

# THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 19. No. 7.

Registered at G.P.O. as a Newspaper.  
Postage (home and abroad) 1d.

SATURDAY, OCTOBER 18, 1947.

6d. Weekly.

## From Week to Week

An intense and all-inclusive wave of anti-Americanism is sweeping the new Muslim Dominion of Pakistan, and may have world-wide consequences. The Mahomedan leaders are quite well aware who is at the root of trouble in India, interests which are primarily represented by Lord Mountbatten; and feeling has become inflamed to the extent that a Pakistan official has stated that "people from the United States will be cleaned out" of the country.

American business men have sent their wives and children away.

Little or no mention of this has appeared in the press of the United Kingdom.

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Evidently the reputation of the London School of Economics has become a little—well, "high." Its alumni are now referred to on the "B."B.C. as "of London University."

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We are confident that one of the most effective steps to detonate with the minimum harm to the innocent, the explosion which threatens the world, would be to force a revelation of the negotiations by Rufus Isaacs (Lord Reading) prior to the entry of the United States into the First World War. The downfall of Great Britain was woven into those negotiations; the lamentable state of the Indian sub-continent is directly connected with the appointment of Isaacs as Viceroy and the fundamental policy is, not merely to transfer the effective control of the British Empire to New York, but to make the British people fight the wars which will ensure their own destruction.

There cannot be a more completely false antithesis than that of "Russia or America." The *population* of Russia, and the *population* of the United States are both, and almost equally, the catspaws of the Sanhedrin.

As part, and a very important part, of the culminating phase of this plot, the Emergency Food Control Board next requires ventilation. It is nothing short of amazing that Great Britain, less than fifty years ago the heart of the most powerful Empire the world has ever known, should have put its very existence at the mercy of an alien board sitting in Washington, and that practically without explanation or discussion in either House of Parliament.

The Government of All the Planning Talents has been reconstructed and revived, and the effect has been immediate. The coupons issued by football pools are to be reduced in size.

Almost the highest attribute of man is "judgment," the exercise of choice. Far more than learning, it moulds the character and shapes the abilities, and there is no more conclusive proof of the essentially Satanic origin and nature of Socialism than its insidious and all pervasive attack on the powers of judgment and choice. We believe that it is far more this frustration of judgment than the positive hardship of the present tyranny, which is sapping the man-hood of the nation. Judgment is a faculty requiring constant exercise; and it is being killed by strangulation. "Shopping" for the love of which women used to be gently derided, was an outlet for this vital instinct. Observe the queues of weary women waiting for what the shopkeeper deigns to give them.

They are starved of "choice."

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"No free government or the blessings of liberty can be preserved to any people but by a firm adherence to justice, moderation, temperance frugality and virtue, and by a frequent recurrence to fundamental principles."

—PATRICK HENRY.

• • •  
"A people left to itself, to upstarts from its midst, brings itself to ruin by party dissensions excited by the pursuit of power and honours and the disorders arising therefrom.—*Protocols of the Learned Elders of Zion*, I. v. 20.

"In order to incite seekers after power to a misuse of power, we have set all forces in opposition to one another, breaking up their liberal tendencies to independence.

—*Protocol III*, v. 30.

• • •  
The removal of Mr. Emanuel (God with us) Shinwell from the Ministry of Fuel and Power, and the Cabinet, to (briefly, we are confident) the War Office, seems to herald the eclipse of one of the offensive and expensive inflictions which our encouragement of alien immigration in the early nineteenth century has occasioned.

We are not overlooking the Minister of Health, so aptly referred to by Mr. Churchill as a squalid nuisance, but so far as we are aware, Mr. Bevan is a Welshman by descent, although it is fairly certain that his prominence is not unconnected with the Jewish race.

Nevertheless, the possible eclipse of Mr. Shinwell is intriguing. In power politics, the only brand in which Socialists deal, tenure, or loss of office, is more an indication of the rise and fall of the supporting force than of the merits of the office-holder. Probably the best indication we are likely to obtain will come from the pages of *e.g.*, *The Jewish Chronicle*. Its annoyance, or otherwise, will be a measure of the Englishman's profit.

## Towards the Second Expulsion

To the Editor,  
The Social Crediter.

Sir,

During our own century we have witnessed three distinct, yet allied Pan-Jewish campaigns against three powerful Gentile nations. From 1900 to 1917 the majority of the leading 'Liberal' journalists of the world conducted an unceasing warfare against Imperial Russia. The 'Liberal' journalists were financed and inspired—the control of news and credit being then as now concentric—by the leading 'Liberal' Jewish financiers of the world. Professor Goldwyn Smith wrote in the *Nineteenth Century Review* for October, 1881:

When I was last in England, we were on the brink of war with Russia which would have involved the whole Empire . . . the Jewish interest throughout Europe, with the Jewish Press of Vienna as its chief organ, was doing its utmost to push us in.

Mr. Wickham Steed, former Editor of *The Times*, remarked in his *The Habsburg Empire* on the fact that the wide gulf separating Imperial Russia from the rest of the world was dug and kept open by the Jews of the world.

The Japanese, we know, were financed in the war against Imperial Russia during 1904-1905 by an International consortium headed by Jacob Schiff, of Kuhn, Loeb and Company, with Sir Ernest Cassel, England, and the Warburgs of Hamburg and New York. At the 'Peace' Conference at Portsmouth, U.S.A., in 1905, Mr. Jacob Schiff warned Count Witte, the plenipotentiary of the Czar that unless the Jewish Problem in Russia was solved along 'liberal' lines "the doom of Russia and its people will then be sealed."

Russia's doom was sealed by the two revolutions of 1917 which were directly financed by Schiff, Warburg, etc., and the part played by Jews in that deepening crisis which is 'Sovietism' has been amply documented by your contributors since 1938.

From 1933-1945 we lived through a Pan-Jewish campaign of ever greater ferocity against National Socialist Germany. The suddenness with which Germany, the spiritual fatherland of Ashkenazi Jews the world over, was made into an object of universal contempt and hatred by the World Jewish press, is one of those startling facts which Christendom will allow itself to forget only at its dire peril.

The Jews of Germany found no difficulty in exchanging the Imperial regime for the Weimar Republic. The Warburgs, Rathenaus and Ballins who had been the confidential advisors of the Kaiser remained in control and to the German Jews, Germany remained a 'place in the sun' till 1933 when the National Socialist, or 'Nazi', Government came to power. Then the word of command went out from the Sanhedrin: Germany must be boycotted. (The fact that the members of the International Jewish families such as Warburgs, Schroeders, etc., remained in Germany throughout the critical period 1933-1945 has not been overlooked by your contributors who drew the inevitable conclusion that Hitler's Policy was a Jewish Policy. This fact should be borne in mind).

Most of the prominent German-Jewish writers such as Zweig, Ludwig, Feuchtwaenger, etc., who had made their names and their fortunes inside Germany were 'persecuted' into comfortable positions in the Democracies where they immediately began to tackle their appointed tasks of contributing to the campaign of hatred launched against their recent

fatherland. The Hitler-as-the-Devil-Incarnate myth was built up largely by Jewish 'refugee' journalists, writers and cartoonists. They had the heartening support of the 'National' and particularly the Metropolitan Press of Great Britain: in 1933 one London newspaper of large circulation "splashed" a caption across its front-page: *Judea Declares War Against Germany*. In 1940 Rabbi Perlzweig, head of the British section of the World Jewish Congress stated: "The World Jewish Congress has been at war with Germany for seven years." In 1943 Moische Shertog, of the Jewish Agency declared: "The Yishuv was at war with Hitler long before Great Britain and America."

Anybody who wants to know what happens to Gentile populations who allow the key positions of their institutions to fall into the hands of the Jews should take a good look at the present state of Germany, Poland, and Russia, whose Jewish minorities (who have furnished the key 'Socialists' for the Pan-Jewish Holy War against the Gentile scheme of things for the last hundred years) now completely dominate Continental politics.

In the campaigns both against Czarist Russia and 'Nazi' Germany, one could detect a strong under-current of anti-British feeling. In the third Pan-Jewish campaign now being waged on several fronts this current has come to the surface.

The ideological seeds of Jewry's Third World War were sown long before the second one was properly launched. The liaison-work between Wall Street, Moscow and Jerusalem has been carried out continuously through rebellions, revolutions and wars. The building of the Jewish Terror-and-Police state in Palestine has been considerably assisted by the efforts of 'British' politicians of all parties. The first Lord Rothschild, to whom the Balfour Declaration was addressed, was a 'Liberal'. His heir, the present Lord Rothschild, is 'Labour'. The 'Lib-Labs' have throughout the fatal period of the Zionist experiment been consistently and even fanatically pro-Zionist. Their zeal has been shared by a large group of 'Conservatives' headed by Mr. Churchill, Mr. Amery and Mr. Duff Cooper.

The White Paper of 1939 was a set-back for Zionist ambitions as it put a check to indiscriminate immigration. It was on March 3, 1939, that the *Jewish Chronicle* warned us that if the Jews did not get their way in Palestine "statesmen . . . would be confronted by a Jewish problem in a form far more acute than at any time in history, and try how they would, they could not escape it. It would thrust up its hydra-head at countless places in the diplomatic scene and block every avenue of international appeasement."

It was in the same year that Colonel (now Lord) Nathan said that "if Zion falls, the British Empire falls with it." The change of Government in 1940 was, apparently, a Zionist triumph: *The Jewish Chronicle's* comment is significant:

It has taken a war and a military disaster to produce governmental changes long overdue. From the Jewish point of view the changes may prove far-reaching . . . all the new Labour Cabinet Ministers have time and again supported the Zionist point of view.

We know that one of the first acts of the 'new' Government was to imprison without charge or trial a large number of patriotic Englishmen who were united in their anti-Zionist views.

In 1942, Rabbi Hillel Silver, 'American' member of the Jewish Agency, declared in London that "there would never be peace in Europe until the problem of the Jewish People in Europe was solved." In the same year Judge Levinthal

said that the plan of a Jewish army "which might be a very useful argument in emphasising what Zionists claim to be their rights in Palestine" was approved by Mr. Churchill the year before. In 1943, Mr. Berl Locker, the 'British' member of the Jewish Agency, said at a Zionist Conference that the Jews had a right to come to the world and say "here is the Jewish problem which you must solve. Otherwise there will not be any peace in the world." In 1944 Mr. Attlee suggested at the Annual Labour Conference that the Arabs "be encouraged to move out as the Jews move in." In 1945 Dr. Hugh Dalton expressed the view that "it is morally wrong and politically indefensible to impose obstacles to the entrance into Palestine now of any Jews who desire to go there."

Immediately after the announcement of the 'Labour' victory in 1945 the first post-war World Zionist Congress met in London. They sent a deputation to the then Colonial Secretary, Mr. Hall, who later stated in the House of Lords: "I must say the attitude adopted by the members of the deputation was different from anything which I have ever experienced. It was not a request for the consideration of His Majesty's Government of the decisions of the Conference [which demanded that the gates of Palestine be flung wide open to Jewish immigration], but a demand that His Majesty's Government should do what the Zionist Organisation desired them to do." We need hardly add that Mr. Hall did not remain long at the Colonial Office. His successor as Colonial Secretary was Mr. Creech Jones, executive member of the Fabian Society, and Chairman of the Fabian Colonial Bureau and the Friends of Africa.

*The Economist*, of August 8, 1945, associated the attempt of the World Zionist Congress to "force a rapid decision" with the return of a 'Labour' Government which "has gone on record in support of a Zionist programme."

A Government White Paper published during 1946 proved the connection between Palestine Terrorism and International Jewish Organisations. Mr. Truman's and the Anglo-American Committee's demand for the admission was countered by Mr. Attlee (who now had to reckon with the experts of the Foreign Office) when he demanded as a first condition of compliance that the para-military organisations in Palestine be first dissolved.

The Zionist High Command had gone too fast. They realized their mistake and changed their tactics. In November came the first Government 'crisis'. Members of the extreme Left (Shawcross, Crossman, Levy, Foot, Lee, etc.) rebelled against Mr. Bevin's Foreign Policy. *The Jewish Chronicle* was alone in pointing out that the Foreign-Policy Crisis was more

linked than appeared on the surface with wide concern about the Government's policy in Palestine.

The leaders of the rebellion, Messrs. Silverman and Crossman, had also been the two leading critics of the Government's Palestine policy early in the year. Mr. Crossman was a member of the Anglo-American committee on Palestine whose demand for 100,000 immigrants the Government hesitated to carry out.

In February, 1947, followed the 'coal' crisis, its central figure being Mr. Emanuel Shinwell, who has been actively involved in the disruption of the British Coal Industry since 1919, and who is racially involved in the Palestine "experiment." Mr. Bevin (we can imagine under whose pressure) first informed the Arab Delegation and the British public of his intention of submitting the Palestine

Problem to U.N.O. on the day (February 13) when the use of electricity was greatly curtailed in British homes. Like the Russian Revolution of 1917, and the 'Labour' victory of 1945, Mr. Bevin's momentous decision was hailed with delight by Zionists the world over. Zionism is heavily represented at Lake Success.

In the first Palestine Debate which took place after the murder by hanging of two British sergeants, Mr. Creech Jones, of the Fabian Society and the Colonial Office, informed the House in language curiously reminiscent of that employed by the Zionist leaders that 1,500 Jews had entered Palestine since the matter had been under consideration by U.N.O., this number being "30,000 beyond the 75,000 laid down by the notorious [1939] White Paper."

Towards the end of August, 1947, came the 'dollar' crisis which coincided with the publication of the U.N.O. Report on Palestine recommending a partition of Palestine along lines (it has since transpired) acceptable to the Jewish leaders the world over; during an interim period of two years the British are to continue in power, supervising the entrance into Palestine of 250,000 immigrants. Towards the end of September, 1947, Mr. Creech Jones announced, without awaiting the final deliberations of the U.N.O. on the matter, or, much more important, the reassembly of the House of Commons, that "Britain had decided on the early withdrawal of her forces and administration from Palestine" unless a solution of the problem acceptable alike to Arabs and Jews, was reached by the General Assembly. In other words, the 'government' has decided to 'quit Palestine.' According to the Sunday papers (September 28, 1947) this decision is entirely political and taken against "the counsels of the Imperial General Staff."

It is an axiom of military warfare that you must find out what your enemy wants and prevent him from getting it. Our political leaders are united in their efforts that we shall not know what those aims are, and go out of their way in assisting our enemy to reach his goal. Long before Mr. Bevin was persuaded to hand the 'problem' of Palestine over to the subversive forces in control of U.N.O. Mr. Churchill, applauded by 'Moscow', had suggested that we "quit Palestine."

British prestige is an immensely important factor intimately connected with the peace of the world, as the natives of India are now finding to their cost, and the primary concern in dealing with this problem should be the restoration of that prestige.

W. L. RICHARDSON.

*Lawyers*, September, 1947.

Glasgow (Southern) D.S.C. Society.  
Current Affairs Section.

## A PUBLIC MEETING

will be held in

R.I. ROOMS, 200, BUCHANAN STREET, on

TUESDAY, OCTOBER 21, at 8 p.m.

Speaker: A. T. Templeton, Esq.

Subject:

"Social Credit and Local Administration."

ALL INTERESTED INVITED.

## THE SOCIAL CREDITER

This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

**SUBSCRIPTION RATES: Home and abroad, post free:**  
 One year 30/-; Six months 15/-; Three months 7s. 6d.  
 Offices: (Business) 7, VICTORIA STREET, LIVERPOOL, 2, Telephone: Central 8509; (Editorial) 49, PRINCE ALFRED ROAD, LIVERPOOL, 15, Telephone: Sefton Park 435.

Vol. 19. No. 7.

Saturday, October 18, 1947.

### We Impossible People

It is perhaps not unconnected with the general confusion of thought that many people who consider "Social Credit" to be primarily a money scheme, and do not understand it, complain that Social Crediters are impossible people; they will not admit of any compromise with the large number of equally worthy enthusiasts all of whom have schemes.

Now, if only these monetary reformers would get together, drop their petty differences and speak with one voice, etc., etc.

The argument is, of course, similar—is, in fact, identical—with a request to compromise on divergent views of the formula for sulphuric acid.

Why be pernickety about  $H_2SO_4$ ? Why not compromise on  $H_2O$  and be matey?

The fundamental idea of all Social Credit thinking, at all levels, is to discover, to uncover, reality. While there are many facets to truth, it is simply perverse to say that all descriptions of objective facts are equally true—that it really makes no difference what figures you put into an account, they're only figures.

So far as monetary schemes are concerned, three major, and several minor Social Credit proposals have been made, always with reluctance, and always with a disclaimer of finality. But always with the inflexible determination to embody the basic idea that the first function of finance is to reflect facts. "Faith (credit) is the substance of things hoped for, the evidence of things not seen." Could anything be more explicit?

It is not the evidence of things which do not exist; it is the evidence of things which can be had. Compare that statement with the virtues of the current pound sterling. We are willing to plead guilty to most deficiencies; but we are not willing to assist consciously at the issue of false balance sheets.

Once again, on listening to Sir Stafford Cripps explaining on the wireless that we must export more, import less, and endure a lower standard of living (Cabinet Ministers, members of Coal Boards, etc., excepted) we are confronted with the problem: "Is Sir Stafford, the highly successful barrister, simply speaking to a brief, the merits or truth of which are not his business? Or is the man just plain crazy? Who is to get the output of this frenzied industry, and at what price? Or is it just at no price at all—a fantastic, nightmarish attempt to wipe out unpayable debts, for no return other than the raw material for more frenzied industry? We are confident that this export racket will bring down the social and industrial structure of this country. But perhaps that is the idea.

### A Public Issue

*The Editor, The Social Crediter.*

Sir,—I attach a letter addressed to the *Dundee Courier and Advertiser* but not published by that paper.

The letter in itself is of little importance, but I think that the non-publication of it tends to confirm the widespread belief that a convention is imposed on newspapers of considerable circulation which prevents them from enlightening the public as to the true sources of the policies under which they suffer. This is a public disservice; and I think that your readers would do useful work by expressing their resentment at it, as and when possible.

Yours, etc.,

C. H. DOUGLAS.

October 11, 1947.

(Copy),

*Fearman, Aberfeldy; October 3, 1947.*

Dear Sir,—The letter of the prospective Liberal Candidate for Perth and Kinross under the heading of "The Leith Example" might, in normal times, be accepted as party politics electioneering, and allowed to pass without comment. But these are not normal times (we hope) and there are two aspects of the matters with which he deals, which concern us all.

The first of these is that the real powers which have been dominant in this country for half a century at least, while they prefer a Liberal or Socialist label, have almost equal control of all parties. That is to say, there is no effective Conservative policy. That this is not merely an opinion is easily proved by recalling the change of label by Sir Alfred Mond (Lord Melchett) and Mr. Churchill, amongst many others, and it is these, amongst others, who were the leading figures of the Liberal Party before and during the first world war, and it is the policy adumbrated by the Mond-Turner conferences in 1926 which is operative now. The period during which this influence has been primary has been one of almost unrelieved disaster.

The second aspect is that which has been recently emphasised by Mr. L. S. Amery—that the chief function of a British Government, so called, is to secure, for what is done, Parliamentary and public support or at least acquiescence. The policy does not come from the electorate, or from the Government—it is merely sponsored by them.

For this reason, it is of little consequence what the Liberal Party says it will do; it is much more important to observe what it has done in the past, and who dominated it. Under these circumstances, to suppose that a Liberal Government, even if there were any chance of its return to power, would fundamentally change the direction of policy, is merely wishful thinking. It is quite possibly true that our present electoral system has doomed us to extinction as a world force; but if not a vigorous renaissance will require something more than a "radical and progressive party . . . which is not anti-anything. In the meantime, it is quite a sound policy to keep Members, and more particularly non-Cabinet Members, purely on their personal record of Parliamentary service.

There is nothing which will suit our common enemies better than the pursuit of the *ignis fatuus* of Party Politics. Not only is the idea of the "absolutely unqualified supremacy of Parliament" (Lord Courtney of Penwith) mischievous; it is not even approximately correct. In this respect the Socialist party has inherited many of the theoretical misconceptions of its Liberal precursors. Mr. Laski has referred to the executive, the Cabinet, as a Committee of the Legislature, which it is not.

I am, etc.,

C. H. DOUGLAS.

## The Plight of the World

### A Re-statement

(continued)

*This article, the first part of which appeared in THE SOCIAL CREDITER last week, 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.*

The main strategy of the Fourth Power is destruction of the national institutions of the other three powers from within, and the manipulation of the three powers into conflict with each other. As the fourth power "owns" each of the others, it will dominate the world when one of the three dominates the world. But, since Russia already has a developed secret-police system, and is militaristic, Russia may be billed to eliminate the other two. But in the meantime the next phase is apparently intended to be the destruction of the British Empire by Russia. To this end, by paralysis of British resistance, the strategic position of Russia has been enormously strengthened, while the economic position of Great Britain has been ruined. Food and coal reserves have gone, industry has been wrecked by interference and the threat of nationalisation, and morale has been virtually destroyed by a combination of Utopian but impossible promises, and austerity. Moreover, Russia has an enormous fifth-column in all countries of the British Empire, and the integrity of the Armed Forces has been sapped by the propaganda of the Services's "educational" organisations. At the same time, America has been bought off by the prospect of quick profits from the dissolution of the British Empire, so that, as can be judged by the Press reception of Mr. Churchill's speech, the British Empire has been virtually isolated.

We have been manoeuvred into a position where it is too late to do anything about the military situation. That was intended. If anything can be done about the general situation, it can be done *only by a direct challenge to the power of the Fourth State*. The genuine nationals of the British Empire and the United States will have to eliminate the power and the policy of the International Jew. Once that is done—and only if it is done—Russia may be stayed. But God knows how little time remains.

Only a few weeks ago, there was but an occasional bare whisper in the daily Press that Russia just conceivably, in certain circumstances—if we offended her by saying so, for example—*might* become a threat. We were told just enough to warn us of the danger of saying more. But that phase

has passed. Mr. Baruch has given the "go" signal to Mr. Churchill, and Mr. Churchill has passed it on through all the modern resources of controlled propaganda. Even the fatal words "appeasement" and "Munich" are once more becoming common currency, and with the aid of little daily doses of instruction, the Common Man is rapidly becoming an expert in foreign affairs, and soon should be able to realise that the Third World War is on the way.

In noting this development, we must emphasise that the propagandised programme for the Third World War is not by any means necessarily the version that will be followed, any more than the abridged Beveridge Plan represents the real designs of its sponsors. But just as Hitler and Beveridge and their henchmen, the boys of the "B".B.C., kept attention directed in the wrong direction while the authorised full version of their programmes were available at a slightly higher price (in money) and a much higher price in effort, so the authentic programme for the next phase of the War is available from the pen of no less than one of the chief actors: we refer to *Problems of Leninism*, by Generalissimo Josef Stalin, now—ominously—Minister of Defence.

The Russian Government is the exponent of a fairly highly elaborated dogma derived from a philosophy known as dialectical and historical materialism. The doctrines involved in this dogma have various origins and histories, but their modern expression began with their formulation as a system by Karl Marx (Mordecai) and Frederick Engels, and their extension by Vladimir Lenin (Ulianov). The current system is generally known as Marxism-Leninism. Marxism-Leninism has, however, been further adapted by Stalin, whose pronouncements are surely authoritative.

Russia is governed through the hierarchy of the Communist Party. Party membership is absolutely conditional on a thorough grounding in Marxism-Leninism, and promotion in the hierarchy requires a high degree of "theoretical" knowledge—*i.e.*, knowledge of the theory of Marxism-Leninism. There is one branch of science which Bolsheviks in all branches of science are in duty bound to know, and that is the Marxist-Leninist science of society, of the laws of social development, of the laws of the development of the proletarian revolution, of the laws of development of Socialist construction and of the victory of Communism. . . ."

To "improve the work of the Marxist-Leninist training of Party Members and Party cadres," the Central Committee of the C.P.S.U. (B) in 1938 undertook certain "major measures," including the organisation of "one-year Courses of Instruction for our lower cadres in each regional centre"; "two-year Lenin schools for our middle cadres in various centres of the country"; "a higher school of Marxism-Leninism under the auspices of the Central Committee of the C.P.S.U. (B) with a three-year course for the training of highly qualified Party theoreticians"; and "six-month Courses of Instruction for teachers of Marxism-Leninism in the higher educational establishments."

The over-all policy pursued by Soviet Russia is, of course, derived from the beliefs so thoroughly inculcated.

A study of Stalin's dicta on "theory" makes it quite clear that there has been no alteration of any description in principle. There has, certainly, been modification; modification is held by the exponents of the theory to be essential if it is to remain living. This is simply the "improvement" and

\*J. Stalin: Report to the Eighteenth Congress of C.P.S.U. (B) (1938).

"refinement" of the theory by constant "experiment," modification in the light of practical experience. On the whole, it is held by the theoreticians that the theory is amply proved, and that world history is shaping itself exactly in accordance with the expectations derived from the theory. And so, in fact, it is.

The practical essence of the theory is that the present form and organisation of the world is derived from the Capitalist mode of production. Capitalism contains certain inherent defects, or "contradictions," which quite inevitably lead to its decay and dissolution, to the accompaniment of economic crises and wars. The Capitalist system necessarily involves the oppression of the lower classes of the population, and consequently engenders in them a revolutionary outlook, which inevitably leads to their rising against the upper classes, and eventually establishing their own power as rulers "by hurling, step by step, one section of the bourgeoisie after another from the heights of power, in order, after the attainment of power by the proletariat, to kindle the fire of revolution in every country . . ." (Stalin, *Foundations of Leninism*).

According to Marxism-Leninism, the real social structure of the world, under Capitalism, consists of its class structure, and nation-States are quite secondary. That is to say, men are united primarily by their classes, so that to belong to the proletarian, or "toiling masses," class, over-rides considerations of nationality. The proletarian class is considered to be a world fact; the class is homogenous, and opposed in interest and outlook throughout the world to all other classes which it will, "step by step," hurl from power.

The picture is, therefore, that of two forces like two armies, radically opposed throughout the world. Because of the inherent defects in the Capitalist system which gives the Capitalists and their sub-classes their power, sooner or later, and somewhere or other, the proletarian force must "break through" the line of the Capitalist forces. Once this happens, the whole nature of the struggle is changed, for the victorious segment of the proletariat becomes the leader of the rest of the world-proletariat and strategy alters accordingly.

Stalin describes the strategy of this stage, which was reached with the October Revolution in Russia, quite explicitly:

"Objective: to consolidate the dictatorship of the proletariat in one country, using it as a base for the overthrow of imperialism in all countries. The revolution is spreading beyond the confines of one country; the period of world revolution has commenced.

"The main forces of the revolution: the dictatorship of the proletariat in one country, the revolutionary movement of the proletariat in all countries.

"Main reserves: the semi-proletarian and small-peasant masses in all developed countries.

"Direction of the main blow: isolation of the petty-bourgeois democrats, isolation of the parties of the Second International, which constitute the main support of the policy of compromise with imperialism.

"Plan for the disposition of forces: alliance of the proletarian revolution with the liberation movement in the colonies and the dependent countries." (*Foundation of Leninism*.) (Italics in original. Our paragraphs.)

"The fundamental question of revolution is power." (Lenin). In order to achieve the maximum power, it is

necessary for the first country achieving the initial victory of the proletariat to organise itself in such a way as to obtain the greatest power. That is to say, it must organise itself on totalitarian lines under the direction of a General Staff under a Chief of the General Staff; it must, in short, become a fully organised army, in order to play its necessary part in the continuation of the world revolution. *This is the true and only meaning of the term "dictatorship of the proletariat."* Jokes about "dictatorship over the proletariat" are entirely beside the point. "Dictatorship of the proletariat" is purely and simply a technical term in the vocabulary of Marxism-Leninism, and relates to the strategic concept of having a properly organised force available to assist revolution as it occurs elsewhere in the world. "The revolution in the victorious country must regard itself not as a self-sufficient entity but as an aid, as a means of hastening the victory of the proletariat in other countries." (Stalin).

Similarly, the terms "Petty-bourgeois democrats" and "parties of the Second International" refer to what we call "Labour" or "Labour-Socialism." The formation of such groups is regarded by the theoreticians as a natural phenomenon in the development of the world revolution. Their role is to demonstrate to the oppressed toiling masses that *only* revolution can succour them! and one of the first tasks of the victorious revolution must be to liquidate these "compromisers with imperialism" who have committed the crime of betraying the revolution, and who are rivals for the leadership of the proletariat. The appearance of these groups is only a demonstration of the progress of the general revolution, which, according to Lenin, would take some decades to run its course, during which the deepening crisis would be marked by depression, unemployment and war, as well as such "petty bourgeois expedients" as Fabianism and Social Democracy. All this would have to be, however; the first country to achieve revolution could do no more than help to intensify the crisis, act as a beacon to the toiling masses, and prepare for the decisive moment by building up its own strength and organisation.

"It is not enough for revolution that the exploited and oppressed masses should understand the impossibility of living in the old way and demand changes; for the revolution it is necessary that the exploiters should not be able to live and rule in the old way. Only when the 'lower classes' do not want the old way, and when the 'upper classes' cannot carry on in the old way—only then can revolution triumph. This truth may be expressed in other words: *Revolution is impossible without a nation-wide crisis (affecting both the exploited and the exploiters)*. It follows that for revolution it is essential, first, that a majority of the workers (or at least a majority of the class conscious, thinking, politically active workers) should fully understand the necessity for revolution and be ready to sacrifice their lives for it; secondly, that the ruling classes should be passing through a governmental crisis which would draw even the most backward masses into politics . . . weaken the government and make it possible for the revolutionaries to overthrow it rapidly." (Lenin, quoted by Stalin).

While the strategy of Marxism-Leninism remains steady and consistent through this period (*i.e.*, the period between the Russian Revolution and World Revolution), *tactics*, which are largely the concern of the Communist Parties in various countries, vary with "the ebb and flow" of the developing situation in those countries. Any criticism of the contradic-

tions of Communist activities therefore misses the point entirely; there is no variation in strategy, *which is centred in the General Staff (Politbureau) in Russia*, and which is consistently preparing for general revolution; but it is in the very nature of tactics to vary with the fluctuating fortunes of the struggle. For example, the recent Iron Workers' strike is said to have resulted in a defeat for the Communists. That is not so. The objective of the strike was to reduce the reserves of critical materials—iron and coal—in order to hasten on the “nation-wide crisis,” and “weaken the Government”; and in that it succeeded. The tactics were designed to lead the workers in and out of the strike, covering both manoeuvres with suitable slogans and propaganda. From the *strategical* point of view it was essential that the strike should “fail” at a point short of a full crisis. The strategical objective of all such tactics at present is to worsen the lot of the community, and increase the difficulties of the “petty-bourgeois” (compromising) Government. The recent Coal Report is striking evidence of the strategical success of tactics as applied to the coal industry.

It must be admitted that the Marxist-Leninist theory appears to find practically complete confirmation in the state of the world. The end of the “Imperialist war” (into which Russia was, despite her detachment, drawn) finds the “Capitalist crisis” still more intensified, and “petty bourgeois governments” still less able to cope with it. The changes “demanded” by the oppressed masses are quite clearly not alleviating their condition, and the various factions of “the ruling classes” (including Labour parties) are at loggerheads. A fresh outbreak of revolution is anticipated in Greece, and local tactics are being directed accordingly. France is highly unstable, and would detonate into revolution if fresh civil war could be promoted in Spain. The British Empire is distracted by “liberation movements in colonies and dependent countries” and by threats to Empire security as in Persia and Palestine.

There is, however, another side to the picture. The vital and fundamental premiss of the Marxist-Leninist theory is *the automatic and inevitable nature of the “contradiction” in Capitalist economy*. The Capitalist does not oppress and exploit the Worker because he likes it, but because he cannot avoid it. He, like the Worker, is caught up in a System he cannot control. As Lenin emphasised, Revolution would be impossible unless a general crisis arose.

The central aspect of the Capitalist system is money. The Capitalist “produces for profit,” and profit is taken in money. That is to say, the vital aspect of Capitalist economy is in its relation to the financial system and the financial system itself consists of certain “principles,” or rules, or laws; for example, the principles of “sound finance.” *Thus the Capitalist conducts his business and makes his profits according to the rules which govern the use of money.*

The Marxist-Leninist position therefore rests ultimately on the question of those rules. Are those rules in the nature of things, genuine “laws” like the laws of physics; or are they conventions, man-made?

On the hypothesis that the rules are laws; and therefore unchangeable, it follows that the Capitalist is helpless, and faultless; the case for his liquidation hardly rests on a very satisfactory moral basis. But it also follows that no improvement is possible, even in Russia's case, unless the use of money is abolished; but Russia has not abolished money, and

claims an improvement; in point of fact, Russia *has* modified the rules. In general, however, it is quite clear that the rules are modified constantly, not only by Russia, but everywhere. Whether or not a country is on the gold standard is a case in point—it is the result of a decision. But the “laws” of a strict gold standard are different from the “laws” of a dollar or sterling standard.

Thus the Marxist-Leninist strategy is applicable to a situation that has its origin in the results of the operation of rules of finance. Who is responsible for those rules?

Although there is some overlapping of personnel, especially in the case of Big Business and the cartels, through interlocking directorates, it is quite clear that the production and the financial *systems* are separate entities. It is also clear that the financial system is far more highly centralised than is the production system. In practically every country there is now a Central Bank, which has well-defined functions, including especially the regulation of the volume of money. But these Central Banks in turn come under a super-Central Bank, the Bank of International Settlements, though at the moment there is some indication that this Bank's function will be transferred to the World Bank working in co-operation with the International Fund. However that may be, it is the case that there is a *world centralised financial system*. In the case of industry—the production system—on the other hand such world centralisation as there is relates only to specific industries, notably the chemical industry, while the greater part of industry is relatively independent, and unco-ordinated.

Now in the nature of things an unco-ordinated industry cannot impose a consistent policy on centralised world finance; but, by setting up and maintaining the rules of the system, finance can, and does, impose a policy on industry. Broadly, the rules are in the system of accounting, and in the necessity of making a financial profit, according to the accounting conventions.

*Marxist-Leninist strategy is derived from and dependent on an intensifying crisis; and that crisis derives from the financial rules under which industry is conducted.* If the crisis disappeared, Communism would retrogress, as is clear from the quotation from Lenin.

Now as long as finance and production are lumped together under the term “Capitalism,” there appears to be no escape from the necessity for Communism. But finance and production are not identities; they are entirely separate systems. To fail to discriminate, of course, adds to the confusion, for what is required is not any re-organisation of industry, but an alteration in the financial rules which impose a policy on industry.

An alteration in these rules was proposed by the Government of Alberta, and *was opposed by financial interests*; not only opposed, but prevented.

Further than this, there is documentary evidence that International Financiers financed the Russian Revolution.

Surely, now, the nature of the situation is plain. The greatest power in the world is wielded by International Finance, which directs its policy to produce an intensifying crisis as a result of which World Revolution is promoted, the effect of which would be a world dictatorship through, in the first place, the agency of Russia. The purpose is to dispossess every *individual* of any form of property which could confer independence, and centralise all ownership in *institutions* themselves centralised under a World State.

Misunderstanding of this situation at this stage, only accelerates our progress to disaster. It must be realised that every effort is made to maintain the fiction of class-war on the one hand, and the threat of Russia as a great *national* power on the other. As a result, perfectly well-meaning, sincere and able politicians constantly make the situation worse.

Russia is *not* a "Great Power" in the national sense; she does *not* want war or territorial aggrandisement in the ordinary sense. *Russia is a reservoir of strength and highly-trained personnel awaiting, expecting, and promoting revolution which she is prepared to back.* Every intensification of the crisis brings the critical moment nearer; the greater the confusion, the easier her task. Therefore the apparent *threat* of war aids her, and the confusion as to her policy—*i.e.*, whether she just wants to secure her boundaries, or whether she is following Hitler's path of aggression—makes the situation more favourable for revolution.

We can now put the whole jig-saw puzzle together. The responsible agents in the world are the men controlling the international financial system. Through financial power—the indebtedness of governments and institutions to them—they can either dictate or heavily influence policy. Their efforts are directed along two main lines: *the maintenance of such financial rules as must lead to a world crisis*, and the sponsoring of the Marxist-Leninist theory and its exponents to take advantage of the crisis to institute a World Police State. Financial power has enabled them to secure control of all the main channels of publicity, especially the international news-agencies through which a bias can be imparted to the presentation of world news so as to intensify the crisis. During the war, they secured the setting up of U.N.R.R.A. whose purpose is to restrict the distribution of food, and lead to famine in Europe. Through such institutions as the London School of Economics and Political and Economic Planning, as well as the more frankly Socialist organisations, they have disseminated doctrines which have gradually resulted in the institution of a system of bureaucratic socialism in Great Britain which has strangled private initiative and paralysed recovery from the ravages of war, and transferred power from Parliament to a junta concealed behind the bureaucracy.

Europe has now been brought to near-detonation point. Its peoples are being driven to desperation by gross food-shortage, and lack of recovery from the desolation of war. Greece and France are in a highly unstable condition, and might be precipitated into revolution at any time. Whenever this happens, Russia is waiting to come to the assistance of the "victorious proletariat" and to set up the Federated States of Soviet Europe. In the commotion, the life-lines of the British Empire, already frayed, will be completely severed, leaving Great Britain easy prey for either "liquidation" as "reactionary petty-bourgeois" or its own revolution.

Once this strategic situation is grasped, it becomes clear that the well-meaning words of, say, Mr. Menzies are like petrol as a fire-extinguisher. It is also clear why Mr. Baruch, the international financier, gave Mr. Churchill the go-ahead signal, *providing Russia was misrepresented as a military menace.*

The situation is indeed formidable. Now, obviously a strategy opposed to a misconception can do nothing but worsen the situation. That is to say, as long as our policy is based on the assumption that Russia is a potential aggressor in the ordinary sense, every move is likely only to lead nearer

to irrevocable disaster. And similarly, every attempted denunciation of, or opposition to, the tactics, as such, of the local Communists only furthers their strategy, because it helps to intensify the crisis. *The vital necessity is rapid amelioration of the crisis, combined with frank exposure of the real situation.*

We most earnestly appeal to those with the potential power to deal with the situation to examine what we say impartially, and to realise that a great deal of what they believe and take for granted is the result of years of the most careful and subtle propaganda; that certain courses of action, unorthodox in appearance, are practicable and urgently necessary. We can assist them.

Social Crediters have the most urgent task of making plain this situation in the little time that remains. That task is easier now, because the facts so nearly speak for themselves. We have to *turn* the tide; once turned it will flow to its just destination—the combination of A and B for the elimination of C.

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