-believe of children. And the longer this situation is allowed to drift, the more certain is our destruction.

We can only leave it at that.

(May 6, 1950.)

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**66** To anyone closely in touch with affairs in the ten years before the outbreak of the second phase of the War, it was obvious that Keynes, and the Keynesian distortion of the Social Credit Thesis, were the Financiers’ Answer to the attack on the Banks. Lord Keynes was an able man, and was furnished with the best assistance unlimited money could provide; and the Keynesian Proposals for Deficit Spending, by which the under-distribution of purchasing-power disclosed by the A plus B Theorem, and rather cleverly admitted by Keynes, was paralleled by money issued to finance Public Works which were not for sale (the current British equivalent being the wages, salaries and dividends paid in respect of Exports which cannot be bought; these, however, serving as a tax on the whole community equivalent to coin clipping) were a brilliantly devised trick to put the population permanently to work for Lord Keynes’s employers.

But it is evident from many quarters that Social Credit is a chiel’ that winna ding; and one of the more recent items in the evidence is a production “intended mainly for the general reader” by a Dr. Klein, with acknowledgments to O. Lange, J. Letiche, J. Lintner, G. Malanos, F. T. Malm, J. Marschak, C. Myers, D. Patinkin, and S. Pu. And, last but not least, The London School of Economics.

In the decade preceding what may be termed the Keynesian Apocalypse, the Chairman of The Westminster Bank, an amiable and cultured banker, placidly repeated at yearly intervals a denial of the proposition that banks create financial credits—“the means of payment out of nothing”. This denial of what had been almost universally admitted ten years earlier must have served some purpose; and Dr. Klein’s book no doubt has much the same objective.

(March 4, 1950.)

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**67** The interests in which General Smuts has laboured may be gathered from the comment of Mr. H. C. Armstrong in his informative *Grey Steel: J. C. Smuts, a Study in Arrogance* that he left his native country in 1916 “in a volley of curses” and arrived in the U.S.A. “in a whirlwind of applause”. We look forward confidently to a panegyric from the “B.”B.C. when and if General Smuts should prove to be mortal, that he was the greatest statesman since Julius Caesar, a military genius by comparison with whom Napoleon was a fumbling amateur, and a tireless labourer in the interests of the British Empire, and its transfer to suitable ownership.

(March 20, 1948.)

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**68** Bribery is a word which may have many meanings, and it is quite possible that we are all bribed. It may be argued that any man who spends his days in obtaining money with which to buy a living, rather than in doing those things which he has an inner urge to do, is

“corrupt”.

On the other hand, it is possible to regard bribery simply as a rather crude and, on the whole, troublesome, price system which is exactly how the Oriental regards it. The English objection to it, where it exists, is looked upon as just one more manifestation of madness.

Nevertheless, that objection is sound, and it is both sound and critically important where the monopoly of bribery on a mass scale becomes vested in a ruling clique—the position to which we have attained by the capture of the Bank “of England” by P.E.P. and Co.

It is much heard, at the moment that “this Labour Government is finished”. That was what they said of Roosevelt’s New Deal—a parallel Government on one simple principle—bribery.

(Jan. 1, 1949.)

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**69** How much of the phenomenon is due to a general decline of intelligence noted in many quarters, we do not know, but it is remarkable that a rationalistic age is losing the capacity to reason.

An instance of this has been brought to our attention by a correspondent resident in the U.S. zone of Germany, where apparently an Englishman, lecturing under a U.S. licence, uses something almost indistinguishable from the Social Credit approach to an appreciation of the situation. Having gained the attention of his audience, as he does, he propounds his remedy which is—steady, now—appeasement of Russia by building up by every means, technical, economic and educational, the morale of the Soviet State.

Many comments could be offered on this particular instance; but we are not sure that the most cogent would not be to direct attention once again to the growing importance of semantics—in effect, the theme song of George Orwell’s latest novel *1984* (c.f., the complete reversal of meaning in the first word of the well-known Collect, “Prevent us, O Lord, in all our doings”).

There is a growing number of words used in current politics which in their context are completely delusive. Under the Old Order, this would have been detected immediately, because men of all classes shared a common experience. (Notice, again, the perversion of the word “feudal” to suggest that they did not.) But there is no common ground between Professors Laski and Cole and the world they would like to manipulate except that they write about things they have never done.

It is quite certain that this subtle misuse of words, in combination with the equally subtle misuse of fraudulent majorities as a device for centralising power, is neither accidental nor unconscious, although the actual users may think that they understand their import. It has been grasped by our Masters that majorities will always accept a label as an explanation; that the short road to power is to popularise a label, which can always be done by an appeal to greed, and then to fill the bottle which carries it with any noxious rubbish which will achieve the downfall of the purchaser. By the aid of two or three labels, you can sell the same poison indefinitely.

(July 2, 1949.)

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**70** Much of the prestige of the Church of England derived from the character and social status of its clergy, and its influence has declined *pari passu* with the change in the general type of individual attracted to its ministry.

Only that curious perversity which appears to form an essential component of dialectical materialism prevents the recognition of this factor in some of the wild nonsense attributed to many incumbents of Anglican Orders. The Communism which is rampant amongst them is often defended by the statement that Communism is an arrangement by which all things are held in common, and thus the Early Christian Fathers were Communists. We often wonder what meaning these people attach to the injunction "Thou shalt not steal", to take one example only of the matter contained in the Book of Common Prayer. How do you steal common property? Ask the Chancellor of the Exchequer. The general argument is of course just as sensible as to assert that all First Class passengers on the "Queen Mary" are Communists because they share a common means of transport and have a common right to order from a common menu at meals. It is becoming increasingly clear that the touchstone of economic civilisation is freedom of association with the

right to contract-out. All economic progress grows from property based on contract freely made and inviolable except by consent. We have retrograded thousands of years under the partly half-baked and partly traitorous teachings of the post-1848 Commu-Socialism absorbed by inexperienced "workers". Defective as the nineteenth century money system undoubtedly was, nothing has ever come so near to a perfect economic device, and its rectification would have made the present discontents not merely unreasonable but incredible. That is why the rectification was not permitted.

The fundamental of that system was *communism of claims* ("my money is as good as yours") *subject to rights of property*. Anything which was for sale could be bought by anyone with the money. Under even the half-baked Socialism of the current Governments, both rights and money disappear. The fundamental idea is robbery.

(July 10, 1948.)

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**71** It is quite possible that, when viewed over a sufficient period, the most important intellectual achievement of the twentieth century will be seen to be the emergence of the principle of indeterminacy. It is certain that the mechanical universe of the nineteenth century, the inevitability of effects from causes and the consequent inadmissibility of miracle, while it provided a groundwork for the technological advance of which we were (are we now?) so proud, also suggested a philosophy, of which Darwin was a semiconscious exponent, and Marx the political economist, and from that philosophy we now see that we must escape or perish.

Sir Arthur Eddington, in *The Nature of the Physical World* writes: "Strict causality is abandoned in the material world. Our ideas of the controlling laws are in process of reconstruction, and it is not possible to predict what kind of form they will ultimately take; but all the indications are that strict causality has dropped out permanently. . . .

". . . Our present conception of the physical world is *hollow* enough to contain almost anything. I think the reader will agree. There may indeed be a hint of ribaldry in his hearty

assent. . .

And Sir James Jeans: “Today there is a wide measure of agreement, which on the physical side of science approaches almost to unanimity, that the stream of knowledge is heading towards a non-mechanical reality; the universe begins to look more like a great thought than like a great machine. . . .”

We make this digression into contemporary mysticism because it appears fairly obvious that there is a direct connection between the present appalling situation, dialectical materialism, and inevitability of cause and effect, and a three-dimensional universe. Under the framework of that conception, there is no real politics except tool-power politics, and no escape from tool-power politics except through a Fourth Dimension, something extending at a right angle to either length, breadth or thickness. Determinancy may be a purely three-dimensional attribute.

For the moment, we leave the subject there.

(April 22, 1950.)

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**72** A correspondent has directed our attention to verses 3-11, Thess II, 2nd Chapter, as translated by Msgr. R. Knox.

They really are very curious, and they raise in a striking form, at this time, the problem of the nature of prophecy, because it is hardly an exaggeration to say that the whole fabric of the universe is involved.

It is, of course, true to say that we can all be prophets to some extent, and in certain ways, and that this everyday kind of prophecy is of the “slide rule” variety—cause and effect. It has already been suggested that

this principle is not comprehensive; but if there is a kind of prophecy which is outside of it, it must proceed from something connected with epigenesis—the derision of the evolutionists.

(May 6, 1950.)

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**73** No doubt many of our readers have seen the interesting correspondence proceeding in the *Daily Telegraph* on the charms of Austro-Hungary under the Habsburgs. We refer to it because it brings into relief certain factors which appear to characterise the Brave New World and its New Statesmanship.

The first of these, of course, is contempt for Christianity. Austria was a Roman Catholic country and it is scarcely open to doubt that she was singled out for destruction at least as much because of this as for more obviously political reasons. Next, Austrians were a people of exquisite manners, perhaps the most attractively mannered race in Europe, which, in the era of which we treat, is as much to say, in the whole world. And thirdly the whole population was *persistently* and markedly lighthearted and happy.

We have for long been convinced that the Marxian “Class” war, like so much of Marx, is a curious twist to a persistent fact; what we now call an inferiority complex. The genuine

Collectivist hates superiority and fears beauty, and would much rather make the rich poor than the poor rich because *some* rich foster beauty. The dogma that the only differences in culture are economic in origin is so patently absurd in the light of the evidence which can be gleaned by anyone who will visit the haunts of the present-day rich, that it ought not to be, but it is, a matter of importance to place on record the memories of a better day.

(May 6, 1950.)

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**74** It is important to understand what is involved in this matter. Whatever (if ever) may once have been true of the great Protestant Public Schools, the vague idea that they are the preserve of the aristocracy has no resemblance to truth at the present time. Leaving altogether aside the question of what kind of aristocracy has any effective existence in England there is no doubt that it is *la haute bourgeoisie* who dominate the Public Schools, and it is to *la haute bourgeoisie* Dalton and Cripps belong, and in whose interests (they think) Sir Ernest Cassel gave half a million pounds to the London School of Economics, ostensibly founded by Sidney Webb, Sir Stafford's uncle. *La haute bourgeoisie* for whom the Grand Chapter of the Knights Templars was to make a revolution by using the Common People, and whom Marx understood perfectly when he said they were so valuable in substituting a soulless cash nexus for the humanistic relationships of "feudalism"—"charity" for *caritas*. To him, they had a use for his ultimate purpose, like every one else; but he made no bones about their early fate, and when he had finished with them.

Unfortunately, a salient characteristic of *la haute bourgeoisie* is that it is practically unteachable; if this were not so, we should suggest to Dr. Dalton and Sir Stafford that they contemplate the intentions of Marx on their behalf.

(Feb. 9, 1946.)

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**75** 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 latecomers 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.

(Jan. 4, 1947.)

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**76** 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 pre-adventure 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.)

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**77** 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. Anyone 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.

(Jan. 4, 1947.)

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**78** Reviewing a book by Mr. Hallet Abend in the *Saturday Review of Literature* (U.S.A.), Mr. David L. Cohn remarks “I hope this book will be read by our occupation armies overseas, and some of their fellow Americans at home. It might be helpful in closing the disastrous gulf between our brilliant technical competence and our almost incredible political ineptitude”.

Those are wise words, whoever said them, and whatever the merits of the book to which reference is made. If ever a nation (if it is permissible to call a congeries of unrelated egotisms a nation) bore plain for all to see the marks of coming tribulation, it is the United States.

The plain fact appears to be that in nations, as in individuals, a quick rise to wealth and power is almost invariably disastrous. In the nineteenth century the North Country English had a saying of the mushroom rich, “Three generations from clogs to clogs”—in general, justified by the event; and a beggar on horseback still goes to the devil. The explanation is fairly simple—riches and power are tools, and require a considerable apprenticeship to use wisely. The comparative success of an emigrant to the United States, while it had a personal component, is far more attributable to lack of the restrictive practices which have been growing in Europe since the French Revolution.

There appears to be little doubt that some occult Power is willing and anxious that political adolescents should have sharp and powerful tools, and is determined that they shall not keep them when they have learned to use them wisely. America is inevitably faced with a race against disruption lest she achieve wisdom while retaining wealth.

(Dec. 14, 1946.)

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**79** That sane voice in a mad world, Commander Geoffrey Bowles, R.N., has a few well chosen words to say in a letter to *Truth* on the subject of leaders. (We think it was Sir Patrick Hastings who said that every great leader had been a curse to the human race.)

In the course of a communication which begins: “A party led is a party dead”, he proceeds: “Character has been so deliberately softened by fifty years of Stateism that most of our people neither know about, nor care about, liberty, but only about loot . . . A party should be led, not by any leader, but only by its principles.” Wise, but dangerous and difficult words. Compare them with Professor Laski: “The core of the British

Constitution is the supremacy of Parliament” and ponder on our destiny.

(May 28, 1949.)

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**80** The basic rule of the game of golf is that “The ball must be played where it lies”. All other rules are ancillary; and a worldwide “amusement”, not to mention a not inconsiderable industry, rests fundamentally on those eight words.

Now it should be noticed that this rule does not make it easier to get the ball into an inadequate hole with inappropriate instruments over an unsuitable terrain; it makes it much harder. Yet it will be generally conceded that the slightest infringement of it, and particularly an unacknowledged infringement, ruins the game, and in the latter case, puts the transgressor outside the pale of decent society.

It has often been claimed by its more rabid exponents that golf is a mirror of life and character; and without accepting this statement at its face value, it is nevertheless not without limited justification. We are confronted with a world which scoffs at rules; the ball may be, and is, placed where it is easiest to hit; and the strokes are pared down either by carrying the ball the requisite distance, or bribing the caddy, or forging the card.

The idea behind this allegory is so important that it is comparable to the riddle of the sphinx, which mankind must solve or die. It is not so simple even in nature as it appears to be at first sight; it is not merely the problem of making people keep the rules, as the One Worlders would like us to believe, because the simple and unanswerable retort to that one was posed thousands of years ago. *Quis custodes ipsos custodiet?*

It is to *prevent the gangster from winning the game by changing the rules although he realises perfectly that as a result, there will be no longer any game.*

(Oct. 2, 1948.)

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**81** We return to our golf allegory of the previous week, because, for want of a better, it serves to illustrate the world’s problems; and, in the words of the toastmasters at the formal dinners of bye-gone days, we couple with it the names, “Objective” and “Incentive”.



The objective of golf is to get the ball into the hole in a minimum number of strokes, but that is not the incentive. The objective is simple, but the incentive is complex. Part of it is the exercise of skill, and skill involves self-discipline. Part of it is environment, the open air, and Nature. Part of it is the inducement of physical well-being from healthful exercise, and of mental well-being from a sane companionship.

The first point to be made is that the *incentives are much more long-term than the objective*. Imagine someone who had never seen or heard of golf, being taken to an empty golf links, given a bag of clubs and a ball, and told to hit the ball into the nearest hole. It is long odds that he would regard the whole procedure as wearisome and fatuous. He would understand the objective, but for him, the incentives would be non-existent.

The next point to notice is that the incentive does not arise out of the objective, which is to put a ball into a hole; it arises out of the circumstances and limitations which condition the putting of the ball into the hole. The incentive is part of the conditions; and if you modify the incentive, say by the introduction of a money incentive, you introduce a new factor which does not arise out of the natural conditions. Thus if the Royal and Ancient Club of St. Andrews refuses to allow competitions for money, and Fuzby-on-the-Slag-Heap offers weekly prizes of £5,500, you will get an entirely different type of golfer at each of the two places. The subject is far from exhaustion.

(Oct. 9, 1948.)

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**82** We do not recall, in recent years, a more competent appraisal of a once-major political party than that of Mr. Frank Chodorov in a recent issue of *Human Events* under the title of *Obituary on Liberalism*. Any extensive paraphrase of it would be an injustice to its concise structure: but a comment on its major proposition that the essence of Liberalism or Whiggism *as a philosophy*, is best (we should prefer to say, most briefly) expressed in the statement by Thomas Jefferson: "That Government is best which governs least."

Mr. Chodorov's elaboration of the *philosophy* of Whiggism follows closely, and is doubtless modelled on the work of the Victorian giant, Herbert Spencer. In regard to this we think too much attention cannot be paid to the emphasis on the virtues of negative action.

We have many times in these columns made reference to the significant propaganda for unlimited *positive* policies, not excluding that pursued so consistently by the Gadarene swine.

But it is in the clear distinction which is drawn between the *philosophy* of Liberalism, and its *politics* that the major value of this appraisal seems to us to reside. As the essayist expresses it: —

"The decline of Liberalism, the dilution of its philosophy, began with its success. As its advocates acquired political influence and power, the doctrine of negativeness gave way to positiveness. The about-face was supported with plausibilities, but the real cause for it must be traced to the human inclination toward the enjoyment of power, both for the exhilaration that comes from its use and for the accompanying emoluments and adulation.

"The Liberals argued, after they had come into power, that if the social good prospered by the removal of restraints, it was because those who effected the removal were instigated by the highest motive; hence, the good these men had accomplished by negative action would be

vastly augmented by what they would do positively. It is not the laws that are bad, as the earlier Liberals maintained, it is the bad law makers who framed them. So, they introduced laws to ameliorate some condition, and when the results proved unsatisfactory, they introduced laws to rectify the results; and every law enlarged upon their powers.”

*Corruptio optimi pessima.* We have often expressed the opinion that in their time and place, there was much in the professed *sentiments* of Whigs and Liberals with which no decent minded man could quarrel. But we cannot recall a single instance of practical “Liberal” legislation which could be said to be the policy of the *original* or let us say, Spencerian, philosophy. Whether *post hoc*, or *propter hoc*, we do not know; but it is certain that Whiggism has been the chosen and amazingly successful instrument of Jewish Grand Larceny.

(May 13, 1950.)

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**83** “... From Macauley onwards a superstitious faith, almost Calvinistic, in necessary improvements is universally discernible.

“This outlook was assumed by no one more heartily than myself. Brought up without any specific theological outlook, save perhaps an aversion from Judaism (from the exclusive tenets of which particularist racial religion my forebears had long been emancipated), there was everywhere about me that atmosphere of predestined betterment which harmonised well with gratifying statistics of increasing national revenue, trade returns, railway mileage, mineral exploitation and general statistical prosperity.

“The teaching of Marx and his school was founded upon Hegel, and Hegel it was who had taught the doctrine of Progress by Antagonism, a metaphysical support to the deterministic outlook of material evolution.”

—*Sir Henry Slessor, ex-Lord Justice of Appeal.*

[This quotation was included without comment in Douglas’s Notes.—*Ed.*]

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**84** We are complete disbelievers in the idea underlying the Victorian saying that handsome is as handsome does. In the early years of human life, there is generally a natural attractiveness of form and feature, the attribute of young and abounding life which obscures the character of the spirit within. But, usually much before middle age, the rogue has modelled his features beyond concealment.

We expect to have a great deal to say on the Palestinian and Jewish question, but in the meantime we suggest to anyone interested, a study of the faces of the Zionist and Arab protagonists. To us, at any rate, such an examination furnishes reliable evidence in regard to the question at issue.

(Oct. 12, 1946.)

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**85** These islands have had many bad Governments—probably on balance, many more bad Governments than good ones even by comparison with the low quality of Governments

everywhere. But the present very bad Government, or as we prefer to say, Administration, differs from anything which has preceded it in three major qualities. It is not a British Government and does not pretend to be so, in fact its Cabinet Ministers boast that they do not consider the interests of “Britain” any more than those of any other part of the globe. In contrast to, say, Mr. Gladstone or Lord Salisbury, Mr. Shinwell is a World Statesman. The Prime Minister made it quite clear fourteen years ago that the Labour, *i.e.*, Finance-Socialist-Party was an International Party and although not elected by anyone (so far as is publicly known) outside these islands, it was committed to further every alien interest. That of course is a quite logical excuse for the amazing fall in the standard of living, on the material, and the decline of morale on the spiritual plane here as compared with countries whose administrators are at least pretending to mind their country’s business primarily. If we are to be treated as Hottentots, we must naturally become Hottentots in self-defence. The second factor in which it is unique is that for the first time, we have an Administration almost purely professional. Not ten *per cent* of the Socialist Members of Parliament have any experience or knowledge of the matters with which they deal except in the “office” sense, as distinguished from the “field” sense. This phenomenon began with the invasion of Parliament by lawyers in the 19th century. Anyone with extensive experience of life will instantly grasp the distinction, and as most of the members of the Socialist Party who are honest, and not merely office seekers, have not this experience, or they would not be Socialists, they are unconscious of its bearing on affairs. And the third factor is that this is by far the most powerful, *i.e.*, highly centralised Administration the world has ever seen outside Germany and Russia.

Now, it appears to be proved beyond argument that Lord Acton, in his much misquoted dictum that all power tends to corrupt, and absolute power corrupts absolutely, was enunciating a natural law so that the more powerful a Government is, the more certainly it will deteriorate. All the available evidence goes to prove that German National Socialism, always carefully referred to as Nazi-ism, started with high ideals, and ended in a bog of corruption. “Russia” obligingly advertises its methods by the periodical purges which diversify the drab existence of the dictating proletariat.

The feature which is really frightening about the condition of the United Kingdom of Great Britain and Northern Ireland is the universal corruption which is spreading downwards like a plague. It is only eight years ago that anyone with sixpence in his pocket had an absolutely equal chance of buying a packet of cigarettes with the man who had a ten pound note, if they both wanted cigarettes sold at sixpence. But, passing over the fact that no cigarettes are now sold at sixpence a packet, the important consideration is that you must have a powerful friend who will see that you are served first. It may be a matter of a “priority”—that is the comparatively clean form. It may be the Black Market, or it may be a straight bribe. And it is only necessary to notice the manners of the population to see the effect of the system.

(Nov. 23, 1946.)

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**86** 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. That the English can adopt Hollywood ideals of manners and morals, Jewish economics and monopolistic politics and Masonic “theology” and still remain “English” is a naive conception which, in an elementary fashion, any motorcar manufacturer would deride. Mr. Henry Ford tried to make Ford cars and the equivalent of the Rolls-Royce under one control. The Ford didn’t approximate to the Rolls-Royce; but Mr. Ford’s attempt at the Rolls-Royce closely

approximated to the Ford. This country has no genius for “mass” conceptions—even its industrial ability is individualistic; and of course we are told from every quarter that the brave new world has no use for that kind of thing. Maybe so; and with it, good-bye to England.

We have a reinforced conviction that if the general principles of Social Credit finance had been adopted when they were first suggested, the cartelisation of Great Britain would have been defeated. But the malady is much graver now, and probably only the surgeon offers an effective solution.

(June 1, 1946.)

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**87** There can be few people who have given sober and unbiased consideration to the state of the world without reaching a reasonably sound apprehension of the root cause of its parlous plight. It is not in any one thing in itself, such as industrialism or even finance as a device. It is the devilish ingenuity which is applied to each and all of these, the perversion of good ideas to bad uses, the misrepresentation of information in itself beneficial or harmless, in short, the real, conscious wickedness which governs our affairs, to which we have to look. That is why it is absolutely vital to clear our minds of cant. It is not in the opinions of the majority that policy is formed today, and it is not by attempting to change the Cahmon Man and forming him into a Party that salvation can conceivably come because it is not in the Cahmon Man that the wickedness is conscious. The Cahmon Man is just average, and just average is not good enough in what it takes to battle with uncommon, conscious, Incarnated Wickedness.

‘Know your enemy’ is the first axiom of survival, and your Enemy’s first concern is to divert your attention in the wrong direction, and his second, to make you work and fight for your own undoing.

Bearing all this in mind, it is easy to understand that the drive for “Full Employment”, “More Exports”, “Work or Starve” means one of two things and can mean nothing else. Either it is a preparation for war camouflaged under recapitalisation (new tools, etc.) or it is a threat of war if the perversion of industrialism is not pursued in this country for the benefit of the . . . States. There are no other alternatives; considered *in vacuo*, the policy is so insane that only a diseased imagination in *delirium tremens* would contemplate it with a moment’s complacency. As to war, not the merest fraction of the world’s peoples desire it, or even now are conscious of what it implies; and if it comes, it will be because we have not localised and obliterated that mysterious little body of men to whom Rathenau referred as the three hundred who rule the world, and appoint their successors.

(May 3, 1947.)

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**88** When, as in a recent speech by Sir Stafford Cripps, it is suggested that the extended use of “Planning”, with a capital, and central control, is the basis of the victory (if there is a victory) over Germany, and that it is thereby demonstrated that “Planning” and Central Control is the magic formula for the Brave New World, there are, we think, two legitimate, alternative conclusions to be drawn, and two only. The first is that the speaker is merely talking to a brief, a habit easy to lawyers, and the second, and probably the true one, is that he has no conception of the real meaning of what he is saying.

During the first (1914-1918) phase of this war Russia, a country of 190,000,000 inhabitants, was paralysed. Immense quantities of material, as in this latter phase, were supplied to Russia by Great Britain, but were not used. Thanks to the fact that it was under British command, the British Expeditionary Force was not sacrificed, and the Channel ports were held. The populations of France and Great Britain about equalled the Central Powers. It is true, of course, that America inevitably won the war, but she did little of the fighting. Germany was beaten in four years, and would have stayed beaten, if centralised international finance had not been determined that the war should be resumed to impose Central Control on the world.

In the second (1939-194—) phase of the war, Germany is not finally beaten in the sixth year, with a Russia against her which has had the primary object, under totalitarian central control, of preparing for war for over twenty years, a Britain which narrowly escaped the fate of a Central Command under Gamelin, and a United States kicked into the war in 1941. Disregarding “resistance” movements, the major populations arrayed against Germany’s eighty millions amount to more than three hundred and eight millions directly, and nearly twice as many indirectly. If Sir Stafford Cripps, or anyone else, claims that even in war, the virtues of unlimited centralisation have been demonstrated, they will claim anything, probable or improbable.

But in fact, it is exactly in those matters in which “planning” is impossible that the key to victory will be found, if anywhere. There has been a spate of verbiage as to the various “turning-points” of the war, but no historian will be found to deny that without the victory of the little band of Fighter pilots over the *Luftwaffe* in 1940, nothing subsequently done by Russia or the United States would have stopped Hitler. Does Sir Stafford Cripps think that victory was due to P.E.P.? Did the Socialists design the Spitfire or the Hurricane?

No one ever knows exactly how much waste and confusion a Socialist state involves because, as in the case of Russia, everything is done to make comparison impossible and to distort such facts as are available. But the waste of manpower directly due to Government control in this country at the present time probably exceeds that of any previous period in our history. But it is paid waste, so no one complains seriously.

(April 7, 1945.)

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**89** We make no apology for recurring to the dangerous disservice to genuine reform which is offered by many “monetary reformers” who mix up certain ill-understood “moral principles” with attempts at practical design. Amongst the objects of their attack, an easy first is “usury”, which they would define, if they troubled to define it, as the taking or giving of interest upon a money loan.

It should be understood without much difficulty that, in a predominantly gold coinage system, if Moses Finkelstein lends one hundred gold sovereigns to John Brown and demands back one hundred and twenty-five at the end of a year, and continues that process, it is only a question of time before Moses owns all the gold. But if John Brown makes a deposit in his bank, and the bank allows him three *per cent* interest (no, Clarence, this is not a fairy story) there is no available evidence to show that John Brown will come into possession of the bank. What has happened is that John has shared, to a minute extent, in the profits of the bank, in return for providing a smoke screen for the legend that banks only re-lend money deposited with them. Now that this legend is exploded, John has been informed that he is no longer wanted, and his share ceases. In fact, he is charged for keeping his account. That is

what the usury hunters have achieved.

But, you may say, the banks “have no right” to create money to bribe John with a decimal fraction of it. The only part of this sentence which makes sense is the latter. John, and others like him, ought to have a larger “interest” on their deposit (really, a dividend on the money created). The greatest nonsense, of much, which has been written about the banking system is that which attacks their dividends and interest paid on deposits. These items are the only fresh money, corresponding to the normally increased real wealth, which comes into the hands of John Citizen. The rest disappears into invisible reserves, such as those colossal figures which Mr. Dalton will not disclose, which, by the acquisition of the Bank “of England”, have now been made a free gift to Mr. Barney Baruch, *et al.*

(Jan. 12, 1946.)

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**90** A consideration of the preceding paragraphs must force any unprejudiced reader back onto the conclusion we have stressed previously—that the core of the problem is centralised sovereignty. No experienced individual is a starry eyed idealist about human nature—its qualities range from far infra-animal to, in the ordinary sense and in the case of limited numbers, supra-mundane. And it appears to be beyond dispute that the majority, if not the first, is a long way from the second. Nevertheless, the majority does not

**91** consciously and understandingly demand, *e.g.*, war. War is the implementation of policy; if we are going to allow policy in this country, and the manipulation of the majority to implement it, to be monotheistic, it must in the nature of things be the incarnation of a function.

That is to say, there is no escape, in these circumstances, from tool-power politics.

“But the right faith is this, that we worship . . . Trinity in Unity . . . And in this Trinity, none is afore or after other, none is greater or less than another.

“He therefore that will be saved must thus think of the Trinity.”

(Aug. 9, 1947.)

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**92** Nothing is more remarkable than the arrogation by Labour Socialists—not by the average craftsman, who is normally tolerant—of a monopoly of civic virtue, associated with the proposition that anyone who is, or was, fairly successful in the orthodox activities of the past hundred years, unless that success was achieved as a Trades Union official or a Socialist politician, is reprehensible. We think that we have made our condemnation of certain aspects of “capitalism” fairly clear; but it has never seemed reasonable to suggest that given certain canons of society, those who fail to live under them were, *for that reason*, more admirable than those who succeeded. Almost the only remark ever made by Dr. Buchman which attracted us was his retort to a gibe that he and his followers confined their activities to the well-to-do: “Well, God is a millionaire, isn’t he?”

There is no dubiety as to the origin of this arrogance —it is in the doctrines behind the French Revolution, and in particular the conception of “equality”, which has the curious effect of nourishing the most profound hatred of quality as well as a claim to be a judge of it. The

French Revolution was a bourgeois upheaval, and its psychology was that of the Fabian Society. In consequence, while it would be infantile to lay the blame for the present chaos to the debit of any one specific class, a disproportionate number of its fallacies have been propagated by such persons as Mr. H. G. Wells.

There is, of course, a very real sense in which “to whom much is given, much will be required”, and it is a matter which may well give food for thought to a number of successful industrialists, *not because they have become rich, but because they know, or ought to know, why nearly everyone could become rich in the economic sense.* The distinction is vital. Nearly every step in the progress of the world has come from the “privileged” classes and the equalitarian doctrine is expressly and consciously designed to frustrate disinterested effort—the only effort which can save mankind.

(June 1, 1946.)

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**92** We can restrain without difficulty the remnant of admiration we used, many years ago, to feel for *The Times*. But its Literary Supplement still has a certain dignity long departed from the threepenny edition of the *Daily Worker*. Thus a recent editorial commenting on a remark by Earl Russell observed that the popular revulsion from science and scientists (which is marked and growing) is inspired by something more than the dread of recent inventions, and extends to the whole class of intellectuals. We agree.

Those of us who have devoted a good deal of attention to events in the world of the twentieth century, the groups of people who appear to be consciously involved with them, and their links with predecessors active in the French Revolution and the abortive wave of revolt which swept Europe in 1848, cannot fail to discern a certain pattern which has organic relations with the opinion expressed in *The Times Literary Supplement*, and stamps it with a certain honesty becoming only too rare. Because there is a tendency, perhaps not wholly justified, to assume that “literary” is a synonym for “intellectual”.

But in fact, the distinguishing characteristic of the period under comment is the triumph of the Age of

Reason heralded by the intellectuals who were the stalking-horse of the Terror—a triumph the fruits of which are already laden with an unimaginable bitterness. Behind events, persons and Race, there has been active the cult of Lucifer the Light Bringer, and *logic, rationalism*, is the hallmark of that cult.

Only a perverse obscurantism would deny the value of Reason properly regarded, just as it would be fatuous to condemn a slide-rule, with which it has an organic connection, as being in itself reprehensible. But the idea, if it can be so called, that “values” are ultimately physico-mathematical (put forward, *e.g.*, by Sir Edmund Whittaker in the 1948 Herbert Spencer Lecture) seems to us to be a compact instance of the delirium of Idolatry not the less fatal because of its appeal to Rationality.

It is highly significant that the worship of logic is characteristic of immaturity, of youth. At the age of eighteen or so, logic presents an indisputable proof for every problem. And it will be noticed that there has been, and is, a conscious “youth movement” carrying with it the implication that wisdom reaches its apex in the early twenties.

Yet it must be plain to anyone that not only is evidence lacking that logic has solved any political problems of consequence in the past, but, conversely, that the policies now current in world affairs, which pretend to base their appeal on logic, threaten us with destruction.

There is no saying requiring attention more clamantly than “Unless ye become as little children ye shall in no wise enter the Kingdom”. There is nothing logical about a little child.

(May 21, 1949.)

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**93** There seems to be little doubt that encyclopaedism—the splitting of knowledge into “subjects”—has a curious, mesmeric, or magical consequence; the inhibition or destruction of the capacity to relate or compare experiences. The propaganda for “full employment” is so completely in the teeth of the whole theory of modern industry and the experience of the past seventy-five years that it would be supposed that it would be met with a howl of derision.

But it is not; and an article by a well known woman “public relations” speaker, published in the *Sunday Times* of December 31, observes that “After the war many women who have not done so before will have to work for their living”. That is to say, not only are we going to find work for the previously unemployed: but we are going to multiply the number of persons who require employment because they must “work for a living”.

Anyone retaining a modicum of native intelligence would ponder over the present situation of the world and conclude that since it had developed contemporaneously with an immensely increased capacity for production, it would only be common prudence to make sure that still further insistence on production would not exacerbate it. But the inescapable fact is that success in any line of endeavour in the modern world requires the cultivation of the habit of speaking to a brief. Just as a barrister sells his forensic talent for the purpose of winning the case entrusted to him, so the modern professional man or woman is compelled to disregard the objective and concentrate on the means. Not very much of that discipline is necessary to hide the objective from view.

(Jan. 13, 1945.)

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**94** “For the parallels between the Roman world of the Fourth Century and Western civilisation of the Twentieth are obvious and melancholy. Both are darkened by the presage of decay and dissolution. There is in each the sense of physical and spiritual enervation; the same conscious dread of inassimilable peoples beyond the limits of the civilisation, but pressing with ever greater energy against its walls. There is the same sterility of art. There is a decline of rational philosophy, a revival of magic, a proliferation of superstitions, an eccentricity of manners and dress. But it is, I believe, straining the parallel to perceive, as

**95** Professor Hadas does, in Fourth Century Christianity an almost perfect counterpart to Twentieth Century Communism; that is, ‘a revolutionary social doctrine’ propagated by a fanatical faction whose members possessed the religious certainty that their end justified their means’.”—J. M. Lalley, in a review.

It is highly significant that the main, if not the sole cause of the Fall of the Roman Empire, the inflation caused by monetary manipulation aided by the influx of silver from Africa and the aliens who accompanied it, is not mentioned, or the financial roguery of the present time



which is repeating its effects. We have no doubt that the reviewer we quote is as honest as he is capable; the fraudulent bookkeeping which will wreck any Empire has simply been erased from the story with which he has to deal. The subtle attack on Christianity suggests a source easily identifiable.

A good deal of verbiage on the breakdown of U.N.O. is given unrestricted publicity. It is specifically laid down in its constitution that it must not interfere in internal politics.

But have you heard anything of the breakdown of the International Bank, which controls internal politics completely?

(June 25, 1949.)

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**95** Ignoring the use of the word as a street corner term of abuse, “Fascism” is a symbolic name for corporate action, and its nearest ideological equivalent is Guild Socialism, or the Corporative State. If you once admit the premise of producer control of the State, the fundamental premise of all Socialism masquerading under its opposite, State control of production, there is little doubt that Fascism is much superior to Russian Socialism. As in nearly everything nowadays, however, it is the premise, not the logic, which is vicious.

Consumer control of production is the only possible basis of freedom; and no method of obtaining consumer control has ever been tried with success which did not ban state control of money and credit and include decentralised individual credit power.

A phenomenon which probably has something to do with the fixed belief in British political hypocrisy is the attribution of good intentions to politicians engaged on patently disastrous courses while enjoying large emoluments and great power. We associate this idiotic convention with the perversion of Christian education which was a feature of the nineteenth century—the “gentle Jesus, meek and mild” type of thing, which greatly assists the rogue by suggesting that his victim ought to be grateful for successive thefts committed upon him.

The legal maxim that a man must be responsible for the logical consequences of his actions is a method of saying that a man who takes action without considering the consequences is a danger to society, and is either a fool or a knave, both of whom, and perhaps even more the former than the latter, are conspicuously out of place in politics. That they are found there in greater profusion than elsewhere does not alter the fact. To say that a man who draws £5,000 per annum, with extras, which is several times his earning power in business or industry, does not know that he has been allowed to attain that position in order to do the dirty work which he is plainly doing, in the face, or behind the back, of his “constituents”, is to be an accessory before or after, or during, the crime.

(Nov. 16, 1946.)

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**96** The primary purpose for which Mr. Attlee’s Administration was put into power was, and is, to trim the Constitution of these islands, and such outside interests as it may seem expedient to leave under its nominal control, so that it will offer the minimum difficulty to the Wall St.-German- American-Jew Empire now in course of formation in New York. This is so obvious that we should not refer to it afresh, but that it affords an opportunity to identify the traitors who live amongst us. Of course bribes to the electorate of a pathetically temporary

nature are bound to form part of the policy.

Broadly speaking, no individual who is “honoured” by the contemporary Financier-Socialist Government, or is appointed to a post of any considerable value by it, is serving the British people directly. To the secondary extent that, after everyone else has been served, if anything is left over, the half-witted English and Scottish can have it, this statement can be qualified. And it is also true that a Decoration cannot be kept at its face value without inducing an occasional acceptance by persons of passable, or at any rate public respectability. With this reservation, it is to be hoped that the growing body of “citizens” who feel sure that they can make the best of all worlds will be noted for future attention. We have for some time past been convinced that the “British” (but not the contemporary British) political practice of ignoring the legislation of yesterday and the acts and rewards of yesterday’s politicians and their protégés, can only have two explanations. (Remember, it is quite modern—not more than a century old.) The first, which we believe to be the true explanation, is that there is a continuous government which is merely “presented” to an indifferent and drugged public by Messrs. Box & Cox. And the second, which may be ancillary, is that the mental and spiritual deterioration of the country has proceeded to lengths much greater than has been apprehended. We notice that this is the opinion held by Mr. Aubrey Jones in an interesting, but not, we think, unexceptionable article in the current *Nineteenth Century and After*.

There is no sounder clue to a criminal than the answer to the query, *Quis beneficet?* We do not believe that the great majority of those who are doing nicely, if temporarily, out of the distribution of stolen goods, tangible or intangible, are unconscious agents. They may disclaim responsibility tacitly if not vocally for any hand in policy. It won’t do: and the first step to a healthier country is to make it evident that it won’t do.

(June 28, 1947.)

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**97** A liberal estimate of the percentage of the electorate of Great Britain at this time who have even an approximate idea of what is being prepared for them, *whether they vote Labour, Socialist, Communist or Conservative under present electoral conditions*, would be one-half to one *per cent*. There is one policy which can be effectively pursued in this country without constitutional reform of the most drastic nature, and that this is so is proved by the fact that only one policy *has* been pursued since 1906, no matter what Party has nominally administered it. It was more stealthily pursued before 1911 when the Parliament Act destroyed its last effective barrier; it was more openly pursued after the General Strike through the agency of P.E.P. with the Mond group of industrialists in the background; and it is now the official policy of Mond’s opposite numbers, personified by Shinwell, Silkin and Aneurin Bevan. Ernest Bevin, who was originally part of it, has “run out” to use a steeplechase idiom. The policy is that of the Slave State and Factory ghetto, of which Mr. Harold Macmillan is so strong a supporter.

We are not sure that there is any effective answer at this late date. What we *are* sure of, is that there is no possibility—not the very slightest—that an Administration could be elected under the present ineffective Constitution under any title or with any available personnel which could be “left to put things right”. Consider Dr. Dalton’s purrings to Mr. Churchill at Manchester University.

There are three alternatives open to the reader of this note. He can do the things which will ensure the early triumph of the Slave state, such as playing party politics or doing nothing at

all, the latter being, of the two subdivisions, the more sensible. Or he can bring the maximum pressure to bear, on any M.P. in sight, to hamstring bureaucracy, or finally, he can demand that a statement of Constitutional Rights and Functions be prepared and submitted to *The Lords, the King and the Commons for clarification*.

The Omnipotence of the Cabinet has to be challenged. It has no traditional basis, no pragmatic justification. It has led us from one disaster to another, and we are most unwise to tolerate it. Vicious and unsound in itself, it automatically selects inferior Ministers.

(June 7, 1947.)

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**98** The Ottawa *Citizen*, in its issue of July 31, publishes as an editorial, a venomous attack on Mr. Norman Jacques, M.P., which concludes, "The Social Credit Party might be well advised to decide whether it can afford to continue its association with one who endorses views of this kind".

We should not consider the matter worthy of comment, since we have no doubt of Mr. Jacques's ability to defend himself, if it did not raise an issue which must be recognised as a first step to being understood. The *Citizen*, which is one of the Southam chain of newspapers covering Canada from coast to coast, took a leading part twenty-five years ago in publicising Social Credit, and a part of the expense of the very critical visit of Major Douglas to Ottawa in 1923, to enable him to give evidence before the Committee on Banking of the House of Commons, was borne by its proprietors. Its then Editor, Mr. Bowman, supported Social Credit views with unswerving tenacity during the period of comparative quiescence which preceded the financial cataclysm of 1929.

When, with the sweeping victory of Mr. Aberhart in Alberta, Social Credit became a potential world issue and certainly a major Canadian proposal, the influence of the Southam Press became first misleading and then definitely hostile. Mr. Jacques, in particular, has been the target of successive attacks.

Now the point we wish to make is applicable to a number of early sympathisers. They will the end (presumably) but not the means. They would like to get to Berlin, but they object to fighting the Germans. They wish to believe that a nice neat scheme depicting all the benefits they will confer on humanity when they get to Berlin is all that is necessary. Or to put the issue somewhat differently, they are absolutely determined (and it is so much more comfortable) to regard the problems of the world as purely intellectual problems, assuming that Intellect and Ultimate Good are the same thing. They would, no doubt, resent the accusation, but they are disciples of Lucifer: Utopians and Planners.

One of the results of intellectualism is more or less complete aberration of judgment; what we usually but incorrectly call commonsense; a loss of the instinctive valuation of the meaning of things. If the word "intellect" be substituted for "Satan", the phrase "Satan is unchained" is a simple description, as well as an explanation, of the condition in which we find ourselves today, with our "science" which has reduced us to serfdom. Only intellectualism would make it possible for the *Citizen* to attack Mr. Jacques at a time when a Royal Commission has just reported on a small section of the World Plot, and identified all the "Canadian" section

leaders and most of the subordinates, as Jews, against whom Mr. Jacques, almost alone, has been warning the Canadian House of Commons for the last five years, if not longer.

The *Citizen* takes upon itself, unsolicited, to advise the Party to which Mr. Jacques adds dignity.

We do not speak for it, but in our turn, we advise the *Citizen* to read the Athanasian Creed, and with a humility which has not been conspicuous in many of its recent utterances (as, for instance, its most objectionable incursion into Greek politics), to ponder what may be the meaning of the paragraph “Neither confounding the Persons, nor dividing the Substance”. But perhaps it is superior to time-honoured doctrines.

(Sept. 14, 1946.)

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**99** *From Chamber’s Edinburgh Journal, April 11, 1846.*

“Occasional Notes—*The Rage for Cromwell*

“We shall now probably have a rage for Cromwell, to last some time, as a make-up for the injustice with which his memory has been treated during the last two centuries.

“Mr. Carlyle has set the fashion, and already Cromwell ribbons are sported at many inferior lapels. No one can now say a word against this celebrated personage, under pain of an imputation of Dryasdustism, flunkeyism, and many other *isms* terrible to weak brains. What perfect folly, nevertheless, is all this! The man who slaughtered thousands of defenceless people, in order to terrify a nation into submission—a very

pretty example, truly, of the principle of ‘doing evil that good might follow’; who, finding parliaments troublesome, made his council ordinances pass as laws—who, having overthrown a monarchy, professedly for the benefit of the people, was not unwilling to take the crown to himself and his own family—this man to be an object of undivided worship! Surely nothing but the hatred of something else could make men love Cromwell so much—like Hazlitt lauding Napoleon because he was so detested by the legitimists.”

It should be observed that this artificially stimulated admiration for the pattern of subsequent Dictators became current two or three years before the outbreak of revolutions in 1848. It was focused by Carlyle, the author or signatory of two of the most infamous perversions of history, “Frederick the Great” and “The French Revolution” which have disgraced the English language.

It will be remembered that at the outbreak of war in 1939, we had a spate of “Cromwellism”, the Home Guard with difficulty eluding the title of “Ironsides”.

(Oct. 2, 1948.)

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**100** No, Clarence, not a moment is being lost. The *Sunday Express* says the Prime Minister says he is well aware that unemployment was caused last time by taking reparations: “everyone” agrees that there must be no dumping (on you) of valuable war surplus which you have already paid for: it must be dumped in the sea first: we mustn’t allow prisoners of war to

do work which would provide our war heroes with work at their own expense: for a long, long, time, Dr. Hugh Dalton insists, charity begins abroad; and generally speaking, and in a few short, well-chosen words, the same old London School of Economics Socialist economists with the same old policy will repeat the same old racket with the same old results, ably supported by the “Socialist-Monopolist” Parties. And, having between them, after better men had defeated Germany in 1918, sponsored deflation, fraternised with German bankers and Socialists, disarmed this country to a greater extent than Germany was disarmed, connived at the evasion of every item of the Treaty of Versailles, opposed the fortification of Singapore while supporting the abrogation of the Anglo-Japanese Treaty, organised a General Strike, and opposed rearmament when war was certain, and screamed for war when it would have been suicide, they are now claiming to have demonstrated their outstanding qualifications to reconstruct “Britain” on the Socialist principles which we have been fighting for six years to destroy.

(May 26, 1945.)

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**101** It is a curious, and we believe a not accidental development of modern publicity that if you can quote someone else as saying something, the statement will carry more weight than if you make it yourself. In spite of the profoundly true remark that “what the soldier said isn’t evidence”, a mass of “documentation” makes an impression out of all proportion to the intrinsic value of the sources quoted.

Nevertheless, we may pay attention, for many reasons, to the connection between the steady, unrelenting attack on the prestige and credit (they are interconnected) of the British Empire, and the conclusion of a speech by J. J. Hill, the Wall Street railway buccaneer, at Chicago on October 7, 1908:

“Search history and see what has been the fate of every nation that abused its credit. It is the same, only more awful in its magnitude and its consequences, as that of the spendthrift individual. And it will profit us nothing to conserve what we have remaining of the great national resources that were the dower of this continent, unless we preserve the national credit as more precious than them all. When it shall be exhausted, the heart of the nation will cease to beat.”

It is perhaps unnecessary to say that Mr. Hill’s ideas on the use and preservation of credit are not ours. But his recognition of its significance at that date is informative.

(Aug. 21, 1948.)

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**102** In the ordinary sense we attach to the words “recorded history”, the present period is unique in that all political movements and the events which proceed from them are world events, and their outcome is directed to a world outcome—domination.

One of the significant symptoms of this culmination is that there is now little or no attempt to conceal the control of so-called Anglo-Saxon—the name given to an alien-dominated “Britain” and a polyglot mob of European throw-outs ruled from Wall Street and Washington—Governments by Judaeo-Masonic organisations. Mr. James Byrne’s speech at Stuttgart might well be—and possibly was—composed by the Grand Council of the Grand Orient in consultation with B’nai B’rith. While the phrase “United States of Germany” was

expunged from the actual speech as delivered, it appeared in the copy given to the Press, and, like the square and compasses on our new stamps, and the truncated pyramid surmounted by the All-Seeing Eye, the Ogpu-Gestapo symbol of the Masonic World Government on the United States Treasury Bill, it would be recognised by any editor of consequence as the signature of Freemasonry. Obviously nothing in the speech itself could be more important than the assertion of its origin; but so far as we are aware, not one single suggestion of this has appeared in any newspaper in the British Isles or the United States or Canada. It is truly remarkable.

(Sept. 21, 1946.)

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**103** It is probable that most wars have been fought for reasons quite other than those publicly protested, but we should imagine that nothing ever approached in magnificent mendacity the Campaign now ending in the glorious victory of the United States over “North Korea”.

There is hardly a pretence that either “North” or “South” Koreans are more than symbolic; their role is to demonstrate the need for a Police Force under the United States, which can be used against all the “nations” and particularly “Britain” whose troops are embodied in it. We do not mean to suggest that “Britain” would ever think of rebelling against the United States; but Korea provides an unobtrusive object lesson in the treatment awaiting her if she did.

(Oct. 14, 1950.)

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**104** By the kindness of a friend in America, we have received a copy of the magazine *Liberty* for March 24, 1945. Incidentally, we notice on the initial letter of the title, a minute Star of David, almost invisible without a magnifying glass. You may have seen it on the jeeps.

The feature article, advertised on the cover, is entitled “America Needs a Strong Britain” [sic].

We need not pay too much attention to the obvious suggestion that if America didn’t need “Britain” it wouldn’t matter what became of her. A more important assumption is that “America”, by which is meant the United States, is so obviously in the forefront of civilisation that her leadership is not merely unquestionable, but that it is almost blasphemous to question it.

We are confident that this proposition is one which will have to be faced. But in the meantime, we publish without comment the following extract from an article in the *Ottawa Journal*, which by an odd coincidence, reached us from an entirely different source by the same post:

“‘New York, New York, it’s a helluva town’ is the opening line of the opening song of the newest musical show. . .

“It is a helluva town these days. The war has got it down. New York is crowded, ill-humoured, and selfish; it is tired of pushing and shoving, and it is expressing that discontent by more pushing and shoving . . . There is a belligerency abroad in New York, and to a lesser extent in Boston, and perhaps in all large American cities, that

puzzles a visitor. There are few smiles. The elevator man . . . stands there sullenly, lying in wait for the forgetful one who doesn't call out his number . . . that all this should

happen in this great land of liberty is perhaps not accidental. A Chicagoan tells me that Chicago people are about as bad. It seems that the process of freedom or American democracy is going through a phase of mistrust and contempt, made more acute by the strain of war.”

The subject for discussion is tool-power politics.

(May 26, 1945.)

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**105** We abominate assassination, and it may be supposed that the threat to “do him in” which is said to have been levelled at Mr. Strachey, is a threat of assassination. But if Providence, in its inscrutable wisdom, and during the prevalence of the present high winds, should cause a particularly heavy chimney-pot to fall on him, we could temper our sorrow with resignation. Mr. Strachey is an example of the human being (we suppose that is a correct description) who has been given opportunities of upbringing for which he is unfitted; and it is notorious that nothing is more certain to produce something undesirable by even Marxian standards. Mr. Strachey belongs to, but does not come from, what the Americans call “the lower income brackets”; by the peculiar workings of our present institutions (perhaps) he is a Minister of His Britannic Majesty’s Government. We do not grudge him his £5,000 per annum; but we do object strongly that his type should be invested with powers over the essentials of life greater than those possessed by Peter the Great.

(Oct. 16, 1948.)

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**106** “Of 23 Divisional Generals” [of the Spanish Republican Army. *Editor*, T.S.C.] “twenty-one were members of the Grand Orient. They had taken the oath, ‘I swear obedience without limitation to the head of the Council of Thirty-Three . . . I swear not to recognise any mortal above him’. Both in 1929, for the abolition of the Dictatorship of Primo de Rivera, and in 1931, for the abolition of the Monarchy, the Masons gave their orders and the Generals obeyed . . . seven of the eleven signatories of the ‘Provisional Republican Government’ were members of the Spanish Lodges.”

—*Spanish Arena*, p. 100.

Where do you think the present agitation against Spain is coming from?

(Jan. 5, 1946.)

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**107** Redhead Yorke was imprisoned in Dorchester Castle from 1795 to 1799 for being “a man who had been concerned in three revolutions already . . . and who will continue to cause revolutions all over the world”. When he was released, he hastened to France to continue his revolutionary activities. He was evidently an honest man, and he wrote a book, *France in 1802*, in which he admitted to complete disillusionment. As an instance of the difference between the vicious romanticism of Carlyle and the facts as seen, not by an unbiased, but by a very reluctantly converted, witness, the following passage (p. 28) is instructive.

“The Revolution, which was brought about ostensibly for the benefit of the lower classes of society, has sunk them to a degree of degradation and misfortune to which they were never reduced under the ancient monarchy. They have been disinherited, stripped, and deprived of every resource for existence, except defeats of arms and the fleeting spoil of vanquished nations.”

(Jan. 12, 1946.)

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**108** Possibly by reason of their contempt for, and disregard of, logic, the English have a genius for making systems which are fundamentally indefensible work quite tolerably, just so long as they are left to their own devices. Monopoly is no more—perhaps less—defensible when it is applied to the labour factor in

industry, than to the product, and monopoly is the fundamental idea of Trades Unionism. Ignoring the decisive controlling factors which modified monopoly in the mediaeval trade guilds, the Guild Socialists seized on the superficial likeness of the Trades Union to them, and based their infantile constitution-making on organisations fundamentally dissimilar. Alien influence was already working to mould and capture Labour monopoly and it recognised in the National Guilds propaganda exactly what it required (A. R. Orage saw the danger when he dissociated himself from Guild Socialism). The Mond-Turner Conference, the Corporative Fascist State in Italy, and National Socialism in Germany, are all organically related to this strategy. That is history; and like all genuine history, there is a vital lesson to be learnt from it. The Trades Unions have become a public danger, together with the other cartels, and they require drastic modification.

(August 17, 1946.)

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**109** The streets and subways of New York teem with faces expressive of a character quite alien to the ideas which justified British rule in India and elsewhere—a character as mass produced as spam, a spiritual and intellectual demonstration of entropy.

This post-Civil War population, illiterate and unprotected, was the ideal medium for Wall Street exploitation, and the interests of the temporarily dominant City of London did not fail to note it. The British had never been wholly satisfactory; they were too homogeneous and self-respecting; Karl Marx commented upon it and, as Ludendorf observed in his impressive book *The Coming War*, published in 1931: “The majority of the English do not realise that, having done their duty by the inner Jewish circle, they have now got to disappear as a World Power.” The “majority of the English” having lost their trust in, and respect for, an aristocracy which had largely vanished, were debauched and demoralised by alien propaganda. This, on the one hand, was secretly financed by “the City” and, on the other, was provided with the suitable background of discontent by a fraudulent money-and-price system which was protected from amendment by such institutions as the London School of Economics, founded primarily for that purpose and staffed by aliens. “The majority of the English” were in no condition to interfere with the new instrument of Financial Hegemony—Wall and Pine Street.

The worst period of recorded history is contemporaneous with the removal of the World’s Financial Centre from London to New York, and the substitution of the Cahmon Man for the Yeoman of England as its principal tool.



(Aug. 28, 1948.)

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**110** “Our first target is Great Britain, even though there may be a general impression that that country is only of secondary importance, and that all our forces should be directed against the United States. It should not be forgotten that Great Britain exerts a strong influence on four continents. Once this influence is extinguished, we shall have the masses at our disposal, and the field of action will be open. Everywhere we shall find allies in our fight against the British octopus, and against the head of that octopus, England herself.”—“Marshal” Tito, reported in *Continental News Service*, November 5, 1946.

The nice, friendly, “Marshal” is armed with British guns and munitions, and fed by U.N.R.R.A.

(March 22, 1947.)

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**111** One of the first practical necessities of the situation is to disrupt and disintegrate Trades-Unionism in its monopolistic form. The really Satanic forces behind politics at the present time realised years ago that a great war was their last chance to force sufficient people into factories to enable them to create a false identity between “Labour” and the general population; force this population into the Trades-Unions even temporarily, so as to give time to pass legislation to keep them there permanently, and to sweep away any other class but the proletariat.

The idea that the Trades-Union Congress shall take over, and pass on to a vicious type of secretly-controlled organisation modelled on the “B.”B.C. and the London Passenger Transport Board, all the transport of the country—an organisation against which the individual or even the House of Commons would have no redress whatever, is so fundamentally tyrannical that it must be assumed that every evil force is behind the Trades-Unions in the proposals it is making. Such a measure would be, as quite possibly it is intended to be a preliminary step to the disappearance, as a separate entity, of the British people. It is part of the policy so obligingly disclosed by Dr. Toynbee of the “Royal” Institute of International Affairs, founded by the Financial Experts who wrecked the Treaty of Versailles: “We are working secretly, but with all our might, to undermine the sovereignty of our respective nations.” “Chatham House” will attend to the business of divesting the nation of sovereignty while Socialism divests the individual of freedom. Transport House and Imperial Chemical Industries-I. I. G. Farben-Dupont-Canadian Industries, Ltd., are all one happy family.

(Sept. 22, 1945.)

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**112** We rate the intelligence of the readers of this review highly. It is not written for morons, who we recognise are widely catered for in productions of much larger circulation.

The full recognition of these facts enables us to dismiss at once any idea that there is some stratum either of society or Government composed of individuals who, if only we could penetrate it, would see the light, and work effectively towards it.

Let us make this point as clear as we are able, because it appears to lie at the root of wide

misapprehensions. World Politics are (irrevocably, we think) committed to the centralisation of Power. *We* are committed irrevocably to the decentralisation of Power to *the limits of the capacity of the individual*. The first Policy postulates the equality of all men and women; the second recognises the absolute individuality and increasing differences of every human being.

There can be no greater practical mistake at the present time than to suppose that Social Crediters can engage usefully in what Lord Keynes called Essays in Persuasion, directed to the conversion of conscious opponents.

The die is cast; whether the phrase “the war between Christ and Anti-Christ” is taken to be symbolical or literal, one side must win.

Now, the practical effect of this is to put to some extent technical arguments into cold storage. Not the least of the fundamental fallacies of Fabianism was that Economics preceded and conditioned Politics. Precisely the opposite is true, and our task is, *not to capture politics*, but to fragment them.

With this preamble, and in the light of it, we make the following suggestions which do not replace, but rather reinforce, previous Constitutional proposals:—

- (1) The Bank of England should be de-nationalised.
- (2) The shareholding should be distributed to individuals as a basis of pensions.
- (3) The Ways and Means Account should be abolished and Supply voted directly by means of deduction from wage rates (P.A.Y.E. accompanied by an analysis of the destination of the deducted money).
- (4) All Government expenditure to be audited by accountants paid by local Councils.  
(Sept. 30, 1950.)

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**113** There are three economic systems. The first is genuine Capitalism; the second genuine Socialism; the third Monopoly.

In the first, the producer meets the wishes of the consumer or goes out of business; in the second, the producer takes his orders from an omnipotent bureaucracy, and the consumer takes what is allowed to him; in the third, the producer serves the policy of a small omnipotent clique.

All three are still in operation; but the third is for the moment eliminating the other two.  
(April 22, 1950.)

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**114** What we appear to have forgotten is that the money system exercised the most perfect control *by the individual over institutions* which has ever been devised. It was a voting system besides which political franchises are the crude devices of a barbarous savagery. By allowing the essential nature of the money system to be perverted and distorted by coupons and licences to buy and so forth, we are throwing away the perfect mechanism of our

salvation. All these facts are clearly known to our plotters and planners; that is why they are in so great a hurry to supplant, rather than to perfect, the money system, by administrative control.

(Feb. 17, 1945.)

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**115** If anyone can explain, by logic or otherwise, just exactly why we should become hopelessly enmeshed in debt to the so-called United States while draining ourselves of the “benefits”, if any, of dollars received from export, we should like to hear from them. Not one person in ten thousand understands that it is part of the “Marshall Plan” that we export the value of every dollar we obtain, as such prices as can be obtained in a fiercely competitive world market while importing raw material in a seller’s market; an arrangement which is mathematically certain to leave us with large uncollectable credits in every country except U.S.A., and astronomical debts to U.S.A.

It is possible that the patriots who arranged this little deal would say but not believe, “If you owe a little money to the bank, the bank owns you; but if you owe a lot of money to the bank, you own the bank”.

We think we can guess at the approximately true answer; but you guess first.

Don’t omit a slight sketch as to (a) Who will be ruined (b) Who will collect the assets at the bankruptcy sale.

(May 21, 1949.)

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**116** There is no sounder military maxim than that if you can find out with certainty what your enemy doesn’t want you to do, it is worth taking big risks to do it.

Our enemy is now primarily, even if directed from Wall Street, within our gates, and it is clear for anyone to see that he is determined to raise prices—he calls it “controlled inflation”, so as to tax you without calling it taxation, and to tax you by taxation, as well. The object of this is to transfer increasing buying power from the silly sheep he is shearing, to the inner clique which is playing world politics.

The situation calls for immediate and venomous action. We want falling prices, compensation to producers and shareholders and the rapid reduction and early abolition of taxation and interference with property and initiative. And if the Etonian Communists don’t like it, they’d better emigrate while there is yet time.

(Aug. 31, 1946.)

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**117** We don’t know what our trade competitors think about our economists but they terrify us. When we read in a review of the standing and integrity of *Blackfriars* that “it was in order to sell more abroad and pay for essential imports that the pound was devaluated”, we are driven to speculate on the reasons which can have induced the writer of the article in which the sentence appears to adopt a subject for which he is so obviously unfitted.

Whether the information will do him any good we do not know; but we can assure him that the pound was devaluated for the purpose of maintaining, at any cost, “full employment”, which is a political, not an economic objective; that there is no possible sane objective in selling at a loss; that if we were not selling and at a colossal profit to the dollar with the pound at \$4.02 we must be selling at a heavy loss with the pound at \$2.80. But only Lewis Carroll could do justice to the subject.

Practically the whole of the so-called economic problem is involved in the disregard of the Hindi saying “The best way to chop down a tree is to chop it down”.

Even yet—even yet, but perhaps for not much longer—the British Empire is much more than self-supporting. If instead of making motorcars to export to the American market, which makes more motorcars than any other area of the world’s surface, in order to obtain a diminishing return in dollars with the aid of which we can buy the raw materials to make more motorcars for still less dollars, we grew two or three times as much food in the Empire as we do now (or have we agreed with Pine Street not to do it?), we should have cars for ourselves and American cars at give-away prices for our food growers. We strongly suspect that the ground-nuts scandal is being staged to frighten the British public off the development of controlled territories, by demonstrating the incompetence of their Controllers.

Whether or no this is so, it is clear enough that we have not the faintest chance of retaining even the remnants of our economic or political independence under our present guidance.  
(Jan. 7, 1950.)

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**118** In the immediate-post-1918 Armistice Government of Lloyd George, only one M.P., Colonel Meyler, South African, Member for North Blackpool (Nat. Liberal), attacked the financial system. He lost his seat at the next election, and “committed suicide”.

Only two members of the first Labour Cabinet spoke against the return to the Gold Standard. They were Colonel Wedgewood and Mr. John Wheatley. Neither of them was ever given Office again. Mr. Wheatley was by far the most capable Minister in the Government of which he was a member, and his complete disappearance from politics, and early death were not easy to foresee.

In the second Labour Government, only one member of the Cabinet resigned as a protest against the financial policy of the Government. It was Sir Oswald Mosley.  
(August 17, 1946.)

**119** “Monopolies and cartels are the natural forms of capitalist economy in its higher stage of development. It is impossible for an economy like America’s to go back to the pre-monopoly stage. The free enterprise system is the freedom of capital to concentrate and centralise itself. We find in many circles of the capitalist class much keener appreciation of this problem in its practical terms than we find in most of America’s traditional liberals at the present moment.”

—Earl Browder, U.S.A. Communist Leader.

Waal, waal, waal, isn’t that just too sweet, Brother Baruch?  
(August 10, 1946.)

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**120** Probably not many of our readers see Mr. Manning's Alberta paper *The Canadian Social Crediter*

(sic), but for the benefit of those overseas who do we may issue a note of warning against the technical inaccuracies which are beginning to reinforce its politics. For instance, the Keynesian fallacy adopted by Mr. Vincent Vickers that "spending new money into existence" is a cure for the flaw in the price system is being rather subtly substituted for the application of new money to the reduction of prices *at the time of purchase*.

"Time" is one of those subjects which seems to offer great difficulties to most people, but it does not appear too much to ask for the consideration of the difference between, say, paying out new money for a hydro-electric scheme which will "sell" nothing for five years, and paying out the same amount of money to reduce the cost of power.

Of course, the international finance groups have no objection whatever to the former course—it is almost as good a method of raising prices and promoting loans as having a good war.

The most charitable, and probably in the main, correct explanation of the disappearance of everything but the name of Social Credit from the Alberta Government is that its executives have entirely "lost the thread of the story"; that beyond wishing to retain office, they have no policy.

(Dec. 17, 1949.)

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**121** A Trades Union is simply a labour monopoly, and is subject to the same over-riding criticism as any other monopoly, the object of which is to obtain absolute power over the thing monopolised. "All power tends to corrupt, and absolute power corrupts absolutely." It is arguable—it is by no means axiomatic—that the early craft-unions were beneficial.

Like so many other aspects of the machine-age, this argument is almost always taken out of its context, two features of which are the progress of the industrial arts and the structure of the price system, which simply means that increases of wages must go into prices, and so are paid by the consumer, who is in many cases also the Trades-Unionist. It is probable that a fixed money wage, accompanied by a continuous fall in the price level, would have benefited the wage earner far more than the collective wage-rate increases exacted by Trades Unions. The naive idea that wage increases have come out of the employers' profits, while it is still used for propaganda purposes, is not seriously believed by the Trades-Union official. The argument of the industrialist that falling prices mean trade stagnation is of course childish, and is only justified by the existence of the monopoly of credit.

The whole of the activities of the Trades Unions are now a dead loss to the community in the same way that the Beveridge Scheme involved the collection of larger sums in premiums than could be distributed in benefits, because, *inter alia*, of administration expenses. But, of course, the political situation created by the conspiracy between the Labour Cartel and the International Financial and Industrial Cartels is the primary menace to civilisation.

As must be the case with monopolies, which are essentially egalitarian, trades unionism tends

to stifle initiative, encourage stagnation, and to substitute political action for competitive improvement.

The domination of the British Constitution by Labour, if it existed, would be pure, genuine Fascism-Government by function. Labour is no more, and no less, than a function, and has no more, and no less, claim to consideration than any other function, such as sleep. But of course Socialism merely uses “Labour” to obtain a Parliamentary franchise for an over-riding monopoly—if it were feasible to capitalise sleep for this purpose, it would serve even better.

(Sept. 22, 1945.)

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**122** It is characteristic of these queer times that, while “nationality” is being invoked to break up the British Empire everywhere, our Attlees, Crippses, Baruchs and the cats chorus of the “B.”B.C. continue with

the globealoney hogwash which Mr. Attlee claimed to be the creed of British Labour when, in 1934, he repudiated allegiance to this country. That North and South Ireland are on the verge of civil war (or are they?) on a nationalistic issue; that perhaps the most vicious and unjustifiable nation ever based on stolen territory is raising its head in Palestine with the aid of the same forces to which Mr. Attlee said he gave his primary allegiance; that the whole of Asia is seething as a result of “his” policy, are accepted by the British public with the same apathy as that with which they contemplate, if ever they do contemplate, events in China. This is the Age of Reason; and as a result, nothing matters. The Finance-Socialists have the answer to any problem—make it larger.

It may be fanciful, but we suspect that a dangerous and perhaps mortal, psychic wound was inflicted upon the British people by the events which culminated in the abdication of King Edward VIII. There was no apathy then; it was not a question of personalities; that curious individual, the man in the street, felt, without being able to express the idea, that a pillar of his House, to which he attributed almost mythical power and permanence, had fallen. If the King was not safe, where was he?

The man in the street made no mistake then. He was, already, in mortal danger, and marked down by his enemies.

(April 16, 1949.)

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**123** We think that it is high time that some Member of the House of Commons of, say, the character and type of Mr. W. J. Brown, the Independent Representative for Rugby, should take up seriously, and push through to an exposure, the nature of the bookkeeping which appears to accompany the liquidation of the British Empire.

To take the Indian sub-continent as an example, *Great* Britain has developed over 43,000 miles of railways with stations, bridges, administrative offices, and auxiliary works; provided irrigation works for 27 million acres of otherwise nearly useless land; developed first-class harbours at Karachi, Bombay, Madras and Calcutta; built some of the world’s greatest bridges and trunk roads; developed modern power systems, hydro-electric and otherwise; transformed the great Presidency cities from slums into sanitary, attractive, well-built settlements, traversed by wide tree-shaded boulevards, built public and business

administrative offices unexcelled anywhere; rescued the forests from almost complete destruction and so checked soil erosion—to put the matter shortly, transformed a sub-continent.

Not merely has this been to the immense advantage of the indigenous inhabitants, but (until it was discovered that we were so imbecile that we would allow any amount of mud to be thrown at us, and believe we deserved it) the performance was the envy of the whole world and has never been approached by any other country, European, Asiatic or American.

We now evacuate the scene of 150 years' intensive and successful effort, not merely under a stream of abuse from the sob-sisters of the Middle West and the aliens of Leeds, Bradford, the London School of Economics, and Chicago, but we appear to owe "India" £1,500,000,000. In other words, we have to work *for nothing on three years' total exports of the United Kingdom at 1936 levels, for the benefit of "India" alone, without paying for a single pound of imports from India or anywhere else*, before we have liquidated the balance of money cost to us of 150 years of Indian development.

The same tale meets us at every turn—Burma, the Argentine, China. Alone amongst "victorious nations" we stagger under impossible tasks; and we work without pay, subject to contempt and in two years bereft of even prestige. Either our negotiators are traitors or they are so incompetent that they are not fitted to manage the traditional wheel stall.

We need clear information of every international transaction from the agreement made by Isaacs in Washington in 1917 (probably the basic agreement) accompanied by balance sheets of the assets transferred, together with the replacement values at present price levels. Unless we are very much mistaken the British

public is being subjected to a "steal" which leaves any previous steal in history on the level of petty larceny. All the tentative experiments in procurers can probably be identified in the oil and railway rackets of the Rockefeller-Vanderbilt era.

(March 6, 1948.)

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**124** We return, despite discouragement, to the subject of national bookkeeping. "Will Congress, as it considers sending \$20,000,000,000 abroad to finance the Marshall Plan, overlook the fact that over-all foreign holdings in America (sic) total \$27,000,000,000? . . . that isn't the extent of their North American holdings. Another \$2,000,000,000 is held by Canada and Newfoundland, and approximately \$11,300,000,000 by other countries."—Congressional Record Vol. 80, No. 161, December 10, 1947, Hon. Walter Norblad, Oregon, speaking.

- (a) How much of this very large total is owned or controlled by "British" nationals?
- (b) Of the remainder, how much is owned or controlled by nationals of countries which have been financed by the United Kingdom in the wars of the 20th century, and have not repaid the sums or materials advanced to them?
- (c) Do the *liabilities* of the United Kingdom in respect of, *e.g.*, U.S.A., India, Burma, Ceylon, Canada, Newfoundland, appear in the same account as these *assets*; and if so, where is that account?

(d) How much of our export drive, the direct and immediate cause of our poverty, is devoted to balancing *liabilities* for which corresponding but concealed *assets* exist in certain so-called British trusts?

Or perhaps you don't think it's worthwhile having our accounts audited? Let's organise or co-ordinate something.

(June 19, 1948.)

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**125** We almost feel that we ought to apologise for recalling to our readers that “exports” from this country are mainly imports more or less processed, and then re-exported. The obvious result of this elementary fact is that an increase in exports of 75 per cent, which we are now told must be attained if we are to live at all, *means that we must import and pay for, as well as transport, free, all the raw material of these exports which is not indigenous, before we have a penny to spend on either maintaining our plant or raising our standard of living. And our competitors have only to put down prices in the competitive market for ten years, to ruin us permanently.*

*Quem deus vult perdere, prius dementat.*

(Dec. 29, 1945.)

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**126** Adjusted to the purchasing power of the gold sovereign and the wage standards of 1890, we have probably exported *at a total loss, i.e., thrown away both without thanks and at the risk of international complications, not less than Ten Thousand Million Pounds' worth of production in the last sixty years.* The amount may easily be much greater; it certainly is not less. Not one penny's-worth of that production has gone to raise the standard of living of this country. Up to the present, we have spent on this war about twenty-five thousand million pounds, which is rather more than the estimate of the whole capital assets of Great Britain before the war. In the 1914-1918 phase of the conflict, we probably spent about one quarter as much; but in neither of these cases is it easy to say what was the total capital loss, if the greatest item of all, human wastage, is given a monetary figure, which is no doubt what our dialectical materialists would

consider proper.

We have no reasonable doubt that this situation and the state of the world at the present time can be broadly, but with approximate accuracy, attributed to:

ULTIMATELY, a compact organisation, almost impossible to identify completely, possibly controlled at the top by something the Churches call Satan. Freemasonry appears to be the Church of this Body. PROXIMATELY, by two mechanisms, one which we describe as political, which has various disguises, but favours “majority democracy”; and the other, financial, of which what may be called the A + B factor results in the opportunity for continuous inflation with spurious currency. The flat contradictions of the existing British policy are not foolishness; they are, for the first time, open and undisguised efforts to secure the final triumph of the World Domination which has been the covert purpose of every major historical event since the French Revolution, and probably for many centuries before that.

(Feb. 2, 1946.)



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**127** There is no surer indication of misdirection in the affairs of any country than a continuous rise in the cost of living which, it should be borne in mind, includes the involuntary losses of the individual in taxes, rates, and extortions, as well as his direct expenditure. The idea that high taxation prevents inflation is ignorance or worse.

It is nearly irrelevant whether this misdirection proceeds from incompetence, or Fifth Column treason. We are of the opinion that both are in evidence in the affairs of these islands, but we recall a feature of the latter half of the 1914-18 phase of the War, well known to anyone moving in the orbit of the New Ministries which sprang up almost daily—the preparation for MONOPOLY.

A certain well-known Jewish Civil Servant appeared to have a perfect genius for creating havoc in any position of authority to which he was appointed. When the confusion became intolerable, Mr. W-----was moved to another Ministry to repeat the performance at a higher salary.

Since observing this phenomenon at close quarters, we have always been sceptical of incompetence in high places; not as to the existence of it, but as to the accident of its occurrence.

(April 29, 1950.)

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**128** History is replete with instances of collective insanity, although to do poor human nature bare justice, it is quite possible that collective organisation led by insane administrators may be a better description for many of them. Indeed, the instigators of such lunacies as the Crusades, and their true origin in the propaganda which forced the barons to mortgage their estates and to equip themselves for physical and territorial ruin as an alternative to social disgrace, are now easily identified; in fact, the technique is still highly successful and in use on the largest scale.

But there has probably never been anything quite like the dollar gap, *etc.*, racket. Nothing shakes it. Every country in the world is laughing at the British, except the British. “The Americans” complain that Europe in general, but “Britain” in particular, is not spending enough Marshall Aid dollars to provide Americans with pleasant holidays “to close the dollar gap”. “Many of them,” says Representative Mansfield of Montana, “are spending hundreds of millions of dollars on projects or industries that could not possibly measure up to the tourist industry *as future dollar earners.*”

You see, it doesn’t matter what you make or what you do, or what you get or how you live. You were born into the world to close the dollar gap, and don’t you forget it. And don’t overlook your future.

(April 29, 1950.)

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**129** The rapturous iconoclasm of certain groups of “monetary reformers” to whom “usury”, the sparring-partner of the bankers “inflation”, is the Scarlet Woman of Babylon, has

had the inevitable effect of encouraging the financial authorities to abolish, for practical purposes, the interest paid on undrawn current balances, and deposit accounts. We do not say they would not have done it anyway—the one thoroughly sound feature of the banking system was its dividends to shareholders and its interest payments to depositors which jointly with the insignificant mint issues provided almost the only fresh unattached purchasing-power. It is obviously lost time to beg of our amateur currency experts to consider whether they really mean what they ask which is the replacement of unattached purchasing power by loans. But they must not complain if we, and others with us, regard them as propagandists for totalitarianism.

(Oct. 27, 1945.)

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**130** There can be no doubt that the subject of Finance is, in many senses, guarded by Black Magic. Intrinsicly, nothing could be simpler. You bake a loaf of bread; you give someone a white pebble; next day the white pebble is offered to you, and you accept it in exchange for the loaf, and everyone is happy. A more complex system is demanded by a more complex economy, but the fundamental principle that money ought to be simply an accounting demand system never changes, but is never observed.

After years of controversy, the A + B theorem, which indicated the necessity for a national dividend in some or several forms was grudgingly admitted. But, said the cavillers, it is a matter of little importance; hardly worth attention. That a price-drop of 2 *per cent* over the whole range of consumable goods is a national dividend of 2 *per cent* on a capital of about twenty thousand million pounds is just something they cannot grasp.

Either “the progress of the industrial arts” is a colossal delusion: or the present price level is a colossal fraud. Anyone who cannot see that there is no other alternative has not even learnt the elements of financial dynamics.

The Plymouth Brethren (we think it was) used to have a saying that any religion short of absolute conversion was like unto filthy rags. It has been proved to demonstration in the last few years that anything short of a comprehensive grasp of financial dynamics is far more dangerous than complete ignorance. Witness the deadly nonsense regarding the “sole right of the State to issue Money”.

The *Times-Herald* (Washington, D.C.), in its leading article of November 30, exhibits that sense of financial reality which appears to have deserted the London press. Its technical arguments are far from flawless; but it does state quite clearly that “fiat money”, the American term for a managed currency, is worse, far worse, than what was correctly termed “a fraudulent standard”, *i.e.*, one which claimed to pay gold currency on demand.

What seems so difficult to get into the heads of all these centralisers, conscious or unconscious, is that when a nineteenth century Englishman had ten golden sovereigns in his pocket, he was a tiny centre of credit. The fraud was not in the gold currency; it was in the stealthy setting up of a second, but much more extensive, credit system which filched the credit by raising the price-level. The virtue was not in the gold currency either; it was in the ability of the ordinary man to break the bank.

The whole conception of a managed currency is both fundamentally dishonest and pragmatically deceptive. The late Lord Keynes rendered some service to the cause of so-

called monetary science more particularly in his earlier writings; but this service was more than cancelled by his lip-service to a conception with which he cannot have been in intellectual agreement.

(Dec. 31, 1949.)

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**131** One of the most effective books of the immediate prewar period, *Spanish Arena* by Messrs. Foss and Gerahty, contained a masterly exposition of the Red technique of militant propaganda. Every atrocity committed, or said to be committed by *either* side was to be pilloried and even exaggerated; and the whole weight of venomous assertion, irrespective of probability, still less of truth, was to be directed to fastening the crimes of every combatant upon the opponents of the Reds.

The spate of anti-British propaganda in the.... States, hardly a hint of which is allowed to reach the British newspapers, is so identical in character with the Communist efforts in Spain, that it would be straining coincidence to suppose that it is not inspired from the same source. A general principle, of which there are a number of specific examples, is to collate a sufficient number of genuine instances of financial and governmental roguery and buccaneering, mainly of necessity the outcome of international Jewish activity, and to identify them with "Britain".

Now it is quite indisputable that during the nineteenth century the headquarters of international finance was geographically and temporarily located in the City of London, and that the British people, their so-called Government and their resources, were manipulated by the Rothschilds, Sassoons, Cassels *et al.* But never at any time did the corruption, the cold-blooded inhumanity, and the hypocritical dishonesty which characterises the Financial Hierarchy everywhere proceed to such unchecked limits in its "British" period as have always characterised Wall Street and Washington. The British landed classes set a non-commercial standard of behaviour even in commerce which excited the fury and hatred of the Monds and Isaacs; and it is only in this century that this standard, the remnant of Christian Europe, has been effectively submerged. It was that culture, and not that of the Rothschilds and the Monds, which was effective in the great days of the Indian Civil Service; the financiers hated it, and Wall Street and Washington set themselves to undermine it. The practical extermination of "the noble redskin"; the slavery, and later, the peonage and sharecropping of the American South have been "excused" in a spate of filthy abuse of a British Administration in India whose chief vice was that it had a standard of honour. There is nothing in British commercial history which remotely parallels the methods of the Vanderbilts, Harrimans, Jay Goulds and other railway "kings"; but it is fairly obvious that with the undisputed supremacy of the "Americans", we are exposed to, and are beginning to endure, the consequences of their moral standards unchecked by even a decadent and adulterated aristocratic culture.

(Aug. 21, 1948.)

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**132** There is a well-known story, probably apocryphal, of a successful General in the American Civil War who was asked by a European officer what school of strategy he favoured. "Don't know nawthin' about this yer strategiee, but I gets there firstest with the

mostest.”

There is a lesson in this story which is important to Social Crediters, bearing in mind that the General was, pardonably, confusing strategy and tactics.

*Fix your objective in relation to your resources.*

This is rather more than to say concentrate on a narrow front—it means narrowing your front until you *must* break through.

There are hundreds of spots in the present position which are vulnerable to quite weak forces. The Housewives face many of them.

(July 10, 1948.)

**133** The conscious pressure by our alien Masters, through our impotent politicians, to degrade the British in every possible way, reaches far beyond industrial matters. But, for the moment, these are basic, and a significant warning that the wholesale adoption of American methods might be “disastrous” was voiced by Mr. D. Sharpe, a prominent Glasgow iron founder, to the Glasgow Chamber of Commerce recently. Mr. Sharpe, who has actual experience in introducing American methods, said that the standard of British workmanship was so much higher than the skill evinced by the average American workman, that in many cases the methods were unsuitable to our conditions. He might have added that many American methods would never have been tolerated if reasonable craftsmanship had been available.

(Oct. 9, 1948.)

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**134** “As a result, the years 1920-40 in England saw political power transferred from what had been the rather *large* upper and upper-middle class which had English culture ingrained in it, and worked through Parliament and through pressure on public opinion, to a much *smaller* ruling caste which at the same time held the key positions in industry, finance and politics—a class to whose members, most of them very recently ennobled, the name ‘Pluto-Democrats’ can well be applied.” (Emphasis in original.)—T. R. Fyvel: *The Malady and the Vision*, p. 161.

The book from which the preceding penetrating quotation is taken, is written by a German-born Jew schooled in England. In consequence, it is hardly fair to expect in it an advertisement of the fact that the whole structure of the pluto-democracy to which reference is made is Jewish in conception and control and that a Zionist Jew, Mond, was its architect in “Britain”. But perhaps the most interesting aspect of an interesting book is the obvious nostalgia for the dying English culture combined with venomous hatred for its individual exponents. Mixed with this is that genuine inability to assess British qualities exemplified in such comment as “a number of brilliant new political figures, Ramsay MacDonald, Snowden, Henderson, Maxton, had been thrown to the top”. “Thrown” is *le mot juste*. With the exception of the last named, we have had considerable conversation with all of them, and we have no hesitation in saying that a stone-mason’s chisel is the only argument which might have inserted an idea into their heads. That is the explanation of their rise, and is the complementary aspect of pluto-democracy.

(June 1, 1946.)

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**135** While British officials and soldiers are being murdered in Palestine, and the Chief Rabbi of Jerusalem expresses his horror at the dastardly crimes “to which the Jewish people have been driven by the failure of those responsible [i.e., the British] to carry out” promises which were never made, we notice that the so-called Co-operative Movement and its Collectivist Press are steadily demanding the suppression of opinion voicing what it chooses to label “Fascism”. There is only one kind of “Fascism” in this country, and that is the totalitarianism of our Socialist Government backed by the monopolistic cartels, of which the so-called Co-operative Movement is becoming one of the most dangerous. We notice various symptoms of the same kind of propaganda in the student bodies of some of our provincial Universities, and we think that attention should be maintained on the remarks of several Canadian M.P.s in the debates on the Espionage case. A surprisingly large proportion of the individuals involved in various ways were, or had been, connected with McGill University, the Principal of which is Dr. Cyril James, late of the London School of Economics. It may be coincidental that Montreal, in which beautiful city McGill University is situated, has the largest Jewish population of any city in Canada, and Mr. “Fred Rose”, M.P., now serving six years for conspiracy against the country to whose Parliament he sought and received election, was Member for the Jewish quarter of Montreal-Carties. But Mr. “Rose” was a leader of the Fifth Column. And one of its demands was that “steps should be taken to see that Fascism did not revive in Canada”.

During the nineteenth century, and in fact until the ruin of this country had been compassed by the throw outs of Europe, utilised by an international oligarchy, who so fulsome in praise of freedom of speech, freedom of the Press, and the other virtues of the Political Asylum of the Persecuted as they were? Asylum appears to have been *le mot juste*. They were allowed to vilify and attack individuals and classes native for a thousand years. Now that our grateful refugees have seized, at least temporarily, the keys of power, largely by the dissemination of a mass of lies, distortions and half-truths which concealed the fact that the major defect of our civilisation was financial, and they were determined that it should not be rectified, freedom of speech and of the Press has served its turn. The only kind of freedom they are disposed to tolerate and that only for the shortest practical time, is that variety so tellingly exposed by Sir Waldron Smithers—four Commu-Socialists, to one “Tory”. It is a pretty game; but it is not played out yet.

(Aug. 3, 1946.)

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**136** “Britain” is to be kept just breathing, so that “she” can sustain the major shock of the next war. There is nothing mysterious whatever about Mr. Molotov’s tactics; his orders are to fish in troubled waters, and keep them troubled.

(August 17, 1946.)

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**137** In that remarkable book, *Spanischer Sommer*, reference is made to a letter from a Rabbi Botschko to Field-Marshal Montgomery, published in No. 18 of the *Israelitische Wochenblatt* of May 2, 1947, which states “the more Bevin persecutes us, the more hard knocks he will receive from an unseen hand; from the secret hand under which Belshazzar also fell.

“That England had to leave India quickly . . . that England was constrained to suffer shame and disgrace in Egypt and that politically she has undergone several Dunkirks is sufficient

evidence therefore. The British ship of state sinks daily lower and lower.”

This kind of talk is either megalomaniac nonsense or it is the core of world and home politics. All the evidence points to the latter explanation. It is more than time that we knew the truth.

(Oct. 14, 1950.)

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**138** The result of the Referendum on the return of King Leopold appears to put beyond doubt what many of us have for some time suspected, that the “will of the majority” basis of sovereignty is a Freemasonic racket. While the preponderance of votes for the King was not large—about 57 to 43—it was in proportion, more than twenty times the Socialist Parliamentary Majority which claims the right to rule us in this country. There are certain factors which can normally be depended upon to produce a majority vote for the wrong policy, hence the Freemasonic advocacy of d’markrazi. In this case something has slipped; so of course the vote must be disregarded, and all good Socialists must foment strikes to prevent the return of the King. In passing, notice Mr. Aneurin Bevan’s impudence in the House of Commons.

(April 1, 1950.)

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**139** There is no sphere in which the old warning *Timeo Danaos dona ferentes* is more applicable than that of Party Politics; and although we are very far from concerned to support Mr. Manning, the *soi-disant* Social Credit Premier of Alberta, we look upon the violent attack by the Liberal “Party”, Mr. Prowse, made upon him recently, with a contemplative eye.

From its earliest days, the Liberal Party in England, and perhaps, by emigration, in the British Dominions, has been the favourite tool of the Jews. There is no question that Jewish interests have been very active in Canada in general and Alberta in particular in the last year or so. We should like to know a good deal more about Mr. Prowse and his affiliations before we become too enthusiastic about his sudden passion for “real” Social Credit.

(April 1, 1950.)

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**140** By the time these words appear in print, Parliament will have discussed the Bretton Woods racket. It is a measure of the accomplishments of the Social Credit movement that there is in the country and in the House of Commons a not inconsiderable minority of more or less informed opinion on the elements of finance. Twenty-five years ago, “Bretton Woods” could have been put through unexposed; we are fairly confident that Mr. Hugh Dalton, the People’s Advocate, will have to tread very delicately indeed to keep the

peculiar position of a “Labour” Chancellor supporting a Gold Standard Bank proposal from looking just a trifle odd. But doubtless he will do it, with the aid of a few well-tried stalwarts such as “World Peace”, “International Trade” and “Full employment”. For our own part, we are so assured that sanctions and not techniques are involved (and we have no immediate sanctions) that we propose to leave the matter to the play of forces until exposure seems to have languished at the hands of those who are concerned with it.

There is one aspect of the matter to which more attention must be drawn, however. It is stated that (a) We must sign a chit for about 125 million sterling, value received in lease-lend, immediately, (b) In five years, we are to begin to pay back eleven hundred million pounds we

have never received, just like 1920.

Just exactly how does it come about, if it does come about, that any and every transaction between this country and the United States involves (1) Loss of prestige. (2) Loss of money. (3) Disproportionately high taxation allegedly to pay for disproportionately small services to a common cause. (4) The progress towards power of agencies such as P.E.P., the Fabian Society, and other promoters of monopoly masquerading as “Peoples’ Movements”? It should be observed that each and every one of these effects, repeated almost without variation from 1920, tends directly to the elimination of Great Britain as a World Power.

Only ordinary intelligence, combined with a willingness to undertake a not very arduous examination of the mass of evidence available, is necessary to assure anyone that the most gigantic, conscious, and successful robbery in all history has been progressively taking place on the natives of these islands, more notably since the access to power of the Liberal Government in 1906. Its earlier stages were carried out more through the Stock Exchange and Real Property Markets; the later stages have been Governmental and Fiscal, together with currency manipulation. The pentultimate stage is the “nationalisation” of such private property as remains, when at the final stage, the title deeds to once-great Britain will be neatly tied with red tape and handed over to the World State run from Wall Street— or Jerusalem.

(Dec. 22, 1945.)

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**141** Mr. Strachey is stated to be a quarter Jew, and whether this be so or not, only a small section of the population would be prepared to regard him as a representative Englishman or Scot, or whatever his formal nationality may be. But no one can deny him at least one outstanding quality—an effrontery almost bordering on genius. A man who will justify bread rationing on the grounds of (a) world wheat shortage, proved to be non-existent; (b) Coal strike in U.S., called off before it started; (c) Failure of U.S. transport, which, on the contrary, was actually improved by reduction of mineral traffic; (d) Lack of dollars, when we are paying dollars for supplies to U.N.R.R.A. for distribution to people who are killing and wounding British soldiers in Palestine and elsewhere, and paying royalties, not subject to tax, on Hollywood films whose general culture and tone is that of a Chicago ghetto, is not inconsistent; he is a romantic artist.

We cannot be accused of undue admiration for Mr. Churchill, although if we have to choose between buccaneers, we prefer his type. But it has always been a mystery to us why a hard-headed constituency such as Dundee would reject him, and yet elect a Mr. Strachey.

(Jan. 18, 1947.)

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**142** The important point to notice in exhibits of the Bevan and Shinwell type is that they base their self-esteem, and their claim to public approval, on the proposition that labour produces all wealth, has a “right” to all wealth, and is the only ground for a claim to consideration. It is, of course, of the essence of their support that labour shall be a permanent majority. They are the mighty champions of virtue against the usurping parasite, and “full employment” is the outcome of their high-minded selfless (£5,000 *per annum*) efforts. Two world wars, with a third on the way, are powerless to expose the fallacy, because “labour” has become the most rigidly organised and controlled vested interest in existence, as Mond

(Melchett) recognised in the Mond-Turner Conferences that it could be. The mass of contradictions in which the “axiom” is involved makes it essential to keep the subject on the plane of emotion and away from reason.

Once this is done, as it is done, the “scarcity of Labour” serves the same purpose as the intrinsically (nearly) valueless gold cornered by the same interests. There is no limit, in theory, to the racket—every “labour- saving” device can be diverted to “the service of underdeveloped countries”, war, or just plain waste.

That civilisation perishes will, of course, be explained as progress.

When the nineteenth century cost-cum-profit system was operating there was a real check on labour monopoly because wages and production (even if the wrong production) had an organic relationship. But with the nationalisation of the Bank of “England”, the glorification of the Keynesian deficit-spending racket, intimately connected with credit monopoly, and the systematic propagandisation of employment-as-an-end-in-itself, *i.e.*, “Full Employment”, this check was removed.

Messrs. Shinwell, Bevan, and other scum are a minor consequence.

(April 1, 1950.)

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**143** When, if ever, the true history of these times comes to be written, there can be no doubt as to the feature which will mystify the writers of it. It is the surrender, without the consent, so far as we are aware, of Parliament, and certainly without the knowledge of the people, to a nearly anonymous body in Washington, known, we believe, as the Food Board, of the food supplies of these islands. The thing is so amazing that it beggars description. There has never been anything remotely approaching it in history, except perhaps Joseph’s corn racket, and to say that the negotiators of the arrangements for and on behalf of Great Britain deserve instant impeachment for High Treason is not an opinion, it is a simple consequence of the definition of treason. We have been sold to the enemy, and are at the mercy of a bloodless war in which our conquerors do not need to lose a man.

We can quite imagine that those extraordinary exhibits with whom we were cursed during the period in which the Oxford Union voted not to fight for King and country, and Mr. Attlee informed the Labour Party that their loyalties were to neither, suppose that they are showing a superior sense of world politics, but we feel fairly sure no American, still less Mr. Bernard Baruch, would agree, although the latter would do everything possible to encourage them in their belief. It has not taken eighteen months to demonstrate that the United States has every intention of reducing us to an inferior status to that of the Philippine Islands. Whether the ultimate idea is to force us into the outstretched arms of the Bear, or alternatively, to fight one more war for the benefit of Wall Street is not yet clear. But 1947 shows every sign of resolving the dilemma.

(Dec. 28, 1946.)

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**144** Some time ago the American Edition of the *Readers Digest* (the article did not appear in the English Edition) published an excellent enquiry into the question of competitive industry in “Britain”. The general conclusion of the writer was that British business always



thought in terms of price rings, labour rings, and restrictive market practices rather than price and quality competition, and that it is almost wholeheartedly in favour of some system of controls, such as the Socialist Welfare State has continued under the cover of “war, or threat of war”. We agree.

Not to put too fine a point on it, “British” business is rotten to the core. Since the Mond-Turner Conferences of 1927, which crystallised the corruption already widespread, business policy has not been (as it was cleverly presented) a struggle between “Labour” and “Capital”, but a conspiracy between Trades Union leaders and cartels to fleece the public and ruin Great Britain. It may not be obvious at first sight, but there is a direct connection between the rage of certain interests at Lord Vansittart’s exposé, and this situation. The line runs somewhat:

In the late nineteenth century, Sir Ernest Cassell was the policy-partner (he may have been the business partner) of Jacob Schiff. Schiff subscribed millions in gold to bring down Imperial Russia, prevent Russia from defeating Germany, and set up a monopolistic collectivist State on the ruins of the Czarist regime.

The colossally valuable “concession” to rebuild Russia was almost entirely held by the Harrimans, close affiliates of Schiff.

(May 20, 1950.)

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**145** The “B”.B.C. (Vice Chairman, Stella, Mrs. Isaacs, Marchioness of Reading) is highly nervous of the secret ballot issue, and with reason. In announcing the coming elections in Finland, it went out of its way to suggest how perfectly d’markratic the water-tight nature of the ballot-box arrangements would make them. The degradation of British politics can almost be identified with the introduction of the secret ballot. A man who is ashamed or afraid to let it be known how he votes, is afraid to take responsibility for the consequence of his voting, and has no right to a vote.

(July 10, 1948.)

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**146** “More than two thousand youths enter the Army each year who cannot even sign their name.”

—General Sir William Slim.

We aren’t told how many who don’t enter the Army each year can’t sign their name. But they can all make a cross on a “secret” ballot paper, even if they can’t read the name of the candidate. So they just about cancel the votes of the few thousand whose opinion on political matters is worth attention.

(Aug. 20, 1949.)

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**147** Professor G. D. H. Cole is one of those individuals, by no means uncommon among Socialists, who provide a complete demonstration of intellectualism in the worst sense. His steady progress from one comfortable position of detachment from the cares of life, to another, is evidence that his value as an infective agency is, with many other professors in Great Britain, Australia and elsewhere, fully recognised. Evidently an industrious fellow; he

has never given evidence of having an original idea in his life; if our memory serves us, he left the Fabian Society when it appeared, or he was perhaps advised, that a form of Guild Socialism which later appeared as genuine Fascism in Italy under the titular leadership of Mussolini would be the winning horse, and rejoined it when, not necessarily *post hoc, ergo propter hoc*, it became obvious that the State Capitalism of Russia was to be in the pattern of our discontents.

The vogue of the political professors began, of course, with Woodrow Wilson in the United States, and was so startlingly successful as a disruptive influence that Roosevelt, controlled from the same sources, filled the Washington Departments with people such as Tugwell and Moley, and dozens less well known.

There are probably many more capable, well-meaning, and estimable members of the Faculties of British Universities than political climbers. But we believe their number is diminishing because it is becoming obvious, as it became obvious in Hitler's Germany, that the subject in which to specialise, with quick results, is The Party.

(June 18, 1949.)

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**148** If a man, presently at Crewe, says he wishes to go to London, and then insists on entering a carriage labelled Wigan, you will probably be tempted to call him, "incompetent", "inefficient" or some of the other words frequently heard in connection with the Socialist incumbents of our present governing system (together with adjectives less suitable for reproduction). But you may be quite wrong. The man may really have intended to go to Wigan, and have told you he was going in the other direction, to avoid argument as to the relative attractions of Wigan and London. When, therefore, you notice that affairs in this country are getting steadily worse; that badly as they were managed after 1918, they are incomparably worse managed

*from your point of view* now, it is not wise to assume that your affairs have been handed over to a collection of nitwits, because if you have any experience of affairs you will have learnt that Cabinet posts at £5,000 *per annum* do not come into the grasps of nit-wits. The qualities which got them there may not be—almost certainly are not—the qualities you consider suitable to their position. But you must remember that you did not put them where they are, although perhaps you think you did.

There is a good deal of evidence to suggest that this Administration, to use the more descriptive "American" word, is highly competent. If it be remembered that Mr. Montagu Norman is reported as saying, "I do not think it is desirable for a country to be prosperous" and observe the manoeuvres of his fellow-Etonian, Dr. Hugh Dalton, and the nephew of Mr. and Mrs. Sydney Webb, Sir Stafford Cripps, "The Red Squire", you will perhaps consider contemplatively the odd coincidence that in a "Labour" Administration, the two key positions in the economic life of the British people, the Exchequer and the Board of Trade, are filled by products of the most expensive and "old-school-tie-ish" Public Schools in England, not to mention close affiliation with the London School of Economics. Taking their key words, "Full Employment", "Austerity" and "Unlimited Exports", as signposts, it is really not difficult to see why the train is going to Wigan when you suppose that everyone wants it to go to London. Briefly, and not comprehensively, Dr. Dalton and Sir Stafford Cripps want precisely the same result as Mr. Montagu Norman, and are prepared to go to almost any length to achieve that end. The general population is to be finally and permanently

proletarianised: and Eton and Winchester, like the new Eton which Stalin proposes to set up, will provide hereditary Kommissars. And if you think that progress towards “Wigan” instead of London will ensure the removal of Dr. Dalton and Sir Stafford, think again. Only failure to “progress” fast enough will do that. And Wigan? Wigan is merely Big Business as Government.

(Feb. 9, 1946.)

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**149** In the early twenties of this century, British Government Departments were infested with individuals whose main purpose was to facilitate the influx of Russian goods produced by slave labour, to be sold at current market prices by Russian Jews in this country. Through these channels, and in close co-operation with the Mond-Turner activities, the P.E.P. propaganda (really, a policy already imposed on the curiously supine British, and merely “propagandised” as a public relations device) was substituted for such “private enterprise” as remained after Montagu Norman (Otto Kahn, etc.) had done with it.

Broadly speaking, P.E.P., The London School of Economics, and Kuhn Loeb and Co., are the framework of the Brave New World. Of course there is nothing in this to stop the House of Commons debating whether Mr. Smith shall build a henhouse without a licence.

(May 20, 1950.)

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**150** There is an unfailing test of political sincerity, and it is in the means to the result aimed at, and not in the nature of the words used to protest it. Does it claim to pay Peter by robbing Paul, or does it indicate to Peter how he can become as rich as Paul, leaving Peter untouched?

We might add that the present Government is consciously aiming at robbing both Peter and Paul, and that if its constituent members do not know it, their place is in a kindergarten for afflicted children, not in positions of usurped power.

(Nov. 16, 1946.)

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**151** With the inclusion of ‘citizens of the Republic of Ireland’ in those who are entitled to vote by the secret ballot in the coming General Elections in England, Scotland and Wales, the electoral system would appear to many to have reached the *reductio ad absurdum*.

Unless we are much mistaken, however, there is a technique in operation, of which this is perhaps one instance, which may be described in military terms as that of the flying commando. It is common in Canada. Constituencies, such as, for instance, the Cartier Division of Montreal openly carved out to provide a safe seat for Jews and Communists, form one example of the technique, which may either move the constituency to the voter, or, as we suspect is being arranged in this country, in addition to the gerrymandering of the constituencies, to move the voter, or at any rate his cross on the ballot paper, to where it will produce the planned result. With the aid of the postal vote, it should be quite easy, and Mr. Sidney Stanley, or Wolkan, can again render service to “the Government”. And, so far as we are aware, not a voice is raised against revolution by racket, outside our own.

(Aug. 20. 1949.)

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**152** It may be remembered that we published a document purporting to come, and bearing evidence of proceeding from, an agent of the Kremlin who is also an employee of the New York Sanhedrin, which instructed its receiver how to disrupt the British Columbia Social Credit Movement. The document had more than a local interest, and its tenor was that the Sanhedrin had been caught napping by Aberhart in Alberta, and that there must be no repetition anywhere.

We are reminded of this incident by an article in the *Daily Graphic* of May 14, 1949, entitled "Here's the Talking Point for the Weekend".

It consists of a competent description of the ballot-box procedure at the recent local elections, demonstrates conclusively that this procedure provides full information in regard to the voter's preference *to the authorities but not to the public*, states categorically that the procedure is identical with that of a parliamentary ballot, and concludes in words which we quote verbatim:

"Everybody will agree that in parliamentary elections, and in local elections run on party lines, it is essential that there should be a *secret*, not a semi-secret, ballot.

"No matter how worthy the officials at these elections may be—and I do not for a moment suggest that they are anything but honourable and trustworthy men—the mere fact that they could discover the way electors vote does, to my mind, destroy the whole of the carefully planned secret ballot system on which we pride ourselves.

"I would go further and say that absolute secrecy of the ballot is the greatest safeguard of democracy.

"Lose this secrecy and you have taken the first step towards the destruction of our democratic freedom."

It is entirely possible, and we do not suggest otherwise, that the eminently respectable newspaper in which it appears, and the writer of the article, believe (a) that the secret ballot is desirable, (b) that so little importance is attached to it that the fact that it gives full information to those in power has been overlooked, (c) that the kind of democracy we now have, and the secret ballot are both interlocked and self-evidently desirable (notice the careful qualification, *democratic freedom*).

The technique of this article is one which is familiar to lawyers—false emphasis. The point to which you are to devote your weekend talking, in itself a suggestion of considerable moment, is the paramount importance that the ballot should be *really* secret to the exclusion of any suggestion that it should be replaced by an open vote.

Having in view the fact that the *Daily Graphic*, with what may be, by present standards, described as considerable courage, raised the real issue we regard the appearance of a prominent red herring as being a matter of considerable significance. As a practical, if merely primary, step to the defeat of the Sanhedrin, which together with the Opium and Chemical Cartels is strangling us, it is necessary to understand that a mass population entirely

uninstructed in the elements of world politics and trained to loot is essential and is

used as a club to batter the culture, or if you prefer it, the religion (since they are only different aspects of the same thing) which they hate so bitterly.

(May 28, 1949.)

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**153** For a century and a half, this country, under the lead of the “City”, has crawled and pandered to the “United” States. As a result, the venomous misrepresentation of the British people and their politics has reached unique proportions. We have done so badly under this policy that it would appear (a) that the worshippers of Wall Street might be urged to emigrate there; (b) those of whom we can’t rid ourselves should be debarred from politics.

(July 10, 1948.)

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**154** We have previously drawn attention to the special relation of “Dutch” Finance and politics to the history of Great Britain during the past three hundred years, and it is therefore a matter for close attention that the Masonic United States of Europe should crystallise round the “Benelux” countries.

While all these world policies derive support from half-baked dupes to whom they are commended as the salvation of mankind, as for instance the League of Nations which ensured the Second World War, only ordinary powers of observation are required to see that, always and without exception, they are devices to ensure the enslavement of those they pretend to save. Why anyone should suppose that the steady drain of initiative and power from the individual to the institution should be for the benefit of humanity made up of individuals, we have never been able to understand. Every atom of evidence goes to prove the opposite; we have more institutionalism, less safety, less satisfaction and less future than at any time in recorded history.

Social Crediters at least ought to know the answer. The slogan of “All Power to the Soviets” in whatever disguise it may be propounded, and whatever name may be given to the Parliament, Cabinet, or State being propagandised is, and always has been, a trick, a trap, and a delusion. The whole objective of civilisation is that a man shall be able to choose or refuse one thing at a time. Until he can do that, he is a determinist, and ought to resign himself to the idea that he cannot have atomic energy to free him from “full-employment” without having atomic bombs to render his further employment unnecessary.

There are dozens of instances in which the fundamental principles which ought to limit organisation have been embodied, such as the cricket or golf club. In every case, their essential character depends on the freedom to contract out. The Trades’ Unions, which began by being a tyranny on the craftsman, has now become a tyranny on the general population, because they have made it nearly impossible to contract-out of their monopoly, Labour.

(May 8, 1948.)

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**155** Few people appear to realise clearly how immoral, in the strict sense of the word, are the various measures which the Socialist Government has passed into “Law”.

We are not at the moment concerned with any specific action, but with the underlying principle which is blatantly evident in the attitude adopted to private property and interests. This exceeds in totalitarianism anything ever conceded to Royalty since the days of King John. A story for which we do not vouch is current that a representative of the British Medical Association approached Mr. Aneurin Bevan with a view to finding out whether any basis of agreement on a Medical Service could be found. The answer he received was that Mr. Bevan is not greatly interested; he had the necessary Parliamentary votes.

The curious point is that no pirate of the Spanish Main was half as predatory as the Socialist Cabinet, nor was able to do himself one-tenth so well at the public expense; yet there are millions who cannot see that

Captain Kidd possessed all the essential qualities of the Chancellor of the Exchequer, together with an equally engaging personality.

In considering this situation, it must be remembered that “the Divine Right of Kings” which, with improvements, has been taken over by the Socialists, was strictly derivative and contingent on the agreement of the Church. That this had a real validity is amply proved by the success of European civilisation in the twelfth, thirteenth, and fourteenth centuries, during which period the balance of spiritual and temporal powers was a living organism.

The modern Socialist totalitarianism has no doctrinal basis to which to appeal, although covertly Judaic, and in the political sense is monotheistic (we do not waste time in discussing the “control” of the electorate). “Absolute power corrupts absolutely.” In the event of a triumph of Judaism, we revert to the morals of Babylon; and in the more likely disappearance of any fixed principles, it is a race between social disintegration and the atomic bomb.

(August 17, 1946.)

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**156** “Gustave Le Bon, whose writings remain the keystone of the arch of modern psychological warfare, discerned that the unconscious action of crowds may be exactly contrary to the character of the individuals composing them. Thus a crowd may be hysterically brutal, whereas the individuals of which it is formed may be actually slow to violence. . .

His monumental discovery was the fact that it was the unconscious action of crowds which had substituted for the conscious activity of individuals in determining the political characteristics of the present age.”

—*The Gentlemen Talk of Peace*: William B. Ziff.

“Until its ascendancy began to wane, the influence of money was great enough to sway the course of international events and even to wage bloodless and undeclared wars of its own. . . The harnessing of money to the planned economy destroyed not only its freedom and integrity, but its ability to make its own necessary self-adjustments. . . As soon as trade became the function of the State rather than of private individuals, and the moneyed oligarchy began to disintegrate as a form of power, the surviving currency system became a menace to the peace of the world.”—*Ibid.*

The preceding quotations are taken from a book which, by any standards, is a remarkable production. It purports to be written by William B. Ziff, the initial possibly representing

Benjamin, or even Baruch. We use the word *purports*, because, if Mr. Ziff did not assure us that he did it with his own little hatchet, we should have said that it bore internal evidence of the work of a team of specialists chiefly united by a common desire to show that “Britain” is finished, and that the fragments of Empire should be transferred to Uncle Sam while there is yet time. An additional consideration leading to this misapprehension is that the “remedies” contained in the concluding chapters are in direct contradiction to the situation exposed by the analysis, a juxtaposition we have come to recognise as part of the technique of Communist propaganda.

Nevertheless, this book is highly significant. It is one item in a growing body of written and spoken attack on British policy and culture, which, however skilfully done, discloses a venomous determination to eliminate us. We are obliged by the renewed warning, and we imagine it will not be lost on those quarters whose business it is to deal with it.

(April 28, 1956.)

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**157** The attack upon the British Empire exhibits a characteristic which seems to us to be highly significant—it appears to negative the Arab proverb that “My Enemy’s enemy is my friend”. On the contrary, and at least superficially, scorn, contempt, and denigration appear in this case to be a unifying influence. It has been insisted that the Germans are the enemies of the Jews (didn’t they massacre six

million, neither more nor less?). But there is a group of Germans in the United States which issues well-documented, and up to a point reliable, books exposing the workings of international finance, and identifying this with the British Empire, which it treats as a synonym for “the City”. Chicago is full of scurrilous little rags pumping the same bilgewater.

Yet the Jews, all of them who are left after the massacre of the six million, are at one with these Germans, if they are Germans, in undying hatred of the British who, *ex hypothesi*, they manipulated through the nineteenth and early twentieth centuries, more particularly after the influx into these islands from the Continent after their abortive plots of 1848.

Now the phrase that ‘England acquired an Empire in a fit of absence of mind’ may not be—is not—comprehensive, but there is more truth in it than that she acquired it, as the United States acquired Louisiana and Alaska, by purchase. England and Scotland produced peoples who were colonising, pioneering and adventurous, in excess of other races with the possible exception of the Norwegians, Danes and Normans. In the natural exercise of their aptitudes, these hardy adventurers established squatters’ rights, without, it would appear, a clear policy. Prior to the American Civil War, North America was predominantly the venue of these same hardy, adventurous pioneers. The war, the direct outcome of financial intrigue, destroyed a high percentage of this stock, and reduced much of the remainder to penury and impotence. The character of the post-Civil War U.S. citizen is wholly dissimilar and is what would be expected from a mongrelised flood of Mediterranean and Central European immigration.

(Aug. 28, 1948.)

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**158** The identity of the forces which ruined first Russia, then Austria and Germany, and are now ruining Great Britain is demonstrated, if further demonstrations were necessary after

Sir Ernest Cassell's gifts to the London School of Economics and his explanation of them, by the monotonous repetition of financial tactics fitted to the overriding strategy, which is to deprive the individual of spontaneous initiative and make him into a pliant tool of imposed policy.

In Russia and Germany crude and unlimited inflation transferred power almost overnight to the bankers and big industrialists (just as truly in Russia as in Germany, except that they lived in Wall Street as well as in Berlin). In Great Britain, what the international rogues have christened "controlled inflation" superimposed on punitive taxation and a purposely starved consumer market, together with the organised police state, is elevating the "coupon" and the "point" into the equivalent of the *rentenmark* and debasing the pound towards its value as wallpaper. There is nothing new about it—it has been done before, and by the same people. It has never been stopped by words or ballot-boxes; and we are not sanguine that anything but rough methods will induce our Etonian world rulers to abandon their vision of one great Russia, with themselves as the controllers of a puppet Stalin. But the Zionists may be getting out of step.

(August 24, 1946.)

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**159** We should be prepared to agree that in technical ability, and, in the narrow sense, moral integrity, the upper *administrative* personnel of the Bank "of England" is equal, if not superior, to that of any institution of its kind in the world. At least since 1920, its structure has been modelled on the German-Jew cartel-controlling Banks, each industry having one or more Directors who have only to make a case to get practically all the finance they need. Other mechanisms, such as Nuffield Trusts, *etc.*, mould science, art and thought.

This being so, it is difficult to assess the activities of various monetary reformers, and their schools of thought, which agitate for "the restoration of money issue to the Government (or 'the people') to spend money into circulation to keep prices constant".

We are not concerned at the moment with the technical falsity of the objective; what we should like to get at

is the nature of the idea they have in mind. If corruption, in the ordinary sense, is ruled out (as it is), what do they think they can 'do' to the Bank "of England"? Do they seriously think Parliamentary mechanisms can control it?

As things are, we consider that the demand, under various names, for the further centralisation of money-creation is the most dangerous activity extant. And many monetary reformers, who appear to be more concerned to damage private banking than to achieve individual benefit, are doing their half-baked best to assist.

The one fact which becomes clearer daily is that the value of the Parliamentary system *depended almost entirely on the fact that in the days of metal-coinage money systems, the central Government, whether it was King or Prime Minister, had to get its finance from individuals.*

The foundation of the Bank "of England", the Whig shop window for Amsterdam and Frankfurt, struck a mortal blow, as it was intended to do, at the English governmental system. To "nationalise" the Bank, or to transfer its functions to the Treasury, would be merely to put



what little remains of the lady inside the tiger.

(July 28, 1945.)

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**160** We are confident that one of the most effective steps to detonate, with the minimum of harm to the innocent, the explosion which threatens the world, would be to force a revelation of the negotiations by Rufus Isaacs (Lord Reading) prior to the entry of the United States into the First World War. The downfall of Great Britain was woven into those negotiations; the lamentable state of the Indian sub-continent is directly connected with the appointment of Isaacs as Viceroy and the fundamental policy is, not merely to transfer the effective control of the British Empire to New York, but to make the British people fight the wars which will ensure their own destruction.

There cannot be a more completely false antithesis than that of “Russia or America”. The *population* of Russia and the *population* of the United States are both, and almost equally, the catspaws of the Sanhedrin.

As part, and a very important part, of the culminating phase of this plot, the Emergency Food Control Board next requires ventilation. It is nothing short of amazing that Great Britain, less than fifty years ago the heart of the most powerful Empire the world has ever known, should have put its very existence at the mercy of an alien board sitting in Washington, and that practically without explanation or discussion in either House of Parliament.

(Oct. 18, 1945.)

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**161** The Comte de St. Aulaire, from whose remarkable book, *Geneva versus Peace* we quoted recently, remarks “The League of Nations was conceived in Berlin. . . We learn this fact from Von Bulow. . . it is at Berlin that the ring is completed, after traversing Washington, Paris, London, Budapest and Petrograd. The mutual affinities of its ancestry, plutocracy, revolution, Freemasonry and Pan-Germanism, are so close that it may be wondered if there is not, beneath them all, another identity”.

In this, the gravest crisis of the world’s history, it is essential to realise that the stakes which are being played for are so high that the players on one side, at least, care no more for the immolation of the peoples of a continent than for the death of a sparrow.

They have no nationality, no morals, no scruples and no regrets. The League of Nations was conceived in Berlin, yes. But it was proposed and pressed by Wilson, the representative of men who had fought (well, a little anyway) to defeat the country in which it was conceived. It is not accidental that a film, and we know who controls the films, has appeared at this time which presents Wilson as a giant among statesmen, instead of, as he was, a second-rate schoolmaster completely dominated by Schiff, Strauss, House, Baruch and Brandeis.

To a world not distracted by rocket-bombs and Ministries of Fuel and Power, it would be uniformly obvious that a manipulated clamour is being raised in favour of the scum of the underworld in each country as it is “liberated”. This scum has obtained arms in large quantities under the pretext of resistance to the Germans during the occupation. How much resistance was actually offered, we may, or may not, learn at a future date. We may, or may not, also learn the principles on which the arms of the resistance movements were distributed.

But we already have sufficient experience of what happened in Greece, Belgium, and parts of France (always backed by a prepared clamour from the “British” Socialist Party) to be assured that a massacre of the Right has been prepared. The text book is available to anyone who supposes that we are alarmists. It is written by Stalin, and its title is *Problems of Leninism*. In a valuable commentary which should be read by everyone (“What are Russia’s Ultimate Aims?” Price fourpence, 9, Hazlewood Road, Glasgow), Mr. H. W. Henderson remarks “No one acquainted with Communist tactics in Germany before the advent to power of Hitler, can fail to be impressed with the fact that unity between the Communist and Socialist Parties could have kept the Nazis out. This was however rendered impossible by the actions of the Communist Party, acting under instructions from Moscow”. Now, the Russian Revolution, and its spate of murder, was financed from New York with the assistance of Germany by some of the richest men in the world. And these same men are those who have persistently opposed effective monetary reform with the obvious intention of retaining an army of discontent for use against the Right. That is to say, there is a working coalition between the scum of the underworld and the richest men in the world to murder those from whom alone redemption for the underworld can come, in order that any threat to the power of the financier may be removed. The underworld will be dealt with just as easily as Stalin deals with any opposition, when the underworld has done its job.

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## APPENDIX I

### Social Credit Principles

*An address delivered at Swanwick, November, 1924 by Major C. H. DOUGLAS*

The financial system, in its control over production, stands to the works or factory system of the world, considered as an economic unit, in the same relation as the planning department of a modern factory does to the factory.

The distribution side of the financial system exercises a function not dissimilar to that of the progress department of a factory.

No discussion of the financial system can serve any useful purpose which does not recognise: —

*(a) That a works system must have a definite objective.*

*(b) That when that objective has been decided upon it is a technical matter to fit methods of human psychology and physical facts, so that, the objective will be most easily obtained.*

In regard to (a) the policy of the world economic system amounts to a philosophy of life. There are really only three alternative policies in respect to a world economic organisation: —

The first is that it is an end in itself for which man exists.

The second is that while not an end in itself, it is the most powerful means of constraining the individual to do things he does not want to do; *e.g.*, it is a system of Government. This implies a fixed ideal of what the world ought to be.

*And the third is that the economic activity is simply a functional activity of men and women in the world; that the end of man, while unknown, is something towards which most rapid progress is made by the free expansion of individuality, and that, therefore, economic organisation is most efficient when it most easily and rapidly supplies economic wants without encroaching on other functional activities.*

You cannot spend too much time in making these issues clear to your minds, because until they are clear you are not in a position to offer an opinion on any economic proposal whatever.

In regard to (b) certain factors require to be taken into consideration.

(1) That money has no reality in itself. That in itself it is either gold, silver, copper, paper, cowrie shells, or broken tea cups. The thing which makes it money, no matter of what it is made, is purely psychological, and consequently there is no limit to the amount of money except a psychological limit.

(2) That economic production is simply a conversion of one thing into another, and is primarily a matter of energy. It seems highly probable that both energy and production are only limited by our knowledge of how to apply them.

(3) That in the present world unrest two entirely separate factors are confused. The cry for the democratisation of industry obtains at least 90 *per cent* of its force from the desire for the democratisation of the *proceeds* of industry, which is, of course, a totally different thing. This confusion is assisted by the objective fact that the chief controllers of industry get rich out of their control.

I do not, myself, believe in the democratic control of industry any more than I should believe in the democratic control of a cricket team, while actually playing, and I believe that the idea that the average individual demands a share in the *administrative* control of industry is a pure myth.

The present world financial system is a Government based on the theory that men should be made to work, and this theory is considerably intermixed with the even stronger contention that the end of man is work. I want you to realise that this is a statement of fact, not a theory. More than 95 *per cent* of the purchasing-power actually expended in consumption is wages and salaries.

It will therefore be seen that there are two standpoints from which to examine its mechanism. The first considered as a method of achieving its political end of universal work, and the second as a means of achieving some other political end—for instance, the third alternative already mentioned.

*Considered as a means of making people work (an aim which is common both to the 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. Every other factor in the situation is ultimately sacrificed to this

end of providing him with work, and at this moment the world in general, and Europe in particular, is undoubtedly settling down to a policy of intensive production for export, which must quite inevitably result in a world cataclysm, urged thereto by what is known as the Unemployment Problem.

To blame the present financial system for failing to provide employment is most unfair; if left alone it will continue to provide employment in the face of all scientific progress, even at the cost of a universal world war, in which not only all possible production would be destroyed, but such remnants of the world's population as are left will probably be reduced to the meagre production of the Middle Ages.

*Considered as a mechanism for distributing goods, however, the existing financial system is radically defective. In the first place, it does not provide enough purchasing-power to buy the goods which are produced.*

I do not wish to enter at any great length into the analysis of why this is so, because it is always a matter of some heated controversy. I have, however, no hesitation whatever in asserting not only that it is so, but that the fact that it is so is the central fact of the existing economic system and that *unless it is dealt with no other reforms are of any use whatever.*

And the second feature of equal importance is that considerably less than the available number of individuals, working with modern tools and processes, can produce everything that the total population of the world, as individuals, can use and consume, and that this situation is progressive, that is to say, that year by year a smaller number of individuals can usefully be employed in economic production.

To summarise the matter, the principles which must govern any reform of the financial system, which will at one and the same time avoid catastrophe, and reorientate world economic policy along the lines of the third alternative, are three in number: —

1. *That the cash credits of the population of any country shall at any moment be collectively equal to the collective cash prices for consumable goods for sale in that country, and such cash credits shall be cancelled on the purchase of goods for consumption.*

2. *That the credits required to finance production shall be supplied, not from savings, but be new credits relating to new production.*

3. *That the distribution of cash credits to individuals shall be progressively less dependent upon employment. That is to say, that the dividend shall progressively displace the wage and salary.*

I may conclude by a few remarks on the position of the banks, in respect of this situation. It is becoming fairly well understood that the banks have the control of the issue of purchasing-power to a very large extent in their hands. The complaint which is levelled at the banks is generally that they pay too large a dividend. Now curiously enough, in my opinion, almost the only thing which is not open to destructive criticism about the banks is their dividend. Their dividend goes to shareholders and is purchasing-power, but their enormous concealed profits, a small portion of which goes in immensely redundant bank premises, etc., do not provide purchasing-power for anyone, and merely aggrandise banks as banks.

But the essential point in the position of banks, which is so hard to explain, and which is

grasped by so few people, is that *their true assets are not represented by anything actual at all*, but are represented by the difference between a society functioning under centralised and restricted credit and a free society unfettered by financial restrictions.

To bring that perhaps somewhat vague generalisation into a more concrete form, the true assets of banks collectively consist of the difference between the total amount of legal tender, or Government money, which exists, and the total amount of bank credit money, not only which does exist, but which might exist, and which is kept out of existence by the fiat of the banking executive.

## APPENDIX II

### World Engineering Congress, Tokyo, 1929

#### The Application of Engineering Methods to Finance

(Paper No. 685)

By C. H. Douglas, M.I.Mech.E.

In defining the profession of engineering as the application of the forces of nature to the uses of man, the Institution of Civil Engineers no doubt had in mind those forces which at the present time we are accustomed to call physical forces. There is no reason to limit the definition of such forces, and it is becoming increasingly recognised that the province of the engineer, and in particular the scope of the engineering method, can with advantage be extended to cover forces of a more metaphysical and psychological character.

Assuming that there is reason to bring the financial system under review, on the ground that it is not operating satisfactorily, and that, being in essence a combination of an enlarged Works Order and Distribution System combined with a metaphysical scheme for the mobilisation of human activities, it is at any rate interesting to consider the matter from an engineering point of view, and stripped of the emotional irrelevances with which it is frequently clothed.

In attacking an engineering problem the first point we settle, with as much exactness as possible, is our objective. No engineer observer of the discussions which take place in political and lay circles on the industrial problems of the present day can fail to be struck with the fact that the problem itself is rarely stated with any clearness. For instance, the paramount difficulty of the industrial system is commonly expressed as that of unemployment. Therefore the suggestion involved is that the industrial system exists to provide employment, and fails. Those who are engaged in the actual conduct of industry, however, are specifically concerned to obtain a given output with a minimum of employment, and in fact, a decreasing amount of employment. Consequently, those who are talking about industry and those who are conducting industry have in their minds objectives which are diametrically opposed and incompatible. On the other hand, the great majority of those engaged in industry, anyhow, in its lower ranks, would claim that what they want from the industrial system is goods. Finally, those whose interest in industry is purely financial, require from industry, simply, money.

We have, therefore, to recognise that there are at least three separate and distinct objectives alleged in the industrial system—(1) Employment, (2) Goods and Services, (3) Money.

(1) *Employment as the Objective of the Industrial System*—For a given programme of production and a given standard of development of the industrial arts, output is proportionate to the energy employed in industry. Broadly speaking, the source of this energy is immaterial. So much solar or mechanical energy, so much less human energy. If employment is accepted as the objective of the industrial system, therefore, and output to be a dependent variable of this objective, (a) either process and mechanical energy employed must be kept rigidly constant, or (b) output must be completely unfettered by any difficulties of sale.

(2) *Goods and Services as the Objective of the Industrial System*—There are here two

possible cases: (a) A fixed programme of production with unlimited improvement of process and employment of mechanical energy, resulting in a rapidly and constantly decreasing amount of employment in man-hours. (b) An advancing programme of production with unlimited improvement of process and employment of mechanical energy, resulting eventually in a saturated psychological demand, and automatically becoming similar to (a).

(3) *Money as the Objective of the Industrial System*— It is perhaps only necessary to state this in brief form. Money is not made by making or selling goods; it is made: (1) By digging gold, silver, and copper out of the earth and minting them. This represents perhaps 0.3 of 1 per cent of money in circulation. (2) By the printing of paper money, representing, perhaps, 10 per cent of the money in circulation. (3) The creation of credits by banks, representing, perhaps, 90 per cent of the money in circulation. With the exception of the labour employed in mining and working the metals in the first insignificant division, and the labour employed in the elaborate organisation of the banking system, the creation of money has nothing to do with the industrial system, although it represents an effective demand upon the whole product of the industrial system. The making of money as an objective of the industrial system, therefore, bears a close resemblance to Charles Lamb's method of obtaining roast pork by burning down the piggery.

Since money is not made by the industrial system, it is important to understand whence it originates and whither it eventually returns. The matter has been epitomised in a short sentence by Mr. McKenna, Chairman of the Midland Bank: "Every loan creates a deposit, and the repayment of every loan destroys a deposit." The following explanation may make this clear to those who are not familiar with the technique, and who imagine that the money which banks loan to their customers is limited by the amount they receive from other customers. Imagine a new bank to be started —its so-called capital is immaterial. Ten depositors each deposit £100 in treasury notes with this bank. Its liabilities to the public are now £1,000. These ten depositors have business with each other and find it more convenient in many cases to write notes (cheques) to the banker, instructing him to adjust their several accounts in accordance with these business transactions, rather than to draw out cash and pay it over personally. After a little while, the banker notes that only about 10 per cent of his business is done in cash (in England it is only 0.7 of 1 per cent), the rest being merely bookkeeping. At this point depositor No. 10, who is a manufacturer, receives a large order for his product. Before he can deliver, he realises that he will have to pay out, in wages, salaries, and other expenses, considerably more "money" than he has at command. In this difficulty he consults his banker, who, having in mind the situation just outlined, agrees to allow him to draw from his account not merely his own £100, but an "overdraft" of £100, making £200 in all, in consideration of repayment in, say, three months, of £102. This overdraft of £100 is a credit to the account of depositor No. 10, who can now draw £200.

The banker's liabilities to the public are now £1,100; none of the original depositors have had their credits of £100 each reduced by the transaction, nor were they consulted in regard to it; and it is absolutely correct to say that £100 of new money has been created by a stroke of the banker's pen.

Depositor No. 10 having, happily, obtained his overdraft, pays it out to his employees in wages and salaries. These wages and salaries, together with the banker's interest, all go into costs. All costs go into the price the public pays for its goods, and consequently, when depositor No. 10 repays his banker with £102 obtained from the public in exchange for his goods, and the banker, after placing £2, created by himself, to his profit and loss account, sets

the £100 received against the phantom credit previously created, and cancels both of them; there are £100 worth more goods in the world which are immobilised—of which no one, not even the banker, except potentially, has the money equivalent. A short mathematical proof of this process is given in an Appendix on page 146.

There is, I think, little question that the true objective of the industrial system is the production and distribution of goods and services. Assuming this to be so, an examination of the existing arrangements with a view to discovering the causes of their partial failure, is involved.

The application of engineering methods to the production of goods and services has enabled one human unit to produce considerably more goods and services than are necessary for his own use. The application of mechanical power and improved process and organisation can tend only to increase the output per man-hour. It should be obvious, therefore, that a system by which purchasing power is distributed mainly through the agency of wages conflicts sharply with the physical reality involved in the fact that a decreasing number of persons tend to be involved in the production of the necessary amount of goods and services.

Before leaving this portion of the subject, however, it may be desirable to indicate the effect of raising or lowering wages considered as a component in the cost of unit production.

The money distributed in the production of goods consists in wages and salaries. (Dividends are distributed subsequently to the sale of goods.) Since labour costs are not the only costs of production,

Labour costs are  $<$  prices,

$$\frac{\text{costs}}{\text{prices}} \text{ is } < 1.$$

If wages, that is to say, labour costs, are reduced by an amount  $x$ , the ratio of purchasing power to prices is lessened,

$$\frac{\text{costs} - x}{\text{prices} - x} \text{ is } < \frac{\text{costs}}{\text{prices}}.$$

We can deduce, therefore, that lessening the item of labour costs in the total factory cost of an article reduces the capacity of the wage-earning portion of the population to buy the total volume of goods produced, although for a total amount of wages distributed the amount of goods produced is obviously greater.

Since it is generally recognised that the average dividend of an industrial undertaking distributed to the shareholders is very small compared with the amount distributed in wages and salaries, probably not averaging more than 3 per cent, we may be led to suspect that the reduction of the ratio of direct labour costs to total costs involves a principle of fundamental importance. This is so. If we take a cross-section of the flow of purchasing power delivered to the buying public in the form of wages, salaries, and dividends, and at the same moment take a cross-section of the flow of prices generated in the industrial system, we shall find that the latter cross-section is always greater than the former. This may be put as follows. All industrial payments may be divided into two groups.



*Group A.*—All payments made to individuals (wages, salaries, and dividends).

*Group B.*—All payments made to other organisations (raw materials, repayment of bank loans, and other non-personal costs).

Now the rate of flow of purchasing power to individuals is represented by *A*, but since all payments go into prices, the rate of flow of prices cannot be less than *A* plus *B*. Since *A* will not purchase *A* plus *B*, a proportion of the product at least equivalent to *B* must be distributed by a form of purchasing power which is not comprised in the descriptions grouped under *A*.

The explanation of this apparent anomaly is complex, but is in the main due to the fact that the buyer of goods is at one and the same time paying for the goods and repaying to the banking system, via intermediate producers, the money which the industrial system borrowed from it but which the banking system created by means of a bookkeeping transaction.

The repayment of bank loans in the industrial system may be considered as included in the balance of the payments made from one business organisation to another, that is to say, in Group B, as explained above.

On the assumption that the delivery of goods and services is the objective of the industrial system, it is obvious that the rate of flow of purchasing power should be equal to the rate of generation of prices. The existing financial arrangements make a crude effort to approximate this condition by issuing purchasing power to manufacturing organisations in the form of loans, which in turn the manufacturing organisations distribute in wages and salaries against future production. In other words, the existing financial system increasingly mortgages the future in order to sell the goods existing at present, the most recent and most obvious form of this practice being the instalment system of purchase. Since the financial system is in essence merely a bookkeeping system, having for its proper objective something not very dissimilar to the “progress” department of a large factory, the defect in it which is disclosed by the preceding cursory examination is obviously capable of adjustment.

Bearing in mind the premise that the consumer should collectively have the financial means to exercise the full call on both the sum of actual production and the balance of potential production represented by unused plant and available labour and material, it is easy to see that under existing conditions prices ought to vary inversely as the rate of production. The difficulty involved in this is that producers would lose money, and to avoid this and to stimulate production some modification is necessary.

Reverting to the physical realities of the productive system, it can easily be seen that the true cost of a given programme of production is the consumption of all production over an equivalent period of time; that is to say, if *P* equals production and *C* equals consumption, and *M* equals money distributed for a given programme of production, the true cost of this programme of production is not *M*, but

$$M \times \frac{\int_{T_1}^{T_2} dC}{\int_{T_1}^{T_2} dP} = M \times \frac{\text{mean consumption rate for selected period}}{\text{mean production rate for selected period}}$$

In other words, the true cost of a programme of production is in general not the money cost, but considerably less than the money cost, and a given programme of production can be distributed to the buying public only if sold at its true cost.

Many methods will suggest themselves for putting into operation the foregoing principles. Articles might be sold at cost *plus* profit as at present, and a rebate to the purchaser be made through the banking system, representing the difference between the apparent cost and the true cost. The source from which this rebate would be made would be exactly the same source from which at present the banking system creates money out of nothing, that is to say a book entry based on the security of a country considered as a producing mechanism. No inflation is involved in such a process. Inflation consists in an expansion of the figures of money available accompanied by a corresponding rise in prices. The objective in this case being a fall of prices to bring them collectively within the buying range of the general public, any rise of prices would merely result in the use of a smaller amount of credit.

It will be realised from the foregoing analysis that a considerable increase in the total purchasing power is necessary to obtain a sufficient effective demand upon the possibilities of the modern industrial system. Having obtained this initial increase in effective demand, the problem of the distribution of the increase assumes manageable proportions. Merely to endeavour to reallocate the initially deficient amount of purchasing power by taxation, as at present, can only result in a serious curtailment of production.

#### APPENDIX

	Let Deposits	=	$D$
	Let Loans	=	$L$
	Let Cash in Hand	=	$C$
	Let Capital	=	$K$
Then:			
	Assets	=	$L + C$
	Liabilities	=	$D + K$
So that:			
			$L + C = D + K$
	Differentiating with respect to time we have:		
	$\frac{dL}{dt} + \frac{dC}{dt} = \frac{dD}{dt}$ ,	$K$ being fixed	$\frac{dK}{dt} = 0$
	Assuming cash to be kept fixed $\frac{dc}{dt} = 0$		
	Therefore	$\frac{dL}{dt} = \frac{dD}{dt}$	



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