

INTRODUCING SOCIAL CREDIT



Part 2. Economics: Three Allied Activities

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.

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

Introducing Social Credit

PART 2. ECONOMICS: THREE ALLIED ACTIVITIES

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.

With every good wish,
Betty Luks, Adelaide

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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-eight 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 regrowth.

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

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:

- Know what are the functions of an economic system and a financial system.
- You will understand what is **living** capital.
- You will appreciate what is **true** wealth and distinguish between 'wealth' and 'riches'.
- Know what are the basic physical meanings of the terms 'profit' and 'investment'.
- Grasp what is a community's cultural inheritance.
- Know the difference between the 'doing' and the 'recording' systems of a community.

PART 2. ECONOMICS: THREE ALLIED ACTIVITIES

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 any thing about it.

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 spoken of by a 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.

Words to Know

- Abstract: existing only as a mental concept. Opposite to concrete.
- Allied: in league for co-operation for a common purpose.
- Appropriate: set apart for a purpose.
- Civilisation: advanced state of society; advanced beyond the primitive, savage state.
- Commodity: anything that is useful, particularly to be bought and sold.
- Conception: power of conceiving ideas in the mind; purpose conceived.
- Copious: abundant, plentiful, in great quantities.
- Culture: act of or the application of labour or other means of improvement, improve qualities or growth.
- Cumbersome: not easily carried or managed.
- Cumulative: heaped up, increasing in strength, force, value etc., by successive additions.
- Disproportionate: out of proportion, of the wrong size, or amount, in relation to something else.
- Economy: derived from two Greek words: *oikia*, 'house'; *nomos*, 'rule', house rule, regulations.
- Efficiency: act of producing effects, power of producing effects intended.
- Ethics: doctrines of morality or social manners, the science of moral philosophy which teaches men their duty and their reasons of it.
- Expenditure: laying out of, distributing, disbursing e.g., of money.
- Transient: passing, short duration.
- Increment: increase, amount of increase.
- Immolated: offered in sacrifice.
- Implements: tools or instruments of labour, whatever may supply wants.
- Inheritance: estate or possession which descends to heir, received from ancestors, that which is possessed or enjoyed.
- Initiative: (a) initial step; introductory measure; first move. (b) mental capacity for originating; ability to start something new; enterprise; originality.
- Investment: laying out of money in the purchase of some species of property, literally: the clothing of money with something.
- Metaphysical: not physical; unsubstantial; incorporeal; based on abstract reasoning.
- Obsolescent: gone out of use, antiquated.
- Peculiar: that which belongs to or is found in one person or thing and in no other.
- Philosophy: Man's concept of his own nature and the Universe; his concept of Truth.
- Posit: to set in place, dispose; to postulate.
- Pre-supposition: to assume or take for granted.
- Principle: fundamental truth; in a general sense, the cause, source or origin of anything.
- Process: series of actions or experiments; of motions in growth or decay; of measures or proceedings.
- Ramification: branching out; dividing or shooting branches from a stem; the spreading branching out of a system, movement, scheme, influence, etc., in several directions.
- Sate: to satisfy appetite or desire, to fill to the full.
- Society: from Latin *socius*, companion.
- Sullied: soiled, tarnished, stained.
- Superstition: false worship, belief in omens, divination, sorcery.
- Temporal: measured or limited by time or this life.

SOCIETY: A COMPLEX ASSOCIATION

Society: from the Latin *socius* meaning 'companion'.

Human beings are social beings. The basis of any society is the family: consists of father, mother and child or children. This is the simplest society and the basic unit of any society, complex or otherwise. Social Credit teaching insists that society exists for the benefit of all its members – for each and every one of the members. A society is the People - you, me, actual people, considered collectively. A society is a group of persons forming a single community. It is essentially an organisation and to be successful cannot be a haphazard affair but must be based on the fundamental truths concerning human nature and the purposes of the associations.

That philosophy of which Social Credit is the policy is indicated in the statement "Social Credit is practical Christianity". We can usefully distinguish in this context two aspects of Christianity. There is the aspect which gives rise to Christian theology; and the aspect which embodies certain ethical and metaphysical values. It is with the latter that Social Credit is specially concerned.

Ideas - conceptions -

A Civilised Society:

Civilisation might be defined as 'the incarnation of ethical and metaphysical values in the institutions of society'. C.S. Lewis in his *Abolition of Man* has pointed out that the values embodied in the great religions are not several, but one coherent system.

"The idea of collecting independent testimonies pre-supposes that 'civilisations' have arisen in the world independently of one another; or even that humanity has had several independent emergences on this planet. The biology and anthropology involved in such an assumption are extremely doubtful. It is by no means certain that there has ever (in the sense required) been more than one civilisation in all of history. It is at least arguable that every civilisation we find has been derived from another civilisation and, in the last resort, from a single centre - 'carried' like an infectious disease or like the Apostolical succession." He uses the Chinese word 'Tao' to denote this system. Aldous Huxley in *The Perennial Philosophy* and Lin Yutang in *The Wisdom of China and India* have compiled anthologies from the scriptures of different religious systems which demonstrate this truth very clearly.

A further generalisation of the lessons of the scriptures of the great religions is that an incarnation is dependent on the individual, and is manifested through individual initiative. The very purpose of Social Credit as a system is to free individual initiative by placing the benefits of association directly at the service of the individual. The possibility of such freedom is conditioned not only by material facts, but by the adequate 'incarnation' of metaphysical values.

IMPORTANCE OF CORRECT POSITING OF PROBLEMS

Remember, it is a matter of great importance to understand to what extent progress in any subject depends on a correct positing of the problem. A good example is the problem of Achilles and the tortoise; with the classical pre-suppositions, the problem is insoluble. Zeno, for the sake of argument, took a 'possible' world as a real world in which time and distance were significantly, infinitely divisible. In that sort of world, Achilles never would overtake the tortoise. And similarly, in the minds of many, are ideas of what the world 'could be' – not what it is.

need a different example.

Zeno brought to his problem two concepts - those of **time** and **distance** - and by cutting those concepts into unimaginably small pieces, 'proved' that motion was impossible. He might in the same way, have applied to the measurement of length a wooden yard-stick, and then by shaving the stick with a knife into splinters, so proved that 'length' was impossible. He left **motion** out of the data, and so the Planners of a Utopia ignore or leave out the **organic**: Life, the living, and in particular, human nature – the thing itself that produces the diversity in plans. The proof of this is not verbal; it is the experience we suffer of planning.

There is a notion that because we can, within the limits of the imagination, do anything we like with concepts, in which case, we then can do anything we like with Reality. We can imagine all kinds of 'possible worlds'; but only one of those worlds has found expression, and forms one aspect of what we know as Reality. The approach Social Crediters take is that of restoring or cultivating a just and legitimate familiarity between the mind (concepts) and things. It is the setting of Achilles to race against the tortoise. It is the genuine proof of the concepts employed.

THE PURPOSE OF ECONOMICS: THE COMMON GOOD

* The Lessons of History:

Tradition is, in part, the accumulated wisdom of the past. The attack on tradition tends to cut man off from a knowledge of those fundamental truths essential for an understanding of principles of human association so necessary for satisfactory results. The basic essential of real freedom is economic freedom.

* Any association exists for a goal: the goal is a certain common good, which varies according to the type of association. In order for it to function correctly, the goal should always be the good of each and every one of the members.

* Three people join together for an enterprise. Peter contributes his muscle power; John his initiative and experience; Matthew, his money capital. The common good is the success of the enterprise. The success of the enterprise is not sought only for the good of Peter, nor only for the good of John, nor only for the good of Matthew. If one of the three is excluded from the benefits of the enterprise, he will not join. The three form an association to achieve, for all and each of the three, a result that each of the three wants, but which none of the three can really derive alone.

The money by itself would not give very much to Matthew; the arms by themselves would bring very little to Peter; the mind by itself would not be sufficient for John. But, when the three combine their resources, the enterprise succeeds, and each one benefits from it. All three do not necessarily benefit to the same degree, but each of the three derives more than if he were alone.

You could, without being at fault, find yourself without shelter, bread or protection; but what if 'society' did not give a darn about you? What if others benefited from society – but not you? Don't you think such an attitude would alienate a man or woman from society and provoke his revolt against the existence of such a state of affairs?

It would be an insult to say to a man or a woman: "Do not expect anything from society, but you must obey all the laws; you must fulfil all of your obligations as a citizen, or society will punish you. You are part of **society**; you cannot escape from it simply because the matter does not concern a particular enterprise, but deals with the **social order**."

It is for this reason that Social Credit is, by definition, the opposite of any monopoly, whether an economic monopoly, political monopoly, financial monopoly, prestige monopoly, or a brutal-force monopoly.

Let us define a Monopoly:

* It is the exploitation of the social organisation by a privileged few; it is where the social organisation is at the service of a few privileged individuals – such as can now be seen taking shape under 'economic rationalism'. It is a social organisation in which politics is at the service of 'clans' called political parties and/or their financial backers. Under the present financial regime economics is at the service of an elite through the financial system.

THE PROPER GOAL: CONSUMPTION

* Economics may be defined as the study of production and distribution of goods and services of a nation – the national housekeeping. The proper goal of all economic activity is to satisfy the needs of Man and not to accumulate wealth for wealth's sake. The real object of production and distribution is consumption.

A monopoly ignores the rights of the multitude that it exploits. Social Credit claims rights for the least and smallest of the citizens. However, it can sometimes happen, owing to certain historical circumstances, and to special economic social conditions, that by the application of the general rule to such and such a property, the interests of the common good, far from being promoted, are jeopardised. The socialisation of that property is therefore rendered justifiable and even necessary if no other corrective method can be applied.

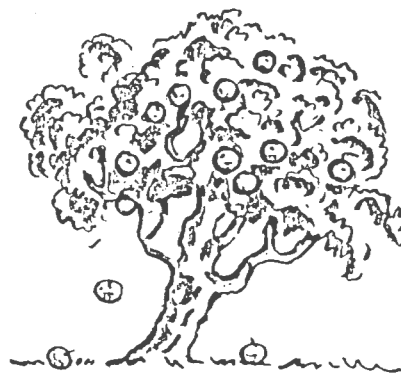
As the common good sets the general rule, so also does it authorise the exception. It is rightly contended that certain forms of property must be reserved to Civil Government, since they carry with them an opportunity of economic domination too great to be left to private individuals without injury to the community at large. However, let it be observed, that in each case it must be proven that socialisation presents itself as the only means of promoting and protecting the common good.

In a modern **money** economy, **money and credit** are the very life-blood of the economic organic structure. If there is one thing that cannot be left to the control of private persons without danger for the common welfare, it is certainly the monetary medium. The monetary medium - the financial system of a nation - is a social function and should not be in the control of private persons. It is a function that rightly must be reserved to the Civil Government since it carries the opportunity of economic and financial domination to those private persons who now control it. The results of the corruption of this power are there for us all to see and experience. Besides, this proposal does not form an exception. It is giving back to the Civil Government a privilege that belongs to it by right and of which it has been despoiled by the bankers.

The aim is to remove from those banks the privilege of controlling credit and money in order to confer that privilege to the Civil Government – this is the only nationalisation required. We will deal with the money system and related matters further on in this course.



CRODON,
THE SAXON GOD OF PLENTY
(FROM A WOODCUT OF 1656)



THE APPLE TREE

Self testing:

In your own words explain:

1. What is the Common Good?

.....

2. What is a Monopoly?

.....

3. What is the proper goal of economic activity?

.....

4. Do you think a money system should be a **social** function?

.....

If **yes**, explain why

.....

If **no**, explain why not

.....

ECONOMICS: THREE ALLIED ACTIVITIES

What is known as the Economic System consists of three allied social activities, known as Production, Consumption and Distribution.

Production is the term applied to all those processes and activities of industry whereby things are changed from one form to another in order to make them available as goods and services for consumption. In simple words: **Production** is the **making of things for use**.

Consumption is the term applied to the **process of utilising the goods and services** provided by production.

Distribution is the term given to the **process of transporting goods and services** from Production to Consumption. These three social activities, taken together, form the **Economic System**.

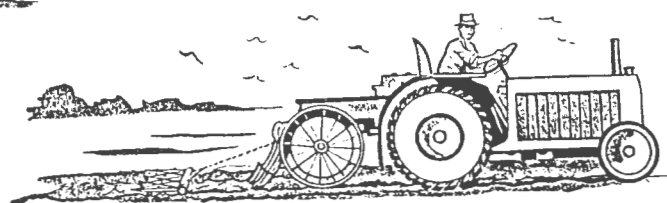
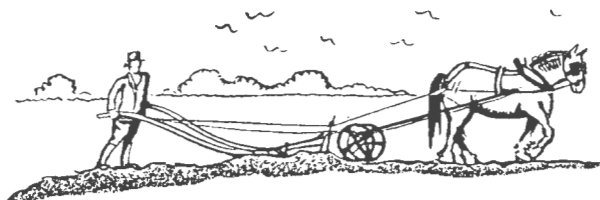
John Ruskin, in the preface to *Unto This Last: Treatise on the Principles of Political Economy* wrote, "the real gist of these papers, their central meaning and aim, is to give, as I believe for the first time in plain English,... a logical definition of WEALTH: such definition being absolutely needed for a basis of Economical Science." He went on to quote J.S. Mill, who, after saying that writers on political economy professed to teach or investigate the nature of wealth, gave his opinion that "everyone has a notion, sufficiently correct for common purposes, of what is meant by wealth."

Ruskin's comment is that "metaphysical nicety, we assuredly do not need; but **physical** nicety and **logical** accuracy, with respect to a **physical** subject, we as assuredly do." Such a need for "physical nicety and logical accuracy" was met in Ruskin's opinion by the statement that "There is no Wealth but Life - Life, including all its powers of love, joy and admiration."

That is doubtless an admirable definition for those who know the work in which the words appear, but open to some misunderstanding by others. Ruskin scarcely meant to assert that **wealth** and **life** were interchangeable terms, e.g., in the statement that "a man in danger of his **wealth** escaped from captivity among the Cossacks, leaving all that remained of his **life** among them." Ruskin went on to say "that country is richest which nourishes the greatest number of noble and happy human beings."

It does not matter much here whether the riches lie in the number, the nobility or the happiness. The people of a country can hardly be numerous, as well as noble and happy, without something upon which to nourish their numbers, nobility and happiness. This is how Ruskin understood it. In bringing the matter down to various kinds of nourishment, it is at once brought down from the **abstract** to the **concrete**.

"Life is more than food and the body more than raiment." Matthew 6:25



AN ECONOMIC SYSTEM - HOUSEHOLD MANAGEMENT

The word 'economy' is derived from two Greek words: *Oikia*, house; *nomos*, rule. An 'economy' is about the good regulation of a household, of **order** in the **use of the goods** of the house. We may define **domestic economy** as good management of domestic affairs, and **political economy** as good management in the affairs of the large communal home, the nation.

Why **good** management? When can the management of the affairs of the small or large home, the family or the nation, be called **good**? The answer is found in the response to the question "What is the **purpose** of an economic system?" The answer will depend on the person's philosophy, on what they believe.

* "The Sabbath (the system, the institution) was made for Man, not Man for the Sabbath (the system, the institution)." *Mark 2:27*

The 'means' and the 'ends' - from a Christian point of view: a thing, a system, an institution, is good when it attains the results for which it was instituted. '**God sends the rain on the just and the unjust**'. The rain is a 'means', it is sent for a purpose, the 'end' – the sustaining and maintaining of Life.

* **The end of Economics:** Man engages in different activities and pursues different ends, in different orders, in different domains (nations, countries, etc). There is, for example, man's moral activities, which concern his progress towards his final end. There are his cultural activities which influence the development of his intellect, even the ornamentation of his intellect, and the formation of his character.

Man engages in social activities: In the modern world, in the age of the division of labour, man's individual efforts, his labour, has become part of a **pool of labour**. Therefore, because he participates in the general well-being of society, he engages in social activities.

A modern economic system is a **social activity** and because economic activities deal with the **temporal** well-being of man, men seek satisfaction of their temporal needs from the economic system. Therefore, the goal, the end of economic activities, is the use of earthly goods to satisfy human needs – and economics reaches its proper end when earthly goods serve human needs.

Human needs accompany all men from the cradle to the grave – there are some which are essential, others which are not so vital. Food, drink, clothing, shelter, wood, coal, water, a bed, remedies for sickness, the school teacher's teaching books, etc., are all **goods**. The products of an economic system are meant to be at the service of mankind's needs.

To join goods to needs – this is the goal, the end of economic Life. If the system does this, it reaches **the end** for which it was instituted. If it does not do this – or does it incompletely – economic life fails to reach its end or does it imperfectly. In straight terms, one could say that economics is good, when it reaches its 'right' end and when it is sufficiently well regulated for food to enter the hungry stomach, for clothes to cover the body, for shoes to cover the naked feet, for a good fire to warm the house in winter, for the sick to receive the doctor's visit, for teachers and students to meet.

Morality and economics:

Let us not expect economics to reach a moral end, nor morality to reach an economic end. This would be as disorderly as to attempt to go from Melbourne to Mildura via a transoceanic liner, or from New York, USA to Le Havre, France, by railroad.

A starving man will not appease his hunger by re-citing the Lord's Prayer, but by eating food. This is in order. To satiate man's hunger, it is economics that must meet the need, not an appeal to morality. Similarly, a man who has a sullied conscience cannot purify it by eating a good meal, or by consuming copious amounts of alcohol. In this case it is the place of morality to intervene; it is a moral activity, a moral problem, not an economic activity or problem.

There is no doubt that morality must accompany all of man's actions, even in the domain of economics. However, morality does not replace economics. Morality guides the choice of objectives, and watches over the legitimacy of the means, but it does not carry out what economics must carry out.

So, if and when economics does not reach its end, when things stay in the stores or are not produced, and needs continue to be present in the homes, let us look for **the cause** in the economic order. Let us blame, of course, those who disorganize the economic order, or those who, having the mission to govern it, leave it in anarchy. By not fulfilling their duties, they are certainly morally responsible, and fall under the sanction of ethics.

In effect, if both morality and economics are truly distinct, it nevertheless happens that both concern the same person, and if one is immolated – sacrificed - the other suffers from it. Man has the moral duty to make sure that the economic order, the social temporal order, reaches its proper end.

Also, although economics is responsible only for the satisfaction of man's temporal needs, the importance of **good economic practices** has time and time again been stressed by those in charge of souls, because it normally takes a minimum of temporal goods to encourage the practice of virtue.

* In this automated, computerised technological society, it is not enough for money to aid exchange of our production – money must distribute it. In this age of plenty there is no physical reason for families to be without food on the table.

THE NATURE AND ROLE OF MECHANISMS

The word 'mechanism' is derived from the Greek *mekhane*, signifying 'means', 'contrivance' or 'expedients'. A mechanism is a means to an end. The close connection of this word with engineering in the 19th century gave it a popular meaning which obscures its nature. A mechanism, instead of being regarded essentially as a means to a desired end, came to be thought of as an apparatus or device whose members were constrained to a rigid sequence of events, as opposed to the members of a living creature.

It is the essence of a mechanism that it is pre-determined towards a specific objective, but the pre-determinism occupied people's minds to the exclusion of the specificity of the objective. In this way there arose 'mechanical' conceptions of the universe, and hence the mechanistic (as opposed to the vitalistic) philosophy, which held that organic life consisted solely in material and mechanical forms and operations. This philosophy is, in fact, the complete negation of mechanism, which can never be automatic or self-determinative, but must be an agency operating, or operated, towards its specific end.

The word in the first instance was applied to machinery proper, 'designed to produce a desired effect'. The word then acquired a derived meaning in current use which is defined as 'an organised system under definite control for carrying out specific functions, together with the persons engaged in the work, and the prescribed methods according to which they act: The machinery of government: e.g., the social machine, the political machine, the party-political machine, etc.

Man is also a bundle of mechanisms, starting with the physical body, whereby his consciousness is put in touch with the physical world. Then when men associate themselves in society, we find that they do so through social mechanisms, by which they co-operate towards certain ends.

THE PURELY PHYSICAL FACTS

From the purely physical, material point of view, Man is a machine performing work by conversion of energy. He is a form of internal combustion engine, obtaining energy by the burning of fuel (food). The amount of fuel (food) he consumes must produce enough energy for him to search for or produce more fuel (food) or he will starve to death.

Living Standard:

It is possible to conceive of a state of life where the consumption of food just balanced the expenditure of energy in obtaining it, and in these circumstances no other activity would be possible. Life **must**

have started at least slightly above this level, for otherwise no progress beyond it would have been possible. Now the **difference** between the **energy expenditure** necessary merely to sustain life, and the **energy available** altogether, represents 'profit' in its most fundamental sense. It forms the basis of the ability of the physical man to pursue ends other than the mere obtaining of fuel (food).

* Understanding of basic physical reality is essential

A thorough understanding of this basic **physical reality** is essential to our subject, for it lies at the very heart of Social Credit. An individual that has to devote the whole of its time to obtaining the necessities of its existence has the nature of its activities wholly determined by this necessity. As soon as it has a **surplus of energy** above this fundamental requirement, it has a **choice** as to **how** it will expend it.

Considerable surplus

Quite clearly, on the merely animal level, there is a very considerable surplus. The beast that grazes has time to chew the cud and rest. The carnivores kill only occasionally. Monkeys chatter and play, birds fly and sing, fish swim. Only animals harnessed by man – and man himself – 'work'.

* "Consider the ravens, for they neither sow nor reap; they have no storehouse or barn, yet God feeds them. You are worth more than the birds...." Luke 12: 23-25

Efficiency

The ways surplus energy may be expended are many – one of them is of peculiar importance. This is the use of this energy to improve the **efficiency** of the individual as a **machine** – to further increase the useful effect produced by a given expenditure of energy. Of the many ways in which this may be done, the important one for our enquiry is the construction of tools. The use of tools introduces a new factor, not only enabling a much greater economy in the expenditure of energy, but rendering possible processes hitherto impossible. Imagine an individual man, equipped with neither knowledge, training nor tools, and suppose that he could support himself by grubbing for food with his bare hands. After allowing for necessary sleep, he has an hour or two a day to spare when he need not search for and consume fuel (food).

Investment, Efficiency, Cultural Inheritance

Such a man might spend that hour in amusement, but what if he devotes it to devising better methods by which to obtain his basic requirements of fuel (food)? He might devote it to making a net with which to catch fish or birds, or he might make a tool with which to dig instead of grubbing with his hands.

We need not explore the natural limits of this process for it is only the **principle** which is important. An exact grasp of the principle - the fundamental truth - is of the first importance. It is the basic **physical reality** underlying the conception of **investment**.

Investment is the application of energy to the increasing of the efficiency resulting from the expenditure of energy. This is the elementary form of investment on which the modern complicated superstructure is founded.

Investment begins in the Individual and its original benefits accrue to the individual. The cumulative **effect** of the use of tools and of the **knowledge of process** results in a marvellous expansion of the possible results of effort. One only has to think of the spade in the practice of horticulture. However, it is most important to realise that it is **not the spade alone**, but also **the knowledge of the use of the spade, and of the habits of plants**, which results in the realisation of the possibilities. Many tools have a life exceeding the life of their maker, and commonly they are passed to a succeeding individual. This we call **inheritance**.

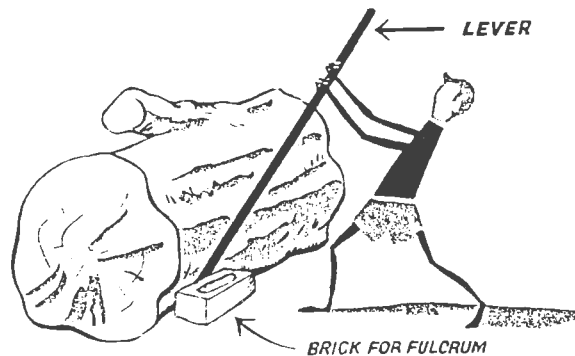
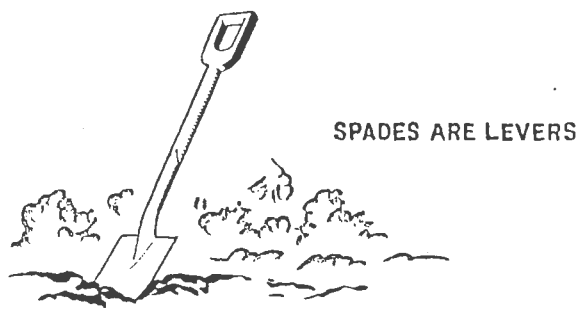
The sort of knowledge we are considering is a **cumulative inheritance**: it is a growth from generation to generation, a growth and a condensation. In other words, the knowledge of the origin of the knowledge is commonly lost. In this context, the knowledge **inherited** is a **working knowledge**;

the individual inherits, with the spade, a knowledge of 'spade-practice' without which the spade has only a fraction of its possible usefulness.

- * This working knowledge, this knowledge of process and practice, in all its wide ramifications, inherited at the same time with the physical inheritance, we call the **cultural inheritance**.

Basic physical meanings for profit and investment

This again is a fundamental conception of immense importance, as real as, and more effective than, the longevity of tools and structures, because it enables not only the adequate use of the tool, but the tool's replacement.



We have found the basic physical meanings for the terms 'profit' and 'investment'. Profit may be defined as improved efficiency, accruing to the individual – and investment as the application of profit to the enhancement of efficiency. Profit, investment and inheritance, especially cultural inheritance, are basic elements of economics and a correct understanding of them - apart from any economic and particularly financial theories - is essential.

'Plenty' has its origins in these elements; it begins in the little surplus energy at the disposal of the individual, is increased by the application of this surplus to the improvement of process, and enhanced through the accumulations of the cultural inheritance.

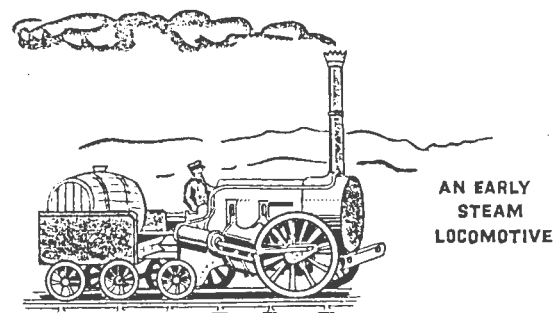
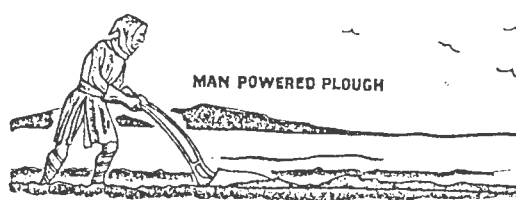
- * Every truth of nature uncovered by the scientist, medical doctor, etc., is a further unveiling of the physical Natural Law.

THE PAST AND THE PRESENT

The Industrial Machine

"The industrial machine is a lever, continuously being lengthened by progress, which enables the burden of Man to be lifted with ever-increasing ease. As the number of men required to work the lever decreases, so the number set free to lengthen it increases it." *Credit Power and Democracy* by C.H. Douglas and A.R. Orage.

The last two hundred years have transformed the world. Before James Watt invented the first practical steam engine, in 1774, the struggle for existence required most of man's time and energies.



The harnessing of Steam-power began the machine age

In the days of individual production, implemented only by hand labour, scarcity was never far removed, and always to be reckoned with. Today, as countless statistics have shown, many of the machines do the work of ten men, many the work of ten times that number and the problem of supplying material wants in abundance is definitely solved. The problem today is no longer the age-old one of how to **produce** enough. The new problem is how to **distribute** the plenty. It is this new problem – the problem of **distribution** - with which Social Credit deals.

This brings us to the medium of distribution – the money system. Recognising that under our present economic regime, money is the exclusive medium of distribution, Social Credit proposes to make the necessary changes in our financial system which will enable it to function as an effective agency of distribution.

This, and other Social Credit proposals, while undoubtedly far-reaching in their effect on many features of our present-day economic structure, nevertheless avoid all necessity for the abolition of private ownership, the destruction of the price system, the suppression of individual initiative, the nationalisation of industry, or the imposition of any form of regimentation, whether socialism or communism or super-unbridled-capitalism.

'WEALTH' IS NOT RICHES NOR MONEY *(This is too far away from P.I. when wealth is first introduced)*

"It is easier for a camel to pass through the eye of a needle than for a rich man to enter the kingdom of God." Mark 10:25

* Definition of wealth: From *weal* meaning 'the state of being well'; *common wealth* (common weal) meaning 'common well-being'. [Old English *wela*, *weola*, meaning 'wealth, well-being, bliss; allied to 'well'.]

Endless confusion results from the admission of wider definitions of wealth. Confusion may be avoided by observing the precise function performed by each item, in its turn, in the production of wealth.

* Strictly speaking, wealth is not the source from which the needs are supplied but the supplying of the needs. In other words, a nation's wealth is what its citizens consume. An individual's wealth is what he consumes. Apart from wealth, a community or an individual may have assets, but these are not wealth. No nourishment results from the meat in the pantry, but only from the consumption of the meat in the pantry.

Clearly, between the meat in the pantry and the nourishment of life, various stages intervene, e.g., preparing, cooking, bringing it to the table, then carving and serving. Other stages preceded these: (3) retail delivery, (2) dressing, butchering and (1) killing. In the retail shop the meat was consumable, but on the farm, not consumable yet. The phrase 'production of wealth' properly covers all these stages which prepare for the receipt of wealth by the individual.

Descent or ancestry of wealth

In common language, the descent or ancestry of wealth may be summed up in the sequence:

- Men to make things,
- Things with which to make other things,
- Things half-made,
- Things made,
- Things consumed (wealth).

The place of men themselves in this sequence is noteworthy

They may be numbered under the headings of:

- Things to make things with, i.e., as instruments of their own for wealth production, i.e., as capital.
- Further, not only as items of capital but as things self-consumed for the exercise of some power (action). They may be regarded as being, at different stages of their individual lives, half-made, or made; and all the time as being in process of consuming themselves.

In other words items/things appear at every stage of wealth production and are themselves wealth.

Remember we pointed out: From the purely physical, material point of view, Man is a machine performing work by conversion of energy. He is a form of internal combustion engine, obtaining energy by the burning of fuel (food). The amount of fuel (food) he consumes must produce enough energy for him to search for or produce more fuel (food) or he will starve to death.

Forms of wealth needed by all

The relative importance to individuals of various forms of wealth differs from individual to individual within wide limits. Some forms of wealth are necessary to all people, e.g., a sufficiency of food, air, water, sunlight, clothing, is necessary to all individuals at all ages. Such things as tennis racquets and the printed scores of orchestral music may occupy relatively very different positions, if any, in different individuals' lists of wealth items arranged in order of their importance. Indeed, such a list, if it could ever be compiled for even a single individual would never be strictly applicable to his life at any given moment and would tend to change from hour to hour. **This very fact, is itself a demonstration of the soundness of our rule that wealth only discloses itself in consumption.** *

Consumable goods capable of being converted by **consumption into wealth** at one moment of the life of an individual are quite incapable of realising any wealth to another individual. In other words, all questions of value are incapable of settlement because there is no possibility of fixing a standard of value and all we can say of anything is that at a particular moment it was presumably valued by an individual consumer because he consumed it!

Many people in the community seem to associate **matter** more prominently with that particular form of it which we call mud than with any other. These same people sometimes show a strong inclination to disregard the fact that wealth, which they are willing to interpret in the broadest terms, has usually a lowly origin.

* The greatest poetry is usually printed on ordinary paper with ordinary ink and cannot become wealth except through the medium of the printed book. Similarly, the greatest music cannot become wealth except through the medium of a large variety of material instruments made of steel, brass, silver, copper, wood, gut, horse-hair, ivory, etc. Stone, linen, oils, paints and varnishes are items in the medium for conveying wealth through the visual sense, and spiritual wealth is characteristically associated with special and elaborate buildings, mural and other decorations, and other things of a material kind.

It will be observed that the wealth made available through such media is relatively intangible, and that the vehicles are either relatively permanent, like some of the instruments of production, or are transient, like the sound of music, if the sound be regarded as a source of wealth.

* The peculiar associations between the seed and the soil, the growing plant and sunlight have resulted in a **redistribution** of energy. Man makes arrangements for this natural event to occur at times and places advantageous to himself. The capacity for work is increased by providing the conditions in which energy may be released from stores, and, by the use of mechanical associations inherent in the properties of motion, this capacity is directed into useful channels.

How to do things

The knowledge of **how** things can be done embodies a **conservative** force which results in their continuing to be done as it is known they can be done and the result is a **constantly accelerating power** to do things. **There is no other ingredient in wealth-production.**

Superstition and idolatry of money

We have not mentioned money, which superstition places among the items of wealth. it is not wealth *

because it is **never** consumed, nor is it capable of producing wealth. Apply the experimental method to it and see. All the associations which lead to the production of wealth can be established independently of money.

"Alas for you, blind guides! You say, 'if a man swears by the sanctuary, that is nothing; but if he swears by the gold in the sanctuary, he is bound by his oath.' Blind fools! Which is more important, the gold or the sanctuary which sanctifies the gold?" *Matthew 23:17-18*

We could, of course, agree not to provide for the occurrence of any natural associations unless, let us say, all the pavements were painted pink. Or, by agreement, we might allow any other arbitrary rule to intervene between us and the reaping of the natural increments of association which are advantageous to us. If we did we should not call the process one of wealth-production

WHAT IS CAPITAL?

In a modern community the tools assume great prominence, i.e., capital is prominent. Thus Ruskin said, "Capital signifies 'head, or source, or root material' - it is material by which some derivative or secondary good is produced. It is only capital proper (*caput vivium*, not *caput mortuum*) when it is thus producing something different from itself." It is a root, which does not enter into vital function till it produces something else than a root: namely fruit."

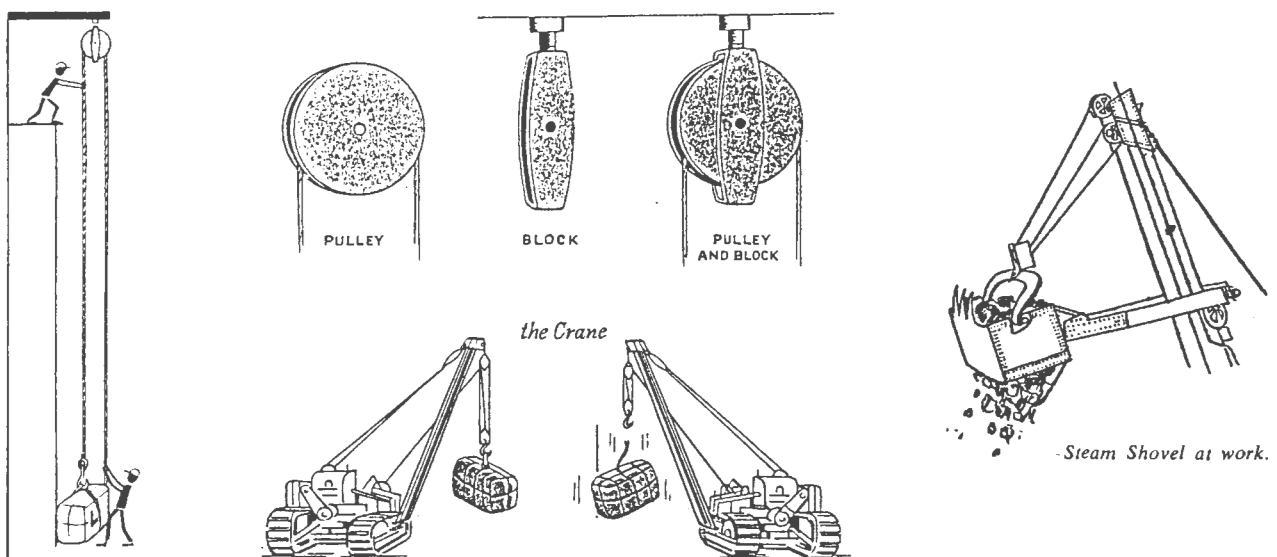
"That fruit will in time again produce roots: and so all living capital issues in reproduction of capital; but capital which produces nothing but capital is only root producing root; bulb issuing in bulb, never in tulip; seed issuing in seed, never in bread: The Political Economy of Europe has hitherto devoted itself wholly to the multiplication, or (less even) the aggregation of bulbs. It never saw nor conceived such a thing as a tulip."

Clearly, a society that knows no difference between an apple in a barrel and an apple in its mouth, between the soil from which the apple-tree grew and the human being enriched by eating an apple, can hardly distinguish the bulb and the flower.

Capital is 'the doing part of Life'

To say that we must distinguish between capital and wealth is not to say that capital is unimportant. Capital is easily defined if we stick to the doing part of life in society and avoid the purely recording part.

Mechanical powers of machines are derived from the elementary forms or parts. There are three primary parts or elements: the lever, the inclined plane and the pulley. There are three secondary forms or parts: the wheel and axle, the wedge and the screw.



The associations which enter into wealth production

All the associations which enter into wealth production - man's inherited knowledge of how to do things (know-how) - the increase he is able to effect in this knowledge - the natural and mechanical associations he establishes - the stores of energy available to him, the plant and equipment - the transportation systems - all these are capital. Many items involve work and the use of materials. Plant wears out, becomes obsolete, and must be renewed. Note two points: that a disproportionate amount of energy may be expended on capital which, after it is produced, may remain largely unused, and that the obsolescence of capital is not something that directly affects its power to produce wealth.

John Ruskin wrote: "Consumption is the crown of Production; and the wealth of a nation is only to be estimated by what it consumes. It is, therefore, the manner and issue of Consumption that are the real tests of Production. Production does not consist in things laboriously made but in things serviceably **consumable**, and the question for the nation is **not** how much labour it employs but how much **life** it produces. For, as Consumption is the end and aim of Production, so Life is the end and aim of Consumption..."

Examined minutely, every instance of **wealth** (which you will observe is essentially **individual in its nature**) is traceable to a number of antecedent associations - cultural heritage, industry and process, mental association, mass association, the agreement associations, material associations - all yielding their characteristic increments. Throughout, **each effective element in association has been effective in its own way.**

Remember: Man makes arrangements for this natural event to occur at times and places to his advantage. This capacity for work is increased, by providing the conditions in which energy may be released. Energy is released from stores and by the use of mechanical associations inherent in the properties of motion. This capacity is then directed into useful channels.

The knowledge of how things can be done (in modern terms, **the know-how**) embodies a **conservative force** which results in their continuing to be done as it is known they can be done and the result is **constantly accelerating power** to do things. There is no other ingredient in wealth production!

All these associations which enter into wealth production - man's inherited knowledge of how to do things, the increase he is able to effect in this knowledge, the natural and mechanical associations he establishes, the stores of energy available to him, plant and equipment, transportation systems - all these are capital.

THE NOTION OF 'COST'

This section is going to be difficult. We have been so indoctrinated to believe that the words 'finance' and 'economics' are interchangeable and refer to the same things that we have great difficulty in distinguishing between **real wealth** and the **money system**. The money system in reality is the means - or should be - by which we deal with the real wealth.

The notion of 'cost' is obscure

One can go back to Imperial Roman times – probably much further - without finding anything but double-meaning in the words used for cost, and the same double-meanings exist today. *Sumptus* meant cost and also expense; *impensa* (from *impendo*, I lay out) expense, outlay, cost; *Praemium*, that which is taken first; advantage (which, in the natural world, is not taken first but **at the time** an association is effected). The word also meant gain, profit (the increment of association), an honourable reward, recompense, a promise and (ironically) punishment. *Merces* meant wages, hire, pay, fee, salary, reward, interest, rent income. It also meant punishment. *Caritas* meant costliness, dearness, high price, scarcity of money, and also affection and the dearness of e.g., one's children; while *carus* signified high-priced and also dear and beloved.

There is no **natural** connection between the high price of (say) tomatoes and natural affection. The

rest of the meanings indicate either the plain effects of **monetary** customs (agreement associations) e.g., the reward for services in negotiable **money tokens** instead of **in kind**, or they are ironical.

Notions of utility, likewise, arise from confusion concerning the nature of wealth. The usefulness of wealth lies in the fact of its being wealth and how useful it is can no more be assessed than how valuable it is. On the other hand, the usefulness of a tool (simple or complicated) or of an intermediate product can be measured by ascertaining its effect in making consumable goods available.

The abstractions, value and utility, have been a source of great hindrance to the advancement of knowledge of the efficiency of society but appropriate standards of measurement are not rendered less appropriate because we detect the inappropriateness of a standard which has failed to serve us. Because value is indefinable it does not follow that people have no power to produce a result in association which is satisfactory to them. Probably that power will be increased if they eliminate from their discussion of it a useless, ideal conception.

Capital Goods: Indistinguishable in respect of **technique** - i.e., in respect of the associations yielding the increase, the 'increment' - is the production of goods which are not themselves consumable: the fittings of the butcher's shop, his instruments and so on. These wear out and have to be replaced; they never do reach the consumer. On the other hand, the wealth the consumer consumes would not be forthcoming were it not for them.

It is also true that, collectively, the community consumes capital goods; consumes them in the sense that they are **used up in its service**; but this consideration must not tempt us from our definition which has this merit, that it concentrates attention upon the production of **the result intended**, which is the nourishment, not the **means** of possible nourishment.

Again, we remind you: Life is more than food and the body than raiment.

MEANING OF AUTOMATION

Automation means the tending of machines by other machines. It is developing at an ever-increasing rate, and affects all of us. For many years monetary reformers have rightly contended that industry is unable to distribute enough purchasing power to liquidate the prices of the goods which it produces, because the money system does not distribute the Wages of the Machine. This fault is now very much accentuated as a result of the new technical developments.

Those who saw Charlie Chaplin's film "Modern Times," a number of years ago will remember the soul-destroying effect of following out Henry Ford's principle of "one man, one operation". The conveyor on the assembly line moved irresistibly, implacably, and impersonally forward, and the human being had to keep up with it or be thrown out on to the streets.

Inventors have been applying themselves to this problem, and have said, in effect:

"If the work can be broken down into operations so simple that completely unskilled persons can do them, then surely pieces of mechanism can do them." And that is precisely what happened. Workers and thinkers in the field of automatic processing were greatly helped by developments in electronics that took place fifty years ago during WW 2 - particularly through the use of radar.

THE COMPUTER

Most people are familiar with a child's toy in the form of a framework with wires on which beads are strung. This is a counting frame, or abacus, which in eastern countries is still used in bazaars, and even in banks, for calculating. The top string of beads represents the units - 1, 2, 3, 4, 5, etc. The next row the tens - 10, 20, 30, 40, 50, etc. The next the hundreds, and so on. On this principle, modern calculating and bookkeeping machines work, and in a slightly different way, speedometers and automatic telephones, too.

The basic arithmetic of addition and subtraction is used, and multiplication and division are derived from these. The beads have been replaced by very small electronic valves, or the new transistors, and the calculation takes place at the speed of light. This is the basic principle of what is called the Computer, or, as it was described in its more elaborate form in its early days, the Electric Brain.

THE CONTROL CARD

Working in conjunction with the Computer is another piece of mechanism with which many people will be familiar - particularly those who have some connection with the textile trade. It is a development of the Jacquard Card, which is used to make the pattern on weaving looms and on knitting machines. These are cards in which holes ranged in an endless chain. The holes engage with the mechanism of the machine, and highly complicated patterns are so made. Now, it is possible to extract the mathematics, say, of a machine drawing, and transfer these on to a metal strip which corresponds to a Jacquard Card. These figures are set out in a certain order; then the operator can - by using a special mechanically-operated typewriter - punch holes in this metal strip. This strip then controls the Computer.

The electrical impulses which go through the Computer are of quite low power, but are amplified, and instructions are passed on to the next piece of mechanism. This also will be familiar to many people - particularly those who have driven heavy lorries. It is a Servo Mechanism, as used on a heavy vehicle, when quite a gentle pressure applied to the foot brake pedal is transformed by the engine into a very considerable pressure on the brake drums. The subsidiary mechanisms, using hydraulic pressure or air pressure, can be controlled by the master instrument - the Computer.

THE TRANSFER MACHINE

That is the automatic part of Automation. The motion part is carried out by mechanical lifting devices and conveyors called Transfer Machines. The new thing about Automation is the synchronising and

integrating of what are more or less familiar mechanisms into one continuous process. It is a mental approach to production, as much as it is a technique. The result is that one can have such apparently fantastic things done as putting a rough motor engine casting in at one end of a set of machines, and - without anyone touching the controls - taking the casting out the other end after ten minutes, completely finished. It was reported the Ford works at Detroit, in America, had a line of machines 1,500 feet long - more than a quarter of a mile - on which not one human operator worked.

THE IMPLICATIONS

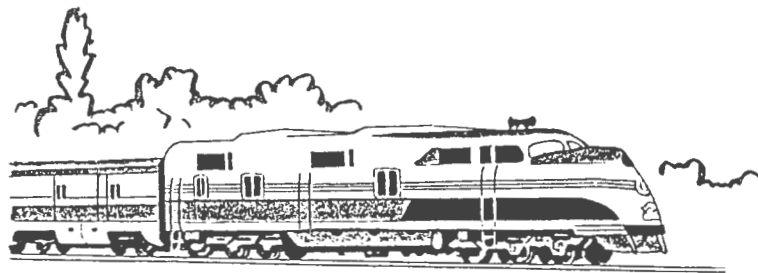
A story is told about Walter Reuther, the American Automobile Workers' Union leader. With an official of Ford's, he was looking down on a long line of automatic machines. The Ford official said: "You are going to have a hard job to collect union dues from those guys!" Reuther replied: "And you are going to have a hard job selling Ford cars to those guys!"

What does Automation mean to you and me?

It means that human beings are progressively relieved of a lot of the uninteresting and repetitive types of work. We are - or should be - released from drudgery, and we are - or should be - able to have wealth and material things undreamed of in the past. But best of all, we are - or should be - set free to do much more interesting things than we have had to do in the past. We shall have - or should have - greater leisure, greater freedom - freedom from want and freedom from dull toil, freedom from anxiety, fear, and insecurity. Greater harmony will be - or should be - created between people and nations. Human dignity will return.

But we shall achieve those desirable ends only if we understand and adjust the Money System.

The money system is a human institution which came into being in the days of scarcity, and it is still operated on its original principles. It must be brought up to date and made to work in relation to the realities of our times. What is physically possible can and must be made financially possible, and it is up to you and me to see that the money system is adjusted accordingly. Each one of us will have to be given a share of the Wages of the Machine over and above what we may earn. **We shall have to form the Shareholder State.**



Self testing

In your own words explain:

What are the three allied activities of an economic system?

What is the end purpose of an economic system?.....

Why did the use of tools introduce a new factor into a simple production system?.....

From the purely physical viewpoint is Man a machine?.....

What are the basic physical meanings for the terms 'profit' and 'investment'?.....

Finish the following sentence. Strictly speaking, wealth is not.....

What is living capital?.....

What are capital goods?.....

Do you have definitions for 'value' and 'utility'?.....

Briefly explain what you would do with your leisure time if you were in paid employment for just 20 hours per week and, at the same time, received a dividend from a National Credit Authority set up for the purpose of paying every Australian a dividend based on the national production?

.....
.....
.....

FACT: An immense amount of 'work' is done without the intervention of Man.

Instances of 'work' done without Man's assistance include:

1. All instances of growth.
2. The natural movements of wind and water.

Note that the capacity for doing 'work' may be stored up, there are natural stores of energy - such as solar light and heat. This light and heat is being expended in work done all the time on earth.

HOW?

1. Constant circulation of water is effected.
2. Movements in the air and the manufacture of food materials by plants, which food materials are thus made available for animal consumption.

Knowledge of associations enables us practically:

1. To control the motion of bodies (machines).
2. To control the flow of energy (power).
3. To apply these controls for intelligent ends.

Just as certain principles govern the associations necessary for bridge-building, so do principles govern associations necessary to achieve economic, financial, political or any other objectives.

The basic essential of real freedom is economic freedom. Experience has demonstrated that the only economic system which can really serve the individual is one where free enterprise competes to provide the individual with what he wants.

The individual consumer exercises his control over the economic system through his 'money vote'. It is the most flexible form of voting ever devised by man and in a future edition of *Introducing Social Credit* we will deal with this matter.

Further reading:

Social Credit and the 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 Solzhentisyn

Books by C.H. Douglas for further reading:

Economic Democracy
Social Credit
The Monopoly of Credit

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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