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ORGANISED CHAOS

by JAMES GUTHRIE

When the Industrial Revolution struck 19th Century England no one was prepared for the devastating changes which were ultimately forced upon everyone. The use of solar energy to drive automatic machinery increased the magnitude and complexity of the units of production, and transferred economic power and authority from the villages and the farms to the cities. Also, the financing of the sale of the avalanche of goods which poured from the steam-driven machines was far beyond the domain of the individual industrialist. Very quickly the creator of real wealth came under the control of the creator of credit; the international banking houses of London became the arbiters of fortune for producing and consuming countries alike. They created the necessary credits to monetise the wealth of Britain and transfer it to the four corners of the Earth.

Whatever happened in bygone times, in modern times the destiny of nations was very definitely decided in bank parlours; it is doubtful if any important expedition could take place without the permission and financial support of the international fraternity which made its temporary abode in London and has since transferred to New York.

As British traders pushed across the world they took the new miracle-performing technology with them; they opened up old and new countries alike. British engineers built railways across North and South America, across Australia, New Zealand and India, and parts of Africa and Asia. This was done under the protection of a ridiculously small armed force.

By virtue of these many operations the international financial houses gained economic and political power over key men in every part of the world, and when the British left India the real masters remained, stronger than ever, because they were now without the supervision of skilled administrators. No one can object to the gradual take-over of the various colonies opened up by Europeans, but the sudden dismissal of trained administrators and technicians is a colossal tragedy for all concerned, and most of all for the natives themselves who are left without any protection from men practised in the ritual of torture and depravity. Those who control the destiny of the U.S.A. must take the blame as the chief culprits in this untimely and appalling betrayal.

It is rather strange that a large and wealthy country like the U.S.A., which is self-contained in a wide variety of essential commodities, should be so actively hostile to Great Britain and European countries in their attempt to gain a similar kind of control over a few vital commodities such as oil, on which their existence as a nation depends.

"Americans," with strong support from their State Department, have, under the slogan of Anti-Colonialism, and with the help of Russia, ruthlessly liquidated the trading outposts of Western Civilisation in Asia, Africa and Latin America.

The international financial houses which plundered Great Britain to industrialise the rest of the world are now monetising the wealth of the U.S.A. and using it to destroy the only friends the Americans ever had. When the "Americans" have destroyed the economic power of their allies their empire will be liquidated. General Ludendorff once said that the "majority of the English do not realise that having done their duty by the inner Jewish circle, they have now got to disappear as a world power" (*The Coming War*, 1931)* What was said about the English can now be said about the Americans.

A man who had been actively engaged in business for thirty years in India told me this: he, with other British people, had formed an association with Indians for mutual understanding and help, and during the course of many years had exchanged their experiences with others from different parts of India; they all had the same trouble. Every time their efforts showed signs of reaching a successful conclusion they were stopped, and the stoppage always came from the same quarter—the vice-regal office. It was evident that whoever were to be permitted to co-operate with the Indians, the British were not to be the Chosen People, and Mr. Nehru did not take long to learn what his new masters in New York wanted.

Something just as strange happened in Cuba. After the American people had millions of pounds of assets confiscated for some unknown reason the American Senate was asked to find out how this could happen so suddenly and without any warning. Accordingly they called in for cross-examination the American Ambassador to Cuba, Mr. Earle E. T. Smith; a fuller account was given in this journal on October 15, 1960. Here are some of the extracts:

Senator Eastland: "Would you say that the American Government there, including all of its agencies, was largely responsible for bringing Castro to power?"

Mr. Smith: "The American Government, yes, sir, and the people in the American Government . . . ."

Senator Eastland: Your advices were that it was not in the best interest of the United States for Castro to come to power?"

(*continued on page* 4).

*Quoted by C. H. Douglas in *The Big Idea.*

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The Individual and the Group

The set of ideas which became the movement known as Social Credit, began with an examination of the problem of the relationship of the individual to the group, and the financial proposals which emerged were consciously, and in all their developments, designed to free the individual from group domination. It is evident that the essential nature of the problem, not merely has not changed, but has become more sharply defined.

It was, early in the elaboration of the ideas, recognised that the group is essentially atavistic; it is something from which the individual has emerged, and his return to it is in the nature of spiritual death. Without, in this place, elaborating the connection between the anti-religious aspect of Communism, the soullessness of mass production, and the incompatibility of cartelism and Trades Unionism with peace, it may be emphasised that there is a connection between all of them, and it is epitomised in that amazing reply, "Render unto Caesar that which is Caesar's, and unto God that which is God's." Caesar is, of course, functionalism, and if functionalism can be made paramount, if the Will can be paralysed by the Arm, if "the Good which I will I do not" can be made uniform by the omnipotence of the atavistic Group over the emergent individual, then indeed the Devil is triumphant.

C. H. Douglas (1947).

Portugal and Africa

Extracts from a speech delivered by the Prime Minister of Portugal, Professor Oliveira Salazar, before the Chairman of the District Committees of the National Union, on May 23, 1959.

. . . . A long time ago the Government was warned that in 1959 an international campaign of greater scope and violence would be unleashed against the two States of the Iberian Peninsula. The fact that in the case of Portugal this campaign has taken advantage of internal events, or has even prepared or directed them in part, matters little. We have seen it develop in many organs of the world press, communist, crypto-communist and even in those which so many discouraging examples do not deter from insuring themselves with communism.

I have watched the phenomenon with curiosity. Some individual bereft of personal value or political class has only to press a button for all that he distorts or invents to insult or shame his own country to be published in the same terms and with identical inferences at many different points in the world. So there are very powerful underground links which explain and make use of these cases of connivance and complicity. They cover vast areas in modern societies and, except for that part of action which is due to Communism, always alert and active, I am inclined to consider them usually outside the normal activity of States. With the same sincerity however, I should state that in such cases the latter commit serious errors of omission . . . .

* * *

. . . . It is the literal truth to say that Africa is afire, even in the neighbourhood of Portuguese frontiers. Why is Africa on fire? Let us not imagine that it is due to internal combustion, that is, the unavoidable force of a historical movement urging the populations on to revolt, sedition, forced dispersion and independence. Africa is burning because it is being set on fire from outside. (In this distressing age of ours it would seem that no one has any criticism to make of the subversive action of certain States which at the same time state their pacific intentions and desire to live at peace with others in the international community. All this is put down as a useful contribution to the formation of a better world).

When I speak of Africa I do not refer to the North-African States nor to ancient independent countries like Ethiopia, which constitute a different problem. I refer to Africa south of the Equator, whose sovereignty has been confided to European States.

The problems created can be grouped as follows:

First: I will repeat an old idea that today seems to have become generalised: Africa is the complement of Europe, vital for its defence and a necessary support of its economy. This means that a large part of European power may be lost along with the territories of Africa, which is tantamount to saying that Europe can be overthrown in Africa.

Second: Progress is certainly being made in the economy, education and administrative organisation of many of these African peoples. But apart from the high intellectual calibre of some leaders who have come forward, these peoples do not possess either sufficient administrative or technical staffs formed from the native population, nor is their own economic capacity sufficient, to maintain a solvent or progressive independence.

Third: This means that, in the absence of possible support from the former sovereign powers, those peoples will have only two alternatives before them—regression or a submission to new rulers . . . .

On the Differences Between

A Democracy and a Republic

[We gratefully acknowledge permission to re-publish the following from *American Opinion,* January, 1961.]

Historically both words, *democracy* and *republic,* have been used with a wide variety of meanings and shades of meanings. Nor is there any denial that these shades overlap to some extent. But there is a tendency, permitted by even some of the best dictionaries, to regard *democracy* as the generic term, and a republic as merely one species of democracy. This is not supported by either etymology or history.

The word *democracy* comes from the Greek, and is concerned from the very beginning with the form of rule, or the source of governmental power and the method by which it is exercised. It meant rule by the people instead of rule by an autocracy or oligarchy. And so rapidly and completely did demagoguery cause this rule by the people to degenerate into mobocracy that by the time of Aristotle it was considered very unflattering to any government to speak of it as a democracy.

The word *republic* comes from the Latin, and designates only "the public affairs" or the "common weal," without regard to how those public affairs are conducted or the common well-being is achieved. None of the Greek city states, in which democracy originated, ever had a republic, or anything resembling one. But since then, and before the Communists deliberately prostituted so much of our language into deceptive reversals, the term has been applied, almost universally and with ready acceptance, to such widely different states as Rome in its earliest centuries, Venice, Poland in the 16th through the 18th centuries, the United Netherlands Confederation of the same period, the Swiss Republic, various French governments, and the United States of America. Some of these were monarchies (even at times absolute monarchies) some were oligarchies, and some were *representative democracies,* so far as the *form* of government is our concern. But what made these states *republics,* in the minds of statesmen and political scientists and historians and the informed public, was the fact that each of them (in theory, anyway) was ruled according to the well established laws—whether set forth by statutes, by precedents, or by written constitutions—and not simply by the whim of the monarch, or of the oligarchy, or of a temporary majority of the voters. "The rule of laws, not men," is one of the soundest of all the copybook maxims. And it is the essence of the whole difference between a democracy and a republic. Democracy is the rule of men, not bound by laws—or tradition or precedent—whenever mob psychology can be built up by demagogues to support the demagogues' disdain for the restrictions of law. A republic is rule subject to laws—and tradition and precedent—which laws cannot be changed except by due and deliberate process according to their own provisions.

Except when utilised by very small units, such as a tiny Greek city-state or an American township or village, democracy has never worked satisfactorily as a form of government. Especially when the size of the unit becomes such that "pure democracy" is no longer practicable, and it is necessary for the voters to select representatives to make the actual decisions and do the governing for them, does the deterioriation into a mobocracy always become rapid and disastrous. The whole life cycle of a "representative democracy," from early stability through mobocracy and murderous cruelty to counter-revolution and stability once again, was telescoped by the French Revolution into a period of a few short years. This was because of the excessive steam pressure of the forces at work. But the pattern was an exact one for the course of a "representative democracy," as a form of government for large units, nevertheless.

Although our republic was established before the French Revolution had supplied this horrible example, our founding fathers were well aware of the faults and dangers of a democracy. They wanted no part of one for our national government. In fact, while our constitution goes so far as to guarantee a republican form of government to each of the several states, it does not even mention a democracy or a democratic form of government once. And one of the very few times the Federalist Papers (which tell us most of what we know about the thinking that went into our constitution) even mention a democracy, is in the Federalist Paper No. 10, where Madison does so in order *to show us its disadvantages.*

If Washington and Hamilton and Jefferson and Madison and all of the other great men of our constitutional convention had not believed that a constitutional republic was the best of all forms of government, they would have provided something else. For theirs was a clean slate on which to write. They did so believe, and both man's age old experience with government and his most carefully reasoned theories support their choice.

But a republic, even if in the form of a monarchy, or an oligarchy, does presuppose the ultimate responsibility of the governors to the governed. A king "by divine right" cannot head a republic, but only a king by—in theory, anyway—the consent of the governed. So that the governed do have the inherent right, and usually the opportunity, to make changes even in the basic laws through which the republic functions. And when the governmental form is the same as that of a "representative democracy," the danger of a breakdown of the legal guard rails of the republic is always present and usually becomes worse with time. So that the greatest fault of a republic is the likelihood of its deterioriating into a democracy. And of this, too, our forefathers were well aware. When Benjamin Franklin was asked, at the end of the Constitutional Convention, "What have you given us, Mr. Franklin?" his answer was: "A republic, Madam, if you can keep it!"

His fear was well founded. For today, because of the utterly unjustified and steadily increasing violation and disregard of our constitution itself, we have already gone far towards losing that protection of laws against the schemes of demagogues and the whims of the electorate, which made us a republic instead of a democracy. The formerly slow erosion of our constitutional guarantee became a rapid rotting away under the Franklin Roosevelt Administration and those which have succeeded it. First, the Executive Department began to attack and circumvent the Constitution. Then the Legislative Department began supinely to surrender its rights and to fail in its duties under the Constitution. And then the Judicial Department began, in brazen and criminal violation of the oaths of office of individual justices, to change the Constitution by fiat of the Supreme Court, and of lesser courts. Until today the conversion of our republic into a democracy and the preparatory steps for making it a mobocracy

are already far advanced. With the tyranny of a completely lawless dictatorship as the ultimate stage and goal.

Of course none of this just happened. The tremendous forces at work, deliberately to speed up this degeneration of our republic, can best be typified by the large foundations. They have for decades been working under the secret but visible directive: So to change the economic and political structure of the United States that it can be comfortably merged with Soviet Russia. They have set the pace for the whole demagogic tribe that—many of them unaware of where they were heading or who was pushing them—has sought not only to make us a *democracy* but to convince the American people that we are supposed to be a democracy. For acceptance of that change, from a republic, is an all-inclusive step of tremendous importance on the road to the rule of a Communist tyrant, with neither laws nor precedents nor traditions to restrict his cruel power. The glorification of "majority rule" as the unchecked and immediate arbiter of the fate of minorities and majorities alike is the great and dangerous criminal fraud, which our forefathers so much feared, and tried as well as they knew how to prevent.

In summary, democracy is government by majority vote, whether direct in a pure democracy or by one step removed in a representative democracy. It provides no protection of the rights of minorities nor even of the best interests of the majorities themselves, against the sudden whims of the electorate or the results of the voters' gullibility. And those who, through ignorance or greed or indifference, will allow their glorious republic to be converted into so despicable a pretense of civilised government, deserve the ultimate enslavement into which that transition is designed to lead them. But the framework of what was given us by our ancestors is not yet destroyed. The destruction now going on can be stopped and inner damages can—with enough determination—still be repaired. Ours is a republic, not a democracy. Let's keep it that way.

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(*continued from page* 1)

Mr. Smith: "Yes, Sir."

Senator Eastland: "And yet, in spite of that, of your advices to our Government, you say that our Government was primarily responsible in bringing Castro to power?"

Mr. Smith: "That is absolutely correct."

It is well known that there was big money behind most of the trouble in the Middle East. Not only did the "American" propaganda and money make it impossible for the British to operate there, they made it impossible for Europeans to operate.

The same sordid tale can be told about the tragedy being enacted in the Congo.† You have not got to be very bright to know that several thousands of key technicians removed from a territory as large as the Congo must lead to disaster, yet all our news services have left us almost in complete ignorance as to what happened, all official commentators on both sides of the Iron Curtain adhere to the Party Line, and attribute all trouble to "anti-colonialism" and an "upsurge of nationalism."

The substance of this series of articles (‡) is that the growth of monopoly in politics, in business and in trade unions, a great deal of the chaos in personal and international relationships is neither natural, reasonable nor inevitable, and that there are men whose interests are well served by a chaotic state of society and who have the power and the intention to maintain that state. In other words, chaos, like war and depressions, has to be organised; and any person found guilty of producing, or threatening to produce, order, peace or security in our time is ruthlessly eliminated from any official position of importance, especially in international affairs.

We who object to this strange state of affairs are not silly enough to look for a machine-made Utopia where everything is nicely regulated to avoid all pain and disappointment —if such were possible. What we object to are not natural hazards, but hazards artificially and unnecessarily created. Most people have enough trouble on their hands without the need of a large army of men permanently engaged in trouble making.

It is realised that there will always be the clash of personalities; there will always be the unforeseen which no human being can predict. Disappointment and sometimes tragedy is a part of life. Christian people look upon these things as an important part of this "vale of soul-making." But that does not provide a reason why we should go out of our way to distort human life and turn this Earth into a frozen hell.

The most disastrous and most vicious events do not come naturally or easily to ordinary societies, they are imposed from the apex of power. The vast majority of men have never been in a group where murder has taken place, and such things as the mass murder we call war requires a large and powerful organisation. The dropping of a high explosive bomb in the heart of a great city is not the work of ordinary men or of an ordinary nation. That all the cities of Britain and Europe were not reduced, in the last war, to a heap of rubble, was not according to plan.

†About the Congo—Belgians have an answer. Too many Americans, they say, reproach them for hastening their evacuation from the big African colony, for not withdrawing gradually over years so that the natives could build up an official class to take over. They say they got out hastily because the U.S. State Department put pressure on them to do so. They claim the U.S. officials reassured them that no trouble would result." (*Human Events*, September 8, 1960).

‡Other articles in the series:

"The Realm of Ideas," *T.S.C.* April 1, 1961.

"Perversion," *T.S.C.* April 15, 1961.

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