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Notes on the Social Credit Philosophy

(Address by Geraldine Starkey by special invitation to
TOC H—Torrington [Devon] Branch)

Social Credit is as old as man. There are more examples of it in Great Britain than in Tibet or Timbuctoo but neither here nor there is legitimate use made of the social credit of the people. Social Credit is the belief that in association we can get the results we want, and this naturally implies the best and happiest results. This definition implies then, efficiency, human satisfaction and society. Social Credit is "the efficiency measured in terms of human satisfaction of human beings in association or in society." Study these words and the student will discover that so far from being a belief or a religion or a theory Social Credit if it is what the definition indicates, must be a fact. You may decide now whether human beings have or have not any such power to produce a result they intend to produce when helping each other. If they have no such power Social Credit does not exist: if they have, it does. If we decide that human beings inevitably help each other to produce a result which they do not want and do not intend and do not find satisfactory, then we had better give up—we have nothing to study."[*]

We study these words and we are agreed that human beings tend inevitably to help each other to produce results which they desire. Social Credit then is a fact, not a theory.

The original meaning of the word credit is simply belief, and social means association or society. And let us be careful to use words in their proper meaning for we shall then not be so easily led astray "by every word or vain doctrine."

Through the ages man's genius and needs have urged him to effort towards his development. Man needed tools and the help of his fellows, and it is by such associations that he has found his best means of progress. Man has an instinctive desire for fulfilment and a deep-seated knowledge that he is placed here for his development. He has created the social credit. It ought not to be so difficult for him to satisfy those needs to get delivery of the goods, nor should it be too difficult for him to recognise that the reward of the ages of his evolving is within sight; his material reward, for he has the tools, and there is "enough" for all. And it is unlikely that until these material needs have been satisfied and he finds himself "prospered with all happiness" that he will be able to turn his mind to his unlimited spiritual needs and hopes, for man does not live by bread alone.

[*]From *Elements of Social Credit* (an introductory course of lectures published with the authority of The Social Credit Secretariat).

We may ask why this progress is to such an extent frustrated.

The real conflict with which we are faced to-day is a conflict of philosophies. Underneath all the diplomacy, the deputations, the Conferences, the misunderstandings, the recriminations, is a conflict of Philosophies. Now, all action, every policy, is born from a philosophy. Every action has the thought behind it from which it originates. "Out of the heart the mouth speaketh." We have an exhibition to-day of the thought which engenders such policies as Hitler's Nazi-ism or National Socialism, and those similar to it, namely Bolshevism, Communism, and those like it with all their regimentation and revenge. While they claim to be for man's good, they are in reality damaging to his inherent right to rule himself, which Major Douglas calls man's immanent sovereignty. They are revengeful policies. We fought two desperate wars hard won to destroy the threat to our National and Individual Sovereignty exemplified and implied in these philosophies and the Policies which are their natural result. Major Douglas foresaw this, now over forty years ago, when his first and great work was published in which he solved the problem the orthodox economists had failed to do. This great work made history, and was called *Economic Democracy*. In it he wrote:—" . . . the real antagonism which is at the root of the upheaval with which we are faced is one which appears under different forms in every aspect of life. It is the life-long struggle between freedom and authority.

" . . . This antagonism does, however, appear at the present time to have reached a stage in which a definite victory for one side or another is inevitable—it seems perfectly certain that either a pyramidal organisation having at its apex supreme power, and at its base complete subjection, will crystallise out of the centralising process which is evident in the realms of finance and industry, equally with that of politics, or else a more complete decentralisation of initiative than this civilisation has ever known will be substituted for external authority. . . ."

And it is fitting that we should pause a moment here to remind ourselves of Major C. H. Douglas, the well-known Engineer and authority on the New Economics, founder of the Social Credit Movement. In the 1914-1918 War he volunteered and was given work connected with costing in the manufacture of aircraft, and discovered that money distributed every week was not enough to defray the expenses of manufacture. He discovered—and I want to spell that word "dis-covered" because much of the inner workings of the Financial System had till then been hidden from view—Douglas discovered more than that, then, but that is the essence of the matter, and he proposed a remedy. He also elaborated the Social Credit philosophy,

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From Week to Week

It is probable that all problems that are insoluble are wrongly put; this is certainly true of the 'problem' of automation. As put, and reduced to clear terms, the problem is "How can the elimination of human employment increase human employment?" which, as a child would remark, is just plain silly. But suitably concealed in a mass of economic jargon, it serves as the basis of the most remarkably publicised public controversy in history, the purpose of which, no doubt, is the further conditioning of the proles to the idea of full employment.

Production is the conversion of materials from one form to a more complex form. Generally speaking, there are four main factors in the process of production: supply of raw material, dissipation of energy, control of process, and consumption.

Disregarding for the purpose of this discussion the first and last of these factors, the rate and quantity of production is a function of the utilisation of energy and the perfection of control. In these days, the utilisation of energy is overwhelmingly by machines converting stored solar energy, while control is largely human. But the development of electronic and other control devices promises the increasing replacement of human control. It is this matter which, in general, is implied in the term automation.

Perhaps the easiest way to grasp the significance of this progressive displacement of human *labour* and human *control* is to imagine the process carried to its ultimate conclusion—*i.e.*, all production carried on automatically by machines which automatically replaced their wearing parts. This is quite possible in principle, whether or not it ever comes about in fact. Now clearly in these conditions the wage-for-work system of distribution of the product would no longer apply, since there would be no wages. Yet as the system of purchasing production with money is so beautifully flexible a system of "ordering" production in the consumer's interest, it would be desirable to retain it. That means that a money income would have to be distributed to the community at a rate equivalent to the potential rate of production of goods, the latter being priced in proportion to the capital value of the machines, *etc.*, producing them, and the quantity of energy and raw material consumed in the process.

The problem of automation is correctly stated, then, as lying between a system of hand manufacture and completely automatic production; and the solution to the "employment" and financial aspects of the problem lies in the recognition that the wage *must* be supplemented by

the dividend (under complete automaticity the dividend must necessarily completely replace the wage).

We noted above that one factor in production is consumption. So-called mass production is only feasible on the basis of mass consumption. Whether the policy of mass consumption is a sound one or not is a separate question; but so long as it is followed, it must be financed, and it is becoming more obvious every day that it cannot be financed through the wage system. In a period of expansion, and at the price of inflation, it can be. But as a state of equilibrium is approached the wage-system must break down. It will break down, if we cannot inject sufficient appreciation of reality into current economic discussions.

"Education"

" . . . It is all the result of a system of education in which the pupil is encouraged not to undertake anything he dislikes or doesn't like doing. The result is that employers and officials at Labour Exchanges are driven to distraction by school-leavers who either can't or won't hold down any job for any length of time. Any task which proves difficult or distasteful is dropped at once because no idea of obligation or sense of vocation has ever been inculcated at home or at school.

"In direct contrast to modern theories of so-called education—modern education has been well described as the process of casting sham pearls before real swine—is the dictum of one of the most famous of Public School Headmasters who once wrote 'It doesn't matter much what you teach the little beggars *so long as they don't like it.*'

"It is lack of discipline, social and educational, which accounts for our roaring boys—a book of that title ought to be read by everyone who would wish, as everyone ought, to be well informed about the problem of post-war youth—and for our raddle-cheeked, split-skirted girls. The noise in a great number of our schools rivals that of the parrot house in the Zoo, and the behaviour that of the monkey house.

"One of the results of this mania for self-expression is that the teacher who really wishes to teach either loses heart or goes to a school where the direction is firmer or more 'old-fashioned'

"A teacher with no sense of vocation would maintain that this is no part of his job, but education means something more than mere imparting of information. Such information—inseminators should be allocated to selected guinea-pigs and paid an agreed salary for the stipulated injection. The teacher who is prepared to educate should not only be given a free hand and encouraged by local Authorities to risk summonses for assault taken out by parents who should themselves be indicted for the mental starvation of their children, but *should be given a bigger salary for the far bigger task which they undertake.*

"Here is no question of incentive—incentive and vocation is a contradiction in terms—merely a matter of a fair reward for a difficult operation. . . . It is a crass stupidity as well as being a howling injustice to pay teachers struggling with our dead-end kids the same salary as those who have the happiness of working on more civilised minds.

"The minds of children must vary at different levels of society, and on the less cultured levels there must be a measure of exorcism in the education—a driving out of the worst before there can be a leading out of the best. This latter is what education means by definition and derivation—a process of drawing out the powers latent in the mind, not a matter of stuffing the head with facts and figures.

"A striking picture of the aim and the attitude of the true educator, be he teacher or administrator, is provided by the story of Michelangelo standing in a quarry at Carrara staring for a considerable time at a shapeless block of marble. When asked the reason for his abstraction he replied 'I see an angel in that stone.'

"That should be the vision of all those concerned with the education of our children, and their aim the liberation of the angel. The sad fact is that the x-ray eye of present-day psychology sees nothing but the ape and the goat and the tiger which, because of original sin, are all too obviously there. There can, however, be only one result of such an analysis of human nature—the letting loose of these horrid creatures. And this is precisely what is taking place!"

—From St. Augustine's, Haggerston, Parish Magazine, Spring, 1956.

Progress of Culture

"Literary history and all history is a record of the power of minorities, and of minorities of one. Every book is written with a constant secret reference to the few intelligent persons whom the writer believes to exist in the million. The artist has always the masters in his eye, though he affect to flout them. Michel Angelo is thinking of Da Vinci, and Raffaele is thinking of Michel Angelo. Tennyson would give his fame for a verdict in his favour from Wordsworth. Agassiz and Owen and Huxley affect to address the American and English people, but are really writing to each other. Everett dreamed of Webster. McKay, the shipbuilder, thinks of George Steers; and Steers, of Pook, the naval constructor. The names of the masters at the head of each department of science, art, or function are often little known to the world, but are always known to the adepts; as Robert Brown in botany, and Gauss in mathematics. Often the master is a hidden man, but not to the true student; invisible to all the rest, resplendent to him. All his own work and culture form the eye to see the master. In politics, mark the importance of minorities of one, as of Phocion, Cato, Lafayette, Arago. The importance of the one person who has the truth over nations who have it not, because power obeys reality, and not appearance; according to quality, and not quantity.

—Ralph Waldo Emerson in *Letters and Social Aims* (1876).

NOTES ON THE SOCIAL CREDIT PHILOSOPHY—

(continued from page 1.)

of which his book already mentioned, namely *Economic Democracy*, may be said to be the epitome.

A philosophy then, is shown in actions, in policy, and Douglas warns us that we should judge all things by the results of them, and men by their actions, for only in this realistic way may we gain an insight into the thought or

philosophy behind them. He reminded us that the Great Critic of world affairs said: "By their works ye shall know them." We have seen the results of a Nazi, a Fascist philosophy, the results of Bolshevism, the now-a-day's Communistic, thought. And here it is necessary to stress, as did Douglas throughout his Mission, the importance of basing our policies—as our Politics—on a Christian basis; a Christian philosophy, and allow and welcome our actions as well as the results—particularly as Social Crediters—to be judged by *that standard*.

In the Christian philosophy then, the individual is of deepest importance: "Ye are of more value than many sparrows"; there must be no distinctions—"the rain falls on the just and on the unjust," on King as on peasant, on rich as on poor, on sinner as on saint; and as all have contributed to the social credit all must *share* it.

Let us consider some of the principles of a Christian philosophy which are common to Social Credit, and the following passages and Gospel sayings have been taken at random from Social Credit literature—and I will try to show how Douglas uses the Gospels, as he frequently does, to illustrate his writings, speeches, and books. "I came that ye might have life and that more abundantly." In this there is nothing said about work or that he came to ensure that paradise of so many to-day, at the instigations of Governments, the "policy of making employment universal, not of producing wealth with a minimum of work." (You noticed perhaps that this represented the tenets of the Laval-Nazi policy prior to the second world war.) Work is of course a means to an end and not an *end*. We, as Social Crediters, are careful not to exalt means to the place of ends and so be led astray in our thinking, for as Douglas reminds us "*Daemon est Deus inversus*" or, the Devil is God upside down.

"The Kingdom of Heaven is within you." His Kingdom is not to be found in this or that plan or in this or that Institution invented by the well-meaning for what is considered by them to be for another's good, "It is within you." Though this gives to each of us a responsibility, it frees us from well-meaning (no doubt) thralldom, it lets us go free. We pray, "O God, in knowledge of Whom standeth our eternal life, Whose service is perfect freedom. . . .", but according to some, the "new freedom" will *not* be freedom from dependence, (on others), or from interference, (from others), no, it is to mean "freedom of opportunity," and of "lesser freedoms" so as to enjoy the "greater." As to "freedom of opportunity" we may well ask: For what? To know God "in knowledge of Whom standeth our eternal life"?—No, we are told, "but freedom of opportunity to work."—"As far as I am aware, the slave was always free to work" comments Douglas.

"The sabbath was made for man and not man for the sabbath." Surely this is a plain injunction that institutions should serve man, that man should be master of the machine, of his institutions, for he is greater than they.

There is only one commandment—Love. And I will quote from *The Social Crediter* of January 18, 1941 "The difficulty is to present our philosophy as a whole. It is so easy to magnify one aspect of it out of relation to the rest. When for instance we observed the tendency of the 'Parents' Association' to 'put things right,' and their assertion that loving your neighbour means 'working for

him' according to your own ideas of what is good for him, we should remember that these amiable intentions are closely linked with a belief in the 'innate tendencies to barbarism' in the human race. This idea is incompatible with Social Credit.

"Love thy neighbour." There is no suggestion in this commandment of Planning for my neighbour, rising to power over my neighbour, applying sanctions to my erring neighbour; all of which are excused by the well-intentioned as being for our good. When Major Douglas spoke at Buxton on "Democracy" (the word so often misapplied) he there proclaimed his belief in the innate goodness of man, and he would refuse to accept as truth "the innate tendencies to barbarism" which a certain set of people to-day would have us believe are common to man, and on which they would have us base our philosophy and so, our policy to-day.

"He that is greatest among you let him be your servant," and I will again quote from *The Social Crediter*:—"Perhaps the greatest difficulty we have is to show that our philosophy is not just a stunt. We cannot make it too clear that loving your neighbour does not mean working for him in the sense understood by the Parents' Association. It may mean taking orders from him. And it certainly does mean leaving him alone with his personality, leaving him free. For those who aspire to be great there is one course open—to humble ourselves to be servants—and this means taking orders and carrying them out to the best of our ability. It means accepting and implementing the policy of the people, not preparing an agenda and placing it before them."

"The sabbath was made for man," yes, and those words imply not only man's importance above his institutions, but that his institutions are only justified in so far as they serve him. This Social Credit philosophy then, is based on the importance of the individual, and this embraces what Douglas calls "man's immanent sovereignty" his in-dwelling right to rule himself which must be preserved if he is to reach that *end* which although unknown, he feels to be his crown! The preservation of the dignity of the individual is of vital importance, for his "author and maker is God."

Now while there is a place in the social economy for all, it is not suggested that "the man in the street" shall decide how the hole in the street is to be mended, but he wants it mended, and the expert who is engaged must produce the result desired, or go. To decide policy is not the function of the management; the expert. The aristocracy or hierarchy of management should give the desired result—that is, to carry out the policy of the democracy—of the people. This is how a democracy should function, and in it we have a simple example of the aristocracy of management, the Master, serving.

"I came that ye might have life and that more abundantly." Can we if we are Christians avoid criticisms of anything which hinders a free, dignified and fuller life for all? For such is possible. The Social Credit philosophy claims it for all—the Kings, the people, the peasant, the publicans and the sinners. The Douglas Financial Proposals for instance, are an example of the policy of the philosophy underlying them, because they are not confiscatory proposals, they do not rob Peter to pay Paul, they are not Debt and Taxation proposals, but are in keeping

with Social Credit preaching, and the results will be in keeping with Social Credit philosophy. The proposals claim for us our inheritance of the social credit, the reward of long ages of toil: simply it claims for us *our credit*. Banal as it sounds, there is no Liberty without Economic Freedom, and Douglas has defined Liberty as "freedom to choose or refuse *one* thing at a time." (The writer's emphasis.) The National Dividend which is claimed for all would end for most their material disabilities and limitations. While such remains there is no freedom in the Social Credit sense.

We can only touch here on the evils brought about by a non-Christian philosophy, but it is now well-known if not acknowledged—that a faulty-no-good, won't-work-system of Economics which of course includes Finance, is one of the causes of War if not the chief. It is a cause of war in every village, of trouble in every workshop. The trend too to-day is for centralisation—its brand is everywhere—and this is incompatible with Social Credit philosophy which favours the individual and encourages his initiative. For the much better results which come from such a free mind we have evidence to-day and on the battlefields of the last Great war.

Which of us has not seen many examples of this divine quality of personal initiative, divine spirit, of man's creative impulses unrealised, discouraged, trodden down, frustrated till it was quenched, and the men in whom it once dwelt saddened, dispirited, often ruined in calculated and quite unmerited ruin.

We call for a policy built on the living foundations of the bountiful and beneficial laws of Nature, in Economics and Finance, the way the Universe works, the way the Engineer, the bridge-builder the Architect has to.

We are led to believe that rather than correct the faulty functionings of civilised life to reflect Reality—and the teaching of Jesus has shown us the way—the only alternative to repeated war or the astonishing and unnecessary paradox of poverty amid plenty, is to be found in schemes such as Federal Union, The Police State, United Nations Organisation, each of which is instituted "to put things right," the *fundamentals* of which is the intensification of centralised government, and "the sacrifice of our National and individual sovereignty," and, to a "central Authority," (but who this is or to whom answerable is not stated; "*Quis custodiet ipsos custodes*"). You will agree that these are grave threats. They are totally incompatible with Social Credit philosophy.

I will close with a quotation from Frank Lloyd Wright the distinguished architect: "I believe man's nature is still sound, and recognise that science has done well, but I know that science cannot save us. Science has given us miraculous tools but what use are they unless we have mastered the cultural use of them in man's relation to man? We do not want to live in a world where the machine has mastered man, we want to live in a world where man is the master of the machine." And Major Douglas would add "and of the institution which should serve him."

The great Disciple wrote: "Prove all things" and his Master said: "The truth shall make you free."