# HE SOCIAL CREDITER

### FOR POLITICAL AND ECONOMIC REALISM

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#### LETTERS FROM DOUGLAS

We re-publish two letters written by Major C. H. Douglas to The Scotsman in 1943.

#### The Idea of Liberty

Sir,

The arguments employed by Mr. C. de B. Murray in his differences with Lord Teviot provide almost classical examples of the logical fallacy known as the petitio principii - "begging the question".

- (1) Postulate: "An employer underpays and overworks his men". Argument: "The employer ought to be controlled". Fallacy: (a) He may still be underpaying and overworking his men when he is controlled; (b) if the workman can contract-out, he can avoid being underpaid and overworked. All people with a private income can contract-out (Mr. Murray sees this, but apparently prefers control).
- (2) Postulate: "The patent and glaring fact of the twentieth century is the failure of private enterprise to find employment, and therefore self-respect. Argument: Every one of the controls imposed during the war must be maintained after the war". Fallacy: (a) Private enterprise, as a "patent and glaring fact", succeeded most admirably in its legitimate objective — to make more goods with less labour i.e. employment. It is not the objective of industry to provide employment. (b) The common complaint made about people with private incomes is that they have too much selfrespect.

There was nothing very much the matter with Victorian Liberalism except that it was tied to the Gold Standard. In consequence, the problem of the individual was always purchasing-power, money, not goods. We now have more controls than ever existed in the world, and the problem is goods, not purchasing power. High amongst the reasons which cause many of us grave concern over the activities of the planners is their failure to demonstrate that they understand the working of the system which they did little or nothing to bring to its present stage of amazing success, while confusing it with a financial system which itself is a demonstration of the viciousness of control from above.

I am, etc., C. H. DOUGLAS

14 July, 1943

#### Individualism

Sir. There is, I think, a certain congruity in the appearance in the pages of The Scotsman of a discussion on the merits and place of individualism, and there must be a considerable

body of readers, not only in these islands but overseas, who would be well satisfied to see the subject pursued to a definite and helpful conclusion.

It is not necessary to invoke the authority of the Christian philosophy (although that is unequivocal on the point) to realise that the relationship of the individual to the group is not arguable. The group exists for the benefit of the individual, in the same sense that the field exists for the benefit of the flower, or the tree for the fruit. Groups of any kind, whether called nations, business systems, or any other associative label, inevitably decay and disappear if they fail to foster a sufficient number of excellent individuals, using those words in their precise significance. It is also true that excellence involves exercise — a man does not become a good cricketer by reading books on cricket.

But not everyone wants to play cricket, and not every cricketer wants to play seven days a week. If the M.C.C. becomes so all-pervasive that in place of being a group for the encouragement and progress of cricketers who freely choose cricket as their game, it becomes an organisation directed to the abasement of non-cricketers, then it is a field which has not been farmed with proper understanding.

The individualism which is justifiable and necessary is not that which insists on making the rules of every game, and at the same time, devises methods of compulsion to provide players.

It is obvious that advantage is being taken of the orgy of waste through which we are passing to stampede us into mere units in an industrial-financial group. The case which the Society of Individualists has to make for itself is, I think, less concerned with the value of individualism than with the methods by which it proposes to restore to the individual the opportunity of becoming excellent by the exercise of his possibly unique talent rather than by the life-long performance of a mechanical task.

I have read many of the attractive writings of Sir Ernest Benn, who is prominent in the Individualist movement, and they never fail to amuse and delight me. But I notice that Sir Ernest is a stalwart supporter of the orthodox financial system. And there is no more future for the genuine individualist if the pre-war financial system is not radically modified in the interest of the individual than there is for the deluded victims of Karl Marx.

I am, etc.,

C. H. DOUGLAS

14 September, 1943

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#### From Week to Week

"Our country has become virtually defenceless": thus Peter Simple in the Daily Telegraph, 26 March, 1970. More exactly, Britain is at the moment completely defenceless; that is to say that in the face of an ultimatum there would be no alternative to capitulation. This fact does not stick out like a sore thumb simply because no Power appears likely to issue an ultimatum — there is no visible enemy in the conventional military sense. Peter Simple says that "to remedy this situation at whatever cost and by whatever means ought to be absolutely the first priority of the Conservative party". But this raises the vital question: Would the Conservative party be allowed to rearm Britain? The view of the international socialists is that socialism is here to stay, and that national armament is a threat to international socialism. "It is likely," says Peter Simple, "to say the least, that there are important people in this country who would not be averse to seeing it under the control of the Red Army".

His second priority for the Conservative party is "to find out, if possible, how the situation has come about". "Have we become defenceless through silliness; or incompetence, or insane optimism; or treason; or through all these things in combination?" Silliness, optimism, even incompetence, are not indictable offences; but treason is a crime, and in his column on 10 March Peter Simple asserted that "there is treason enough in our own country . . . to demand our close and urgent attention". Peter Simple likes his little jokes, but do the Conservatives think this is one of

There is a chance — no more — that in opposition the Conservatives can call the Socialists to account. Let them "win" an election, and they will find themselves on the hot spot, faced with the probability of what will amount to a revolution precipitated by strikes. What will they do? Accede to wage demands, and thereby accelerate the rise in the cost of living? Reconstitute the Home Defence units, after the horse has bolted? And what if a "revolutionary government" calls on the Red Army for assistance.

The fact of the matter is that signing the Treaty of Rome is an ultimatum — to surrender national sovereignty to Willi

Brandt's "power-house" (T.S.C. 18 April, 1970). But at this stage, merely not to sign it will not dispose of the situation in which Britain is placed; it is absolutely necessary to expose how the situation has come about, and to bring those responsible to trial. We emphasised this necessity two years ago in these pages; but the situation is incomparably worse now. The fundamental fact, however, remains: the Conservatives have a locus standi as an Opposition which they cannot possibly have as a Government, because the Socialists as an Opposition will oppose them with all the forces of industrial anarchy. The only answer to that, and an answer that must be given now, is to call on the latent patriotism of the British by exposing their enemies to them. If ever it was true that the best defence is attack, it is true now that the only defence left is attack.

#### R.I.P.

G. R. Christian and J. W. Coward - both long term and active supporters

#### VAGARIES AND REACTIONS

In a review of Dr. Robinson's Christian Freedom in a Permissive Society, Dennis Potter (The Times Saturday Review, 28 Feb., 1970) writes of "Christianity and its great twin Marxism". They are, he says, concerned with "recognising the unique, vibrant dignity of each person" and with rupturing "virtually all our hypocrisy-ridden institutions." And so with a sweep he makes twins of the irreconcilables, for Christianity indeed restored dignity to man but Marxism in practice exalts an abstraction, the State, and expunges the individual.

Dennis Potter also mentions the "real and irreversible decline" of the Church, but if America can be any sort of guide, this need not take place in the seventies. For U.S. News and World Report (2 March, 1970) tells how, nearly a decade after Supreme Court rulings banning prayer in public schools, "religion is returning to many American classrooms . . . more and more parents and students are demanding it . . . the National Council of Churches are opposed to open defiance of the Court." The study of religions would appear innocuous in the eyes of the Supreme Court.

However, the vagaries of some religious leaders not unnaturally cause confusion. T. A. Wainwright (Spectator, 28 Feb., 1970) complains, "Fr. Huddleston's present view was contrary to that he held in 1964 . . . in a sermon he preached at St. Alban's Cathedral, Dar-es-Salaam, he praised the great benefits the white man had brought: Christianity, hospitals, schools, the civil service . . . " And he ends with the warning that though he never felt any prejudice towards coloured people, "I find Fr. Huddleston and his trendy leftish bishops and their allies in Parliament with their extraordinary views rapidly making me and many others anti-

In fact those who misled thought and interfered with our growth as a people in the sixties may well have provoked some surprising reactions. Milton Schulman complains (The Times, 20 Feb., 1970) this time of "the continuous and relentless deterioration of BBC 1 television". He points out that the impact of TV on the "morals, values and vision of the British people" is far more "persuasive, powerful and significant" than that of radio, and asks whether responsible and distinguished people have accepted that "television is now beyond cure or redemption . . . with all the potential damage to our society that such a deterioration will inevitably entail". The Bishop of Wakefield (Church Times, 27 Feb., 1970) says that many programmes leave much to be desired: "To the Christian they are offensive, and even to those who are not they are in very bad taste".

Further, John Sparrow, Warden of All Souls, Oxford, points out in an article called "Crime of Punishment — the Dilemma Facing Society" (The Times, 24. Feb., 1970) that the ordinary man "still believes, having given the psychologist his say, that men are moral agents, responsible for most of their actions", and so marks the error of much "liberal" thinking. Fenton Bresler (Daily Telegraph Magazine, 6 March, 1970) deplores (in "Where Have All the Judges Gone?") that in the case Local Government Board v. Arlidge in 1914, "surrender was made to the powers of the Executive" when the Board appealed to the House of Lords. And he goes on to say, "over 50 years after Arlidge's Case, the judges have put themselves out of court to remedy many of the most important grievances of the individual against the State . . . the average judge is simply too Government minded: whatever the policies of the Government may be".

Nevertheless His Honour Arthur Hodgson, examining the question of recognising the Rhodesians, says (Daily Telegraph, 7 March, 1970) that he can "see no reason why foreign nations should not recognise the Republican regime as a matter either of international law or common sense. As to sanctions, Experientia docet stultos". (Experience teaches fools.)

And we must not feel surprised at disquiet in America, reflected in a *Human Events* article (24 Jan., 1970) headed, "Conservatives Worried, Nixon After One Year", which says, "We think we had a right to expect policies that were perceptibly conservative". And it complains (31 Jan., 1970) in "Nixon Disappoints in 'State of the Union'" that "the President appears to be advocating even more centralisation" where "... he could have told the inspiring story of what private industry and volunteer groups have already accomplished".

— H.S.

#### THE USURPERS

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#### THE TFX SCANDAL

FROM OUR LAST ISSUE WE CONTINUE THE CHAPTER, WITH THE ABOVE TITLE, FROM *THE USURPERS* BY MEDFORD EVANS.

There is a law of diminishing returns in pursuing too far a financial and managerial fiasco like the McNamara - TFX - General Dynamics thing, but one more point must be made: Boeing wanted to equip the TFX with a "thrust reverser", for reducing speed for landings. But Robert McNamara said no — too advanced, too risky. We must have a solid, safe, approved conventional dive brake such as General Dynamics had come up with.

Now hear this, from Science News writer Eberhart concerning the Navy's aerial monstrosity:

The aircraft's speed brake, a panel that lowers into the air stream from the fuselage, needs strengthening and redesign because it vibrates like a loose shutter, and a device called the adverse yaw compensator does such a poor job of controlling the plane's side-to-side motion that it adds to the already considerable hazards of night landings on an aircraft carrier, from which the F-111B's will operate.

It isn't just a matter of dollars and cents, though dollars and cents are important. We must think of McNamara sitting there insisting that young Navy fliers have got to trust their lives, and the life of every sailor on the carrier, to the unmanageable bulk of one of these General Dynamics creations.

General Dynamics could have been helped financially far more simply, and without great commotion, simply by (1) continuing to produce B-58 "Hustler" bombers at the Convair plant in Fort Worth, (2) continuing to produce Atlas missiles at the Convair plant in San Diego, (3) going ahead with nuclear-powered naval vessels, a programme in which General Dynamics, builder of the Nautilus, the first nuclear-powered submarine, could logically have been included. Instead, the B-58 and the Atlas were discontinued, and McNamara made another of his arbitrary decisions to build a non-nuclear aircraft carrier rather than a nuclear-powered one — once more against all the best naval, military, and other technical advice.

Mollenhoff writes, "With all of the opinions and facts against him, Robert S. McNamara made the decision that the United States should not go ahead with a nuclear carrier". McNamara's "Flying Edsel" may have been ordered to please General Dynamics; his "Floating Edsel" could have pleased no one but the Disarmament Lobby.

The chilling significance of Robert McNamara is this: that a dedicated opponent of American national defence could for seven years be American Secretary of Defence.

Admiral Canaris was Hitler's chief of military Intelligence for nine years, and he was also head of an underground plot against Hitler. Most of us are not inclined to think that was morally so bad of Admiral Canaris. There are plenty of people who think it would be fine if a U.S. Secretary of Defence, sworn to defend our country, should actually think it his duty to help run the whole world in the interests of "peace", and to that end to use his position as a means of destroying armed might.

There are American intellectuals who consider that *America* is the threat to what they value in the world, and that they are doing their duty if they deliberately weaken America. Is this why McNamara sought more and more power? Should he be in a position of power — in the U.S. Government, the World Bank, or anywhere else?

What McNamara did for seven years — three under Kennedy, four under Johnson — was to use the pretext of economy for disarming America.

Newsweek said 11 December, 1967: "Few men have worshipped planning as obsessively as the eighth Secretary of Defence — and few have been relieved of command (Italics added) in such a shambles of confusion". In such shambles of confusion totter and topple the towers of tyranny!

But to think that McNamara has now been "put out to pasture" is to fail to understand the nature of the fields into which he now has been turned. The World Bank is the pilot institution of the Government. Set up at Bretton Woods in July, 1944, the World Bank, or "International Bank for Reconstructions and Development", along with its companion institution the "International Monetary Fund", was the first of the UN organisations to be established. The Bretton Woods conference was held two months before the Dumbarton Oaks conference at which was planned the more pretentious but hardly more influential organisation that we call the United Nations. The UN had been set in motion under the guidance of Communist Alger Hiss at San Francisco in April of 1945. Hiss was an official U.S. delegate and secretary general of the conference! The UN was to maintain "peace" — which hardly anybody thinks can really be done. The World Bank was to manage the flow of money in the world — which lots of people think is being done very effectively, though not in the interest of the United States.

Regarding our current predicament, my conviction is that the whole buildup in Vietnam has as its purpose the distribution of wealth throughout the world in such a way as to make that wealth, whether greater or not, more manageable. And whether we have war, peace or negotiations, the buildup goes on.

Viewed functionally and from the offices of the threatened World Government, the Pentagon is subordinate to the World Bank. Our vast military operations are a means of the buildup, exist in order to make the buildup possible. But such a means, however vast, is not to be compared in ultimate importance with the management of that buildup once it is attained.

In the Pentagon, Robert Strange McNamara did the sinister work of so directing the American military effort that a maximum of material buildup occurred in Vietnam, while a minimum of fighting which might really injure Communism or help the American national image was allowed to take place. Perhaps his job is virtually complete. The United States has unloaded in Vietnam enough military personnel and material to conquer a continent, without accomplishing any military purpose whatsoever. What could have more highly recommended Robert McNamara to the ministers of the dreamed-of World Government?

To aspire to a job formerly held by Eugene Meyer, John J. McCloy, Eugene Black, and even George D. Woods, is no mean ambition. *Newsweek* is quite correct, concerning

McNamara, in concluding:

As head of the World Bank, he will technically be an international official, and likely will remain publicly aloof from the war and the Presidential campaign. But there is no reason to doubt that Bob McNamara will some day find himself back in the thick of American public life — perhaps with even more power than he wielded so well at the Pentagon.

There may be reason to think that the head of the World Bank is more powerful than a mere defense secretary of a nation — even "the most powerful nation in the world".

Left-leaning writer Emmet John Hughes shows signs of distress when he writes: "And as the din burbles ever higher, a brilliant and weary Robert McNamara prepares to depart from the Pentagon . . ." "(yet) he cannot feel sheer anguish as he turns from Defence Department to World Bank". In fact, concludes Hughes with the wisdom of the heart, "It will be good for him to be back from the dark land beyond the looking glass", and adds semicryptically: "It will be even better when the nation can follow". (Italics added).

Does this mean when the nation can follow its erstwhile Secretary of Defence into becoming frankly and fully international?

McNamara's usurpations in the office of Secretary of Defence are impressive. His opportunity for grander usurpations from this point on will be even more so.

(Concluded)

#### REALISATION

"Your education is You, realising God's Meaning. These three sum up the purpose and also the history of the University. Historically, the University developed precisely in that order. Historically it will decline in precisely that order reversed . . . Historically, universities began with 'Man is the Measure'. It was at that point that Athens qualified for the title, because of all the cities of antiquity she really believed that dangerous doctrine. She has taught us the Humanities ever since . . . Humanism is not enough. For, having become the measure, Man becomes the circumference, the All. He begins imperceptibly to take it for granted that truth and goodness are only functions of himself, his profit, his utility; he puts beauty before them; and beauty only as a means of pleasure. When that instinct of exploitation takes possession of him, and he thinks he is a god, a Socrates has to die to teach him that reality cannot be distorted, and Aristotle has to live upon the lowly and laborious spade-work of science. By slow experience he discovers such a thing as Jus - Law, Right - and the lesson stated at the opening of Justinian's Institutes - 'Justice is the perpetual will to give everything its own' . . . Such realising is science. That is, to obey and to share the being of things that are not himself (a man's self), are not his property. That is to say, the core and essence of science is precisely not that part of it which is 'technique' ".

> T. S. Gregory to the Joint Christian Societies of the University of Liverpool.

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