

INTRODUCING SOCIAL CREDIT



Part 1. What is Social Credit?

Your Actions Count

"What can one person do?" people ask. The result is that wordy minorities, loud-mouthed in their advocacy of chaos and unfettered liberty win the day. But I say don't allow yourselves to be bullied into silence. You matter. Your actions count. One person on the side of right, decency and honesty is a real force.

INTRODUCING SOCIAL CREDIT

Do not attempt to review individual Social Credit proposals in the light of present-day political, economic and financial orthodoxy as that is counter-productive. Each theme exists within the framework of an alternative economic theory and social philosophy.

Published by The Australian Heritage Society
PO Box 163, Chidlow 6556 Western Australia
First Printing 2001

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See also inside back cover for historical background, policy statement and contact information.

FOREWORD

Whether you are a serious student of history or have just a passing interest in how our society works, none of us can escape the EFFECTS that certain policies have on us all. We often feel helpless as we witness the many contradictions that exist around us, most of which defy common sense and logic.

As Western civilisation enters a new millenium of even more advanced computer chips and untold opportunity, a cloud of growing unease and gloom casts a shadow over the future.

A growing army of experts have made giant strides in all sorts of human endeavour. Few corners of our life have escaped technological advancement. Science seems to have an answer to everything with its store of knowledge and discovery. Yet solutions for hunger, starvation, famine, war and human suffering appear to be beyond the reach of our greatest minds.

'Shortage of funds' is one of the most used and abused catch cries in our society. It is easy to be cynical when our leaders cry poor in the face of reality. It is hard to accept that the world can produce an abundance of life-giving food with less effort than ever before, yet still, many people are starving. Why do we suffer poverty amidst plenty?

The answers are either within our reach or they are not. It is difficult for the individual to comprehend why we have not advanced further on these basic issues. We have almost become conditioned to accept that most problems in our community are beyond our control and that we should leave it to the experts to sort out because we lack the power to have any effect.

These notes go back to basics to discover many of the fundamental truths which are the cornerstone of our society but have been overshadowed by a very fragile type of progress. We will discuss how every individual, in association with others, and equipped with trust, belief and fundamental truths, can make a very powerful contribution to the positive advancement of society.

We question the inevitability of where society is currently heading and offer the hope that real freedom for the individual can be achieved.

Studying the series "Introducing Social Credit" can be your first step in the task of regenerating Australia's traditional values and renewing the social fabric - ensuring a future for all Australians.

With every good wish,
Betty Luks, Adelaide

Publisher: Australian Heritage Society
PO Box 163
Chidlow, Western Australia 6556
AUSTRALIA
First Printing: 2001

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"I have come that you might have life and that you might have it more abundantly"

John 10:10

It is over sixty years since C.H. Douglas advised his readers they must bring into their consciousness the type of world they want and to realise that they alone can obtain it, not in detail, but in objective. (The Tragedy of Human Effort)

First of all he suggested that security in what we have is required: freedom of action, thought and speech, and a more abundant life for all is wanted.

Second is the need to face up to the encroachments of bureaucracy. The business of bureaucracy is to get us what we want, not to annoy and hinder us by taking from us by taxation and irritating restrictions those facilities that we should otherwise have.

Thirdly, he insisted, and most importantly, we have to obtain control of the forces of the Crown by genuine political democracy.

The battle to regain the ground lost and insist on changes to the mechanisms of society, at present being used to encroach more and more on our freedoms, is before us. The great Russian writer, Alexander Solzhenitsyn, a prophet for these times, has wisely counselled his own people that the path they need to follow, if they want to find their own way back from the oppression and desolation of the last seventy-eighty years, begins from within. It begins with a regeneration of their own spiritual energies and their relationships one with another.

"The strength or weakness of a society depends more on the level of its spiritual life than on its level of industrialisation. Neither a market economy nor even general abundance constitutes the crowning achievement of human life. The purity of social relations is a more fundamental value than the level of abundance."

Solzhenitsyn went on to list the order of priorities for the Russian people - the same order of priorities would apply to the West. The regeneration begins from within. Natural growth and expansion begins from within and so does the regeneration of a nation's soul.

"If a nation's spiritual energies have been exhausted, it will not be saved from collapse by the most perfect government structure or by any industrial development: a tree with a rotten core cannot stand. And that is why the destruction of our souls over three quarters of a century is the most terrifying thing of all."

Next comes the regeneration of families and communities and nations – again from within. "What is clear is that the process should start at the local level with grass-roots issues... We must patiently and persistently expand the rights of local communities..." (Rebuilding Russia).

The purpose of the series "Introducing Social Credit" is to help nurture and sustain that re-growth.

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INTRODUCING SOCIAL CREDIT

What is Social Credit?

If that question were asked in a crowd there could be a great number of different answers. Let's look at some of them:

1. Never heard of it!
2. I have heard of it but I don't know what it's about.
3. I think it has something to do with money, but I don't know what!
4. Some financial system written about by a fellow named C.H. Douglas.
5. Isn't that a 'funny money' proposal?
6. A money system.
7. I don't know. Is it a religion? Is it Christian?
8. Isn't that the name of a political party somewhere?

Eight different answers, but which is the right one?

They are all 'right' answers if the respondent is reacting honestly, but the rightness doesn't explain what Social Credit is. Each answer tells a story, so let us look at each of them briefly:

1. Never heard of it!

The expression conveys nothing or a false impression to the mind; never mind the answer. I think a vast number of people are in the position of never having heard the expression Social Credit.

2. I have heard of it, but I don't know what it's about.

An honest answer and at least an understanding of the question, but for one reason or another the respondent has never looked into it. A glimmer of hope! I wonder if he is willing to learn.

3. I think it has something to do with money, but I don't know what!

Obviously this respondent has had some contact but no understanding

4. Some financial system written by a fellow named C.H. Douglas

This respondent has remembered the name correctly (C.H. Douglas). The term Social Credit was coined to explain what he had come to understand and write about, but he wasn't the 'originator' of it.

5. Isn't that a 'funny money' proposal?

A phrase meant to shut people up so that they won't explore or discuss the matter any further.

6. A money system

Now we're getting close but possibly putting 'money' in its wrong perspective or priority. Money is certainly involved in the understanding and application of Social Credit, but it is only one part of it.

7. I don't know. Is it a religion? Is it Christian?

Be patient and judge for yourself as you learn more about it.

8. Isn't that the name of a political party somewhere?

Yes – the name is the same, but nothing else.

The answers given are typical - even from people who, for one reason or another, have only 'touched' on Social Credit. One reason why many have only 'dipped their toes in the water', so to speak, is that C.H. Douglas wrote on three levels of thought at the same time and his work can be very 'heavy going'.

If you are not a prolific reader, or you don't have the time, or feel Social Credit is way above your head - you are not alone. The reason for this series is to present Social Credit in simple easy-to-follow steps for the beginner. Further reading will be suggested at the end of this book.

Attempts to review individual Social Credit proposals in the light of orthodoxy are counter-productive; each theme exists within the framework of an alternative economic theory and social philosophy.

And finally, do as most people would do when researching something, go to the dictionary and see what the words mean. A word of caution is needed here, some words have acquired or been given new meanings since Douglas first wrote about Social Credit.

SOCIAL CREDIT: A BRIEF HISTORY

Prior to the 1914-1918 war, the operation of the financial system was shrouded in mystery. The greatest mystery of all surrounded the famous Bank of England, which was seldom referred to in the Press. Finance was believed to operate according to a set of laws, which could, like the laws of physics, be discovered, and made use of, but not altered.

Partly as a result of his work during the First World War, Major C.H. Douglas discovered certain facts about the operation of the financial system, and these discoveries explained in turn a number of hitherto puzzling economic phenomena.

He established that 'money', 'finance', is actually a man-made system which could, therefore, be modified to better serve the common good.

At that time it appeared that those responsible for administering the financial system would appreciate the importance of these discoveries, and Major Douglas set about interviewing a number of officials. It soon became apparent however that the knowledge Major Douglas possessed was not welcome. He was greeted with lack of interest, and, in some cases, with hostility. This was a state of affairs that required explanation.

We do not propose to examine the technical aspects of finance here; that will come later. There is ample literature available on the subject and you will be introduced to it at the appropriate time. Firstly you need to understand and be able to differentiate the two wholly opposite philosophies.

"For money has been the ruin of many and has misled the minds of Kings." Ecclesiasticus 8, Verse 2.

The paramount importance of the creation of financial credit:

From the historical point of view, the important fact is that Major Douglas' investigations had established the paramount importance of the creation of financial credit (or bank credit), by the banking system. He went on to show that the industrial system was dependent for its continued operation on the **continuous** creation of this fresh money, for bank-credit operates as effectively as money in any other form, such as legal tender.

Now this crucial importance of bank credit obviously implies the importance of the banking system which provides it; and the importance of the banking system implies the importance of the individuals controlling that system. Investigation soon showed that some banks are more important than others; as well as ordinary banks, there are **central banks**, which bear much the same relationship to ordinary banks as ordinary banks bear to industry. Just as the ordinary banks form the banking system of a nation, so the central banks form the international banking system of the world.

In 1930 the key-stone of this system was set in place; a super-central bank, the Bank of International Settlements was founded. A full examination of this world-system of finance may be studied in *The Monopoly of Credit* by C.H. Douglas.

The concentration of control brought about by the operation of the financial system is a concentration of power, and it means that a relatively small number of men have come into possession of enormous power on a world scale. There are two possible ways of looking at this matter. We could say that the financial system has more or less accidentally evolved, and that those in control of it have more or less accidentally become powerful. This way of looking at it places the emphasis on the **system** as such. The other way of looking at it places the emphasis on the **action of the individuals**, and regards the system as the outcome of the efforts of individuals to gain, extend, and concentrate their power over others.

In the 1920's Douglas drew attention to the close relationship between bankruptcies and suicides; but he did more than that. **He practically turned the whole of economics upside down by viewing it from the individual producer's and the consumer's point of view instead of that of the banker and the economist.** However an attack on the system was an attack on the power of the men at the head of that system, whether or not they occupied that position by design. As was to be expected, they counter-attacked. There was first a short period of public discussion of Social Credit in the Press; then it was stigmatised as a fallacy; and finally, a ban was imposed, and neither Social Credit, nor Major Douglas, were mentioned in the general Press.

Bank 'money myth' exploded:

Nevertheless, the money-myth was exploded. It has been exploded so successfully that in these days, 'bank-credit' is an expression in everyday use; it is slowly being recognised by 'the man in the street' that bank-credit is simply one form of money, and that it is created by the banks.

It is taken for granted that money can be created on a scale necessary for war, it now needs to be understood it can also be found on the same scale for peace. It is difficult to take one's mind back to the days when the official economists denied that banks created credit, and that the 'laws' of economics were held to be part of the unchangeable laws of the Universe. **Officially**, economists now advocate a 'managed' economy.

The 1929-30's Banker's 'Great Depression' caused much hardship and poverty. In many cases men were ruined overnight and took their own lives, so that by 1935 there was a growing demand for a rectification of the financial system. At the same time, it became evident to many observers that the system was consciously **being used to further centralise power on a world-scale and that those who controlled its operation were not going to relinquish their power.**

It is of the utmost importance to grasp this situation. A small group of men, International Financiers, were using the financial system to impose their policy on the world. Major Douglas expressed it thus, **"the financial system was the headquarters of this POLICY."**

"The **love** of money" i.e., the preference for money, in terms of personal advancement above all other considerations, "is the **root** of all kinds of evil." 1 Timothy 6:10. We were told we could not serve God **and** this financial system, we had to make a choice if we were to have stability and harmony in our lives, and in our associations.

THE ORIGIN OF THE SOCIAL CREDIT CONCEPT

A Scots engineer, Clifford Hugh Douglas, Major R.F.C. (Reserve), M.I. Mech.E., M.L.E.E., originated the Social Credit idea. He was on the staff of the Westinghouse Company of America; chief Reconstruction Engineer for the British Westinghouse Company in India; deputy Chief Engineer of the Buenos Aires and Pacific Railway Company; Railway Engineer of the London Post Office (Tube) Railway and Assistant Superintendent R.A.F. Factory, Farnborough during the First World War. He was a witness before the Canadian Banking Enquiry, 1923, and before the Macmillan Committee, 1930. (Author of *Economic Democracy*; *Credit Power and Democracy*; *Social Credit*; *The Monopoly of Credit*; *Warning Democracy*; etc.)

While re-organising the working of the Farnborough Aircraft Factory during the 1914-18 war, Douglas' curiosity was aroused by his observation that the total **costs** incurred each week were greater than the sums paid out for wages, salaries and dividends each week. He discovered, while attempting to work out a costing muddle, that in the normal course of production the factory generated **financial costs** at a **greater rate** than it distributed financial **incomes**.

Group A - All payments to individuals (wages, salaries and dividends).

Group B - All payments to other organisations (raw materials, bank charges and other external costs).

The rate of flow of **buying 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+B.

A wages, salaries & dividends - buying power.

B (B must include A) Prices.

It flies in the face of the orthodox teaching (Say's Law) which claimed that the act of production always creates financial incomes equal to costs. If this is true, as presumably it must be for all productive businesses, it would seem to destroy the theory upon which our whole financial system is supposed to work - namely, that all costs are distributed simultaneously as buying-power.

Douglas collected information from over one hundred large businesses in Great Britain, and found that in **every** case the **rate** at which **total** costs were incurred each week were greater than the **rate at which** sums were paid out as wages, salaries, and dividends, except in businesses heading for bankruptcy. He published his conclusions in an article in the English Review: "We are living under a system of accountancy which renders the delivery of the nation's goods and services to itself a technical impossibility."

In 1920 Major Douglas published his first book, *Economic Democracy*. This book starts by establishing the basic philosophy underlying Social Credit. His approach was to establish that the State exists for the benefit of its individual members, (the Sabbath - the system, the institution - was made for Man, not man for the Sabbath) and then he developed a financial structure to enable this to happen in the economic sphere. He noted that the financial system did not achieve the results desired from this perspective, but instead served the interests of those who sought power in a state-controlled society. The book includes a somewhat condensed and technical analysis of the economic system, and demonstrates clearly the key position of finance in this system.

It is essential to grasp Douglas' approach to the issue. Instead of starting with money and monetary theory as a means of controlling the economy, as an orthodox economist would do, Douglas started with the **reality** of our technology with its vast productive potential, so grossly wasted and misdirected under monetary control. **He maintained Money is an accountancy system; it should not control the economy but rather enable it to function properly.**

Australia has vast natural resources. In the early 1990's the World Bank announced that Australia is the richest per capita country in the world! We were informed that our resources, our assets, represent about \$1.1 million per man, woman and child. Potentially, every Australian is a millionaire – do you have your share? Very few Australians have their share and the purpose of Social Credit is to show you why this is so and what must be done to ensure you do get your share!

In an address given at Liverpool, England in 1936, (later published as *The Tragedy of Human Effort*) Douglas said: "The general principles which govern association for the common good are as capable of exact statement as the principles of bridge-building, and departure from them just as disastrous."

He warned: "The modern theory, if it can be called modern, of the totalitarian State for instance, to the effect that the State is everything and the individual nothing, is a departure from those principles and is a revamping of the theory of the later Roman Empire, which theory, together with the financial methods by which it was maintained, led to Rome's downfall, not by the conquest of stronger Empires, but by its own internal dissensions. It is a theory involving complete inversion of fact, and is, incidentally, fundamentally anti-Christian."

THE POLICY OF A PHILOSOPHY

The situation is one with which the world is very familiar, the situation that has dominated all history. It is the endless struggle between the tyrant, who would subject the people to his control, and the majority who wish to live in freedom. Fundamentally, the tyrant is someone who endeavours to 'herd' as much of mankind as he can into a mob, and where possible use such organisation for his personal aggrandisement. The 'mob' can be handled by his sub-tyrants whom we now call 'bosses'.

What distinguishes the present from earlier manifestations of this struggle are: Firstly, that it is on a larger scale than was ever before possible; secondly, that the tyrants have concealed themselves and their plans; thirdly, that the antithesis of mob-existence - freedom of the individual - is a far more practicable possibility now than has ever previously been the case.

The vast scale of possible tyranny is the result of the modern development of communications, under which heading we include filtered information disseminated through the Press, Radio and Television – a situation epitomised in the sentence, "control of finance and of the news are concentric". Not only communications, however, but power is now on a world scale, as can easily be grasped by considering the possibilities open to a squadron of bombers equipped with atomic bombs.

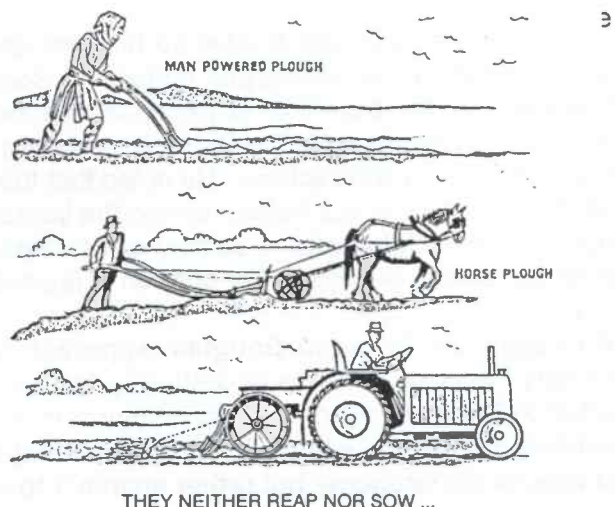
Major Douglas twice defined Social Credit:

The first time he defined it as **"the policy of a philosophy"**. This definition, which at first sight conveys little, is of tremendous importance. **A policy is a course of action designed to secure a particular result**. Christianity generates a philosophy; Social Credit is a practical application of that philosophy in the fields of economics, finance and politics.

His second definition of Social Credit is "applied C first; 'applied' implies 'policy'"

Behold the Fowls of the Air:

"Behold the fowls of the air: for they sow not, neither do they reap, nor gather into barns," (productive systems, Man's efforts) "yet your Heavenly Father feeds them. Are you not much better than they? And why take you thought for raiment?" Matthew 6:26



"Consider the lilies of the field", (the lilies in this case were the wild lilies that grew without Man's efforts) "how they grow; they toil not, neither do they spin" (again Man's efforts). "Wherefore, if God so clothe the grass in the field, which today is, and tomorrow is cast into the oven, shall He not much more clothe you, O ye of little faith!" Matthew 6:28

Why do we have to **consider** the lilies? In **studying** the lilies and **how** they grow we are focussing on the natural order, Natural Law. We are looking at, considering, studying carefully, the complexity of the links between the lilies that God is clothing and the micro-organisms, the worms, the sun's energy, the rain and the soil. We are looking at the complexity of the mutual-benefit-associations working together, associating, to produce the beautiful lilies of the field. Everything within the field has gone into producing the beautiful lilies.

In remembering that the field is there for the benefit of each of the lilies (the crowning glories of the field) are we not being shown that the field, the group, the whole, exists for the individuals comprising the field, the group? Not *vice versa*! In studying **how** they grow we begin to look at the **real** world - God's world - and His great Creative Power which expresses itself in mutuality, in the positive and complementary behaviour of all living things in relation to each other. This mutuality-in-association enables them to grow and survive.

This is a very different world from that built up in our minds by the 'black-magic' of the money power, the religion of Mammon.

At no time did Douglas claim that Social Credit was something wholly new; in fact, Social Credit bears to the present world situation the same relation as a new strategy bears to an old battle. In this case, the battle is the battle between the will-to-dominate of the tyrant, and the will-to-freedom of the individual. The **philosophy**, of which Social Credit is the **policy**, is the belief that the individual can be whole and healthy only when developing through **self-determined** choices.

It is exactly opposed to the philosophy of 'collectivism', an imposed Procrustean* societal bed to which individuals must conform, of which Socialism (as an example) is the policy. [*Procrustean: Violently making conformity to a standard - from *Procrustes*. Greek *Prōkroustēs*: a legendary Greek robber of ancient Greece, who tortured his victims by placing them on a bed and stretching or lopping off their legs to adapt the body to its length; hence, acting similarly.]

The will-to-dominate leads to the organisation of mankind into ever larger and fewer units. We call it collectivism, or totalitarianism, or Socialism. Other names for this will-to-dominate are Internationalism, Globalism or Market Forces. Its hallmark is that it renders the individual impotent in dealing with institutions that greatly influence his life.

Douglas expressed the situation beautifully: "Internationalism, with its corollary, a World State, is one end of the scale and self-determination of the individual is the other. The smaller the genuine political unit, the nearer you are to getting to self-determination of the individual."

Collectivism, in all its expressions, means the subordination of individuality to the requirements of the group (or the subordination of the individual to the group). Social Credit, on the other hand, is the policy which aims to emancipate individuality. It aims to place the achievements of modern industry at the service of the individual, in order to set him more and more free from the necessity of being organised for some collective purpose.

Technically that aim can be accomplished with the greatest ease. The simplest way to visualise the result is to imagine yourself independent of the mass of regulations by which, at the present time, we are enslaved. You would be free to make your own world; to go where and when you liked; to order what you wanted. You would have to work for it, of course, but with every improvement in the efficiency of industry, you would need to work less. This policy is the antithesis of the 'full employment' policy that, at the moment, is the major expression of the will of the few to dominate the world.

The policy of full employment is totalitarian – the cornerstone of super-capitalism, fascism and communism – a means of maintaining the populace in a state of servitude. Social Credit believes that economics is merely a functional activity of men and women to be dispensed with as quickly as possible. Mankind exists for higher cultural and spiritual ends – attainable only through a release from economic necessity and an increase in leisure (self-chosen activity).

ECONOMICS OR POLITICAL ECONOMY?

In an address to the Marshall Society of Cambridge in 1938, C.H. Douglas drew attention to a time when he, as a student of the Greek language, had to study two books upon which he was later examined. He knew both books by heart and with the help of a convenient 'crib' gained an 87 per cent pass. Admitting to his cheating by means of the 'crib', he went on to say there was good in everything because the two books he had to study were the Gospel of Matthew and a little volume by Xenophon called *Oeconomicus*.

He reminded his audience that the original meaning of 'Oeconomicus' was not 'economics' but rather **household management** and stated that in his opinion both books are treatises on **political economy**, which is in fact, **national household management**. In which case, both books contain an economic and political philosophy, although from widely differing points of view. The *Gospel of Matthew* is pointing men to the Kingdom (dominion) of God.

In Douglas' opinion, the explanation given for the persecution of early Christianity, that it was because it had a religious basis, was incredibly thin. Gustave Thibon (*The Decline of Freedom*) as quoted by Rev. A.G. Fellows in *The Foundations of Liberty*, wrote of the will-to-freedom inherent within Christian teaching: "A no less convincing proof of this fundamental will-to-freedom is the age-long clash between the Church of Christ and the powers we may rightly describe as totalitarian. Tyrants of every description have never deceived themselves. A very sure instinct has taught them to see their deepest and most dangerous enemy in Christianity."

"Do unto others as you would have them do unto you." Matthew 7:12

Douglas said, "An institution, whether it be a nation or some constituent part of it, is, at bottom, nothing but an association of individuals for their own good, and when it ceases to be such it is a danger and not a benefit."

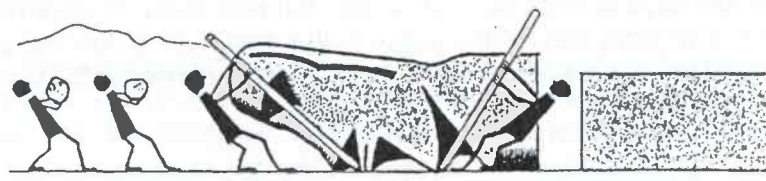
"He who would be greatest among you must be the servant of all." Matthew 23:11

"The claim which is made that institutions are all-important and individuals have no importance is just exactly that claim which was challenged (2000) years ago and which must, as a matter of practical politics, be again challenged if civilisation is to survive."

Centralisation of power:

The policy of centralisation of power is the denial of the right of men and women to freedom. It is the denial of the sanctity of human personality. It is a policy which flouts the Canon governing human affairs. It was Lord John Acton (1834-1902) who said in a letter to Bishop Creighton (April 5th 1887), **"All power tends to corrupt and absolute power corrupts absolutely. Great men are almost always bad men... There is no worse heresy than that the office sanctifies the holder of it."**

So, it is not surprising that those men, by trickery, intrigue, treason and ruthless pursuit of absolute power on a world scale, should have acquired the ultimate corruption. Therefore we may expect to find at every level where this policy of centralisation of power is being carried out, the corruption it spawns and all its attendant evils.



RESULTS OBTAINED IN FREE ASSOCIATION

LET'S RECAPITULATE:

SOCIAL CREDIT IS THE NAME GIVEN TO SOMETHING THAT EXISTS POTENTIALLY IN ALL SOCIETIES – BUT IT DIDN'T HAVE A NAME TILL EARLY LAST CENTURY.

IT IS THE NAME OF SOMETHING THAT HAS MANY ASPECTS AND FACETS.

IT IS BASED ON THE BELIEF, THE TRUST, THE GOOD REPUTATION BUILT UP WITHIN A COMMUNITY.

IT ALSO MEANS THE POWER DERIVED FROM THAT GOOD REPUTATION, THAT BELIEF, THAT TRUST.

IT IS BUILT UP BY PERSISTENT DELIVERY OF RESULTS OBTAINED IN FREE ASSOCIATION WITH ONE'S FELLOWS.

IF PEOPLE FREELY ASSOCIATE TOGETHER AND PERSISTENTLY ACHIEVE THE RESULTS FOR WHICH THEY ASSOCIATED, THEY HAVE BUILT UP SOCIAL CREDIT AND WHEN UNDERSTOOD, IT IS **VERY POWERFUL**.

IT IS THE FAITH OF SOCIETY THAT THE INDIVIDUALS COMPRISING IT WILL ACHIEVE WHAT THEY WANT – BY ASSOCIATING!

BY GIVING IT A NAME, BY DISCUSSING IT, WE ARE USING WORDS WHICH HELP US TO COME TO GRIPS WITH IT; WE CAN 'GET A HANDLE' ON IT.

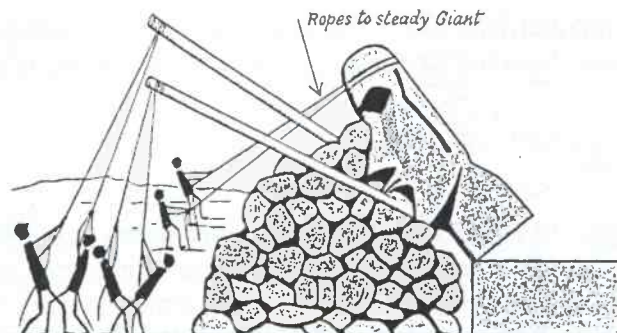
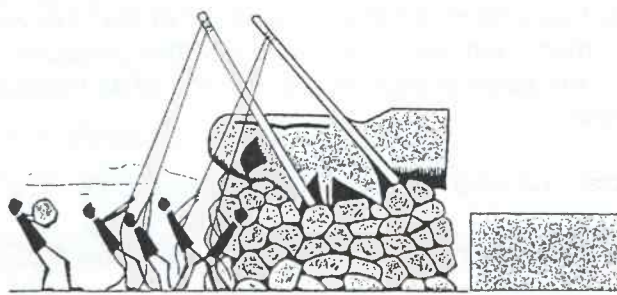
WE CAN THEN EXAMINE AND ANALYSE 'SOCIAL CREDIT,' THEREBY CONSCIOUSLY SEEKING WAYS TO GAIN BENEFITS FROM IT.

IT IS IN SOBER TRUTH, THE FAITH WHICH CAN MOVE MOUNTAINS, EVEN IF WITHIN EACH INDIVIDUAL, FAITH IS ONLY AS A GRAIN OF MUSTARD SEED!

NOT SATISFIED WITH THESE DEFINITIONS?

STILL CAN'T 'SEE' IT?

READ ON.



RAISING THE STATUE

THE FAITH WHICH CAN MOVE MOUNTAINS

HUMAN ASSOCIATIONS

We need to restate some general principles (fundamental truths) for the common good and so to serve and to educate those who would 'build up the Social Credit' in their family, their community and their nation.

"Do unto others as you would have them do unto you." Matthew 7:12

Society must exist for all its members. Each and every one must be able to find, in the political and economic organisation, the means to get more easily what all of a commonaccord want for themselves. What is it that all mutually want? Surely all want at least a minimum of economic security, with a maximum of personal freedom? A minimum of economic security means at least the basic necessities of life.

Broadly, societies can be grouped into three main spheres or aspects, although, each sphere or aspect overlaps and inter-relates with the others. The three main spheres are the economic, the political and the spiritual/cultural. Economic, Political and Cultural Belief systems influence our thinking and each aspect will be dealt with separately in this series:

Economics is derived from two Greek words meaning: 'House rule'.

The **economy** is about the **good regulation** of a house or nation. We could define **domestic** economy as good management of domestic affairs. And **political** economy as good management in the affairs of a nation.

The belief system is the basis of the policy:

Such questions as the following can only be answered by a belief system:

What is the nature and purpose of man?

What is the purpose of an economic system?

How do we determine the need, the nature and the purpose of a money system?

How could money be created and distributed for the common good? By whom?

From a Christian viewpoint:

Economics can be called good management when it reaches its true **end, that for which it was meant**.

It is here that the Law of **Rightness** running through the fabric of the Universe comes into play. The goal of the association is a certain 'common good'. It is not **the** particular good of only one of its members, nor of a section, but the good of each and every one of its members. There needs to be **mutual benefit** from the association.

"God sends the rain on the just and the unjust." Matthew 5:45 The rain is for all men, for everyone's needs.

"Life is more than food and the body more than raiment." Matthew 6:25 Food is the means and Life is the end purpose of it.

The **goal, the end** of **economic** activities, is the use of earthly goods to satisfy man's human needs – the needs of all men. Economics, from the Christian perspective, **achieves** its end when earthly goods serve those human needs.

Essential needs common to all:

Food, drink, clothing, shelter. To join **goods to needs** – this is **the** goal, **the** true end of economic life. One does not live in a society for these needs to be more difficult to get, but for them to be easier to get; especially in an industrialised, automated, technological, computerised society where more than enough could be supplied to each and everyone with less and less human effort. It is therefore the duty of a well-organised society to ensure that each of its members has at least the basic necessities of life.

The association exists to achieve the goal:

The goal of an association varies with the type of association – but the **goal** is always the **good** of each and every one of the members in the association. It is precisely because it is the **good** of each and every one that it is referred to as a **common good**.

In this age of automated, computerised, technological production there is less and less need for human labour and, at the same time, less and less purchasing-power is being distributed through the production system. Therefore, one of the questions for which we need to find an answer is: How do we distribute the production to those who are not needed in the workforce, other than as happens at present, through the outmoded taxation system?

Think of our total production as a gigantic pool into which a **decreasing** number of hands put more and more goods and services. Those who are able to put something into the pool - and are paid wages, salaries and or dividends - are able to get something out. But what happens to those persons for whom the system now has no need?

At present the system is not distributing the production, not reaching its proper end. We are not matching up needs with goods. "Ah!" you might say, "He who does not work will not eat!" We would ask you, "Why should he not eat? Is there something 'immoral' or 'wrong' with a person receiving 'something for nothing'?" God sends the rain on the just and the unjust – did we '**earn**' the rain? Did **you** '**earn**' the rain? A starving man will not be satisfied with your saying prayers for him. It is only food that will satisfy his needs.

Australia, with its vast resources and productive potential, already produces enough food annually to feed seventy million people – and yet we have many Australian families who cannot put enough food on the table each day. Is this right or moral?

The END controls the MEANS:

The **end** is the goal aimed at, the objective pursued.

The **means** is the processes, the methods used to achieve the end.

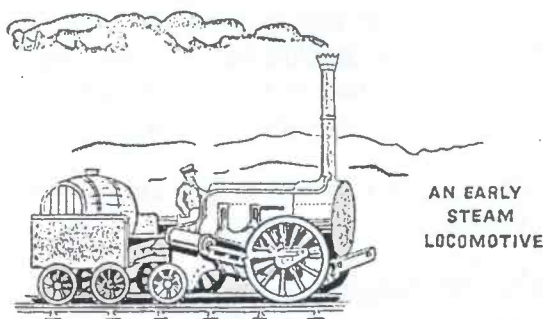
The **means** is the economic system; **the end is the good of all - the common good.**

Making an end out of a means goes against the Law of Rightness and there are consequences - disorder and disharmony. In the case of economics and politics, we are today witnessing the consequences in the breakdown of our society.

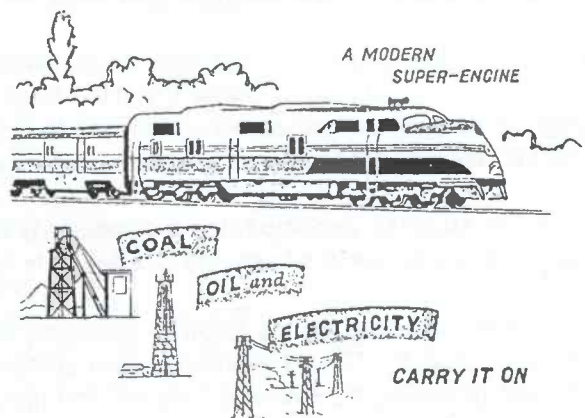
In this age of plenty:

The problem is a problem of **distribution** - not of production! In this present 'age of plenty' with its 'money economy' it is a mathematical (financial) problem, not a productive problem.

Douglas said when he presented his proposals, "**We are attempting to move out of one kind of civilisation into a new one of a very different kind.**"



The harnessing of Steam-power began the machine age



IN THIS AGE OF AUTOMATED, COMPUTERISED TECHNOLOGICAL PRODUCTION

A COMPREHENSIVE DEFINITION

A comprehensive definition of Social Credit is "the efficiency of human beings in free association (i.e., working, agreeing together) to produce the result intended, measured in terms of their mutual satisfaction", where 'efficiency' means 'power to produce the result intended'.

Therefore, when we write or speak of Social Credit we are referring to 'the power of human beings, in association, to produce the result intended, measured in terms of their satisfaction'.

Trying to describe Social Credit to someone who has not yet **seen** it in his 'mind's eye' is like trying to describe air, or gravity, or electricity. We 'know' or 'see' Social Credit when we benefit from it or see the results, the fruits. We know what **air** is when we feel it, e.g., the wind; or **gravity** when we use it, e.g., parachuting; or **electricity** when we benefit from it, e.g., energy, warmth, but try describing them!

Social Credit is essentially a positive result arising from the accrued benefit of people acting together in a free association.

Example:

Ten men working together, i.e., in association, can do what ten men separately cannot do. The outcome, the result, the 'fruit' of such work-in-association is the **increment of the association**. It is the results, the fruits, gained when two or more people come together in an association, to achieve what they want. This **inherent social faith**, this social belief, is what we term '**SOCIAL CREDIT**'. Inherent in any society is the belief, the faith, that individuals acting or working together can achieve what they want.

When dealing with human associations and human **relationships**, the Social Credit will **diminish** to the extent that the social fabric is rendered asunder, to the extent the society is **fragmenting**.

A society living in fear and terror, such as witnessed under totalitarian and oppressive regimes, rather than living with love, loyalty and trust, etc., will not be able to draw on its social credit.

A society dominated by fear and superstition will **fail** to utilise its potential social credit.

There will be many and varied associations within a nation; a nation is **a complex association of associations**. A **free** society should be unified or fragmented to whatever degree the particular association **maximizes** satisfaction for its individual members.

We need to understand WHY this is so: Running through the nature of all existing matter, energy and space throughout the Universe there is something we define as 'a governing rule or law'. Greeks referred to it as Logos: which has been translated into English as 'Word'.

The concept is used in Genesis when the writer describes God creating the heavens and the earth by God **speaking** creation into being. "And God **said** 'Let there be light' And God **said** 'Let there be an expanse between the waters to separate water from water'...."

This 'Word', this 'Logos', has a multiplicity of names: the engineer and the artist refer to it when they say they have something 'right'. Other people mean the same thing when they talk about absolute truth or reality. We all recognise its existence when we come face to face with it in art or architecture, in poetry or music, or in literature. We may not have given it a 'name' but we know when we have 'seen' it or 'experienced' it.

Genuine success accompanies a consistent attempt to discover and conform to this Logos - this governing rule or law in all aspects of Life. This is true of every phase of human activity.

The reader will recognise the following statement as an engineer's (C.H. Douglas') penetrating elaboration of Christ's command*: "To the extent that Man seeks, finds and obediently adheres to the Canon – the Law of Rightness governing the Universe - he will find himself in harmony with Creation and attain 'satisfaction' and 'happiness' in living after which he strives. To the extent Man ignores the Canon or flouts it, he will bring disaster upon himself." [Canon: from the Greek Kanōn meaning a straight rod; rule or law; a general rule or principle.]

*Christ said: "Seek ye first the Kingdom of God and His Righteousness" rightness, i.e., **right relationships, motives and priorities**, "and all these things shall be added unto you" - that is, **gained by you**.

The chaos we see all around us is the direct result of flouting this Canon, the **Law of Rightness** - the fragmenting of families, the upsurge of drug abuse, the rebellion of youth, the growing social violence, the abandonment of ethical standards, the growing economic instability reflected in increasing taxation, spiralling debt and industrial unrest, and the burgeoning centralisation of power into fewer and fewer hands.

It is inherent within this Law that all which conflicts with it will be destroyed. These evils have within them the seeds of their own destruction. In the long term, only those features of the social order and those policies which are 'right' - that is which conform to the Canon - will survive and those in conflict with it - which we term evil - will be destroyed, **but at a terrible cost in terms of human suffering**. The Law has also been described as "the Mills of God which grind slowly but grind exceedingly small."

It has been said, **"As you sow, so shall you reap."** Social Credit seeks to re-establish the **rightness** of the relations of man with his fellow man in the fields of economics, politics and the financial system. That is, to 'sow' the right policies in the fields of economics, politics and finance.

In Science, Agriculture, Industry:

In science, in the discovery of the atom, in the discovery of the atom's electrons, protons and neutrons men have discovered the Natural Law governing the atom. The knowledge has been used to produce energy and also used in medicine. To their - and our - **social discredit** scientists went on to develop the atom bomb.

In the production system, men discovered the benefit derived from what is termed 'the division of labour'. As a direct result of that discovery, ten men working together found they could produce more than the aggregate yield of ten men working separately. As production progresses, the producer specialises and this is itself a factor for a greater total production, requiring less human effort from each specialist. For a long time now, some men have been cultivating the earth, some have been manufacturing materials, others have worked at transportation and others have been engaged in various kinds of services. The introduction of machines contributed to the increase in production, while reducing the need for human labour.

The Production System and its Purpose:

When discussing matters to do with a nation's productive capacity, or its industrial systems, Social Crediters believe that, **in an age of technological, automated, computerised production**, every individual is entitled to his fair share of the 'increment of association', even if his or her quota of work is not needed in the production system. This is because the modern Production System is able to produce enough for all and often produces a surplus. Not only is there enough for those employed within the system of production, there is enough for everyone within the nation.

Social Credit within an ethical framework - Putting Goods at the Service of Needs:

The purpose of the production system is to provide goods and services when and where needed. That is its true purpose. It is **not** employment, which is becoming a smaller and smaller factor as technology improves.

Our problems relate to the distribution of goods and services, not to their production:

Social Credit makes it possible to distribute a share of the increment of association, i.e., the goods and services, to everyone by means of a '**National Dividend**'. This distribution does not need the centralisation of power in the hands of a dictatorship, whether a super-capitalist or a communist one. It can be done without communising or socialising, or forcing a super-capitalist dictatorship on the community or nation.

Social Credit is something inherent in the very fabric of the Universe. However, it must be released! It can be suppressed but it can never be destroyed! **Social Crediters** view a society, any society, as something partaking of the nature of an **organism** which could have 'life and life more abundant' to the extent it is God-centred and obedient to **His Word** or **Logos**. Therefore, they seek to encourage others to look seriously at this body of knowledge called 'Social Credit'.

Far from being a piece of sentimentalism, the great Christian Commandment "Love one another" enunciates a fundamental principle for successful co-operation between individuals in society. This 'love' is a dynamic force which can be seen in the 'good fruits' of human association based on the 'right' principles or fundamental truths.

"Again I tell you, if two of you on earth agree (harmonise together) whatever they shall ask, it will come to pass and be done for them by My Father in heaven." "Where two or three are gathered together in (into) My Name (that is in Christ's power or rule) there am I in the midst of them." His creative, dynamic force, His love, is released for the benefit of those who have gathered together for a particular purpose.

The basis of the social philosophy of Social Credit is that the Individual is the all-important unit, and that the only justification for the existence of any organisation – from a football team to a modern Nation-State – is that it promotes, in some way, the life and well-being of the Individual.

One important fact regarding Social Credit should be of great encouragement. There are 'conscious' Social Creditors who know what it entails and spend their life trying to teach it, and more importantly, putting it into action, because they firmly believe that is the way to go. There are also millions of 'unconscious' Social Creditors, they are the majority of good, honest, sane and caring people in the world who instinctively promote Social Credit without giving it a name.

The world would be in chaos if it were not for the majority of people who are engaged in adding to the 'social credit' in their everyday, ordinary lives.

The Social Dis-Credit:

Just as there are Social Creditors (conscious and unconscious) trying to build up the Social Credit, there are also 'Social Discreditors' (conscious and unconscious) disrupting the social credit. The conscious discreditors are also trying to make sure Social Credit is not understood by distorting people's perception of it.

The 'conscious' discreditors, (The Controllers) are those who, for their own objectives, enjoy and desire power to control, or manage, society. They consciously work to break down all bastions of that trust and confidence so essential for any human association to function harmoniously. They are in influential positions throughout finance, education, the media and politics, and are intent on increasing the power and authority of the State, thereby weakening the foundations of the social structures.

Social Credit's philosophy has its roots in human nature itself:

"Social Credit is not solely an economic or financial solution to the present crisis we find ourselves in; it has a more profound philosophical base than that and is rooted in human nature itself. Its vital aim is not merely to establish economic security without destroying individual initiative; it is interested in economic security for the very purpose of establishing individual freedom in order that Man may develop according to his own initiative and capacity."

"The possibilities implicit in our age of plenty go much further than the problem of distribution or any other economic consideration. The struggle for physical maintenance becomes incidental. Man is at last freed to devote himself to those intellectual, emotional and creative pursuits which alone can make life something more than mere vegetation. The expression of individuality is essential to the happiness of man."

"Social Credit is wholly centred on the principle that the proper goal of economic activity is to satisfy the needs of man and not to accumulate wealth for wealth's sake. The **real** object of production is **consumption** and not **profit**."

"The only revolution advocated by Social Credit is the monetary revolution. No social upheaval is called for; no class warfare is desired, and no class is relegated the right to dominate others, not even to the class of financiers and bankers. They are sharply rebuked for having become the masters and dictators of the nation, whereas, they should have remained its servants. It **does** call on all within the community or nation to respect one another and to work in harmony for the common welfare." From *The ABC of Social Credit* by E.S. Holter.

WHY IS IT REFERRED TO AS 'SOCIAL CREDIT'?

SOCIAL: From the Latin *socius* meaning 'companion'; pertaining to life in an organised community; relating to men living in society; ready to mix in friendly converse; sociable; consisting of mature converse.

CREDIT: As a noun meaning: reliance on testimony, belief, faith, trust; good opinion founded on man's veracity, integrity, abilities and virtue; esteem; honour. As a verb meaning: to believe; to confide in the truth of; to trust; to give credit for.

The Nature of Credit:

The word 'credit' comes from the Latin word *credo* meaning 'I believe'. Hence, for the Christian, reciting the Nicene Creed would mean he is stating his belief.

'Faith is the substance of things hoped for, the evidence of things as yet unseen.' *Hebrews 11:1*

It is not a blind faith but a faith based on the correspondence between thought and Reality (Truth).

'Credit' and 'Belief' are virtually interchangeable terms. I believe that a certain man is a good teacher, a good doctor, a good plumber, a good farmer. I believe that he is worthy of credit (faith, trust, real worthiness) in his occupation. Similarly, I believe that a certain firm is a good maker of material for men's suits, a good builder of houses, a good manufacturer of motor cars, I believe that it is a firm worthy of credit (faith, trust, real worthiness) in its activities.

This is the **real** meaning of credit – it is a concern with **real** things, it is concerned with **reality**. It is essentially something that is based on belief, confidence, faith and trust that **real worth** will be shown. It is essentially, by its very nature, a trust which should not be violated; it belongs to the realm of ethics.

Belief, confidence, faith and trust are elements of the social credit of any society. To violate a trust, a faith, a confidence, is to destroy something which is 'sacred'.

There are other meanings and shades of meaning of the word credit. Money is now issued as 'credit', but is, in fact, in reality, interest-bearing debt. 'Credit (debt)' is issued by the banks and is our sole means of living in the modern electronic-pseudo-world. All new money, **issued as a debt, locks up** the future against us; debt is the very essence of despair and destroys all hope.

The word 'credit' in this instance, although used to describe bank-created 'money', is in fact, in reality, 'debt' and we would describe this definition, this meaning of the word 'credit' as 'profane'. In common usage, the word 'profane' contains the meaning of 'to put to wrong use'; secular, polluted, unworthy. The difference between the real and the financial meaning of the word 'credit' is very great indeed.

The present money-system reduces politics to a futile contest between political parties of money-slaves for the favour of their money-masters, the banks.

Through their power to determine and control the money supply – through the issue of debt – the banks have centralised control over the policy and pursuit of both production and consumption!

Social Credit is: "The power of human beings in free association to produce the result intended, measured in terms of their satisfaction."

Reminder: To attempt to understand Social Credit proposals in the light of present orthodox economic and financial theory is counter-productive.

Five principles of philosophy:

1. Individual Rights: the key 'right' which will ensure all others is the right to 'contract out'. It is the right to choose or refuse one thing at a time.
2. Place of institutions
3. Security and freedom indivisible
4. Cultural heritage
5. Anything physically possible can be made financially possible.

Objectives:

When you have successfully completed this Social Credit workbook you will be able to:

Define aspects of a society's 'social credit'

Outline the development of a civilisation.

List some of the essential ethics and values of a civilised community.

Differentiate between the 'doing' and the 'recording' activities of a community.

Know more about the phonetic origin of the alphabet – the recording.

Observe Social Credit working in your own family, community, etc.

Words to Know:

- Agriculture: raising of grain and other crops for animals and man.
- Capital/Cattle: a doublet, a word with a double meaning.
- Civilisation: advanced state of society; advanced beyond the primitive, savage state.
- Culture: the act of or the application of labour or other means of improvement, to improve qualities or growth.
- Cumbersome: not easily carried or managed.
- Cumulative: heaped, gathered, formed in a heap.
- Established: fixed firmly, founded, ordained, and settled.
- Facilitate: to make easy or easier.
- Horticulture: the art of gardening, producing flowers, fruits and vegetables.
- Immolated: offered in sacrifice.
- Pastoralist: one who has care of flocks, raises grazing animals.
- Philology: the science of language, the study of etymology, grammar, rhetoric, etc. Phonetic: the phonetic alphabet, the written language, representing the sounds of speech - the vocal sounds.

CIVILISATION: A REMOTE BEGINNING

"The growth of a civilisation is the development of many different forms of human associations through which the individual has been able to do things which were impossible for his forefathers." (Eric D. Butler)

What we term civilisation was not a sudden affair; it had a slow growth from remote beginnings. Man's early life was that of a wanderer, progressing from the hunting and gathering stage, he became a pastoralist; he domesticated animals and added horticulture and agriculture to his knowledge. Horticulture was probably the forerunner of agriculture.

Let's look at the Social Credit in the above statement:

Man developed his social structures by associating with his fellow man. Even in his hunter/gatherer stage of development he associated with his fellow members of the family, clan or tribe to obtain the best results when hunting animals and gathering food, etc. It took more than one man to hunt the animals successfully, it took team-work, thus the division of labour. Each drew on the social credit that was within the association, within the group, the community.

Man discovered he could tame animals. The tame animals provided a calf each year and a dependable supply of milk. With the taming of animals and increased herds and flocks Man added milk and milk products to his capital.

The climate where the people experienced long and severe winters often made pastoral life impossible without supplies, particularly of fodder. Hence the cultivation of grass and even corn became necessary.

Let's look at what was happening in these changes/developments:

Men were now building up more Social Credit; there was an increment, an increase available to the association. Because of the increased production resulting from this association, they were able to make some choices. They could take more leisure time and produce only what was needed **OR** they could increase their production. They had added to their Social Credit.

Increased production made regular exchange possible:

At earlier stages of social development only occasional exchanges took place – the chief article which pastoral tribes gave in exchange for their purchase was **cattle**. Cattle became the **commodity** by which all other commodities were valued and which was willingly accepted in exchange.

Owen Barfield, in *History in English Words*, explained the word 'capital' is a doublet of 'cattle' the very oldest Indo-European form of wealth. Capital and cattle are two words that originally had the same meaning, but the spelling varied. Further evidence of this: The word 'pecuniary' stems from the French/Latin *pecus*, meaning 'cattle'; *pecu*, meaning 'cattle'; and *pecunic*, meaning 'money'.

From that capital (cattle), man began to produce meat and skins. He went on to domesticate goats and sheep, he learned how to weave, invented the weaving loom and produced woven fabrics. Man learned to extract the ores out of the ground and developed the smelting processes, producing gold, silver, tin and copper, and finally iron and steel. From these metals he developed more effective hardened tools and destructive weapons of war.

Trade grew; simple barter or exchange developed into local markets, then neighbouring markets, expanding into trade between city-states and eventually international or 'world trade'.

A more sophisticated system to facilitate exchange:

Man needed to develop a more sophisticated system to facilitate the exchange and trade of goods and services. Instead of the cumbersome method of exchanging cattle for supplies from merchants, a major development took place when **the owners** of the cattle issued leather discs to the merchants, **representing** the cattle. At a time convenient to him, the merchant could produce the discs and claim the cattle he had purchased/exchanged from the cattle-owner for his supplies.

Although very basic and limited an accounting system was thereby devised - records were kept of the exchanges and transactions that took place. The success of this accounting system depended on the good reputation, the belief, the trust that both parties would honour the agreement. They were in fact building up the Social Credit. There was a power to conduct the transaction derived from that good reputation, while that power was a further increment of association.

Please note: It was the owner of the wealth (the cattle) who was issuing the **exchange medium** which **represented his wealth** – he was issuing his own discs; his own ‘money’ which recorded (accounted) the fact of the transaction. This does not happen under the present money system.

What was happening?

The producers of the real wealth were issuing their own tickets – generally leather discs – in the same way as railway organisations issue tickets. The number of tickets issued was governed by the number of cattle they actually had, just as the number of railway passenger tickets is governed by the actual number of seats on the train. The train tickets are a true reflection of the capacity of the train to carry a certain number of passengers.

In the same way, the leather discs issued by the cattle owner were a true reflection of the number of cattle he had to produce when the discs were re-presented to him. The discs were a reflection of the real wealth of the cattle producer. The discs were a true reflection of the physical facts.

Coming down through history a new type of ‘exchange medium’ evolved - rare metals like gold and silver. The nature and purpose of the system and the control of the ‘exchange medium’ changed with the use of gold and silver. This will be explained in a future workbook dealing with the creation, development and control of money. Historian Christopher Dawson fills in some of the details for us in *Age of the Gods*.

Gradually, as Man developed and built social and physical structures, the primitive hamlets grew into villages, villages into towns, towns into city-states, and later into nation states. Our present age is experiencing the move towards a ‘World State’.

Inherited Social Credit:

Man was gaining mastery over the forces of nature, and passing on his newly-found knowledge, his understanding and his capital, to the next generation, and that to the next. Each succeeding generation was receiving an inheritance of discovered knowledge and organisational skills that allowed them to tap into the natural resources around them with increasing success. We could describe this capital and ‘know-how’ as the cultural inheritance. We could say Social Credit now encompassed the cultural inheritance.

Time-slot in history:

Archeological discoveries reveal that when the ancient social organisations developed into city-states, the palace or temple became the commercial centre. The city-states were the organisations that possessed the necessary stability for establishing commercial relations and also the palace or temple became the bank of the community. The existence of banks and cheque-systems can be traced back at least to the Sumerian civilisation. (David Astle: *The Babylonian Woe*; Dr. John Baker: *Race*.)

THE DOING - AND THE RECORDING

The original purpose of the accounting or recording system (the forerunner of the money system) was to render a true account, to record the facts, between the people and their exchanges, and/or commercial transactions. It was the responsibility of the scribes (those who kept the accounts) to keep accurate records of the transactions of the different sections of the community. It was a mechanism which, when properly used, added to their Social Credit.

The temples were not only a shrine to the local god or gods, with their laws, but also developed into the education, economic, commercial and banking centres of the communities. At the same time, while the palace or temple corporations remained the centres of economic life, by their side and under their protection, originated the free craftsmen and the merchants, as well as the private enterprise of the individual capitalist – further building up, and adding to, the Social Credit.

In times of need, Christopher Dawson (Age of the Gods) tells us, temple servants were sent on distant missions with "Letters of Credit" that enabled them to obtain supplies in other cities. The temple, in its role as the bank of the community, also lent money – at interest – to the farmer on the security of his crop. The English word money comes from the Latin surname of the Roman god, *Juno Moneta*, in whose dedicated temple at Rome, money was coined.

The phonetic Alphabet:

As societies developed from the food-gathering stage through to the more settled communities and to the city-states, one of the most crucial inventions assisting this development was the art of writing; in particular for the Western and European nations, the phonetic alphabet and its use for writing in literary composition.

Ancient Phoenicians developed the Phonetic Alphabet:

The original script of the Phoenician's consisted of twenty-two letters. The phonetic alphabet, that is the written language, represented the sounds of speech, the vocal sounds. The alphabetic character formed the foundation of all European alphabets. It was the Greeks who gave these ancient mariners and colonisers, traders and manufacturers, the name of Phoenician. Their own language, the Punic language, was the commercial language of antiquity just as English is the common language of the commercial world today.

The ancient Phoenicians added greatly to the store of Social Credit among the nations.

They were the great pioneering mariners and commercial peoples who explored the wide seas and confines of the Ancient World. We know they colonised the western half of the Mediterranean and Atlantic coasts, to the left and the right of the Straits of Gibraltar. The Phoenicians of Tyre were celebrated for their manufactures of glass-work, textiles, embroideries and purple dyeing; they brought the art of purple-dyeing to a high state of perfection. Garments or hangings dipped in Tyrean purple were among the most treasured possessions of kings and rich men in every land.

The Phoenicians were looked upon as the inventive people par excellence, as the great trading nation; and to them was ascribed the invention of Arithmetic, Measure, and Weight.

A SOCIETY'S CULTURAL INHERITANCE

Social Credit – or society's credit – encompasses the cultural inheritance, that body of knowledge, that 'know-how', inherited from countless past generations, and contributed to, by equally countless and largely unknown individuals, their names lost in the mists of time.

Cultural inheritance explained more fully:

Each generation - within that society – has built on what they inherited. They, in turn, developed new applications of old discoveries and inventions. The sum knowledge and know-how that the present generation has inherited becomes our Social Credit.

It is the total advantage to each one of us of the work of such men as Archimedes, Pythagoras, Galileo, Leonardo da Vinci, Roger Bacon, Paracelsus, Francis Bacon, Shakespeare, Johannes Gutenberg, William Caxton, Isaac Newton, James Watt, Richard Arkwright, George Stephenson, Edmund Cartwright, James Hargreaves, Samuel Crompton, Humphrey Davy, Gabriel Fahrenheit, Michael Faraday, William Harvey, Johann Kepler, Nicholas Kopernick (Copernicus), and a thousand and one others, who, by the power of their imaginative insight, produced many inventions and discoveries. Thus the 'cultural inheritance' was 'bequeathed' to us as a 'gift' (again something for nothing; we didn't 'earn' it; we didn't have to 'work' for it) from the past.

All these inventions, devices, techniques, arts, sciences, modes of thought, belong to each and every one of us. They belong to the whole community, they belong to all mankind and cannot belong to any particular person or group. That being so, every man, woman and child is entitled to a fair share of the 'cultural inheritance', and Social Credit offers a method for effecting the sharing.

Social Credit is actually the whole orientation of civilization, and deals with a civilisation's spiritual, social and political, as well as its economic aspects, where 'orientation' means 'direction towards certain ends'. Social Credit advocates a decentralised consumer-motivated economy.

Can Social Credit be discovered and the principles applied in one country alone?

Yes – on condition that the one country has sovereign powers over its own affairs.

The critical issue is: Who owns the 'credit' which banks create? The banks, the government, or the community which creates the real wealth against which this 'credit' is issued?

There are only two basic philosophies:

The first is one of freedom:

One states that all power and authority derives **from** God, and resides **within** the individual. This philosophy conceives of the individual as possessing both the intelligence and the free will to seek out and to discover the laws governing the Universe. These are the fundamental truths necessary to be understood and then applied for satisfactory human associations. "The kingdom (domain, rule, government) of God is within you."

The second is totalitarian -- to a lesser or greater degree:

This philosophy conceives of all power arising from a point **outside**, or **external**, to the individual. This philosophy conceives of power and authority arising from some other place, the State, the Church, within the Money system, the International Monetary Fund, the World Bank, the United Nations, etc. The individual, in this philosophy, is regarded as the instrument of power wielded by someone else.

This philosophy automatically gives rise to policies which necessitate a certain type of organisation to impose the policies upon the individuals.

This philosophy leads to the conception of individuals as 'masses', 'statistics', the 'proletariat', the 'work force', 'human resources', so much raw material to be 'planned' by those claiming superior knowledge of what is best for the individual.

Real democracy:

Real or true democracy is **decentralised** power where **free** men and women as individuals, decide their own destiny.

The aim is to unite the people around common objectives – and then put pressure on the government to implement the objectives.

This is always subject to the individual's right to contract out. Without that right there is no freedom.

Social Credit advocates the responsible, accountable freedom of the Individual – real freedom, that is. It is the right of the Individual to choose or refuse one thing at a time.

The first task is to unite the people around common objectives. To do this we must re-establish that 'matrix of love' between one another, that mutuality and co-operation in association based on trust and honesty and integrity.

Further reading:

The Tragedy of Human Effort by C.H. Douglas
Social Credit & Christian Philosophy by E.D. Butler
The Root of All Evil by E.D. Butler
Releasing Reality by E.D. Butler
ABC of Social Credit by E.S. Holter
Poverty Amidst Plenty by The Earl of Tankerville
Rebuilding Russia by Alexander Solzhenitsyn
The Foundations of Liberty by The Rev. A.G. Fellows, Th.L.

Books by C. H. Douglas for further reading:

Economic Democracy
Social Credit
The Monopoly of Credit

SELF-TESTING:

In your own words:

List some of the stages of the development of a civilisation.

.....

From your own observations give three examples of people 'tapping into' the 'social credit' within your own family and/or community.

.....

What was man's original 'capital'?

.....

Explain the differences between the two philosophies of freedom and of totalitarianism.

.....

How would you try to guard against further centralisation of power?

.....

What is the difference between the doing and the recording activities of a community?

.....

List some of the essential characteristics of a social credit society.

.....

What does the word phonics mean?

.....

Explain in your own words the difference between 'means' and 'ends'.

.....

THE AUSTRALIAN HERITAGE SOCIETY

The Society was launched in Melbourne on 18th September, 1971 at an Australian League of Rights Seminar. It was clear that Australia's heritage was under increasing attack and Australians generally had 'lost their way': spiritually, culturally, politically and constitutionally. A permanent body was required to ensure that young Australians were not cut off from their true heritage and the Heritage Society assumed that role in a number of ways.

The Australian Heritage Society welcomes people of all ages to join in its programme for the regeneration of the spirit of Australia. To value the great spiritual realities that we have come to know and respect through our heritage, the virtues of patriotism, of integrity and love of truth, pursuit of goodness and beauty, and unselfish concern for other people - to maintain a love and loyalty for those values.

Young Australians have a real challenge before them. The Australian Heritage Society, with your support, can give the necessary lead in the regeneration of building a better Australia.

"Our heritage today is the fragments gleaned from past ages; the heritage of tomorrow - good or bad - will be determined by your actions today."

SIR RAPHAEL CILENTO

First Patron of the Australian Heritage Society

OUR POLICY

*To promote service to the Christian revelation of God,
loyalty to the Australian Constitutional Monarchy,
and maximum co-operation between subjects of the
Crown Commonwealth of Nations.*

*To defend the free Society and its institutions
— private property, consumer control of production
through genuine competitive enterprise,
and limited decentralised government.*

*To promote financial policies which will reduce taxation,
eliminate debt, and make possible material security
for all with greater leisure time for cultural activities.*

*To oppose all forms of monopoly,
either described as public or private.*

*To encourage all electors always to record
a responsible vote in all elections.*

*To support all policies genuinely concerned with
conserving and protecting natural resources, including the soil,
and an environment reflecting natural (God's) laws,
against policies of rape and waste.*

*To oppose all policies eroding national sovereignty,
and to promote a closer relationship between the
peoples of the Crown Commonwealth and those of the
United States of America, who share a common Heritage.*

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***"What can one person do?" people ask. The result is that wordy minorities,
loud-mouthed in their advocacy of chaos and unfettered liberty win the day.
But I say don't allow yourselves to be bullied into silence.
You matter. Your actions count.
One person on the side of right, decency and honesty is a real force.***

Sir Wallace Kyle, former Governor of WA writing in 1977 Heritage

AUSTRALIA'S FUTURE — A VISION SPLENDID

***Our heritage today is the fragments gleaned from past ages,
the heritage of tomorrow – good or bad – will be determined by our actions today.***

Sir Raphael Cilento; First patron of the Australian Heritage Society



THE TRUTH WILL PREVAIL

Australians have come to realise that their country is being steadily stolen away from them,
but few know what to do about it.

Agonised discussions are occurring with increasing frequency all over the land as worried
citizens ponder how they can wrest control of excessive government back from the
treacherous elites who presently steer us down the path of destruction as a nation.

Out of concern at the erosion of our traditional heritage, The Australian Heritage Society
was launched in 1971 as a specialist division of The Australian League of Rights.

The Australian Heritage Society has produced *"Introducing Social Credit"* in the belief that
Truth will eventually prevail, and in the belief that the material will appeal to those who
agree with the old saying; "Don't believe everything you read in the papers". There is a side
to Australian and world events that is never discussed in the "popular" press because too
much controversy is not good for business. Heritage is an independent publication, striving
to articulate a noble and comprehensive vision of Australia. That which could be — if
enough Australians strengthen their resolve to make it happen — a vision splendid.

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