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FOR POLITICAL AND ECONOMIC REALISM

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From Week to Week

"There is no longer any place for an objective conception of Law; there can be no subjection of administration to independent judicial power; the law and its interpretation are controlled by the Führer and the party."—*The Causes of the War*, Prof. Berriedale Keith, p. 137.

And there are people in once-Great Britain who suppose we went to war with Hitler to prevent his methods from being imposed on us.

"It is recounted that when the British Trade delegation went on its recent mission to Moscow, it was arranged that, as a measure of secrecy, the head of the mission, Mr. Harold Wilson, should report to Mr. Attlee in Hebrew."—*The Jewish Chronicle*, August 8, 1947.

Naturally, Mr. Harold Wilson writes Hebrew just as well as Mr. Attlee. This assists the Russian Censors, who are all Jews, as Mr. Douglas Reed discovered.

We have the highest respect for the general sentiments, and for many of the purely political articles, publicised by *The Patriot*, and it is therefore with the friendliest intention that we suggest that its impact would be strengthened if it refrained from dabbling in technical economics. As an instance of the kind of matter we have in mind, its front page, in its issue of September 18, comments: "The need for increased exports and decreased imports cannot be disputed if we are to attempt to pay our way." We can hardly imagine a more unconsciously vicious statement, and one more calculated to give aid and comfort to our common enemy. It is a statement which simply ignores history (*cf.* the authoritative article by F. Jellinek to which we referred in our issue of August 30). It makes use of the type of loose collectivism so beloved of the Socialist mind ("increased exports and decreased imports", as though it was of no consequence what you made, or what you imported, or whether or no you made a true profit on each transaction), and proceeds to blacken its crimes by a dissertation on our ability to "turn out goods at the volume required on a competitive basis." Just why we should strive to send out of this country more and more, for less and less, which is the meaning of its orthodox phraseology, is apparently overlooked. Still less, the point at which this insane process is to stop.

We have long been of the opinion, confirmed by participation in practically all the Monetary Enquiries of the past quarter century, that most of the opinions of the nature of those to which we take exception arise from ignorance both of the technics and, more importantly, the implications, of the costing system which lies at the root of genuine, and commendable, Capitalism. The departure from these principles, and their substitution by the Hebraic system, that "the price of an article is what it will fetch" *tout court*, is one of the main factors in the present chaos, and to write on

Political Economy, and particularly inter-national Political Economy, without a recognition and understanding of this fact, is a public disservice.

It is a curious fact that the decreasing number of people who pour scorn on "World Plot" explanations of the present state of the world (not of one country only) do not appear to recognise the implications of their opinion. If they were right, the present discontents are inherent; we can do nothing more about them than we can do about the normal equipment of mankind with two legs and two arms. But if the "Plot" theory is correct then we can deal with it, great though the difficulties may be. Either all men are alike, as the Socialists would have us believe; or some are turned to the Light, and some love the Dark. That is the awful interpretation of the Judgment.

"The Economics of Sir Stafford Cripps"

A correspondence has ensued upon the publication of the following in THE SCOTSMAN:—

Feadan, Lawers, by Aberfeldy,

September 20, 1947.

Sir,—Had it been feasible, I should have put the following questions to Sir Stafford Cripps on the occasion of his public meeting at Edinburgh last Wednesday.

Why should it be necessary to abolish the basic petrol ration seeing that we possess in the sterling area all the petrol we need in this country?

How is it that during the period of the greatest prosperity of such Continental countries as Germany, Switzerland, Belgium, etc., they all had a large adverse balance of trade, *i.e.*, they imported far more than they exported?

How is it that we are to become prosperous by following the exactly opposite method, which has proved beneficial in the past to these countries, *i.e.*, by increasing our exports and decreasing our imports?

What has Great Britain, which for the last hundred and fifty years has been the great exporting country in the world and which has virtually built up the Continental countries in question, as well as the U.S.A., received in exchange? What connection is there between our having reached a higher export "target" than ever before (Mr. Herbert Morrison) and our present catastrophic economic position?—I am, *etc.*,
W. L. RICHARDSON.

"Sovereignty"

We regret the passing of *Sovereignty*, and note with appreciation the announcement that the balance of subscriptions will be sent out to an equal monetary value in future issues of *The Social Crediter* among other journals by arrangement with the publishers of *Sovereignty*, Messrs. Essential Books, 5, Christmas Steps, Bristol, 1

A Taxpayer and Mr. Dalton

The following are copies of two letters written by Mr. W. B. Laurence to Mr. Dalton, from '4, Westmoreland Road, Barnes, S.W.13:—

No. 1, dated October 21, 1946.

Sir,—When you speak on National Finance, you are reported from time to time in the Press as saying "I have a song in my heart." In what way does your "song" relate to the following two cases?

Case 1, Annuities: These, as you know, are taxed at the current rate of income tax on the full annuity, although part of the annuity is made up of a return to the annuitant of a portion of the capital with which he has bought the annuity. That is a tax on capital if ever there was one, and when income tax is 9s. in the £, it represents a 45 per cent. tax on capital, the equivalent of a very heavy death duty on a large estate. Many annuitants are individuals of small estate. On what rightful principle then are they subjected to such an extortionate burden, wrongful in principle no matter what be the rate of income tax, but many times more wrong when that tax is 9s. in the £, especially as other capital accounts are free from such an annual levy? In April last, when you were introducing the current year's budget, you took credit for relieving small estates, either totally or by way of reduction from liability to estate duty. How then is it logical to levy such a monstrously high capital tax on a particular category of living persons? If an annuitant, instead of buying an annuity, were to put his capital aside at a low rate of interest and live on that interest plus an annual instalment taken from capital, he would only be liable for income tax on that interest and not on the instalment taken from his capital. Why, therefore, in the name of commonsense and justice, should he be mulct by tax on the capital when the instalment of capital is returned to him as part of an annuity? The fact that this ridiculous and unjust practice has been going on for years does not make it righteous, but it is now rendered simply ridiculous by your declared estate duty policy. Is it not time that you aroused a "song" in the hearts of those who have been too long victimised by methods which cannot be, and never have been able to be, supported by analytical argument?

Case 2, Fixed Incomes: A very large number of persons, including Members of Parliament, have succeeded in rectifying the wreckage of their incomes, brought about through war-finance, by obtaining increases of salary or wage. Such persons have consequently adjusted their position in relation to the very heavy war tax, recently 10s., now 9s. in the £, and therefore do not feel that "intolerable" (to quote an adjective used in the House) burden in a way which persons of fixed incomes, especially retired persons do, who have had no corresponding alleviation. That injustice to the latter, coupled with the decreased value of their fixed incomes, is making their present-day position doubly "intolerable." How is it that you, representing, according to your own statements, righteousness and "song", do not arrange for the relief of such persons by a reduction in their rate of income tax and thus put them more-or-less on the same plane of benefit as those whose incomes have been increased on a wide-spread scale? Is it that the fixed income individual has been overlooked, or is he considered of such small voting importance

that he can be safely trampled upon? That latter attitude would be surely inconsistent with the much vaunted principle involved in the phrase—"The Rights of Small Nations"? The administration-remedy could be a repayment through the Inspector of Taxes of the overpaid tax which has been deducted at source at the current full rate to the extent of the relief in rate legalised. The Inspector could check the "fixed income" claim by comparing the total income declared for the germane year with the declaration of total income for previous years. Perhaps there may be a more suitable way of introducing the reform. I am only making a possible suggestion. But whatever be the method adopted, some remedy in favour of such persons should be instituted without delay, if the words "English Justice" are not to conjure up sardonic smiles of derision. The English preen themselves on their lack of logic in politics, but even the English cannot have it both ways—lack of logic on the one hand and "English Justice" on the other; without the risk of making themselves the world's laughing-stock.

W. B. LAURENCE.

[*Note—The acknowledgement, dated 23 October, 1946, from Treasury Chambers is signed "E. Appleyard". There has been no further reply.*]

No. 2, dated May 20, 1947.

Sir,—What are your answers to the questions which I raised in my letter of October 21 last about the continued income-taxing of the capital element in annuities and the high income-taxing of those with fixed incomes, who have no means of adjusting their financial position in relation to the ever increasing cost of living, as have the various types of "workers," including Members of Parliament? I received in connection with that letter a postcard (unreferenced) acknowledgement, dated October 23, 1946. Surely those questions deserve attention from a person with "a song in his heart," who is now presenting himself in the new role of Universal Aunt to the ratepayers? I think that you must agree that evasion is no answer, although evasion is no doubt the characteristic English get-away of an Englishman in a difficulty. Why did you omit those reforms of ordinary justice from your last Budget?

As far as I can apprehend the ratepayers are to be relieved and the taxpayers further burdened. As the ratepayer and the taxpayer is usually one and the same person, what rejoicing do you forecast, is really in store for him? From the newspaper reports the alleged prospective benefit to the ratepayers is to arise from "the transfer of hospitals and out-relief"? Do those quoted words refer to or include the National Insurance racket? At one time, it was given out, in general terms, that the cost of the National Insurance, over and above the weekly stamp-licking part of it, was to be borne in equal moieties by rates and taxes. Perhaps that is now no longer so, the arranged financial fog which has consistently blotted out any power of insight on the part of both ratepayers and taxpayers, having allowed full play to the mysterious backstairs manoeuvres of its original coalitive abettors. They had the impudence to assume a public consent to the measure which neither they nor their successors have had the common decency to verify by first telling the electorate in an intelligible way what it is letting itself in for financially and then

asking its properly advised consent.

As it is never too late to mend, would it not now be more common uprightness to disclose to the ratepayers and taxpayers, on the basis of the (say) 1938 and 1939 assessments, what the additional poundages on those assessments would be to raise the amount required annually from those sources to finance the National Insurance measure and then to give those victims the chance of saying whether they wish to meet that cost to themselves or not? What right had the Coalition politicians to assume a popular consent without imparting that information, and, consequently what right have the "Socialist" successors of that Coalition to proceed as if that informed consent had been given by the electorate! Such action on your part would be officially suitable to your new character of universal aunt? It would also be mere common or garden honesty. Or is deception nowadays, not honesty, the best policy?
W. B. LAURENCE.

Note—The acknowledgement, dated June 6, 1947, from Treasury Chambers, is signed "E. Appleyard."

"Watch Your Freedom"

The *Dundee Courier* reports Mr. H. J. Scrymgeour-Wedderburn, prospective Unionist candidate for Parliament for Dundee, as follows:

The continual succession of more controls followed by less production, and more Socialism followed by less production again, would lead to inevitable poverty and want. The only way to recover economic prosperity was not to stop people doing what they wanted to do in industry, but to encourage them and to reward them.

The standard of living was slipping away from us fast. It would be irretrievably lost if the Socialist policy went on. It could only be won back if freedom and private enterprise were given the chance to do the job and put on equality with public enterprise.

There were two fallacies on which Socialist policy was built. One was that people would produce more working for the State than working for private employers. The other was that you could get the things you want done by stopping everybody from doing anything else. That meant if they wanted houses for any particular class the way to get that done was to stop everybody from building any other kind of house.

The effect of building restrictions was to reduce the total number of houses that could be built and to prevent an enormous number of small tradesmen from doing any useful work.

"The more you interfere with people's liberties to produce, the more Socialism you produce, and the more controls have to be imposed in order that this diminishing amount of wealth may be distributed among the people who need priority.

"So we go on, with a growing number of civil servants and a decreasing amount of productive wealth, until we have nearly reached the stage when about half of the population of this country is employed stopping the other half doing what it wants."

The address from which the words are taken was to a Dundee Discussion and Junior Unionist group.

The Round Table

We cited recently an attachment of Dante to Templarism from a Roman Catholic source, and certainly through many centuries ideas associated with 'Chivalry' have been interwoven with religion and politics. We are indebted to the *Belfast Telegraph* for the following advance notice of a dinner party which was to be held at the Savoy hotel on October 8, under the auspices of the "Knights of the Round Table".

According to the newspaper, the chief guests expected to be present were the Archbishop of Canterbury, the Archbishop of Westminster, the Archbishop of Thyateira, Moderator of Church of Scotland, Moderator of Free Church Council and Lord Salisbury. Each of these gentlemen was to make a short speech. "The object of the dinner," said the *Belfast Telegraph*, "is to bring together the representatives of these different denominations to give a united lead in these critical times based on Christian ethics, which, it is hoped, will penetrate to every corner of the British Isles and the Empire.

"The Knights of the Round Table Club has an interesting history. It was founded, it is believed, in 1220. The records prior to 1860 were destroyed but it is known that David Garrick, the actor, was one of the earliest members, and the club still has a treasured possession, his snuff box with a painting by Hogarth on the lid.

"The club exists to further the cause of international understanding by providing opportunities for leading statesmen and diplomats of all friendly nations to meet at strictly non-political gatherings. It has been the custom when a friendly nation accredits a new Ambassador to the court of St. James to invite him to a dinner in honour of himself and his country. On more than one occasion as many as seven Ambassadors and the representatives of the Dominions have sat down to dine together.

"The proceedings of all Knights' functions begin with a short recital by the Knight Champion of the Ten Ideals of King Arthur, for it is believed that the enunciation of Arthurian Chivalry produces an atmosphere redolent of times when abuse of the accepted Code by men or nations rendered them outcasts in the opinions of all civilised communities.

"The representatives of nations entertained are enrolled as 'Knights of the Round Table' and swear an oath to live up to their ideals.

"Rites followed at the Court of King Arthur have been introduced into the ritual of the Club. The title of Knight Remembrancer is given to the Secretary. Although 'The Round Table of Arthur' hangs in Winchester Castle, the Club possesses a Round Table. Believed to be the largest one-piece table in the world, it measures 8 feet 6 inches in diameter and is a single cut of Andaman Padavk.

"It is hoped that affiliated clubs with the same objectives will be run in other countries. In Norway the 'Det Runde Bords Klubb' has already been launched and it is anticipated that both Denmark and Holland will shortly follow suit."

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THE SOCIAL CREDITER

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The (Five) 'Million Dollars' Pup

In the midst of a leading article which made what must be regarded as the irreducible minimum of concessions to a rapidly spreading understanding of politics as it is practised in this (and other) countries, *The Daily Mail* said a curious thing on the morning of the Conservative conference at Brighton last week. To avoid misunderstanding, we give, *in extenso*, three consecutive paragraphs from the leading article (*Daily Mail*, October 2):

We are worse off in every way than we were two years ago. If, as the Socialists claim, our standards are so much higher than they used to be, why is it necessary to introduce drastic new austerities?

No Government depending upon popular votes would impose such deprivations unless they were compelled to do so, either by their own bungling or by external pressures.

Britain to-day is certainly in the grip of outside forces—but she has been in that position for at least 150 years. The duty of statesmanship is to foresee the direction of those forces, and so to shape Britain's policy that she shall derive the maximum benefit from them.

The words which seem to us to call for particular attention are the two last. Those which go before are concession to what the newspaper hears with its ear to the ground, and interest us chiefly as reporting of what is already known, but not yet widely repeated. As it stands, the only construction which can grammatically be placed upon the all important last paragraph is that it is the duty of statesmanship to foresee the direction of the outside forces which, "for at least 150 years" have had the government of Great Britain in their grip, and (having assessed their force and direction) "so to shape Britain's [*sic*] policy as to derive the maximum benefit from them." Statesmanship is to discover what is required of us and deliver the goods, thus earning the maximum reward for ready and obedient service to the overriding "outside forces." C.O.D. if possible; but the buyer fixes the price.

This is not an 'interpretation' of the leaderwriter's words. We have quoted the words themselves, and the plain meaning of the words is what we say it is. It is, of course, open to the *Daily Mail* to repudiate the words and to excuse itself if it so desires; but to repudiate them certainly, for this is, if not the core of public mistrust of the Conservative and all other parties, very near to it.

Challenged to do so, the *Daily Mail* has not, up to the time of writing this note, made the slightest reference to the

matter. We are not surprised. We did not think the pen slipped, or that no Englishman could possibly entertain such an opinion, or that no English journalist could give expression to it, or that no English political party could base itself upon such a policy.

But, now that print and persistence (even silent persistence) support us we think the electors (or some of them at least) have clear sight of the bull's eye. It is not only the *Daily Mail* which has some interest in establishing a more attractive meaning for its words. Lord Woolton is asking for £1,000,000 to back a programme not yet disclosed. Is this it? He might get ten times the amount more easily if it is not. Ask him.

The Conservatives are accused of indulgence, "over and over again in the last two years", in "catch-penny and tip-and-run tactics which have suggested a great contempt of the electorate." A trickster has always some contempt for his victim; and we doubt whether it is really possible to ween him from so natural a reaction. So long as the game of ballot box democracy is played, trickery is unavoidable; it is inherent in the game. It is the game. Just as the game of football consists in getting a ball to a goal against opposition, so ballot-box democracy consists essentially in getting a people into a hole against opposition, or alternatively (it is the same game from another point of view) in getting a country out of a hole against the opposition inherent in ballot-box democracy.

At least one close observer of the Conservative Conference has reported that the leaders were passive, but by no means disinterested spectators. The drive came from a rank and file inclining rather to youth than to even middle age. The high spots of emotional tension touched the realities of an instinct for freedom from shackles and freedom from subversion, not the speeches or the personalities of leaders. But the distinct elevation of morale resulting had little basis in understanding. It was right sentiment rather than right instinct. Natural instinct always has natural instruments to express itself. The Conservative leaders had instruments but did not employ them. They just 'sat pretty.' Whether the Conservative Party recovers itself or not does not matter to anyone—not even themselves—so long as this rank and file has so little insight into real politics that it can go on participating in a game in which "winning" is synonymous with the elimination of all the visible players on both sides for the benefit of a stake-holder.

We believe one thing has become clear to at least this Party: it *thinks* it might "win" an election. It *knows* it cannot provoke one. The future of Great Britain may depend upon the power to provoke an election—or the equivalent.

England

"Let them read Bede, Leland, and others; they shall find it most flourished in the Saxon Heptarchy, and in the Conquerours time was far better inhabited than at the present. See that Doomsday Book: and show me those thousands of parishes which are now decayed, cities ruined, villages depopulated, etc. The less the territory is, commonly the richer it is—*parvus, sed bene cultus ager*—as those Athenian, Lacedaemonian, Arcadian, Elean, Sicyonian, Messenian, etc. Common-wealths of Greece make ample proof—as . . ."—ROBERT BURTON (1576-1639): *Anatomy of Melancholy*.

The Plight of the World

A Re-statement

The following article was not prepared for us, but for THE AUSTRALIAN SOCIAL CREDITER, in which it appeared eighteen months ago. The frequent references to THE SOCIAL CREDITER, which appear in it are not of our choosing, although we should be fully entitled to reproduce them at any interval of time from their first appearance, even for the express purpose of demonstrating the precision of our observations.

In face of the prevalent incredulity concerning the real nature of the overriding policy of which the nations of the earth are experiencing the results, evidence of genuine insight is a material element in awakening public attention, at least where it can be awakened. The fact that the key positions in political society are held, apparently, by persons of phenomenal cowardice is perhaps an associated factor in the difficulty which we experience in provoking effective thought and action. But this is not a matter with which the article deals. And perhaps it is not a matter with which any form of presentation can deal. The article is current in Australia in leaflet form.

"At the moment (February, 1945), there does not appear to be much likelihood that the German contributions to the general hell will be overlooked, and if there is any truth in the statements that the German atrocities have been largely directed against the Jews, they will not be. But it is obvious that the International-New-Deal-Peppers-and-Planners are counting on using Germany as the scape-goat to which to divert attention from the consolidation of their war gains. That in this country not less than America, the Managerial State—"All Power to the Official"—was decided upon in 1931 if not long before, and organised in the sure and certain hope that a nice big war could be provoked and kept going while its position was buttressed "in war, or under threat of war" is so clear that only wilfulness or unfamiliarity with the facts can obscure it. We do not think we are likely to see a period of cruel deflation on the cessation of hostilities, because the dog has learnt that trick. But that both individual purchasing-power and individual freedom of initiative will be curtailed by every possible means, and there are many, is evidenced by the care with which "the threat of war" is being prepared to replace "war." And God wot, the threat of war is not far to seek."

We quote this paragraph from *The Social Crediter* of a year ago because it provides for those "unfamiliar with the facts" an excellent perspective of the past year's events. The military phase of the war ended with the terroristic demonstration of the atomic bomb; and it is clear in retrospect that hostilities were prolonged, despite the efforts of the Japanese, to enable the dropping of those bombs. On the conclusion of the military phase, the "threat of war" phase was substituted without so much as a day's delay, and the "administrative adjustments" referred to by Lord Rothschild were set in train.

During the war, arrangements were consolidated to ensure condition of apparent world famine. We are indebted to an editorial from the London *Sunday Express*, reprinted in the Sydney *Daily Telegraph* of February 26, 1946, for a demonstration that the appearance is false. This article reports that world stocks of wheat next June will be 2,000,000 tons more than in June, 1938. Elsewhere it has been reported

that Argentina is burning grain in locomotives.

Thus the "threat of war," plus artificial famine, provide the necessary background for the conversion of governments into dictatorships. In Eastern Europe, the process is crude; totalitarian governments have been installed under the guidance of Soviet Russian trained Russian agents, and are backed by Russian arms. Thus in Yugoslavia Marshall Tito has been installed. Tito is a Jozef Broz, or his double; there is some doubt. The real Broz, after early Communist activities in Yugoslavia, took part in the Spanish civil war, then returned to Moscow, where he received special training. In 1941 he returned to Yugoslavia, as head of the Secret International Terrorist Organisation (Tanya Internatsionalna Terroristichka Organizatsiya—i.e., T.I.T.O.). There is a report, however, that the real Broz "disappeared" under Russian auspices, and was replaced by a double, provided from the same larder.

Again, in Poland, a Russian sponsored totalitarian government has been installed under M. Bierut, whose real name is Krasnodebski. This man in 1921 accepted Soviet citizenship. "Attached at once to the Polish section of the Comintern, he spent several years on theoretical training and practical courses in Moscow. In December, 1924, he was sent to Poland for the first time, and almost at once became one of the leading personalities of the Communist Party. For a time he was organising demonstrations and riots to undermine the institutions of the Polish State." (*The Tablet*, July 14, 1945). Later he became head of the Polish section of the OGPU. In 1941 "he was dropped from a Soviet plane into Poland . . . was ordered to take advantage of the German occupation to build a network of Communist organisations, and with their assistance to set up institutions and an administration to rival the Underground Polish authorities acting under the Polish Government in London. In March, 1944, Bierut, accompanied by four other people . . . crossed the frontier into Russia. Upon their arrival at the Soviet capital they introduced themselves as the Polish National Home Council, and the only 'genuine representation of the Polish Nation.'"

The Times, and the Socialist Press generally, connived at all this, and at the same time prepared the ground for the Socialist victory at the British General Elections. This achieved, the next step was taken. Without warning, American Lend-Lease supplies were cut off, precipitating an era of intensified austerity which could be held to justify the totalitarian measures of the new Government.

A drive for exports took the place of the "period of crude deflation" which followed World War I. This is very important. Industry has grown up from its beginnings to serve the multitudinous needs of *individuals*. But "export trade," like war, provides an over-riding objective. It provides a reason, an excuse, for the *organisation* of industry; and the organisation of industry implies the organisation of the community to serve it.

The measures known collectively as Social Security are, in reality, nothing but the administrative arrangements underlying the total organisation of the Community. They were originally developed for that purpose in Germany. The essential principle involved is to prevent the individual accumulating savings, and hence independence, and thus to force him into subjection to the mass of detailed regulations governing every aspect of existence which are brought into being under special enabling clauses of the main Acts. This is the "Managerial State — 'All Power to the Official.'"

British National Socialist legislation can be seen, in perspective, to fall into two chief divisions. The first comprises Lord Rothschild's "administrative adjustments," and comprises the various measures for organisation of industry and community—nationalising of banking and industry, control of investment, and the reduction of all members of the community, except Government officials and bureaucrats (including the managerial class and labour Gauleiters), to a common level "the managed." Included in this is the equalisation of income through controlled devaluation of money (planned inflation), plus taxation. The inflation—*i.e.*, rise in prices—rapidly reduces the real value of professional and small business incomes; this process is offset by wage increases for the low wage earners. The objective is an approximate equalisation of all non-official incomes at a level which will not permit of individual savings. It is important to observe that this level may include, later on, a moderately high standard of living; but that standard will be compulsory, in order to absorb all income. The contingencies which normally would call for savings will be met by so-called "insurance." This is not genuine insurance. Contributions are simply taxation, and benefits are the provision of a minimum income, or special services (*e.g.*, medical treatment) under narrowly defined and regulated conditions. Thus independence for the individual will be impossible. So long as he does as he is ordered to do—*i.e.*, remains "fully employed" in the various jobs to which he is directed—he will be well-fed, and by degrees adequately housed and amused. If, however, he endeavours to assert his independence, his income will be cut off, and he will have no savings to carry him on, and no free-choice of alternative employment.

The propaganda for "Social Security" is merely an elaborate disguise for the conditions that obtain in the Army, and it is not improbable that once the total organisation of the community, with the abolition of all independence, is achieved, the disguise will be dropped. But this is chiefly a question of administrative convenience.

The second division into which legislation falls comprises sanctions—means of enforcing the "administrative adjustments." Under this heading are grouped international commitments, propaganda, and direct coercion.

International commitments (with which the export drive may be classified) provide a justification, a "total" objective. Contributions to U.N.R.R.A., maintenance of occupation forces, acquisition of dollars, membership of U.N.O., *etc.*, *etc.*, are super-national objectives, and hence external to national politics, and hence *outside the sphere of the individual*. That is to say, supernationalism stands to the individual as does religion, and is, in fact, metaphysically equivalent to religion. Now quite casual inspection of supernational politics of the present day reveals that it is a mass of lies, murders, corruption, wars and destruction; Satanism, the incarnation in institutions of oecumenical Evil. But the reader may call it what he will, so long as he will judge contemporary supernationalism by its fruits, and grasp its metaphysical reality. He may find his own interpretation for the expression "Possessed by the Devil."

Propaganda is quite obviously "possessed by the Devil." It is driving Man to destruction. International "News" is derived from international newsagencies; but it is not, for the most part, news, but propaganda, and at times of decisive importance, it carries the *policy* of international Communism. On the principle of admitting freely what is already known,

it is now freely enough admitted that we made a "mistake" in supporting Tito. It is now clear, in retrospect, that the Press clamour, lead by *The Times*, in favour of E.L.A.S. in Greece might have been fatal to the British Empire; and *it will become* clear that the international propaganda campaign against Franco is in order to promote fatal developments.

Under cover of the situation created and maintained by international commitments and propaganda ("the threat of war"), the means of direct coercion are being steadily consolidated. Russia and its satellites are, undeniably, police-states. In Great Britain, the police forces have been centralised, the Ministry of Social Security—*i.e.*, of central control of the individual—set up, and officials of various departments have been armed with powers of entering private homes on various pretexts, and of securing 'evidence' in connection with industrial accidents. Every day sees an increase in the power of the official to mind the individual's business, with, of course, a reciprocal decrease in the individual's self-determination.

If people are deceived by the ostensible objectives of socialist legislation, they will pay the price. "By their fruits shall ye know them." If they excuse the means by the ostensible end, they make a pact with the Devil, and they will, quite literally, go to Hell. Socialism in being—in Russia, in Germany, and now in Great Britain—is a history of the degradation of the individual, and of climactic wars. It cannot be otherwise.

By their fruits: not by the advertisements. It is only natural that these things should be put forward in disguise; and if we cannot distinguish between words and things, we shall perish. If the lesson of Germany was not enough, because it was too far away, and if Russia, farther away still seems like a paradise—then judge by the socialism we have; judge by falling production, rising prices, murderous taxation, increasing anarchy, loathsome austerity; that is policy in practice, the proletarianising of the community.

How can the sincere Socialist—the one who merely *votes* Socialism—believe that the tin-pot mechanism of the Party vote will enable him to overthrow the ultimate possessors of power? Does he seriously think that the 'Capitalist' Press will assist in its own overthrow? On the very premises of the Socialist, Socialism as advocated must be a 'Capitalist' plot for the final enslavement of the worker. But the 'Capitalist' is not the independent business-man; he is the International Capitalist—the Cartelist and the Financier, who control the international news-agencies, and own government debts, and who through these debts hold a lien on the physical assets of every country, and who, under the guise of Socialism, are putting the bailiffs in. It is childish to believe that Socialism has come into power *against* the will of the ultimate International Power.

The state of the world is no accident; for those who will look, it bears every mark of design. The Mark of the Beast.

And? F. A. Voigt, in *Nineteenth Century and After* writes: "The question *What can we do?* has many answers, and whoever gives an answer may do so according to his knowledge, his capacity, and his station (there are many, indeed, who give answer beyond all these). But one answer, at least, is possible to the humblest: To bear witness. To bear witness, to give evidence, to communicate truthfully, to place on record, which is being done by many thousands of men home from overseas, who in their letters or in what they

have to say when they return home, are doing more than the Press and the wireless to promote an enlightened public opinion. It is the duty of all who can do so, whether in print, in their letters, or in talk, to withstand or rectify, in however restricted a manner, the cumulative falsification of history perpetrated by the principal media of publicity in our time . . .

One of the functions of the Press is to mislead public opinion, even informed public opinion, as to the timing of the plot. The public is taught to think that if after all they don't like "Socialism," they can simply change the Government in five years' time, and revert to freedom. It is not so. Under cover of party politics, the shackles are being bolted. *It is intended that when we find we don't like what we've got, it will be too late to do anything about it.* And that won't take long.

"In this, the gravest crisis of the world's history, it is essential to realise that the stakes which are being played for are so high that the players on one side, at least, care no more for the immolation of the peoples of a continent than for the death of a sparrow. . . . There is a working coalition between the scum of the underworld and the richest men in the world to murder those from whom alone redemption for the underworld can come, in order that any threat to the power of the financier may be removed. The underworld will be dealt with just as easily as Stalin deals with any opposition, when the underworld has done its job." (*The Social Crediter*, February 10, 1945). We warn the decent men of the Left as well as of the Right that if they don't wake up *now* their massacre is certain.

On February 18, Mr. Churchill was closeted in Miami with Mr. Bernard Baruch and his U.S.A. Branch Manager, Mr. James Byrnes. On March 5 Mr. Churchill gave the signal we have been expecting. From 1942, when Germany double-crossed Russia, until, virtually, March, 1946, the international news-agencies have systematically concealed the development of the situation. Under cover of the "line" that we must secure Russia's co-operation, and therefore must say nothing which might offend her, we have sacrificed the Poles, and connived at the installation of police-governments run by specially trained Russian agents in every country traversed by the Red Armies. The facts that have not been concealed have been explained by the plea that Russia is "nervous" (poor mighty child), and therefore entitled, at any cost of human slaughter and suffering, to make her boundaries secure by extending those boundaries by the incorporation of her neighbours and the "social-engineering" of their populations.

It is not doubted to-day that Germany aimed at world conquest. What is not widely appreciated is the embracing nature of the strategy she followed. This strategy is carefully described, and documented, in a study by Derwent Whittlesey (*German Strategy of World Conquest: London, F. E. Robinson & Co.*). As one of the foundations of this strategy, the German General Staff developed the conception of geopolitics, which, however, was first voiced by the English geographer, Halford Mackinder, in 1904.

"Mackinder's concept of the geographical structure of the earth begins with the Eurasian land mass and its peripheral water areas.

"For a thousand years a series of horse-riding peoples emerged from Asia through the broad interval between the Ural Mountains and the Caspian Sea, rode through the open spaces

of Southern Russia and struck home into Hungary in the very heart of the European Peninsula. . . . That they stimulated healthy and powerful reaction, instead of crushing opposition under widespread despotism, is due to the fact that the mobility of their power was conditioned by the steppes, and necessarily ceased in the surrounding forests and mountains. . . .

"Is not the pivot region of the world's politics that vast area of Euro-Asia which is inaccessible to ships, but in antiquity lay open to the horse-riding nomads, and is today about to be covered with a net-work of railways? There have been and are here the conditions of a mobility of military and economic power of a far-reaching and yet limited character in this region. Russia replaces the Mongol Empire. Her pressure on Finland, on Scandinavia, on Poland, on Turkey, on Persia, on India, and on China replaces the centrifugal raids of the steppe-men. In the world at large she occupies the central strategical position held by Germany in Europe. She can strike on all sides and be struck from all sides, save the north. The development of her modern railway mobility is only a matter of time. Nor is it likely that any possible social revolution will alter her essential relations to the great geographical limits of her existence. Wisesly recognising the fundamental limits of her power, her rulers have parted with Alaska; for it is as much a law of policy for Russia to own nothing overseas as it is for Britain to be supreme on the ocean."

"Remembering how large Russia loomed on the political horizon in 1904, it is easy to see why Mackinder cast that country for a role it has only now [about 1942-3] begun to play. In revising his thesis after the War of 1914-18, he retained Russia as the pivot area, calling it the "Heartland." He then recognised Germany as the active force in a possible combination with Russia, extremely dangerous to maritime Great Britain." (*Op. cit.* pp. 65-67).

The geopolitical conception was considerably extended, and developed by the German General Staff to a theory that whoever controlled the "Heartland" held the key to absolute world conquest. In this, of course, the development of air power, not considered by Mackinder, made a vital difference.

As the result of the defeat of Germany, the "Heartland" is now in the absolute control of Russia, as originally envisaged by Mackinder.

In considering this situation, we must ignore ideology. Ideology is a weapon. As Stalin said, "Words must have no relation to actions. . . . Words are one thing, actions another. Good words are a mask for the concealment of bad deeds." The now highly-elaborated geopolitical theory makes the possession of the "Heartland" a temptation that may prove irresistible, if not to Stalin, then possibly to his successor. So that any realistic foreign policy must bring forth a "healthy and powerful reaction" from other nations—or so one would think.

Yet British foreign policy, in particular, appears senseless. Not content with the outcome of the policy of appeasing Germany, we have adopted the identical policy as regards Russia. To try to reconstruct our foreign policy is like trying to piece together a jig-saw puzzle that has a key-piece missing; it won't hang together.

And there is the vital clue. There *is* a piece missing. The essential fact to grasp is that *national foreign policies are the resultant of the natural foreign policy plus an international component.* And because in general the nature of the international policy deflecting the national policy is unrecognised, foreign policies are essentially unpredictable, and we are plunged into a series of wars which we do not want, and which could certainly have been avoided by a realistic national foreign policy. Wars are actually outmoded, in the sense that modern industrial development provides potential plenty for every nation. The British Empire, however it came into

existence, is not now in any sense an aggressive entity. For some time past it has practised the essential requirement of non-aggressiveness—economic and political decentralisation. Yet the British Empire has been chiefly concerned in the last two wars, and is clearly to be involved in the next—hence Mr. Churchill's speech.

It can be stated quite definitely that our continued existence as an Empire, as a set of Nations, and as a culture all three or any of them—depends on our recognising, and dealing with, the alien policy which deflects our own. The situation is analogous to a chemical experiment in which the results do not conform to those predicted, because of the unsuspected presence of an impurity in the reagents. Discover and eliminate the impurity, and theory and practice coincide.

This alien policy has been described and analysed by Major C. H. Douglas in his books *The Big Idea*, *Programme for the Third World War*, and *The Brief for the Prosecution*. It has, as its immediate objective, the elimination of the British Empire and its culture.

To describe the situation very briefly: In addition to the recognised Great Powers in the world—let us say, the Big Three—there is a fourth. The fourth Great Power is the Jewish nation, which, because it has no fixed geographical State, is overlooked as such. Nevertheless, it has a Government, which is largely secret, and that Government has a policy. The policy is derived from the mystic philosophy of the Jews—the belief that they are the Chosen People, with a mission to organise and govern the other peoples of the world.

Now, since this Power has no country, and no army, its foreign policy must be pursued by other than the methods of direct armed conquest. Its most important weapon is Finance—money-power. Thus at the centre is Jewish State policy. Outside this, as it were, is the organisation of International Finance, which is predominantly, though not entirely, Jewish. International Finance, as such, has a policy; but that policy is derived from, and furthers, Jewish State policy.

The technique of the policy is really absurdly simple; in essence it consists of mortgaging property, and foreclosing. The foreclosure is, in practice, the dictation of policy. Thus all governments are in debt, and all have to borrow. The conditions on which they can borrow are conditions dictated by the policy of International Finance, and put forward as principles of "sound finance." Now financial policy dictates economic policy, and economic policy, as things are, delimits politics so-called.

Theoretically, virtually the assets of the whole world are mortgaged to the banking system—i.e., the Money Power; legally, there is no reason why the Money Power should not take possession. But practically it is impossible, because public opinion would revolt; so that some form of police force to prevent revolt must be established. So that over and above the purely financial technique by which the Money Power has established its claim to ownership of the world, on behalf of its hidden masters, politics have been controlled so as to lead to a world police-force.

This is being achieved by the elimination of nations through wars, and the subordination of the remaining nations to their bureaucracies through Socialism.

In 1942, Major Douglas wrote: "Socialism, or to give it its correct name, Monopoly, is not a *production* system, which is exactly what one would expect from its origins.

That this is a simple statement of fact is being demonstrated in this country at this moment. It is a legalistic system based on a power complex supported by a set of abstract slogans which its policies and results contradict, where these have any concrete meaning. The idea so skilfully inculcated that confiscation of property will assist in the distribution of wealth is, of course, completely without foundation. Socialism is a restriction system, as any examination of Socialistic practice in the Trades Unions will confirm, and it has two well-defined principles—centralisation of power, both economic and political, and espionage.

"That is to say, every advance towards Socialism is an advance towards the Police State . . ." (*The Big Idea*.)

Nearly a year after the end of the war, conditions in Great Britain are much worse than during the war. This means, not that Socialism has failed, *but that it is succeeding*. It is doing what its true authors intended it should do—reduce the people to a condition of penury and slavery. Politics and economics are both predominantly in the service of the secret Fourth Great Power.

Now the operation of this fourth major foreign policy in the world must normally be to call forth a "healthy reaction," both economic and political, to it. But as the policy is a secret policy, the effect is simply a confusion of policies, until the threat is so obvious that a distinct policy does emerge. The British policy towards the threat of Russia can be seen more and more clearly to have been absurd; but equally, the threat is becoming so obvious that only one *British* policy is becoming possible. But, of course, immense damage has been done.

(To be continued).

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—Myles na Copaleen in *The Irish Times*.

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