SECURITY: INSTITUTIONAL AND PERSONAL

By C. H. DOUGLAS.

An Address delivered in the City Hall,
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The matters on which I propose to speak to you tonight are so simple that, were it not for one fact of human, experience, I should hesitate to trouble you with them. The fact is that it is the simplest matters that always form the subject of the most profound misunderstanding, and in regard to which the average individual is the most difficult to convince of any error in his belief. You will remember that it was a matter of common certainty for many thousands of years that the sun revolved round the earth, and when the astronomer Galileo produced quite unshakable evidence to show that, on the contrary, the earth revolved round the sun, he was regarded as a blasphemous heretic and was severely punished.

Now the first of these very simple matters which I propose to bring to your attention is the difference between policy and administration, together with the primary importance of policy. If a man is standing on the platform of Newcastle Central Station it is obviously of primary importance whether he decides to go to Edinburgh or Darlington. The question as to whether he goes by a fast or a slow train, whether he finds that the railway is well or badly operated, or whether he decides finally to go by motor-car is of secondary importance to the question of his making up his mind where he wants to go.

A Policy of Work

In all the discussions which are allowed to obtain wide publicity on the affairs of the world at the present day, every effort is made

to concentrate attention upon questions of administration, on *how* to make the railway in my allegory better, or *how* to improve the road or the motor-car.

The point I want to impress upon you at the outset is that we are having a policy *imposed* upon us, and that policy is the cause of our troubles. Any discussion as to how that policy shall be administered, whether by a dictatorship, so-called democracy, Fascism, Bolshevism, Nazi-ism, or otherwise, is merely irrelevant.

This policy, which is practically identical everywhere, whether in Russia, Italy or Germany, is the gospel of work. "If a man will not work neither shall he eat. " It is not for nothing that Paul, the Roman Jew, is the patron saint of the City of London.

I must emphasise the point that the policy is *not* "If a man does not work there will be nothing to eat." To the extent that such a statement is true, the other statement is reasonable. But to say that all men have to work in industry at trade union rates for trade union hours before it is possible for all men to eat, is flagrantly untrue, and becomes less true everyday, *except as a policy.*

I propose to bring as forcibly as possible to your attention that it is not the prime object of existence to find employment. I have no intention of being dogmatic as to what is the prime object of existence, but I am entirely confident that it is not comprised in the endless pursuit of turning this originally very beautiful world into slag-heaps, blast-furnaces, guns, and battleships. It is just at this point that the extreme simplicity of the dilemma in which the world finds itself becomes evident, and it is at this point that it is so difficult for most of us to grasp what is equally simple, which is that the mere fact that some of us may earn our living by building a battleship does not in itself mean that it would not be possible for us to live much better, more comfortably, and more safely, if that battleship were not built.

Do not misunderstand me. This is not an address on pacifism.

On the contrary, I think the determined opposition of the oligarchy which rules us to any effective financial reform has made war nearly inevitable and rearmament imperative. What I am endeavouring to explain is that the fact that you were paid wages for designing and building a battleship, and that with those wages, salaries (or, if you are shareholders in the companies that build them, the dividends), you buy yourself the amenities of life, does not mean that it is written in the law of nature that you cannot get those amenities unless you build a battleship. If, in addition to having your energies diverted to building a tool of destruction instead of a tool of construction, you are going to be taxed to pay for it and for the money the banks create out of paper and ink to pay your wages, you will be a triple loser.

Passports to Prosperity

But you have no doubt noticed—though you have perhaps not noticed it so much on the North-East Coast as we have noticed it in the South--that the setting to work of a large proportion of the industrial population of this country on the manufacture of things intended to kill or wound or otherwise inflict pain and misery upon other human beings, has been accompanied by what our lords and masters refer to as a revival of prosperity. And they are already explaining that their best efforts are being devoted to finding methods by which we shall be kept busy, when, if ever, we have enough battleships. The most hopeful avenue, they consider, is to capture further export markets. But they do not explain that other countries also, under this remarkable system of ours, wish to capture export markets--that this effort to capture further export markets will, therefore, require the building of further battleships so as to keep other people in what we consider is their proper place.

If you were to say to an intelligent child that the aim or objective of the average human being was to live in a pleasant house, have sufficient to eat, and to be well clothed, I think that child would say at once that what you ought to do was to build

sufficient pleasant houses, grow sufficient food, and weave whatever clothes you require and then stop and enjoy yourself. But most of us, I am afraid, are not intelligent children. Some of us are even economists! And to be an economist it is impossible, apparently, to imagine a state of affairs in which, if you want something, you proceed to make it. The economist says it cannot be done that way. If you want a loaf of bread you must obtain employment making radio-sets, or machine-guns, or something else.

Once again, do not misunderstand me. I am not saying that you should not make radio-sets or machine-guns. What I mean is that it is not fundamentally necessary to make radio-sets or machine-guns in order to obtain a loaf of bread. An easier and shorter way is to grow and grind the wheat and then bake the bread. The radio-set which you do make will probably be used for the purpose of misinforming you in regard to the true price of bread, and the machine-gun will probably be used to shoot you down. But that is entirely your business.

Now if you say this sort of thing to an orthodox economist or to your bank manager, he will probably look at you with pity for your simplicity and will say, "Ah, but this country cannot support its own population. " The first reply which I think most of us would make to this remark is that it does not support its own population very well at the present time; and the second comment one would make is that if it is a question of feeding the population, how is it that the amount of home-grown food which is produced is steadily decreasing, rather than that efforts are being made to increase it?

The point which I am endeavouring to get you to realise is that what is called full employment is always put forward as being the aim of our modern society, and it is assumed, and never argued about in official circles, that without full employment it is impossible for the population of the country to be fully supported in food, shelter and clothing, and that it is better to have full employment making poison gas, than any unemployment.

Institutions Filching Security

I do not propose this evening to go over the well-known fact of the startling increase in productivity per unit of human labour during the past 150 years. I am going to ask you to take it from me that it is only the diversion of a very large percentage of human activity to ends which either do not conduce to its health and happiness, or are even a direct threat to those desirable ends, which prevent us from supporting ourselves in great comfort and security with the accompaniment of an amount of leisure which would enable us to make the fullest use of our opportunities.

Employment as an end, in itself is a concerted policy to be found in practically every country. It is an international policy; and it proceeds from the great international power in the world--the power of finance. It is conscious, and it is sustained by every argument and force at the disposal of that great international power, because it is the means by which mankind is kept in continual, if concealed, slavery.

May I ask you to divest your minds as far as possible of every political preoccupation and to consider whether the fundamental policy of Fascist Italy, so-called Communist Russia, the United States, Germany, and Great Britain is not identical, and that it is, by varying methods but with identical objectives, to force people to subordinate themselves, for a number of hours per day greatly in excess of those really necessary, to a work system?

It is a matter of common observation that this full employment becomes increasingly difficult to insure in respect of what is called the home market; therefore, foreign markets, which it must be remembered are equally desired, under this insane system, by every country and, therefore, are matters for fierce competition, are stated by our bank chairmen to be essential to our prosperity.

Since these foreign markets are equally matters for the competition of every country, sooner or later this competition leads to friction, and from friction to the threat of war, with the result,

which is very much to the advantage of our lords and masters, that we have to build large and expensive navies and air forces to deal with the situation which our competition for foreign markets has brought about. Of course the building of these fleets provides more employment, and therefore the system is carried on a little further towards the inevitable catastrophe.

If you have followed me so far, you will begin to see that all the efforts which we make towards so-called security at present are merely action taken to preserve, for a little longer, institutions, and notably the financial and industrial institutions, and that in working to preserve these we only insure ourselves, as individuals, further hardship and anxiety and eventual catastrophe.

Correct Action the Only Saviour

It is not too much to say that the whole future of the human race depends, if not upon an understanding of the problem which I am trying to put before you to-night, at any rate upon correct action in regard to it.

I can at once imagine that you will say, "How is it possible to obtain correct action in regard to this problem until a very large proportion of the people concerned understand what the problem is?" Well, the answer to that is really very simple too.

If you could only pursuade people to ask for what they want, instead of for some method through which they think that what they want can be given to them, the problem would be half solved already.

Nothing is more dangerous than inexact knowledge. It is the man who thinks he can sail a boat who wrecks a boat, not the man who knows he can't and doesn't try, but merely says, "Let me out. " At the present time the affairs of practically every country are at the mercy of a small group of people who know exactly what they want, which is not what you want. This small group manipulates much larger groups, who don't know what they want, but think

they know how to get it.

The working man of this country has been taught by propaganda of all kinds that it is a meritorious thing for him to say "I want work," but a contemptible thing to say "I want money. " Once again, please do not think I am suggesting that there is anything virtuous about laziness. Far from it. There is nothing specially virtuous about work either. I have worked at least as hard as most people, and most of the time I did it, because I liked it. The healthy human individual requires work of some kind, just as he requires food; but he is not a healthy individual, mentally at any rate, if he cannot find work for himself, and probably find work which he can do far better than that which is arranged for him by somebody else. If he cannot, he ought to be in a mental institution, which, in fact, is where most of us are, the headquarters being the Bank of England.

There has been a cant-phrase in politics in this country since the days of Mr. Asquith that the will of the people must prevail. Mr. Asquith was probably one of the greatest experts in modern history at arranging that the will of the people did not prevail. And the method which was followed though not initiated by him–a method which still appears to be successful–is to divide up the population into warring sects, each of which imagines that it has a complete set of blueprints for the construction of an immediate Utopia. Since practically all of these Utopias are schemes for penalising someone else, you have only to adopt each in turn and eventually you will have reduced everyone to a dead level of slavery, which is what is happening.

Escape from Utopia

Now, once again, I can imagine quite a number of people in this audience saying that I am one of those people who has a complete set of blue-prints for the construction of a Utopia, and therefore perhaps you will allow me to explain exactly why I should not agree to that charge. I have no views whatever as to how my neighbour should spend his time, so long as his method of

spending it does not infringe upon my own liberties.

To me it is a matter of no consequence whatever that many or most people are very much richer than I am. The only financial matter which is of consequence to me is that I shall be well enough off to meet my own needs, which are quite modest, as I believe are those of most people. The technical proposals which I have put forward from time to time may be considered to differ from, let us say, the well-known beliefs of Utopianism, such as Fascism, Communism, State-Socialism, and so forth, in that, so far from exerting further compulsion upon individuals in order that they may conform to some machine-made conception of a perfect state, *I should like by the simplest possible methods to provide people with the means of making their own individual lives approximate to their own ideas, and not to mine.*

The more I see of Governments, the lower is my opinion of them and I am confident that what the world wants at the present time is a great deal less government, and not a great deal more.

Now I want to get a further perfectly simple idea into your minds. And that is that *Governments are your property and you are not the property of Governments.* There is no more pernicious and blasphemous nonsense existent in the world to-day than the statement which has been incorporated in the constitution of the modern dictatorships, which claims that the State, by which is indicated the Government, is everything and the individual is nothing. On the contrary, the individual is everything and the state is a mere convenience to enable him to co-operate for his own advantage. It is this idea of the supreme State in its various forms which has made the State the tool of the international financier who has mortgaged all states to himself.

The first step towards the security of the individual is to insist upon the security of the individual. I hope that is not too difficult to understand. If you place the security of any institution before the security of the individual, you may prolong the life of that

institution, but you will certainly shorten the lives of a great many individuals. Institutions are means to an end, and I do not think it is too much to say that the elevation of means into ends, of institutions above humanity, constitutes an unforgiveable sin, in the pragmatic sense that it brings upon itself the most tremendous penalties that life contains.

A great deal of our trouble in this country arises from the fact that, while we place great faith in the aristocratic ideal (if you prefer to call it the principle of leadership I shall not object), yet we have allowed all those influences which make the aristocratic ideal reasonable and workable to be sapped and wrecked by the exaltation of money as the sole certificate of greatness, and have allowed cosmopolitan and alien financiers to obtain a monopoly of money. We have retained the ideal and allowed the material of which it is constructed to become hopelessly degraded. In consequence, we are governed in the aristocratic tradition by a hypocritical and selfish oligarchy with one idea, and one fundamental idea only; the ascendancy of money, and the essential monopoly of it.

The essence of the aristocratic tradition is detachment—the doing of things in the best way because it is the best way, not because you get something out of it. That requires that the leader shall be secure. No one is secure nowadays. At the root of the growing danger of Government and other embodiments of execution is the idea that human beings are all alike. So far from this being the case, I believe that as human beings develop they become increasingly different. But they have common factors, and those common factors are the only part of the human make-up which can be dealt with by a democratic system, and ought to be dealt with by a democratic system.

It was, I think, Emerson who said that "we descend to meet. " Whoever said it, it is profoundly true. We all require food, clothing, and shelter; and we can combine, and ought to combine, to get those necessities as a condition for our further acquiescence

in combining for any other agreed purpose. The primary use of a Government in a sane world would be to make it certain that the greatest common measure of the will of the population, from whom it derives--or ought to derive--its authority, is enough money for decent sustenance.

The Menace of Utopianism

Now, a great deal of what I have been saying can be reduced to the good old English advice to "Mind your own business. " But I should like to expand this to "Don't meddle with your neighbour's business, but assist him to mind his own. " The difference is the difference between saying to a destitute friend, "I will convey you to a Poor-Law institution where you will be given three meals a day if you do exactly as you are told," on the one hand, and on the other hand saying, "I will settle £50 a year upon you for life, which will at any rate keep you in necessities; what kind of necessities you obtain you can judge for yourself. "

There is no more dangerous individual in the world at the present than the Utopianist. Mr. Montagu Norman, Governor of the Bank of England, is a Utopianist. Mr. Chamberlain is a Utopianist. Lenin was a Utopianist, Hitler is a Utopianist. Just see where Utopianism has landed us. It is the Utopianist who provides the public excuse for nearly every theft of public property which has ever been committed.

Let me give you a simple instance of what I mean. We have all heard of the agitation for the nationalisation of the coal industry, and, in particular, of the raw materia1, coal itself. Now the actual amount which is obtained by the royalty- owner averages about three-pence a ton, so that whatever the ethical aspect may be, the practical effect upon the price of coal is quite trivial. But the international bankers who hold this country in pawn consider that their mortgage upon it would be more secure if it was backed by the coal deposits, and I can assure you that the result of nationalising coal would merely be to increase the security of the debt which we owe to certain international financial houses,

and would not affect the well-being either of the miners or the consumers of coal to any perceptible degree.

Freedom the Only Policy

It is not my intention in speaking, to you to-night to go to any extent into technical details, or I should like to explain to you the colossal fraud of taxation. But the device of arbitrary taxation, for which the public justification is obtained from carefully worked up "popular" opinion, is one of the most powerful weapons by which the various sections of the population are kept in antagonism with each other, and by which at the same time the power and independence of each one of them is reduced.

One of the greatest difficulties with which we, in the Social Credit Movement, have been faced has been the skilful exploitation of human frailty by our opponents, the financiers, so that the community, and even the Social Credit Movement itself, has been split and kept from effective action. Another has been to persuade the industrialist that the financier was just as much his enemy, as he is of every other section of the community at the present time.

There is only one policy which will obtain the unquestioned acceptance of everyone for himself, and that is comprised in the word "freedom. " And it is exactly that policy which, in my opinion at any rate, requires to be made universal. The oligarchy which rules us is, of course, favourable to freedom for its own members, but it is implacably opposed to freedom for the general public. Since the key to economic freedom, as the world is organised today, is the command of money, it follows that differential and arbitrary taxation is the greatest enemy of freedom which the legislative authority has at its disposal.

Taxation is a negative dividend. There is a short cut, straight and simple from the present system of modified slavery to one of comfort, security and freedom, and that is the abolition of a negative dividend and the substitution of a positive dividend.

As many of you here are aware, the money system is an entirely arbitrary system, and the manufacture of money in the modern world costs little more than the cost of paper and ink. In saying that, I do not mean that a money system can function satisfactorily without some under1ying theory which ultimately governs the amount of money which it is desirable to have at our disposal. But I've no hesitation in stating categorically that the existing taxation system is, completely unnecessary, is wasteful, irritating, and predatory; and, further, that, in place of it, it would be possible to issue a dividend to every man, woman, and child in this country without depriving any individual of the privileges which they may now possess, but, on the other hand, increasing the privileges of everybody.

But such a policy *would* deprive certain individuals of unjustifiable and anti-social power over others which they now possess, and since, unfortunately, these persons have come into control of the sanctions of government, the problem is not so much a technical one as a political one.

Now I am entirely convinced by my own investigation and experiences, not merely in this country but in many parts of the world, that while democracy in policy is absolutely essential to the functioning of the modern world; there is at the present time no such thing as a genuine democracy anywhere, and probably less in this country than anywhere else.

In this country the two main obstacles to a genuine democracy are the party system, with its offshoot, the Front Bench oligarchy, and, secondly, a mistaken idea on the part of the Member of Parliament that he is supposed to understand the methods by which results desired by the general public should be attained, and to pass laws which specify the actions of executive bodies and interfere with technical undertakings. None of these is correct.

A Member of Parliament should be a representative—not a delegate. It is his business to learn what it is his constituents want

and see that they get it—not to tell them what they ought to have or to make himself responsib1e for its production. Policy and administration are two entirely separate things, and administration in this country is admirably carried on by a trained Civil Service. I include in the phrase "Civil Service" the staff of great productive undertakings just as much as the officials of Government Departments. They are all technicians, and on the whole they are admirable. What they lack is clear instruction in regard to policy, and it is your business to give them that instruction through your representative, your Member of Parliament.

Action

Now we have devised a mechanism which, if we could induce you to carry it out, would impose your policy upon your Member of Parliament quite infallibly. and if you imposed the same policy upon a majority of Members of Parliament that policy would come into existence. First of all you have to *agree* upon that policy, and, secondly, you have to take very simple *action*.

To agree upon a policy, it is only necessary to find a common factor of human experience. There are certain people who foolishly say that it is impossible to agree upon a policy. I think that is ridiculous. It is sometimes difficult to get agreement upon a policy for the other fellow, but there is no difficulty in getting an agreement about a policy for oneself. *The first thing that we all want is at least a minimum supply of money.* We may want more, but none of us, I think, wants less. If there is such a person in this room and he will give what he does not want to me, I will see that good use is made of it.

What is *certain*, however, is that the mechanism of democracy can *never* be applied with success to *methods* of realising a policy. An understanding of this has enabled our lords and masters to split the so-called democracy of this country on every occasion on which it was desirable to the maintenance of their power.

To submit to a democracy a highly technical question such

as Free Trade or Tariff Reform, with its endless implications, is as absurd as to submit to a democracy the relative advantages of driving a battleship by steam turbines or diesel engines. Any decision obtained upon such a subject by means of a popular vote, can be demonstrated mathematically always to be wrong. The more complex a subject is the more certain it is that an understanding of it will be confined to a few people who will, of course, always be outvoted by the majority who do not understand it.

But this is not true of policy. Any man who is not a congenital idiot can decide for himself whether he wants to starve to death, live in misery, or live in comfort; and I can assure you that you have only to *unite implacably upon a common policy, and to pursue it,* and the proper means for realising that policy will be found for you.

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