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THE BIG IDEA

by C.H. Douglas

The following two chapters from "*The Big Idea*" by C.H. Douglas provide observations, which should be borne firmly in mind as a new phase in the world drama unfolds with changes in Eastern Europe and the Soviet Union. The basic issue confronting mankind remains to be resolved.

XV

The idea of a political majority is clearly part of the ideology of war, and closely associated with the "*Fuhrerprinzip*" — the conception of society as an army progressing under the orders of a General. "God is on the side of the Big Battalions." How much, if any, reality, is there in this proposition?

Now the first point to observe is that it finds no support in history. If the outcome of the present bedlam should result in victory for size, and the rule of the world pass to mere populations, whether German, Russian, or American, it will be something entirely new.

Greece, Rome, Venice, Spain, Holland, England, all of them small, have all, in their turn, set the fashion in civilisation, and, in every case, their eminence has not only been in the midst of far greater, and in many cases, opposing populations, but has, for the most part, been most clearly marked at a period when the disparity in numbers was greatest.

Admittedly, this day of splendour has been to a much greater extent than is commonly realised, a monetary phenomenon. But to say that, is completely to miss the most important lesson, which can be deduced from history. That lesson is that the increment of association is greatest where the association is most flexible, or to put it another way, money has been, in the past the most flexible voting system ever devised, enabling the voter to change his policy and to hold an election every five minutes.

It really does not require much intelligence to realise that the idea of a permanent majority involves the permanent disfranchisement of everyone concerned. If I have \$500, and can go to a builder and give him my plans for a house, and "vote" my \$500 to him, I get action in accordance with my wishes. But if all building is nationalised, I am disenfranchised.

This question of the disfranchisement of the individual from minute to minute goes straight to the roots of the war. It is the technique of centralisation of power, and it must be remembered that there is no such thing as the destruction of power. Power once centralised, cannot be used *while centralised* for anything but the ends of the organisation in which it has been centralised. Have you ever known of a Government Department relinquishing power?

It is obvious that a majority is only a specialised and deceptive word for the "*Fuhrerprinzip*". No majority can act without a Leader. When an individual resigns *power* to a leader, he resigns it *primarily* to be used against him. To the extent that the "*Fuhrerprinzip*" has been effective, the present state of the world is the result of the "*Fuhrerprinzip*". You can't have it both ways — either the device is ineffective, or the results are catastrophic.

This is easily verifiable. Nations have been moving towards totalitarianism in various forms since the French Revolution and the reign of Frederick the "Great." Contemporaneously, wars have been becoming more obviously planned, more destructive, and more certainly the steps to still greater wars and more totalitarianism. The answer is simplicity itself — the restriction of the leader principle to *ad hoc* purposes. So far from Russia, Germany and Italy, the New Deal and P.E.P. indicating advance towards a better world, they are exhibits of the operation of a policy, which has brought the world to the edge of destruction — if not over it.

OUR POLICY

To promote loyalty to the Christian concept of God, and to a society in which every individual enjoys inalienable rights, derived from God, not from the State.

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, whether described as public or private.

To encourage 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.

A majority ceases to have any validity when it is led to an objective its component individuals do not understand, or when a dissentient minority is forced to accompany it.

I hope no one will run away with the idea that all this is highly theoretical. It is the most deadly practical subject to which attention can be drawn at this time.

Collectivism, economic and political, is the policy of the Supernational Forces. Its fundamental objective is the Slave World, ruled by a Praetorian Guard in the employ of a Ruling Race. It has no chance whatever of success, but it has a real chance of setting back the clock of human happiness by hundreds of years.

Inherent in the subject is the importance of *optimum* size, and the consequent dangers of megalomania.

XVI

Dynamics is the science of Force — strictly speaking, of Force in the Absolute. When we come to specific Dynamics — Aero-dynamics, Hydrodynamics, Thermodynamics, etc., we expect to find, and do appear to find in general, a kind of absolute dynamics running through them. But it is often forgotten, and it is most vital to remember, *that we know nothing whatever about Force* — we merely know that *things* of various kinds behave in a particular way in what we agree to call similar conditions. It is perhaps one of the strongest arguments against the correctness of our conventional idea of time, that broadly speaking, anything I could do last Thursday, under certain conditions, I can do this Thursday, although I am apt to say "Of course this Thursday is not the same as last Thursday." That is to say, I can repeat the experiment, although one, at least of the conditions is not the same.

This digression is necessary by reason of the fact that there is a tendency, which can be traced to the Encyclopedists who were the forerunners and preparers, *inter alia* of the French Revolution, to treat of social forces — Social Dynamics — as though they could be separated from human beings reacting to them.

But in fact, human beings do *not* react in the strict sense to "social forces". The conception of the exteriorisation of force (like the exteriorisation of Divinity) is quite modern in its general acceptance. It is not easily disprovable in connection with inorganic matter (any more than the Pure Idealism of Bishop Berkeley is any easier to disprove than to prove) and it seems to afford a technique of design, although an alternative might be found. But to apply this idea as for instance, Socialists apply it, as though individuals were iron filings, which, if placed in a magnetic field, would obediently assume a certain pattern, is contrary to all experience. Sir Farquhar Buzzard, the well-known doctor, no doubt had something of this kind in mind when he said, "It is the business of a physician to treat a patient, not a disease."

The people who say, "It is the system we are fighting, not men" are in general, of course, people who don't want to do any fighting at all. By asserting that it is electricity they hate, not the power station, they keep well away from the troops defending the power station. To them, the petition "Father, *forgive* them, *they* know not what they do" is conveniently taken to mean that no guilt is involved, and therefore nothing need be done about it. The still graver implication that *forgiveness* is only asked for those who are unconscious is rarely given any consideration whatever.

Human beings do not react to "social forces," they react to facts, although not necessarily what are commonly called material facts. When a considerable portion of the population of the Eastern United States developed a wild panic at the broadcast of Mr. H.G. Wells's Martian Invasion that was a fact, even if it was fiction. "Freedom" does not interest people, as soon as they realise that it does not mean *being* free.

There is no more remarkable feature of the present chaos

than the exoneration, immunisation, and, in many cases, glorification of the chief actors. If we abolished, as quickly as possible, the whole system of rewards and punishments, that might lead at no great distance of time to something like the millenium. But a system, which hangs the perpetrator of a single killing, and canonises the author of ten million murders is simply a school for gangsters. *Circumspice*.

There is only one sound basis for co-operative society, and that is individual and personal responsibility. It is no part of my intention to rest any argument upon theological grounds except where these themselves are capable of demonstration, but it does seem to me to be difficult to have a plainer and flatter repudiation of collectivism in all its aspects, and of the idea that an organisation can absolve an individual of the responsibility for his actions, than the statement "He took upon *Himself*, the sins of the world "(Society).

Probably the future of humanity turns on the answer to a single question:

"Does Social Power proceed from within, or does it reside in guns, tanks and aeroplanes"?

It appears to be indisputable that there is some definite, conscious, design operating to pervert the efforts of men to their own destruction. Many people have dealt with it — it is an idea as old as recorded history. Lincoln accepted it as axiomatic in his lament that you can fool all the people some of the time, and some of the people all of the time, but you can't fool all the people all of the time.

Obviously, if "the best brains" are concentrated on fooling as many as possible as much of the time as possible, "the best brains" have, from their point of view, a good reason. I think I know the reason.

The most irresistible social force is Integrity.

When, a short time ago, a body of workmen "somewhere in England," on finding that they were working on material "subject to Japanese Military Inspection" refused to continue, they did something much more important than framing windy Atlantic Charters.

Integrity is single-mindedness — the mind of a little child. It is the test of quality before quantity.

If success is to attend the efforts of monetary reformers, *inter alia*, it will not be because of numbers. It will be because of a sufficient *quality* of Integrity.

WIESENTHAL TO NAME MORE "NAZIS"

Reporting from Jerusalem, Nicholas Rothwell says that the Simon Wiesenthal Centre, notorious for its many unproven claims about "Nazi War criminals" was presenting to the Australian embassy in Israel, the names of 55 suspected Nazi war criminals from Lithuania who are believed to be living in Australia. In spite of all the sweeping claims, and the spending of millions of dollars, as yet only one charge has been laid against an alleged Nazi criminal under Australia's War Crimes legislation, and this is now being challenged in the High Court. The professional Nazi hunters like Wiesenthal desperately require more grist for their propaganda mill. Without this, they are going to find it difficult to obtain the millions they require to sustain themselves.

No sooner had East Germany established a new non-Communist government, than it was groveling to the International Zionists, publicly proclaiming that the East Germans were now ready to accept their share of responsibility for what had allegedly happened to the Jews during World War II, and agreeing to pay compensation to survivors. With the massive injections of finance from the West, the Zionists can confidently anticipate a continued flow of German reparation payments. Wiesenthal is now optimistic that with the availability of the wartime archives from Potsdam, they will have further material from which to

work in preparing lists of war criminal suspects.

There is a suspicion that the latest Wiesenthal allegations about war criminals in Australia are designed to pressure Australian authorities to prosecute more "Nazi war criminals".

A NEW JEWISH EXODUS

Jewish history provides a number of examples of Jews being manipulated by their leaders to move big numbers from one area to other areas. As pointed out by Douglas Reed in his classic, *The Controversy of Zion*, and also by a number of Jewish writers, Hitler's anti-Jewish policies were welcomed by Zionist leaders as a means of trying to move Jews out of Europe into Palestine as a preliminary to establishing the Zionist State. C.H. Douglas observed how Jewish leaders, treating the rank and file of Jews as an army, were always prepared to sacrifice "troops" in order to advance their power strategies.

A new Jewish exodus is under way from the Soviet Union with Zionist leaders making every attempt to force the majority of these to settle in Israel. Once again Jews are being treated as a collectivity. The rise to power of Gorbachev was warmly welcomed by international Zionist leaders; being described as the greatest Russian since Peter the Great.

The distinguished American anti-Zionist writer, one of the greatest authorities in the world on the explosive Middle East, Dr. Alfred Lilienthal, has described the Jews of the Soviet Union, the biggest number in the world outside the U.S.A., as being regarded by Zionist leaders as a type of reserve force to be used as required. There has always been a strong anti-Jewish feeling in the Soviet, much of this stemming from the predominantly Jewish role in the Bolshevik revolution. Sir Winston Churchill was one of the first to publicise this fact, referring to "a worldwide conspiracy".

Contrary to the Zionist claim that there was a wave of "anti-Semitism" in the Soviet following the Second World War, Lilienthal and other authorities dispute this, pointing out that much of the alleged evidence was manufactured by Zionist propagandists to support their campaign to move Jews out of the Soviet Union. Writing in *The Zionist Connection*, Lilienthal says there was no evidence to suggest that Jews were being discriminated against any more than any other group. After outlining the big percentage of Jews in all the professions, Lilienthal writes, "The percentage of Jews among the winners of the Lenin prize never failed to be fantastic — from 15 percent to as high as 25 percent."

Lilienthal observes "The Soviet Jewry issue provided Israelites with the best club with which to maintain pressure on Washington and prevent any change in U.S. Middle East policy." Relatively little publicity has been given to the number of Russian Jews who have succumbed to Zionist pressures to move out of the Soviet, and have subsequently returned to the Soviet.

The new Soviet leader Gorbachev is a man who understands

"THE ESSENTIAL CHRISTIAN HERITAGE"

By Eric D. Butler

This study of the Christian roots of English constitutional developments, with the stress on the value and uniqueness of each individual, is essential background reading for those concerned about the growing attacks on the Australian Federal Constitution. The importance of Magna Carta, English Common Law, and the limiting of the power of governments, clearly outlined.

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the source of power and lost no time in coming to terms with the Zionists. He needs Zionist support for his attempted reconstruction of the Soviet. Former Soviet attempts to court the Arab world have been subordinated to placating International Zionism. Not surprisingly the Palestinians in the occupied areas of Israel, and the Arab world generally have become increasingly apprehensive as they see the Soviet supported exodus of tens of thousands of Russian Jews to Israel. So far from the policies of Gorbachev's Soviet paving the way for greater global stability, they are going to produce more friction and explosions in the strategic Middle East.

STIMULATING NATIONAL WEEKEND

The 1990 National Weekend of The Australian League of Rights will be the most stimulating in the history of the movement, a real tonic at a time when the national crisis is deepening.

Highlights of the weekend will be a presentation to the guest of honour at "The New Times" Dinner, R.S.L. leader Bruce Ruxton, O.B.E., on October 5. Mr. Ruxton will be delivering a special address on the immigration threat to the nation's future, and the official opening of The Douglas Memorial Hall at the start of the National Action Seminar on Sunday, October 7.

There will be a preview of one of the most ambitious projects yet attempted, a professionally produced video series, which are to be marketed commercially. Other in-depth Social Credit projects will be presented. Mr. Barry Tattersall, one of the "stars" of the last Federal Elections, polling 15 percent of the primary vote in the Victorian Federal electorate of Indi, in a campaign of only a few weeks, will be discussing the future of Independents in Australian politics.

National Director Eric Butler will be presenting special material concerning the state of the "battle for Australia". There will be a powerful team of speakers for the League's Seminar on "The Immigration and Multi-Cultural Threat To Australia's Future." This will be on the Saturday.

Special arrangements can be made for supporters wishing to fly to Melbourne, a 50 percent discount price being available for those who can spend five days in Melbourne. Information upon request. Queenslanders are examining the possibility of using a self-drive bus.

This is going to be a tremendous weekend, which no supporter who can possibly make it, should miss.

Overseas readers are invited to be present in spirit with appropriate messages.

All inquiries to Box 1052J, G.P.O., Melbourne.
Phone (03) 650-9749.

"DEMOCRATISING MONEY"

by Chas Pinwill.

The world rings with the term "democracy". It is generally believed that the only type of democracy is political democracy. But political democracy without economic democracy is a fraud. But as Chas Pinwill shows in this original thesis, economic democracy depends upon the extension of democracy to what in effect is an order system for controlling the money — the "money vote"

This new, fresh approach should prove most valuable at the present time.

Order from all League addresses. \$5 posted.

ECONOMICS - FROM TOP DOWN, OR BOTTOM UP?

by Dr. Geoffrey Dobbs

The following article is one of a series, *ON PLANNING THE EARTH*, in the United Kingdom quarterly, "Home". We understand that these articles by Geoffrey Dobbs are eventually to be re-produced in book form.

Rachel Carson is generally credited with having started the worldwide popular environmental movement now known as the Green Movement with her famous book *Silent Spring*, first published in 1962. It is relevant to quote my contemporary review in *Forestry* 36 (2) 1963:

This truly remarkable book has exerted a greater influence, both in America and Britain, than any other on a comparable theme, which can be remembered.....

To some extent the book is a plea that disease and pest control should be regarded as branches of a general ecology, rather than presenting a number of isolated problems to be solved, in each case, by finding a chemical which will, at a suitable dosage, destroy a particular pest without obvious damage to the host plant, or to other organisms, or to the human operators.

From the President down, *Silent Spring* rocked the U.S.A. in the year following its publication, which explains the spread of its influence to Europe and thence through the world. But by the following year the great chemical firms, which produce pesticides, had got around to debunking it, especially at scientific conferences, as 'an unscientific work of advocacy.' Unscientific it is not. It is thoroughly researched and referenced. A work of advocacy it is, but no more so than much of the 'orthodox' scientific literature implicitly supporting the accepted use of pesticides on economic grounds.

However, by hindsight one can now see that *Silent Spring* did somewhat over stress the malign influence of pesticides (horrific as some of it was and still is) as compared with other widespread biological and environmental factors. This was largely owing to the availability of such inventions as Lovelock's electron capture detector, which enabled the universal presence of traces of such chemicals to be detected.

One result, when combined with the enormous publicity the book has received ever since, has been largely to obliterate the memory of the early pioneers in constructive ecology. Even the great Sir Albert Howard, the father of the 'organic' movement, is scarcely remembered or known to the younger generation today, or Sir Robert McCarrison (*Nutrition and Health*) or Dr. M.C. Rayner on mycorrhiza, G.V. Jacks and R.O. Whyte (*The Rape of the Earth*), The Earl of Portsmouth (*Alternative to Death*), H.J. Massingham (*The English Countryman*) and many others whose pioneer works are now forgotten in the euphoria of 'Green' politics.

When a powerful emphasis on pesticides and pollution was added to the aftermath of World War II with its 'Atomic' ending, it was not, perhaps, surprising that fear, doom and gloom should have dominated the scene for a while rather than the courage and creative energy which are required for effective remedial action, of which there are now hopeful signs.

ACADEMIC ECONOMIST IN REAL WORLD

An important influence towards balance and constructiveness has been E.F. Schumacher's book *Small is Beautiful (A Study of Economics as if People Mattered)* which appeared in 1973, and which summed up and pulled together with common sense and a deeper philosophy based upon religion much of that spate of literature on man and his environment which appeared in the 1960's and early '70's. Nowadays it might be described as the 'Bible' of the sane core of the Green Movement — i.e. that part of

it which has not been seduced into party politics. It is something approaching a miracle that an academic economist of such distinction should have been able to enter the real world to the extent that Dr. Schumacher did, but then it is reported of him that he found theorising without practical experience unsatisfying, so he went into business and farming to gain it, and was later President of the Soil Association.

Even so, his 'economics' background placed certain limitations on his distinctive vision of reality. In his first chapter he attributed our evil predicament largely to the universal error in the illusion that "the problem of production has been solved", and that what we need now is "education for leisure" in the "rich" countries, with the transfer of technology to the "poor" countries. He denied that the problem of production has been solved, on the grounds that it is being solved by the expenditure of real capital, such as the fossil fuels, coal and oil, and even more by the destructive expenditure of the living nature around us, and of human lives and energies in doing these destructive things.

It is this thinking in terms of economic reality by an economist which makes me marvel. In the course of a lifetime I have tried to present this viewpoint to economists of the Left (when resident at Toynbee Hall) of the Right (when a Liberty Scholar in California) and of the Centre (among University colleagues); but entirely in vain.

They simply could not grasp any idea of the real processes of production and consumption and of the earth's real resources except in terms of *money*, and of money-economics as the study of efficient use of scarce resources, without realising that, where money, in the sense of debt-free purchasing power, is the scarcest resource, all real resources may have to be squandered to save it.

Not even Schumacher realised this; though like many others he blamed the seeking of money and money profits as the major cause of the evils he denounced, but did not explain *why* money *must* be sought so desperately. Yet he rendered a great service in drawing the distinction between the Earth's real capital and real income, and by initiating the concept of *Intermediate Technology* (in contrast to *High-Tech* especially for the Third World). Nevertheless, it is not an illusion that human invention in science and technology has very largely 'solved the problem of production' of almost anything, be it nuclear bombs, space probes, or improved crops.

It *has* been solved, but wrongly. We do have this enormous inheritance of power, which has enabled men by its misuse to squander the earth's capital in the ways he rightly deplores, just as it could, if properly used, enable mankind to abolish unsought penury and live a creative life in harmony with nature.

A PRESSURE THAT INDUCES DESTRUCTION

That in the broad sense this misuse of our technological powers is due to the wickedness of man, or as the theologians put it, to his fallen nature, and especially as Schumacher points out, to the sins of greed and envy, can scarcely be denied, but that does not take us very far when we are considering the collective rather than the individual. It is simply not true that most normal men or women, if free to follow their own way, instinctively destroy the environment that sustains them. If it were so the human race could not have survived. There must be, and manifestly is, a universal pressure inducing them so to behave, and it is not far to seek, though never identified by economists, not even by Schumacher.

Money, described by economists as a medium of exchange, has long ago passed beyond that function. It has now become *primarily* a means of power of some men over others, and as such the world's greatest source of temptation to greed, envy and fear. This has always been so, even when money consisted of precious metals, dug from the earth without inherent debt. Even then there were, notoriously, debtors and creditors, forgers and cheaters, including government who devalued the currency by coin clipping or alloying with base metals. The origin of such crimes was always to be found in the creditor-debtor situation. But there was then nothing intrinsically irreversible about it. Better men with better morals could redeem it.

Now, however, the nature of money has changed radically, but because the change has taken several centuries to reach completion its full implications have never been assimilated into economics. The subtitle to Schumacher's books *A Study of Economics as if People Mattered* (my emphasis) gives the game away. Why was the 'as if needed? Why did people not matter, except as numbers, to Economics before Schumacher, and for the most part even more after him, since Big, though not Beautiful, is money-powerful?

Surely because Economics is now entirely dominated by money and is detached from reality. Because money is now no more than a system of book-keeping, of figures representing 'credit', i.e. debt repayable with interest, and because no such figures reach the public as new spending power without having somewhere originated as such debt. Debt involves spending and consuming in advance of earning and producing, and hence the crime of debasing the currency is now permanently built-in to our monetary system under the name of inflation. This in turn imposes a moral strain upon the whole population — mathematically caught as it is in a trap of collapsing incomes and savings from which it struggles to escape by demanding, whining for, howling for, quarrelling, striking and picketing for, more and more and more money-figures in a futile attempt to make up the deficiency, or even to get ahead of it.

DEBIT-FINANCE NECESSITATES WASTE

At the same time, on the management side, debt-finance rules completely. *Everything* must give way to it. Money-profit must be made at all costs of real waste and squandering of energy, materials, truth, honesty, common sense, courtesy, even simple, basic, normal human efficiency. We have become so accustomed to the wild, insane, sub-human inefficiency of all large, computerised businesses, which, from the human point of view, have not the practical intelligence of a mentally deficient five-year-old child, that we now take it for granted. Only the elderly, who can remember when this was very much less so, are still aware of it.

It simply will not do any longer for good people to evade this challenge, to thrust 'money' aside because they feel: 'money isn't everything; it's the greed, envy and wickedness of fallen Man, which is at fault! Fiddling with money won't change anything!'

True! the correction of our inflationary debt-system would not change human nature, nor result in a Utopia, nor solve all our problems, but it would cast aside an intolerable moral burden, and render their solution possible, which at present is simply, mathematically, impossible. To blame the staggering and retrograde steps of a man trying to climb a hill dragging a useless ton-weight entirely on his weakness, is not the best way to help him recover his strength and will-power.

The tremendous publicity for Green ideas has achieved something in the field of economics. We now have a vogue for 'environmental' or 'ecological' economics, which is trying to include money-estimates of the environmental cost of projected schemes in the general financial costing. Perhaps this is better than nothing. At the time of writing the proposal to *privatise* the power

industry has proved impracticable for the nuclear part of it because of the huge, but quite incalculable and open-ended costs and uncertainties of nuclear safety and of waste disposal. When these are included, nuclear power, it seems, becomes quite 'uneconomic'.

It never was in *real* terms; but it is characteristic of our 'economies' that there is no realisation of this until an attempt is made to put it in terms of entirely unpredictable ever-inflating credit-figures. Ironically, this is contemporaneous with much advertising of the cleanness and safety of nuclear power as compared with power from fossil fuels, since it produces no Greenhouse gases. So how now do we calculate the cost of an imaginary future interest on imaginary future debt of the emission of such gases and their problematical effect on planetary warming?

At least this absurdity is a change from the attitude I encountered in the U.S.A. in 1977 when giving a short lecture to a group of economists. After introducing myself as an ecologist, I was somewhat rudely assured by a junior professor of the Chicago School that as such I could have nothing to teach economists.

ECONOMICS FROM THE BOTTOM UP

What is needed now is not an attempt to graft the personal quality of caring for people as individuals onto an impersonal, numerical power-system as seen from the credit-creator's and usurer's point of view, but to invert the whole thing, and create an economics from the point of view of the producer and consumer who live in the real world, producing and consuming real things or services, and are the frustrated victims of inflation and debt. *Economics from the Bottom Up*, it has been called, and it looks entirely different from the accepted *Economics from the Top Down*.

First of all, let us get our nomenclature right. What is commonly called 'credit' is the moneylender's term. To us its proper name is 'debt'; but try that on the academic economist as the general term for credit-money and you will soon discover from which side he views it, and regards it, moreover, as a taken for granted and immutable reality!

Even if we have borrowed no money and are not personally in debt, the money-figures in our bank account came into existence somewhere else as a loan, repayable somewhere as a debt, with interest. There is no other way in which the means of purchase can enter the economy as a consumer's income (except for forgery including accountancy or computer fraud). Our entire economy, our culture and our civilisation is now based upon faith (they call it 'confidence') in debt.

Now what, in our experience, is the chief characteristic of debt? It is to do with *time* is it not? It is a time-grab. As the advertisements say: *Have now, pay later!* It is buying past real production with future money income. That means that there must be a future money income and not only that which we need for a livelihood but also that which has already been spent in advance, plus its cost in usury. Under present circumstances for most people that means 'employment' by a paymaster who is under similar but larger-scale pressure to repay debt as well as keeping his business going, which means in profit.

INFLATION A MORTGAGE ON THE EARTH

Is it not manifest that continual inflation of costs, which is from *our* point of view the debasement of our money, is mathematically and inescapably *built-in* to our economy as it is to our experience? That this places a vast burden upon human nature in the form of temptation to all the vices of avarice, greed and envy as well as fear, despair and puritanical condemnation, is sadly obvious, but even apart from that the imposed necessity of 'have-now-pay-later' cannot help expressing itself materially in that constant mortgaging of the planet's future of which we are at last

becoming aware.

Top-Down Economics is irrevocably committed to the maintenance of a totalitarian interest-bearing credit-money (in our terms debt-money) as a means of government and control for which it is quite openly used by all governments on the advice of selected economists. The various 'devices' for 'fighting' the consequent built-in inflation such as making money-lending outrageously greedy in terms of interest, thus increasing the cost of everything bought on credit (notably houses) or limiting wage incomes thus increasing consumers' need for more borrowing while scaring them off it, are quite insane from the Bottom-Up viewpoint. But from the Top-Down viewpoint they all increase the money-control, which is the essence of the modern form of slavery. Since our present credit-economy with its positive feedback would automatically proceed to hyperinflation and total breakdown unless throttled from time to time, and likewise to breakdown through recession if the throttling were too violent or prolonged, this stop-go manipulation of our economic lives has become a major part of the art of government.

One consequence of Top-Down economics is the progressive centralisation of production and supply, and so the economy becomes more and more completely 'supply-led' with money return becoming more and more the sole consideration as to what is produced, and therefore either wasted or consumed at a price which includes the wasting.

Hence selling is becoming increasingly a one-way process of coercion, by monopoly, by repetitive mental pressure, by psychological tricks of suggestion. And so we get our increasingly wasteful and shoddily meretricious, throwaway commercialism. Newspapers, for instance, are not produced *for* the readers but *at* the readers to titillate, scandalize, or provoke them somehow so as to secure the circulation required by advertisers who require to 'psych' them into buying the products they find it convenient and cheap to make.

CONSUMER'S INTEREST SACRIFICED

Only those with longish memories can realize the extent to which the consumer's interest, economy, convenience and time are being progressively ignored by the supplier and producer in favour of their own short-term, monetary consideration, whether as managers or wage earners. Examples are innumerable, almost universal.

To give but a few: the supermarket is probably the prime example, in which the customer does all the work and is given no service but is admitted into a cage from which the only escape is through a money-grab machine (with a human arm usually female). Banks used to itemise every payment, in or out, on the balance sheet, not merely by the cheque number which requires the client to look it up on the counterfoil. They would give the current balance on the spot after any transaction, not, as now, yesterday's balance. They would print the client's name on the new chequebook on the spot in two minutes and hand it over instead of requiring notice and then posting it.

Believe it or not, once in London and other large cities a letter or post card posted in the morning would be delivered the same day. The postage stamp for the current letter rate, whatever it was, was always red, and colours were clearly distinguishable, not as now. Passengers' heavy luggage sent 'luggage in advance' by rail would be delivered at the address about when they arrived themselves.

Metal articles like gas stoves, electric fires, baths, cars, were solidly made and lasted for many years, with repairs to minor parts when required. For instance, an electric fire bought about 30 years ago with ceramic-mounted heating elements is still in use and is far more efficient than modern ones. A fan-heater bought about 15 years ago still operates quietly and efficiently,

while three others bought since have first become noisy and then the heating element has broken down, within a year or two. We are always told it *could* be repaired, but at greater cost than a new heater. That goes for most electrical equipment. In any case, nothing is repaired. A new part is fitted if available, but if the model is not recent the manufacturers will have been taken over by some financial concern and the parts will no longer be obtainable. A few years ago we were persuaded to install an extension telephone called a Trimphone. Shortly afterwards we wanted another handset, but they were 'no longer available.' Somewhere we saw a press illustration of an enormous pile of Trimphones, scrapped and awaiting destruction.

Consider what is thought to be the 'efficiency' of large businesses, which pester us in our millions with what is now known as 'the junk mail'. In what terms is it 'profitable' to send out thousands of unwanted circulars to get a tiny proportion of sales? Certainly in real terms it is a scandalous loss. Consider the trees, the felling, transporting, pulping, transporting, printing, trimming, transporting, enveloping, posting, sorting, postal delivery, opening, scanning, discarding, collecting as rubbish, dumping, with each operation itself only a part of an endless regress of energy, effort and materials waste. Ah! but it 'makes money' (i.e. collects it from others) and money must be 'made' or we sink into bankruptcy, i.e. irretrievable debt.

SABOTAGE OF LIVES, ENERGY, RESOURCES

Every reader will have experienced the innumerable trivial wastes and interruptions of life which are imposed upon us all: each trivial perhaps in itself, but when multiplied by millions they give us a glimpse of the immense sabotage, both of our lives and of the world's energy and resources, which is being carried out in the name of money-profit, and of money-slavery called 'employment'. If the hiring of labour were required only for the work of supplying people with what they want, as efficiently as possible in real terms, the amount of employment could be reduced to a fraction — far less than half what it is now — and with it the expenditure of energy and of the earth's resources.

This is no exaggeration; if anything an understatement. How often nowadays is a job done promptly and properly, first time off? How often does an enquiry lead us straight to someone who knows his business as most tradesmen or craftsmen used to? Most large organisations are less than quarter-witted in dealing with the individual customer. They can deal only in standard forms and we all have ghastly stories of the waste of energy and fury necessary to batter a way through to someone who can use some intelligence and responsibility. In practice, the chief function of all bureaucracies, whether local, national, or multinational, is to remove responsibility from the grades in contact with the public, to delay and frustrate effective action, and to waste time and energy, not to mention paper; the ostensible reason being in most cases, to save money.

Consider the commercial use of the computer, which is increasingly being used, not so much to relieve the human mind of purely mechanical calculations but as a *substitute* for human properties of common sense, intelligence and consideration for others, so that these properties are noticeably disappearing from people in the commercial scene. They are being mentally 'pithed' by being hired for non-use of their faculties.

In this connection consider also the brain-deadening power of most Radio and TV — centralised, remote-controlled, addictive, pouring its conditioning matter into every home, grabbing semi-attention from everyone. Parents who try to escape find they cannot without subjecting their children to intolerable mob-pressure from the brainwashed peer group!

We are indeed slaves. Having escaped from chattel slavery, which has prevailed over most of human history, we are now

caught in the net of collective, numerical slavery to masters who are for the most part remote and anonymous, operating through money, media and bureaucracy.

What about the positive side of it? What of the great advances of science and technology, the convenience and comforts of all these things: money itself, and credit cards, computers, Radio and TV, the advances in medicine and in longevity, central heating, more comfortable and faster cars, air travel and so on? Can all these be wholly bad and disastrous? Of course not! Most of these things could be used properly if we were but free to do so, as many of us try. But under the constant and growing pressure of debt to mortgage the future our efforts, though not to be despised, must remain marginal while it does not *pay* a livelihood (except for a few in a special luxury market) to do a decent, honest, reliable job at a price which most people can pay.

QUALITATIVE INTELLIGENCE OR QUANTITATIVE OPERATION?

It goes far deeper than is generally realised. Debt has always existed since money existed, but the rapid (in historical terms) transformation of money from a real metal coinage of intrinsic value to a symbolic accountancy system based entirely on interest-bearing debt — a transition which has been completed only during this century — was a necessary condition for the equally and excessively rapid revolution in those industrial arts which have replaced *qualitative* human intelligence, care and attention with a witless and incredibly wasteful, quantitative, mechanical operation.

It is indeed true that many of the benefits of our civilisation have been grabbed too soon and out of context through mortgaging the future by means of 'credit', and we should now be hard put to it to do without them. It is also true that the present scale of waste and destruction would be quite impossible without 'credit', and the monstrous scale of those orgies of massacre known as World War I would have been out of the question.

At the start of World War I it was widely held that it could not possibly last more than six weeks. No nation could possibly afford to carry on longer than that. It was then that a 'moratorium' was declared on the requirement of the Bank of England to keep its promise on every bank note: / *promise to pay the bearer on demand the sum of One Pound* (or whatever was declared on the note) which meant the sum in gold coinage.

That is what people understood by 'real money' in those days, banknotes and bank accounts being mere conveniences which could be changed into 'real money' at any time, although they were already only fractionally backed by it. But for a generation afterwards a great many people simply refused to believe that their One Pound note would not be changed by the Bank for a golden sovereign.

NO LIMIT TO FIGURES ON PAPER

The nature of this change from the real (if inapt) to the unreal is fundamental and quite radical. There is a natural limit to 'real money,' whether it is of gold or even paper and figures if *they correspond in amount to real wealth*; there is so much, and when that is used, there is no more. But there is no limit to figures on paper issued at will on criteria related only to the recovery of more figures on paper, let alone in a computer.

As we are learning now, there are limits to the earth's resources; but there is no such thing as *enough!* It is useless to tell people whose pay has been devalued by 8 percent and their mortgages increased by 15 percent that their demand for 20 percent more pay cannot be met because there is no more money. They know that more money-figures can always be borrowed into existence, and the best way to extract them is by sabotaging production by the ironic joke called 'industrial action', i.e. more 'money' for reducing real wealth.

Buying goods made yesterday and the services of today with tomorrow's money (on top of today's) is of the very essence of inflation. Indeed it *is* inflation, better called devaluation of money. Grab and gobble and leave the paying till later is built into it; and it may not be tomorrow or next year, or next decade, or next century we are leaving to pay for it: it may be next millenium, or, as they aptly call it, never-never, because inflation will in time look after that for us, rendering today's money-debt negligible.

The price, though, will be real (i.e. non-monetary) and cumulative, and totally out with all monetary computation. And it is no earthly use making appeals to religion or ethics or care or reason or other human qualities to numerical units of the money-controlled mass, whether as units of money-grab or money-spend, for they are not being treated as people, but as dehumanised extracts of humanity.

Historically the transition from metal coinage to paper credit is understandable. It was becoming intolerable that the productivity of a growing technology should be limited by the availability of gold, silver or other coined metals. The substitution of paper promises to pay them was convenient, but provided no more money until the crucial step was taken with the issue of more such promises than there was 'real money' backing them — nowadays referred to as 'fractional reserve banking.' This open fraud, which liberated people from the stranglehold of gold, was generally welcome to those who were financially aware, but it has never been mentally accepted by the bulk of the population who simply take whatever is 'officially' given them as 'money' now that its purported promise to pay 'real money' is generations past. Now even the 'fractional reserve' itself is a matter of credit at a Central Bank, so that the whole thing has become detached from any basis in reality.

FRAUDULENT CLAIM TO OWNERSHIP

The fraud here lay not in the substitution of a paper and book-keeping accountancy system for the unsatisfactory metal one, but in basing it 'fractionally' on gold and then claiming *ownership* by the issue of the extra claims to wealth so created at small cost, an ownership which extended to the physical and capital real wealth of the debtor if unable to repay it.

This is the point; not that lending and borrowing, i.e. investment, are necessarily bad in themselves; but that the debt is generated in such a way that it can be repaid only by more debt. It is an unstable system with a positive feedback towards breakdown. Moreover, with such a fraud at its base, its maintenance depending on public 'confidence' (i.e. credulity) that the 'real money' was there, monopolisation was built into it. In earlier days there were 'runs' on the smaller banks of depositors demanding their 'money'. Larger and remoter banks then had to take them over, until *that* process (but not the centralisation) ended with the 'moratorium' on the Bank of England in 1914, mentioned above, finally removing the last trace of meaning from the 'promise to pay' on the bank note, which by then had served its purpose of substituting bank paper for anything real.

The change to a total debt economy was essential for the frantic acceleration of real (non-monetary) expenditure which is now threatening the earth; but without it there is no reason to doubt that many of the beneficial improvements in our lives which we now enjoy despite their poor quality and evil accompaniments, could have arrived more slowly, more selectively with more care and attention to real effects and with much less damage and waste. For instance, normal farming methods, now called 'organic' — a fad for the better-off — would have continued to 'pay', as would decent, now called 'quality' goods generally. The huge *additional* costs of energy, transport, fertilizers, pesticides, and for rapid replacement of shoddy goods and 'built-in

obsolescence' would have ruled them out in price.

TIME IS THE ESSENCE

Time is the essence of this matter. It was the *rate* at which this grabbing from the future has been accelerated that has vastly increased the time lag between most of the incomes paid out in production and the appearance of the product on the market, which can then be bought only by generating future debt. This, in any case, is inherent in the lengthening and complication of the processes of production, but is magnified by the grossly over-complex development of modern industry under debt-finance.

Though we still use coins and notes as 'cash' it is not widely understood that these are no longer 'money' in the old sense, but are now merely tangible units of bank-accountancy. My One Pound coin or Five Pound note when paid in becomes a change in the shape of an Arabic numeral, while the reverse takes place when the bank hands it out to someone else. Since money now has no material existence outside our minds, it is what we think it is, and can be made to serve such purposes as we wish. At present it is what the moneylenders have chosen to make it — a form of government — and its nature is as defined by the experts on finance and on debt-economics, the economists.

They are indeed the experts. They know best about this system of symbols which possesses a mathematical perfection, approaching the ideal of controlling people permanently by unrepayable debt, by requiring continual 'growth' to keep them 'employed', by dividing and ruling them by continuous devaluation so as to keep up social conflict with continuous grievance and quarrelling for 'more money', which requires constant striving for an 'export surplus' to pay internal debt, and which achieves its 'ideal' of maximum central control and employment and squandering of human and non-human energy and resources in total war.

Finally, to return to that rare economist E.F. Schumacher — this sort of economics cannot be applied 'as if people mattered'. It needs to be turned completely upside down, because, in reality, as he knew well, people *do* matter, as does the rest of the living world in which we live.

The Jewish Technique of Subversion

In 1948 we published the following extract from a private letter written by a distinguished Arab leader. It is republished for the benefit of those who have not previously read it and as a reminder to those who have: -

"Logic is insufficient to predicate action. It is merely a method of combining pure assumption into a sequence of consequences and by its very nature it is incapable of supplying one with the assumption it uses, for human action requires the adoption of some premises before it can be effected. Therefore arbitrary conviction precedes the logical superstructure. The Catholics know this and that is the basic reason why the Jews hate them intensely and work incessantly for their downfall. The Protestants, on the other hand, are so hopelessly muddled by their inconsistent methods of trying to extract a moral code from logic that they have no strong conviction in any direction. For logic has nothing to do with morality—a criminal can be very logical.

"The Jews, aware of this, are enabled to discredit and corrupt all existing structures of religious, social and economic nature. They want this and effect it by exploiting every discontented group without shaking their own solidarity in the midst of anarchy, as happened in Russia. Small groups seek reforms of special interest and are divided into

various sections; only the Jews are always agreed on what they want and that is control. Every one else wants to control for some purpose but they want merely control for its own sake that is to say for *their* sake. This is the thing, which appealed to the U.S. Jewry, composed mainly of Russian Jewish immigration. Therefore they have become ardent purveyors of Communist philosophy, and hailed Marx as the Saviour of people everywhere.

"They themselves do not love Communism but rather use it, to serve their purpose. They would love any form of government enthusiastically if they were assured of control at the highest level.

"Every Jew was pro-British in the days when Disraeli was Prime Minister but today they find the British are not so easy to control as they did the ignorant masses of Russia. This indicates their adherence to the principle of transvaluation, that is, striking at the most vulnerable point in human behaviour, that of sincerity, for instance: they pretend to champion the rights of Negroes, object to segregation and advocate mixed breeding, yet they seek a segregated and separate community in Palestine. They wail at being forced to live in a separate district of their own, and yet are rabid for the establishment of a ghetto-like state, where they can hoard without sharing the proceeds they extract from the people of the world. No day passes without presentation of some play, radio sketch or movie showing the "Great Jew," the "Suffering Jew," or the "Humane Jew" struggling for the betterment of all. Was virtue ever so loud? They affect concern over anti-Catholic prejudice, while spreading lies and prejudice against the very Church they fear because it is strong enough. In New York they purchased a monthly magazine, the *Protestant*, and they have financed it to malign and smear the Catholic Church. Currently they direct a smear campaign against all Muslims and Muslim nations everywhere for fear that Muslims will resist their infiltration. They cry out for freedom of speech in a voice so loud that it drowns out opposition and creates a steady foul wind, always blowing from one direction and never ceasing to permit an honest difference of opinion. That is why they love democracy next to Communism, because a democracy is a state without conviction, which can be pushed hither and thither, guided solely by the loudest voice. No wonder Europeans don't understand the American government; the Americans are not insane (and this may apply to the Canadians as well). They are merely unable to recognize the trouble into which they can be projected by this wailing minority voice, and the erratic and indecisive course followed by the democracies' government is a sign that the democracies have not been completely controlled.

"Democracy died with the industrial revolution and the dependence on centralized coal and steel deposits, and will not again be a feasible form of government until it is possible completely to decentralize industry, when each community will become self-sufficient. Communism insists upon freezing for ever the form of society to the age of steel and perpetuating a central control."

- The Social Crediter, May-June, 1984

STATE ABSOLUTISM

"State absolutism is the modern danger against which neither representative government nor democracy can defend us.... If we do not bear this in mind, we shall be led constantly astray."

- Lord Acton. 1861.