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"Ye shall know the truth and the truth shall make you free"

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EDITORIAL

A Totalitarian Credit Policy

If the Social Credit Movement has done nothing else in its comparatively short history—and it has done much which will help decide the course of history—it has successfully exposed the basic facts concerning the creation of financial credit by the banking system. Commenting on the present economic situation in Australia, the leader writer of the Melbourne Age stated on February 21: "Australia is in a very different position from what it was in the 1930's, when recession was so little understood that people simply wrung their hands and called it an act of God. The world now understands the causes of such calamities, and has means at hand to cushion effects."

While we readily agree that there is a more widespread understanding that the economy is governed by the volume of financial credit being made available, it is essential to stress the fact that the Social Credit advance before the war was such a threat to the international controllers of credit policy they realised that a change of tactics was necessary to meet the situation. If war had been averted, even if only for a few years, there is little doubt that the original Social Credit "break through" in Alberta. The credit monopolists were under heavy attack in all English-speaking countries, including the U.S.A., would have been successfully extended. The deliberate manipulation of the British Empire, and later, the U.S.A., into war and the subsequent imposition of numerous Welfare State measures led to an entirely changed situation. As Douglas foresaw ahead of everyone else, "monetary reform" was to become respectable. Financial credit would be made available, but only on the terms laid down by the controllers of policy. All the instruments of propaganda were used to make "full employment" and "national development" gods to which all political parties must subscribe. And Soviet Russia was bolstered up to take the place of Hitler's Germany so that "the threat of war" could be used to impose further doses of centralised planning and pervert the true purpose of the productive system.

The problem facing the Social Credit Movement today is a different problem from that dealt with in the thirties. The basic problem today is to deal with the question of purpose; to show that the purpose of the production system is being deliberately perverted to prevent the individual from progressive self-development. The greatest threat to our society today is not

that there will be a major depression because of lack of financial credit, but that credit policy is being used to drive the individual further and further into a totalitarian structure; to take from him the right of freedom of choice and the development of his most divine attribute, his individual initiative. The psychological damage already done to the individual is enormous, but the programme of the totalitarians is so contrary to reality that increasing numbers of people are starting to express their doubts concerning the direction in which they are being forced. Just as the Social Credit Movement before the war successfully exposed the realities of the credit system, and did it with comparatively small resources, so today a small number of dedicated men and women can provide the decisive advice and influence to avert the final victory of those who would enslave mankind.

We completely reject any suggestion that there is any need for despairing of the situation. Opportunities for positive and constructive action are numerous. Responsible members of the community, including the Christian clergy, should have their attention directed to the blatant dictatorship of Dr. Coombs and his associates as they arbitrarily announce an expansion of Central Bank credit of £15 million, and indicate to the trading banks how the credit they expand upon this base shall be allotted to the community. We repeat: there is no longer any argument about the facts of credit creation. The Social Crediters won that battle. They must now win the battle concerning the purpose of credit policy; whether it is to be used to increase the freedom and independence of the individual, or whether it is to be used to enslave him in a complete Monopoly State.

NEWS SECTION

Anglican Archbishop On Sectarianism: Addressing a congregation in the presence of the Queen Mother at St. Paul's Cathedral, Melbourne, on March 2, the Anglican Archbishop of Melbourne, Dr. Frank Woods, urged Anglo-Saxons and non-Romans to "show great charity" to New Australians, the majority of whom are Roman Catholics. He also urged Anglicans to "put on charity to our Christian brothers of other denominations". His Grace stated bluntly, "There is a terrible legacy in this country of denominational rivalry. These things ought not to be".

It is to be hoped that Dean Barton Babbage, who read the first lesson at the special service, urges his friend, Dr. Evatt, to heed the Archbishop's advice and cease trying to exploit the "terrible legacy" of denominational rivalry.

The Rev. Alan Walker Again: When the Rev. Alan Walker launched the Mission to the Nation we dealt critically and comprehensively with Mr. Walker's views because they were publicised extensively. We particularly stressed the fact that many well-meaning businessmen were financing what could only be described as propaganda furthering Socialism.

After his recent return from abroad we noted with interest Mr. Walker's views on the international situation. We gathered the impression that he was much more aware of the realities of Communism than previously. His views on the Middle East did indicate that he realised that the source of the trouble there was the Zionist State of Israel and the terrible plight of the Arab refugees driven from their homes by the Zionists.

However, after reading Mr. Walker's views given at a Meet the Press television session in Melbourne on March 2, we are convinced that this prominent clergyman knows nothing of the real forces behind international affairs. Or if he does, he has decided not to mention them. He claimed that there would have been a world war by now if "public opinion" had not forced the dismissal of General MacArthur in the Korean War and the withdrawal of the British from Suez. There is not one piece of evidence that there would have been a world war if General MacArthur had been permitted to defeat the Chinese Communists and the British had completely re-occupied the Suez Canal zone. Communist propaganda and verbal threats are not evidence.

The "public opinion" mentioned by Mr. Walker was deliberately fostered by the forces which today control most of the world's media of propaganda. This spurious "public opinion" was deliberately created to enable the Hidden Government in the U.S.A. to prevent MacArthur from smashing the Chinese Communists and to hide the fact that the British retreated from Suez under threat of economic sanctions. Mr.

Walker obviously needs to make a much deeper study of international affairs before he can be accepted as a realistic commentator.

The Question of Gambling: While on the subject of the Rev. Alan Walker, it is appropriate to refer to this cleric's mean and narrow criticism of that gracious lady, the Queen Mother, who had several small bets when she attended the Flemington races in Melbourne. The Queen Mother's moderate betting no more endorses gambling excesses, particularly when they harm other people, than does the man who has a few glasses of beer per week thereby support drunkenness. The gambling instinct is deeply implanted in most people. The important question is how that instinct is to find expression. In a genuine Christian society it will find a much more constructive outlet than it can at present. The present mass society has so depersonalized many individuals that excessive consumption of alcohol and an obsession with the numerous lotteries are passively accepted as the only relief from monotony and boredom.

Mr. Walker is wrong when he says that gambling is "number one" enemy. The biggest enemy is the growing power of Caesar and his agents, a power, which is used to subordinate the individual to materialistic policies, which prevent him from knowing God through the exercise of his free will and individual initiative. If Mr. Walker and other clergy will give a lead in resisting the centralisation of power in all spheres, they will be doing something far more important to re-Christianize Western societies than by continually harping about effects.

One final point of gambling: The Rev. H. P. Phillips, retiring director of social services of the Victorian and Tasmanian Methodist Churches, said last week that "All forms of gambling are forbidden under Methodist law". Does this restriction include, for example, gambling on the stock exchange?

Senator Kennelly and the Jews: The following interesting item appeared in *News-Weekly*, Melbourne, of March 5:

"Feature of proceedings in the Senate last week was the fervour of Pat Kennelly's denunciation of Krupp's 'crimes against the Jews'.

"The significant feature of the Evatt Party senator's speech was the fact that the other nationalities persecuted by the Nazis didn't get a mention.

"If Krupp was guilty of crimes against the Jews, he was also guilty of the same crimes against the Latvians, Lithuanians, Poles, Czechs, Norwegians, Dutch and French.

"In fact, the Jews represented only a fraction of the slave labour force utilised by the German war machine.

"Since most of them were in concentration camps, the responsibility for their shocking treatment lies with Hitler and his S.S.

"The industrialists were concerned mainly with slave labourers of non-Jewish origin from the conquered countries.

"Yet these people didn't rate a mention.

"Can the reason for such exclusive treatment lie in the fact that a certain section of the Jewish community represents the only support that the Evatt Party can muster from New Australians?"

New State Idea Grows: The growth of the New State idea is a heartening indication of the truth in spite of all the propaganda in favour of World Government; the natural tendency of people who understand the British tradition of Government is to reduce the size of Government to the stage where it can be effectively controlled by electors.

A news release from the New England New State Movement states that at the coming Convention of the New England New State Movement, it will be proposed that a National Convention on New States be held. Representatives of the New State for North Queensland Movement, the Capricornia New State Movement (which is fighting for Central Queensland Statehood) and the newly formed provisional Committee of the New State for the Riverina Movement will attend the New England New State Movement Convention at Newcastle next month.

In a recent address to the Victorian division of the Chartered Institute of Secretaries, Mr. A. Calwell, M.H.R., indicated that the parliamentary committee, which is investigating the need for changes in the Constitution, would probably table its report this year. Mr. Calwell is a member of the committee. He referred to the question of New States, stating, "Part of America's greatness was that there were 48 areas of regional autonomy".

While supporters of this journal can and should play an active part (some are already doing so) in the growth of the New State Movement, they should watch carefully to ensure that Federal Government support for New States is not granted in exchange for a further reduction in State rights.

Behind the Anti-French Campaign in North Africa: The world's press has given little publicity to the fact that France is now obtaining an increasing flow of oil from North Africa. The latest news available indicates that France is now obtaining approximately 50 percent of her total oil requirements from her new oil fields. It is predicted that eventually France will become completely independent of oil from the Middle East.

A number of competent authorities on international affairs believe that the increasing anti-French campaign in the United States is designed primarily at undermining the French in North Africa in the same manner that the British were undermined in the Middle East. The ultimate objective is to ensure that the French do not possess their own oil supplies.

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The "Right To A Job": Under the heading, "All Have Right To A Job, Says Cleric", the Melbourne *Sun* of March 3 reported the Rev. Lyall Dixon of the Collins Street Independent Church as saying that "every person who is employable has the right to full employment. This right is a spiritual one, and Christians should not rest until those in authority fairly face up to what is involved in it."

While we agree with Mr. Dixon that "it was absurd that some should be denied the necessities of life" and that "The machine is made for man and not man for the machine", we suggest in all charity that this cleric has uncritically accepted the false conception of the production system being an end in itself instead of a means to an end. To insist that "full employment" is the only means to obtain the necessities of life in a modern industrial society where every technological advance displaces human labour in production condemns the individual to work for work's sake.

The true purpose of production is consumption, not employment. It is the right of every individual to have access to at least the basic requirements of life irrespective of whether his services are required in production or not. This right is based upon the fact that the main element in modern production is not human labour, but the heritage of physical capital built up by past generations, the knowledge of how to do things—the cultural heritage—and the use of God's gift in the form of unlimited solar energy.

A re-orientation of the economic system away from materialistic objectives towards the spiritual objective of freeing the individual for self-development will, of course, require a change in present financial rules. Christian spokesmen are not required to say how this should be done. But it is their responsibility to concern themselves with clearly defining purpose in accordance with the Christian philosophy. "Full employment" is a policy rooted in the anti-Christian philosophy.

The Economic Problem and the Cold War:

Dorothy Thompson, the prominent American writer, has made the following penetrating comment on the economic problem and the cold war:

"As long as American productivity per worker rises (as it does) around 3 percent per year, due entirely to the advance of technology, the problem is to get rid of surplus production. Our foreign policy is designed to do so. Nothing does so more effectively than defence, simply because no hard goods are so rapidly obsolescent. It is, therefore, folly to take radical disarmament proposals very seriously, or to anticipate any real relaxation of tensions. Under the new economics, any complete relaxation of tensions would create a technological-economic catastrophe. Continued tension—the cold war—is the means by

(Continued on page 4)

THE TWELFTH COMMANDMENT

Some years ago a clergyman friend confided that he could not understand why "goodness" in a man did not ensure God's blessing in the form of economic prosperity. "Why," I said, "I've just been reading a book that will help you clear up that point." I was thinking of some passages from the greatest mind of this century. Here is the central point from page 15:

"It is not necessary to have a contempt, or to be lacking in a proper respect, for qualities in human beings which add to the grace, dignity and meaning of human existence, to be quite clear that those qualities are not in themselves at issue in regard to many of the economic and industrial problems which confront the world at this time."

My friend accepted the loan of Douglas's *Social Credit*. A year later, on answering a "call" from another State, he returned the book, remarking casually, "Afraid I didn't get round to reading it."

Although my Scottish ancestry is cause for pride, it is not of the clan Douglas, so the way the conversation should have continued does not occur to me until next day. To his confession I reply, "So there's one of Christ's commandments you don't carry out". With startled look, he enquires. "Which is that?" "The twelfth," I say, "'Seek ye the truth, and the truth shall make you free'."

To the best of my knowledge his mind is still in bondage to a "group ego" which conforms to the requirements of Satan—subjugation of the individual to totalitarian bureaucracy. *Demon est Deus inversus*.

—Eve Arndt.

Russia's "Anti-Semitism"

But Russia possessed a special weapon. During the alleged Russian anti-Semitism of 1952-1953, the Israeli Government had launched a new propaganda campaign, both at home and at the United Nations. Israeli leaders called upon the Soviet Union to let the more than two-and-a-half million satellite and Russian Jews come to Israel. This cry did not abate, even after the trial of the doctors had proved to be merely a facet of the Malenkov-Beria struggle for leadership control. Should the Communists as a gesture of renewed friendship for Israel ever become willing to permit even 250,000 Jews (10 percent.) to pass the Iron Curtain, Israeli expansion, which Zionism has preached and which the Arabs have feared, would of necessity become a reality. A new Middle East War and World War III would be on its way. But the Russians believe they have devised a safer and surer method of penetrating the area. The as-yet-not-in-gathered Jews are always held in reserve as a trump card for a tour de force via Israel should the Arab route fail.

—Alfred M. Lilienthal, anti-Zionist American Jew and leading authority on the Middle East, in his recent book, *There Goes The Middle East*.

NEWS SECTION

(Continued from page 3)

which the anticipated post-war slump has been avoided."

President Eisenhower's public relations teams are at present engaged in a feverish campaign to try and persuade the American people that their internal economy will collapse unless they continue with big "give-away" schemes to undeveloped countries. No wonder the Communists are confident of ultimate victory!

Victorian L.C.P. Attacks Payroll Tax: It is to be hoped that having passed a resolution demanding that the Federal Government should abolish payroll tax, the Victorian Liberal and Country Party State Council will now follow this up by insisting that all Liberal candidates at the next Federal Elections give a written assurance that they will support this policy on the payroll tax if elected.

Direct Taxation Imposed in New Guinea: A supporter has sent us a copy of Ordinance introducing direct taxation into New Guinea. Although the amount of taxation to be levied is small, it can be confidently predicted that it is only a start. Local residents complain that they are being subjected to taxation without effective political representation. Our correspondent states: "A particularly objectionable feature is that the bill was brought in from Canberra despite repeated promises by the Minister for Territories and others as recently as his last visit that direct taxation would not be introduced, and another is that, according to Ian Downs, the M.L.C. for the New Guinea mainland, a few hours instead of the statutory 21 days was given to the non-Government members (which includes the native members) to study this among all the rest of the bills before them. It was, of course, forced through by Government majority." "No taxation without political representation" was one of the rallying slogans of the early American colonists. Pioneers in New Guinea must clearly fight for a greater measure of self-government against the dictatorial policies of Canberra.

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ARTICLE SECTION

Social Credit and Christian Philosophy

"We say . . . that Social Credit is applied Christianity, and it is therefore especially necessary to be able to give an intelligent answer to an enquiry for a definition of Christianity in everyday life . . . Socialism, Communism, and Atheism are all of a piece, as are Christianity, private, decentralised property, and respect for family tradition as part of respect for the individual. There is no compromise possible — either there is no Christ, or Socialism and Communism are of the Devil. The essence of them, without exception, is that the group giveth, and that the group taketh away; blessed be the name of the group. Anyone with experience of life knows that the group giveth; yes, in exchange for the soul."

— **The Social Crediter, November 10, 1945.**

In a world where Truth is obscured by all the evil power of centralised mass propaganda, and where the philosophy of materialism and collectivism finds increasing expression in policies which progressively centralise all power into fewer and fewer hands, it is not surprising that a Movement devoted to furthering policies designed to produce a society based upon an alternative philosophy, the philosophy of Christianity, is given either what is termed the "silent treatment", or, when it is mentioned, there is deliberate perversion. Judged by the treatment Social Credit has received from those who control centralised power in this world, it is obvious that it is regarded as a serious, practical challenge to policies which rob the individual not only of his material heritage, but also of the freedom to increasingly personalize his life by the development of his most divine attribute, individual initiative. Molotov may or may not have made the remark attributed to him, that the Communists knew all about Social Credit and that it was the only thing of which they were afraid. But because they do understand the fundamental importance of striving persistently to integrate both policies and their philosophy, the Communist leaders have by their vicious opposition to Social Credit made it clear that they recognise it as a deadly threat. And so do their fellow-worshippers of the State, the Socialists. When the originator of Social Credit, the late Major C. H. Douglas, discussed the subject personally with the famous Fabian Socialist,

Sidney Webb, and after Douglas had dealt with every objection raised concerning the practicability of his proposals, Webb finally said that he did not like their purpose. And he did not like the purpose because he recognised it as contrary to his own views concerning the purpose of man. He saw that Douglas's monetary and other proposals were rooted in the Christian philosophy, a philosophy that he rejected. However, the enemies of Social Credit, when they do mention the subject, always endeavour to create the impression that Social Credit is just one more theory of monetary reform. It is unfortunately true that many monetary reformers calling themselves Social Crediters have furthered this false idea.

THE Great Depression of the early thirties, caused by the restriction in the rate of credit expansion, naturally attracted a large number of people to Social Credit. But the overwhelming majority of these were only interested in monetary proposals, which they hoped would alleviate their desperate material conditions. The unemployed, or those threatened with unemployment, wanted an expansion of new financial credits in order that work and wages, would be provided. The businessman threatened with bankruptcy because consumers had insufficient purchasing power to buy his goods, saw in the expansion of the community's money supply the prospect of increased business. It is not surprising, therefore, that when material conditions did improve as a result of the expansion of

financial credit, many lost all interest in Social Credit. They never really understood the true nature of Social Credit.

Douglas continually directed attention to this lack of understanding. Even in 1932, when the depression was resulting in a tremendous upsurge of interest in monetary reform, Douglas wrote that

"There is too great a tendency to assume that the question of credit is the only subject on which we hold views of practical importance. So far from that being the case, the principles of organisation which are discussed in the earlier part of *Economic Democracy* vital to an effective understanding of the credit problem."¹

Although there are barely 25,000 words in *Economic Democracy*, Major Douglas's first book, a close study of it today, 37 years after it was first published, reveals that Douglas touched upon, either fully or in principle, every aspect of the vast subject which was subsequently developed more fully. There are twelve chapters in *Economic Democracy*, but only three of these are devoted to any examination of finance, and this primarily in relationship to the principles of human association dealt with in the other chapters.

". . . the first book on what has since come to be called social credit, *Economic Democracy* . . . was concerned almost wholly with the proposition that centralisation of power over initiative as opposed to individual freedom is a persistent and conscious policy . . . every effort has been made to obscure this fundamental issue, and to represent the Social Credit Movement as concerned with 'a discredited monetary scheme, which has been tried in Alberta and has failed'."²

The statement in *Economic Democracy*, that "Systems were made for men, and not men for systems, and the interest of man, which is self-development, is above all systems", clearly indicates that Douglas accepted implicitly the Christian philosophy. The fact that Social Credit was first presented as a Policy before any comprehensive effort was made to deal with its philosophy, can be

(1) In a letter to the Editor of *The New Economics*, Melbourne Social Credit Journal.

(2) C. H. Douglas in *Whose Service Is Perfect Freedom*.

attributed to the fact that up until *Economic Democracy* was written, it was reasonable to assume that the Christian philosophy, although misrepresented and obscured, was still widely accepted. The progressive attack upon this philosophy has made it essential to face the fact that until there is a re-clarification of the true purpose of man in relationship to his environment, it is waste of time to discuss policy.

Douglas never tired of stressing the connection between every policy and its philosophy. In one of his most important addresses, *The Policy of a Philosophy*, Douglas said:

"In a great many people's minds, Social Credit is a scheme of monetary reform, and the explanation of why any scheme of monetary reform at the present time is having such heavy going is, of course, because we are all suffering under a wave of so-called 'prosperity'; and, obviously, if your conception of Social Credit is that it is merely a scheme of monetary reform, you will follow the curve of monetary reform . . . Social Credit is the policy of a philosophy. It is something based upon what you profoundly believe . . . to be a portion of reality. It is probably a very small portion, but we have glimpsed a portion of reality, and that conception of reality is a philosophy, and the action that we take based upon that conception is a policy, and that policy is Social Credit." In the same address, Douglas also said:

"In the sense that I am going to use it, and, I think, correctly, the word religion has to do with a conception of reality. It is the binding back either of action, or of policy—particularly of policy in the sense that I am going to use the word policy—to reality. In so far as it means to bind back, to bring into close relation again, and in that sense I am going to use it, religion is any sort of doctrine which is based on an attempt to relate action to some conception of reality. It does not necessarily mean—that your conception of reality is a correct one, but it does mean that you are postulating that there is something to which we refer as real, and you are basing your policy upon that reality."³ In the same address Douglas warned about the futility of arguing with people about the techniques of Social

(3) Address given at a Social Credit Conference in London on June 26, 1937.

Credit when they do not agree with the philosophy underlying these techniques. The first essential is for individuals to be definite in their beliefs concerning the true purpose and nature of man in relationship to the universe.

In the attempt to "release reality", to use one of Douglas's penetrating observations, it is essential to repudiate the absurd claims of those materialists who talk loudly about "the age of reason", and who claim that truth can be demonstrated only by logic. Logic, like algebra or any other form of mathematics, is only a mechanism, an instrument. Like the slide-rule, it can only produce a result based upon all the factors fed into it. Truth must be discovered. And our conception of Truth, or reality, is widened by revelation. Social Credit is such a revelation. It embodies certain truths, which Douglas was as far as we know, the first individual to reveal. For example, he revealed the truth that the true cost of production is consumption. The fact that prices continue to rise in spite of the obvious fact that the true cost of production has been progressively reduced as man improves his production methods and introduces labour-saving devices simply means that present financial rules are based upon a lie and not upon the truth. Douglas accepted the Christian view that all man-made systems should be based upon Truth that they should reflect rightness. Unlike many monetary reformers who, having realised the power which centralised control of the credit system gives the controllers, seek their own particular brand of reform in order to impose their own conception of Utopia upon other people, Douglas pointed out that this conception in practice could only mean totalitarianism.

In the following statement he dealt with the menace of Utopias imposed by idealists:

"When we accuse the world's great financiers of being merely conscienceless buccaneers, there is a sense in which we do them less than justice, and at the same time fail to recognise the deadly danger which they embody. The great financier is in most cases a great idealist, and sooner or later constructs a Utopia, which it is his constant endeavour to impose upon the world . . . society is never in more deadly danger than when it is committed to the mercies of the idealist, and particularly the Utopianist. The fact is that there is no single Utopia, which would give more than a small percentage of us, and that what we really demand of existence is

not that we shall be put into somebody else's Utopia, but that we shall be put into a position to construct a Utopia of our own. And this idea of a centrally controlled world in which everyone lived under uniform conditions, elaborated on the basis of statistics, either of the Census or otherwise, is at the back of the drive, which is being made to induce us to believe that the world can be considered as a single unit. Cultures, climate, tradition, race, and habit, all give the lie to this idea, and as the human personality develops, it becomes more individualised and specialised in its outlook, and less and less amenable to centralised direction."

The idealist who strives to use the State to introduce his particular Utopia is generally incensed when told that he is rejecting one of the basic conceptions of Christianity, namely, the uniqueness of the individual. There are many professing Christians who, while objecting to Communism because it threatens individual freedom, will seek to use the State to impose their own particular reforms without realising that, in the words of that great Christian historian and philosopher, Lord Acton, "*Whenever a single definite objective is made the supreme end of the State . . . the State becomes for the time inevitably absolute*". Douglas rejected the view that Christian perfection can be obtained through any compulsory social organisation, and repeatedly stressed the fact that central planning, irrespective of the label attached to it, must attempt to destroy the uniqueness of the individual in order that the planning may be imposed without opposition.

CONTRARY to the idea of many superficial observers, Social Credit is not a scheme to make all people materially wealthy. Seeking to establish Truth in all spheres, Social Credit policies are designed to place the individual in the position where he can freely choose what type of life he prefers. Douglas expressed the view that in a stable society, in which the individual knows that his basic requirements and his liberties are assured, most people would probably develop more simple habits of living.

In an address termed "The Pursuit of Truth",⁴ Douglas clearly indicates his genuine Christian humility in endeavouring to discover Truth as a basis for any political, economic, or financial proposals:

(4) "The Pursuit of Truth", Address to *New Age* Dinner, March 18, 1933.

"Now it is my own belief . . . that there is running through the nature of the Universe something that we call a 'canon'. It is the thing, which is referred to in the Gospel of St. John as the 'logos', the 'word' . . . The engineer and the artist refer to it when they say that they have got something 'right'. Other people mean the same thing when they talk about absolute truth, or reality. Genuine success only accompanies a consistent attempt to discover and to conform to this canon in no matter what sphere our activities may lie. For instance, I have no doubt whatever that there is one single test which can be applied to any financial scheme which is put before you for consideration, and that is, whether it represents reality, just as we know that the fundamental falsity of the present financial system is that it distorts and perverts reality . . . I am confident . . . that just as departure from the canon has produced the appalling condition of the world at the present time so the existence of a growing body of people who are aware of the situation, and singly devoted to bringing back understanding into relation with reality, constitutes not only the great, but the only certainty that eventually a world system founded upon lies will give way to one which is formed upon truth."

During the post-war years Douglas dealt more extensively with the various attacks upon the Christian philosophy, stressing time and time again that every policy must be traced to its philosophy. "We are engaged in a battle for Christianity," he said. Douglas was not just another reformer, a man with preconceived ideas and purely materialistic objectives who believed that with a few financial reforms man would automatically enter the millenium.

"NOTWITHSTANDING a mental stature unusual in any society, Douglas's outstanding characteristic was a profound humility—a humility which was reflected in his writings and in his life . . . Where others viewed the world in terms of mankind's struggles and achievements, and society as the creature of man's brain and behaviour, with the realism of the

engineer and the penetrating spirituality of a Medieval theologian, Douglas saw the Universe as an integrated unity centred in its Creator and subject to His Law.

"It was the basis of Douglas's philosophy, of which Social Credit is the policy, that there is running through the warp and woof of the Universe the Law of Righteousness—Divine Law—which he termed the Canon. Because of the higher intelligence and freewill accorded to him, Man cannot rely on instinct to guide him in his adherence to the Canon. He must seek it actively, and to the extent that he finds it and conforms to it, he will achieve harmony with the Universe and his Creator. Conversely, to the degree that he ignores the operation of the Canon and flouts it, he will bring disaster upon himself.

"It was inherent in Douglas's writings that he viewed society as something partaking of the nature of an organism which could 'have life and life more abundant' to the extent it was God-centred and obedient to His Canon . . . Within it (this organism) the sovereignty of 'God the Creator of all things visible and invisible' being absolute, there must be full recognition of the sanctity of human personality, and, therefore, of the individual person as free to live his life, and within the body social, to enter into or contract out of such associations as, with responsibility to his creator, he may choose. And no person may deny to another this relationship to God and his fellow men without committing sacrilege.

"This concept, reflecting the ideal of Christendom as the integration of Church and Society which was the inspiration of European civilization for centuries, involves adherence to a policy in every sphere of social life, economic, political and cultural. This is the policy, which Douglas termed 'Social Credit'.

"Looking out upon the world with a clarity of vision which was unique in his time, Douglas saw a doomed civilization committed to the opposite policy, stemming from a conflicting philosophy, a philosophy which deified Man and sought to subjugate the world to him."⁵

(5) L. D. Byrne. Fellow of the Social Credit Secretariat, in *The Fig Tree*, a Douglas Social Credit Quarterly.