When as a medical student I reached the study of pathology, I found that one of the exercises set by my professor was to write a paper on the course of the illness of a patient who had died, and on the post-mortem findings, and on what was known of the nature of the disease which had caused his death. The case which I had to deal with was one of pernicious anaemia; of the cause of this, at that time, really nothing was known. There were in the text-books a number of theories concerning this cause, and all of these were unsatisfying. But we were supposed to read beyond the text-books. We had to go through various journals with the aid of a cumulative index and collate the research being done all over the world on the pathological mysteries of the time. Eventually I found some recent work which was instantly recognisable as having approached the true fundamental cause. My exercise now acquired an altogether new significance and interest. I remember clearly my excitement and pleasure as I read my paper to my fellow-students, and their interest too in the virtual solution of an old problem. It was after that that the treatment of pernicious anaemia with liver restored the ill to health and saved many from premature death.

In the many years since then I have seen a number of these fundamental discoveries made and applied, and I have for long been impressed with how, in many cases, the truth, when disclosed, is quite definitely recognisable.

As a student I had to live away from home; but I returned home by an overnight train journey for my vacations. Thanks to the depression, I had to sit up all night on these journeys, and miserable experiences they were. But shortly before one of these trips, I saw Douglas's Economic Democracy on a friend's book-shelf, and idly took it down and turned a few pages. The subject matter was something quite unfamiliar to me, but it caught my interest, and I asked to borrow the book. I read it on my train-trip, in one session and far into the night.

Apart from the inconvenience of my reduced allowance, I did not at that time take any interest in the depression. I remember that my scientific training made me scornful of the idea that it was due to sun-spots; but probably some other of the now clearly absurd theories then current seemed satisfactory enough. So I read Economic Democracy not in the hope of finding a remedy for the depression, but purely from intellectual curiosity; I wanted to know what the author meant by the term.

Economic Democracy was written long before the depression; nevertheless, to anyone who could grasp its thesis it provided an instant understanding of the depression. That was of considerable interest and importance, no doubt, but it was not what made the impact on my mind. What possessed me was the fact that Economic Democracy represented a perfectly unitary concept of the greatest profundity. It was clearly the key to an understanding of diverse problems of political economy.

So it has proved. History appears to the Social Crediter as crystallised politics, as Douglas put it, and no longer as a string of disconnected and unrelated episodes.

Douglas himself described Social Credit as practical Christianity, and what he means by that is best told in his own words:

"The speech of the Earl of Darnley in the House of Lords on July 10, 1946, affords an outstanding instance of a little recognised, but formidable problem. Perfect in form and manner, it was a moving appeal for the replacement of Power Politics by the Christian Ethic and the Golden Rule. Where, it may be asked, is there any problem in that, other than one of wholesale conversion? Let us, in order to elucidate the difficulty, compare Christianity to the Theory of Thermo-Dynamics, and assume for the purposes of the argument, that all the essentials of that theory were widely known two thousand years ago. It is not difficult to imagine that those who grasped the implications of it might say 'Here is the key to a better society. Here is the title deed to a leisure world. Disregard all else, and apply thermo-dynamics'. Remember that we are assuming that James Watt was still to be born. And the world at large would have said 'This man says the magic word is Thermo-Dynamics. Crucify him'.

"Now the fact, which ought to be patent to anyone, is that it is the Policy of a Philosophy which is important (because it is the evidence of things not seen); and that Thermo-Dynamics means nothing without Heat Engines, and Christianity means nothing without the Incarnation. You cannot drive a dynamo with Boyle's Law, or the 'Queen Elizabeth' with Joule's Equivalent. This country is not now the Policy of a Christian Philosophy, and before it can again, as an organisation, put into practice successfully those Christian principles, for which Lord Darnley pleads, it must understand their application through proper mechanisms—not so simple a matter as he would appear to think it is. Failing that, the children of this world are, in their generation, wiser than the children of Light. Chivalry, 'Manners maketh Man', were imperfect Christianity; 'The Century of the Common Man' is not."
The Social Crediter

FOR POLITICAL AND ECONOMIC REALISM

This journal expresses and supports the policy of the Social Credit Secretariat, which was founded in 1933 by Clifford Hugh Douglas.
The Social Credit Secretariat 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 45/-, Six months 22/6.

THE SOCIAL CREDIT SECRETARIAT

Penrhyn Lodge, Gloucester Gate, London, N.W.1. Telephone: 01-387 3893

Editorial: Penrhyn Lodge, Gloucester Gate, London, N.W.1. Tel. 01-387 3893

IN AUSTRALIA—

Business: 245 Cann Hall Road, Leytonstone, London, E.II. Tel. 01-534 7395;
Editorial: Penrhyn Lodge, Gloucester Gate, London, N.W.1. Tel. 01-387 3893

Editorial: Box 3266, G.P.O., Sydney, N.S.W. 2001 (Editorial Head Office)

THE SOCIAL CREDIT SECRETARIAT

Personnel—Chairman: Dr. B. W. Monahan, 4 Torres Street, Red Hill,
Canberra, Australia 2003. Deputy Chairman: British Isles: Dr. Basil L. Steele,
Liaison Officer for Canada: Monsieur Louis Even, Maison Saint-Michel,
Ste. Foy, Quebec, Canada. Liaison Officer for Canada: Monsieur Louis Even,
Red Hill, Australia 2003. Liaison Officer for Canada: Monsieur Louis Even,

THE SOCIAL CREDIT SECRETARIAT

Liaison Officer: Monsieur Louis Even, Maison Saint-Michel,
Red Hill, Australia 2003. Liaison Officer: Monsieur Louis Even,
Liaison Officer: Monsieur Louis Even, Maison Saint-Michel,
Red Hill, Australia 2003. Liaison Officer: Monsieur Louis Even,

FROM WEEK TO WEEK

Australia and the U.S.A.—like all industrialised economies—are 'grappling' with inflation. In Australia the 'remedy' is to cut down on capital expenditure; in the U.S.A. it is to credulity and even ignorance on parliamentary levels. But the one case to immerse the patient in freezing water, to drive decisions are actually made; there is plenty of evidence of thing is sheer stupidity—on the levels where ultimate de-

Aboiling water—probably to drive out the spots.

Sanctions which could be mobilised against any country (ex-

Financial system are sufficient to ensure that the Gortons,
neither connected with nor supporting any political party, Social Credit
or otherwise.

CONTROL OVER A LARGE INCOME MAY BE A MEANS TO POWER OVER

Generally speaking, the physical ability to produce goods and services increases daily. Nothing would better reflect the reality than a steadily increasing purchasing-power of the unit of currency. If we assume that the income structure of a community indicates to some approximate degree the relative value of various individual's contributions to society, a fall of prices, representing an increased purchasing-power, would preserve that structure, while progressively diminishing envy and social friction generally. Except in so far as control over a large income may be a means to power over others, a very large income is meaningless, for personal con-

SUMMARY: Economic Democracy

Evolution as nothing else could have done, since it provides the philosophical basis of our civilisation that the trouble generally speaking they perceive that it is in the collapse of the philosophical basis of our civilisation that the trouble lies. What remains of this basis is embedded in institutions, or carried by the older generations. But the latter are being steadily replaced by new generations brought up increasingly with 'State' school education; and this is steadily becoming both more secular and more technical. And in the schools of most denominations, where religion is taught at all, it is taught with less conviction. It would be absurd to say that evolution as nothing else could have done, since it provides the basis of that rather awful freedom where a man becomes responsible to God for his own development and achievement.

Over the last few years, I have observed more and more serious thinkers becoming aware that our bad times and recurrent crises really mean that we stand before the probability of the actual death of the civilisation we have known; generally speaking they perceive that it is in the collapse of the philosophical basis of our civilisation that the trouble lies. What remains of this basis is embedded in institutions, or carried by the older generations. But the latter are being steadily replaced by new generations brought up increasingly with 'State' school education; and this is steadily becoming both more secular and more technical. And in the schools of most denominations, where religion is taught at all, it is taught with less conviction. It would be absurd to say that the majority of modern youth, where it is religious at all, is deeply religious, and idle to hope that it will become so with the passing years.

"The end of man is self-development"; "the field exists for the flower". These are the fundamental postulates of it, which stands in the way of financial reform. And until some country rebels, and thus brings the underlying reality into the open, there is simply no hope. Politics as presently understood is simply a gigantic power-play, in which the ambitions of lesser and mostly uncomprehending politicians are manipulated towards the ultimate aims of the would-be masters. The 'problem' of inflation with its progressive miseries and disorders will not be overcome until the will-to-power is defeated.

Why I am a Social Crediter

To be a Christian is something more than to profess a belief in Christian doctrines. It is consciously, as an individual, to stand in a unique and isolated relation to God. And Christianity means too that the one thing that matters in this world is what each individual becomes in the sight of God. In the Christian view, therefore, economics and politics are important solely in their facilitating the develop-

The world we live in is, however, quite definitely increasing anti-Christian. The political economy of the so-called Welfare State is collectivist—exactly the antithesis of a Christian political economy. The psychology induced by this visibly inhibits the full flowering of unique personalities, while it encourages the sins of envy, greed and sloth.

Individual initiative is subordinated to collective irresponsibility, most clearly revealed in the universal, anonymous, irresponsible ballot, but quite plainly to be seen as well in every field of life.

The deterioration brought about by the political economy of collectivism is evident in the increasing difficulty so many people display in grasping Social Credit. The policy of Social Credit simply does not fit the philosophy of collectivism; and it is the philosophy of collectivism which more and more informs modern education and pervades propaganda. People of it largely lack the mental organs to understand Social Credit. The implications of Economic Democracy are truly Christian, derived from a period when society was evolving into a more nearly Christian Society. It had no doubt far to go; but Social Credit would have speeded that evolution as nothing else could have done, since it provides the basis of that rather awful freedom where a man becomes responsible to God for his own development and achievement.

Over the last few years, I have observed more and more serious thinkers becoming aware that our bad times and recurrent crises really mean that we stand before the probability of the actual death of the civilisation we have known; generally speaking they perceive that it is in the collapse of the philosophical basis of our civilisation that the trouble lies. What remains of this basis is embedded in institutions, or carried by the older generations. But the latter are being steadily replaced by new generations brought up increasingly with 'State' school education; and this is steadily becoming both more secular and more technical. And in the schools of most denominations, where religion is taught at all, it is taught with less conviction. It would be absurd to say that the majority of modern youth, where it is religious at all, is deeply religious, and idle to hope that it will become so with the passing years.

"The end of man is self-development"; "the field exists for the flower". These are the fundamental postulates of
Social Credit. All the great religions have these postulates—or, from the religious point of view, I should say insights. It is not what man has in common with other men that is important, but what is unique in him. How could Hamlet be written, or the Archduke Trio be composed by the mob? Indeed, what any creation means is unique for each individual.

The postulates of the 'Welfare State' are radically different. The first and most fundamental is that the end of man is employment—"working to buy a living". The second is equality—"lack of quality".

I remember vividly a passage in a book I read as a student—I believe it was The Mind in the Making—which described a mental process called "rationalising". Rationalising is supplying a 'good' reason for an action which has a different true motive. Most of the economic and political doctrines of the 'Welfare State' are rationalisations from its fundamental postulates. The idea of equality springs from envy of quality, and its economic rationalisation is expressed in confiscatory taxation. The idea of Full Employment is rooted in Primordial Fear—fear of hunger, fear of living alone, fear of others. Its political rationalisation is Planning, Organisation, and Bigness—i.e., away from individual initiative, personal responsibility, and recognition of one's essential loneliness as a unique Spirit.

Envy and fear also give rise to Will-to-Power—power over others—and Planning and Organisation are a perfect rationalisation of these base drives.

I do not think that there is any doubt that Christian civilisation and the 'Welfare State' are antithetical: the 'Welfare State' is a manifestation of Anti-Christ. Indeed, part of the creed of most Socialism is conscious, militant atheism.

The 'Welfare State' is also anti-Social Credit; and I believe that in its inception, though not in its momentum, it is consciously so. The fundamental idea underlying Social Credit is that the community exists for the sake of the individual; that the development of industrial organisation is for the sake of freeing the individual to the maximum practical extent from occupying his time in working in order to exist. If ten men and a machine can do the work of a hundred men, then the necessity to work for a living is reduced to one-tenth. The important product of industry is leisure. Leisure, of course, does not mean inactivity. It means the opportunity to do something besides work for a living.

Christianity can only have meaning if man is primarily spiritual. Now Spirit does not "work", it creates. It follows then that man's primary activity should be creative, not industrial. This must not be misunderstood to imply that there is anything wrong with work. Work is the curse of Adam when it is imposed by necessity; it is the gift of God when it is personal, creative, initiative.

The whole emphasis of the 'Welfare State' is on necessity. Man must be fully employed. His education must be primarily to fit him for employment; his medical service to keep him fit for employment; and to ensure that he remains in employment, he must not be able to accumulate savings.

The basic mechanism of the Social Credit conception is the National Dividend, of increasing purchasing-power. This expresses the right of the individual to an unconditional share in the common cultural inheritance, increasing as that inheritance grows. Now at one time we were quite naturally approaching a National Dividend. As share-holding became more widespread, so more individuals obtained an unconditional income to supplement, and in some cases to replace, what they 'earned'. Given time, and either stability, or an increase, in the purchasing-power of money, share-holding could have become universal. What Douglas discerned was that the dividend is the natural successor to the wage, which it should progressively displace in importance. The conception of the citizen as a share-holder rather than as an employee correctly reflects the fact that modern production is overwhelmingly the result of the application of power through machines; human labour, for all its importance as a catalyst, being of steadily diminishing importance as a fraction of power.

The greater part of our industrial equipment, and an even greater part of our knowledge both cultural and technical have come to us from our preceding generations. Whoever may "own" individual units of production, their usefulness depends on the community. It is useless to produce a million pairs of boots if nobody wants boots—or if nobody can buy them. Now what is important about modern industry is its tremendous potential capacity to produce, and to increase its capacity. But that capacity is drawn only to the extent that purchasing power is distributed; and it is distributed not in relation to capacity to produce, but in relation to payment for work done. We cannot tell how 'rich' we actually are until the means to draw on the potential capacity of industry is distributed.

But it is quite clear that there is a tremendous unused capacity. It was revealed during the war, when fantastic quantities of goods were produced. They mostly were not, in the ordinary sense, goods of any use to civilians; but the industrial capacity which produced them could as well have produced consumers' goods. Again, a large part of our industrial effort goes into exports; and it is generally agreed—even asserted—that if foreigners would buy more we could considerably expand our exports.

I do not want in this essay to go into technicalities, and so will only say that a surplus of exports over imports is a real net loss, like war production. Selling goods out of the country without importing their equivalent simply means that there are less goods available in the home market. It is only unceasing propaganda to the effect that we live on our exports which prevents everyone realising that unrequited exports make us poorer than we need be.

The 'Welfare State' is a perversion of what a Social Credit Society would be. Social Credit as a system of political economy starts from the conception that power-driven machinery potentially makes all of us wealthy, both materially and in leisure, and provides the basis for spiritual development which, from a Christian point of view, is the one thing that matters.

A first approximation to our wealth is the National Debt. Apparently, the National Debt means that we owe ourselves vast sums of money—which makes the National Debt meaningless. In fact, however, the National Debt represents part of the capital value of our real assets, and as such could be used as the basis for the distribution of a periodic dividend. Again, I do not wish to go into the technical side, and would ask my readers to concentrate on the question of whether such a dividend is desirable, if possible, which I am certain it is.
The 'Welfare' State assumes that everyone should have an income; the majority by working for it, and the ill, disabled or aged as a right. The fact that it is an admission of right, and to that extent a conceding of the Social Credit case, is disguised by the financial juggling which accompanies it. What the ill, disabled and aged consume is a proportion of the goods being currently produced, and that has nothing to do with financial contributions made in the past. Now of course it would be perfectly possible to pay everyone an amount equivalent to what is paid on the average to the ill, disabled and aged—a universal, equal, dividend. Nothing would be changed if this were done, and those in employment had the amount of this dividend subtracted from their wages, with a corresponding fall in prices. Nothing would be physically changed, but there would be great psychological changes. Everyone at all times and without question would have something to fall back on, while yet retaining the incentive to 'earn' more. The complex administrative effort of 'Welfare' payments could be reduced to a fraction, with the useful possibility of its personnel entering 'productive' employment to enlarge the national cake.

This, or some such method, is of course but a first step. The fundamental idea is that the dividend, however initiated, should progressively displace the wage, whereas the principle of the 'Welfare' State is that the wage should displace the dividend—an aim which it is achieving by a deliberate policy of inflation, accompanied by high taxation and confiscatory death duties. Let no one suppose these things are done because the Government 'needs' the money. They are the practical politics of anti-Christianity. They are meant to bind man to the material level, and so inhibit his spiritual development.

The policy of Social Credit is just the reverse—progressively to free man from the shackles of material necessity, and to encourage his spiritual growth.

There is no suggestion that that could be done in a day, or even in a generation. But the all-important thing is the aim. The aim is to foster by every means possible the maximum development and differentiation of the individual. It would mean a different objective in education, and a new emphasis by the Churches—an emphasis on the teaching 'I came that ye might have life more abundantly'.

I am not a theologian, and would not write what follows except that there are indications of a similar line of thought in theological circles. There really can be little doubt that the traditional teaching of the Church makes less and less sense to modern man. On the other hand, there is equally no doubt that Christianity is one of the most powerful spiritual forces in history. The explanation of these facts lies, I believe—and, as I remarked, there is support in theological circles for the belief—in a confusion between the myths and the meaning of Christianity. The myths and the doctrines of Christianity incarnate truths; but the language in which they are expressed derives from a period entirely unlike our own; a period when man's conception of practically everything in the Universe was radically different from ours. To take a minor example, mediaeval man could quite easily believe in a Hell of fire and brimstone, located somewhere under his feet. Few people could hold that belief to-day. But that is far from meaning that there is no such thing as Hell.

The core of Christianity is its revelation of the nature of Man and his relation to God. But that revelation had necessarily to be couched in language suited to the concepts of Christ's contemporaries. That is why so much of Christ's teaching is in the form of parables, which clearly separate the meaning of the parable from its form in a way which enables the meaning to be apparent through the centuries.

Modern man no doubt is apt to associate the word Spirit with something that can be kept in a bottle; or else he fails to conceive it at all. And yet, in the light of contemporary knowledge and understanding, it is perhaps more easily conceived than ever. Spirit is creative initiative. It is the power that makes events other than they would have been in the routine of nature or custom.

It is being said on every hand that we need a spiritual revival. This demand really means that we need a formulation of the nature of man the truth of which is self-evident to modern man. If man is nothing but a collection of physico-chemical reactions, he doesn't differ in any essential from a lump of rock, and his future is of no consequence. But if he is primarily Spirit utilising physico-chemical reactions, his life on this earth is in vain unless he experiences himself as primarily Spirit, and leads his life to achieve the flowering of his Spirit.

Spirit stands opposed to routine. Spirit may create routine, but is active as such only in an act of creation. Therefore to tie men to routine is to deny the life of the Spirit. Early life consisted almost entirely of routine, of conformity to necessity. It is only in our age that the possibility of relegating to machines a large part of the routine of getting a living has become apparent. But the true benefit and use of machines is lost if they merely enable man to get more 'work' done, and to squander in a few centuries the resources of the earth.

One of our modern stand-points which enables us to see more clearly is the recognition that many age-old problems are wrongly put. One of these is the problem of the meaning of life on earth. I do not believe there is an answer to this general question. The true problem is: "What meaning is given to each particular life by the person living that life?" To be born, to be indoctrinated, to be 'fully employed', to die—is a senseless routine. But to be born, to become conscious, and to put a meaning into one's life is the highest creative activity, to which the routine of life should be entirely subordinated. By this I mean that it is not what one does that matters, but why one does it. It is not the technique of the artist which matters, but what he creates. Of course, the highest creative achievements require perfected techniques for their adequate embodiment; but perfected techniques become unconscious, and are only the means to the expression of creative activity.

Looked at from this point of view, what we call employment has two aspects. The first is the aspect of necessity. Man's basic physical necessity is to get and consume food, because he lives physically by the transformation of energy. The human, and some other animals, require in addition the equivalent of some form of clothes and shelter. The measure of the amount of 'employment' required to meet these necessities is provided by animals. Some animals, notably carnivores living in fertile areas, hardly need "work" at all. Others, particularly vegetarians, consume a large proportion of their time in obtaining food, simply because of the bulk they must consume to obtain the vital constituents they need.

(To be continued)