

THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 51. No. 20

SATURDAY, 25 DECEMBER, 1971

7p (1s. 5d.) Fortnightly

Black Thursday

Mr. Powell's book* is written in plain language for plain people. It is really a record of a campaign and, apart from a few prefatory notes, it consists of a series of speeches about the Common Market delivered between March 21, 1969 and June 19, 1971. Unfortunately it does not cover Black Thursday (Oct. 28), but we have Mr. Powell's assurance that he will continue to present his case during the debates on the so-called harmonizing legislation, in the hope that, when they get down to details, the enormity of what they are proposing to do to Parliament and to this country will dawn on a great many M.P.'s of all parties who have hitherto supported Market entry, causing them to draw back before it is too late.

In his campaign Mr. Powell built up an overwhelming case against Britain's joining E.E.C. He showed that, during the interval between Mr. Macmillan's first application to negotiate and the present time, no evidence has accumulated to prove that any of our economic troubles have been due to the fact that we have not joined; most of them have been either self-inflicted or due to foolish monetary arrangements. It is quite impossible to predict with certainty what advantages might result from access to an enlarged "domestic" market in competition with other members of E.E.C. and to estimate how far these advantages (if they materialise) will be nullified or even outweighed by our heavy and continuing contributions to the community's agriculture and by our loss of freedom to trade with the rest of the world to our best advantage. Both of these factors will result in higher prices for food and raw materials.

In any case, however, the main objections are not economic but political. Mr. Powell makes this quite plain. He discounts the argument that our defences will be strengthened and our influence in the world increased; both may even be diminished if we are submerged in Europe and tied to European politics. He also pointed out that our governments entered into negotiations about something to which the country has never consented in principle, yet we are now being told that the act of negotiation implied consent if the terms were considered satisfactory by parliament: by discussing the means we were willing the end. The people of this country never understood this: they thought that mere negotiation carried no obligations on either side.

As it has turned out, the negotiations have been mainly about transitional arrangements and the amount Britain should contribute to the Community's budget. "Transition to what? Budget for what?" asks Mr. Powell. "The prior questions, the great questions," he says, "have never even been properly asked, let alone debated, let alone answered.

It is as if there were a conspiracy to be silent about them in the hope that no one would notice that they exist."

But the answers *have* been supplied, although not by our government; *and they are authoritative*. Prof. W. Hallstein, ex-president of the E.E.C. Commission said: "No major area of economic or social importance is excluded from the (Rome) Treaty in a way that prevents the Community from taking action upon it." And M. Jean Rey the present president of the Commission has predicted that "within ten years, the Common Market will have a common currency and a parliament elected by universal suffrage". This is, in fact, the logical result of joining the E.E.C. if words like "community" and "unity" have not lost their meaning. In short, as Mr. Powell says: "Either British entry is a declaration of intent to surrender the country's sovereignty stage by stage in all that matters to a nation and makes a nation, or else it is an empty gesture, disgraceful in its hollowness, alike to those who proffer and to those who accept it.

For Mr. Powell then, what really matters is the answer to the question as to whether British economic, social and foreign policies will be decided outside Britain and outside the control of the British people. In his view the answer is "yes", and he thinks that this control will increase progressively and that this outweighs all other considerations.

THE ALTERNATIVE

In a preliminary summary of his book Mr. Powell says that the question of an alternative to British entry does not arise because entry itself is not beneficial. But it is just this question of an alternative that, in our view, needs careful consideration: we believe that very positive and drastic action will be required if we stay out. Shall we be sovereign if we do not join E.E.C.? Are we sovereign now?

More than a year ago *The Times* told us in a leading article that we are not our own masters: our real masters are in the I.M.F. This is indicated by the letters of intent which our government has been forced to sign and by the surveillance of our economic affairs by I.M.F. officials. More recently (May 1971) *The Times* had another leader telling us of the terrible things that would happen to us if the negotiations for entering the Common Market should fail. The leader said: "That would be a total, disastrous and unmitigated defeat for us, threatening our industry, our currency, our standard of living, our level of employment and even our political institutions with a crisis in the 1970's to which we have no apparent answer".

The Times may not be quite what it once was but we do not think that its warning should be altogether ignored. We have seen what international finance can do in the way of

**The Common Market: The Case Against*. By Enoch Powell: Elliot Right Way Books, Kingswood, Surrey, U.K. 20p. Available K.R.P. Publications.

(continued on page 4)

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 £2.60 (52/-), Six months £1.30 (26/-).

Offices—

Business: 245 Cann Hall Road, Leytonstone, London, E.11. Tel. 01-534 7395
Editorial: Penrhyn Lodge, Gloucester Gate, London, N.W.1. Tel. 01-387 3893

IN AUSTRALIA—

Business: Box 2318V, G.P.O., Melbourne, Victoria 3001
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 2605. Deputy Chairman: British Isles: Dr. Basil E. Steele, Penrhyn Lodge, Gloucester Gate, London, N.W.1. Telephone: 01-387 3893. Liaison Officer for Canada: Monsieur Louis Even, Maison Saint-Michel, Rougement, P.Q., General Deputy Chairman and Secretary, H. A. Scoular, Box 3266, G.P.O., Sydney, N.S.W. 2001.

FROM WEEK TO WEEK

James Reston, a member of the Council on Foreign Relations (CFR), wrote in the *New York Times* of May 21, 1971, that "Nixon would obviously like to preside over the creation of a new world order, and believes he has an opportunity to do so in the last 20 months of his first term".

Mr. Reston would have been more accurate had he written of the *birth* of a new world order. The *creation* of a new organic form precedes—often by a very long period of time—its *birth* into the world of already manifested creation. The moment of conception is always a mystery. And after this moment, the fact of conception remains hidden for an indefinite period, until its growing maturation brings forth evidence of its ultimate or imminent birth. And thus it is with "a new world order".

In his *Programme For the Third World War* (Chapter VIII) the late C. H. Douglas pointed out that the existence of the American continent was probably known in banking circles when it was quite unknown outside them. "If this was so, it is reasonable to assume that when action was taken in regard to this knowledge it was considered action".

Douglas also drew attention to the design of the Great Seal of the United States, the obverse of which bears the Masonic symbol of World Government, and the inscription "Novus Ordo Seclorum"—"A New World Order"—the designation of President Nixon's New Economic Policy as of Lenin's transitional economic policy in Soviet Russia. What was sprung by Lenin on Russia was a system incubated in advance, just as Nixon's "new" policy was preceded by enabling legislation well in advance of its implementation, now in train. (see *T.S.C.* 16 Oct., 1971)

This is the background to Professor Arnold Toynbee's statement (see *International Affairs*, Nov. 1931) that "We Europeans have called a new world into being not to *redress* but to *upset* the balance of the old" (original emphasis). Professor Toynbee was for many years Director of the originally British, now — since 1926 — Royal Institute of International Affairs.

On Nov. 10, 1970, a banquet was held at the Mansion House to celebrate the 50th anniversary of the founding of

the Institute. The speakers on the occasion were Mr. Edward Heath, Prime Minister of (once-Great) Britain, and J. M. A. Luns, Netherlands Minister of Foreign Affairs. Mr. Heath, in common with the Prime Ministers of other Commonwealth countries, is an Honorary President of the Institute; and is also (or was) a Director of Brown Shipley & Co., the London branch of a powerful American financial group and a Corporate Subscriber to the funds of the Institute. In his address, Mr. Heath "recalled how it was decided at a meeting of the British and American delegates to the Peace Conference in Paris in 1919" (Professor Toynbee was a Member of the British team, and Water Lippman of the American) "to found an independent Anglo-American institute for the study of international affairs.

"Later this body was divided" (binary fision) "into two institutions, the Council on Foreign Relations in New York and the British (later Royal) Institute of International Affairs, better known as Chatham House. It was essential, said Mr. Heath, that people should know and understand the issues which confronted the Government". (which people?)

"The contribution of Chatham House to this task has been outstanding and over the years successive British governments have been deeply indebted to the Institute for all it had achieved."

— "Successive British governments." The White Paper, "The United Kingdom and the European Communities", says: "A decision not to join would be a reversal . . . of the whole direction of British policy under successive governments during the past decade". From Mr. Heath's remark it would seem that the 'direction' given to the successive governments came from Chatham House. How is it done?

The Annual Report of the Council of the Institute, 1970/71, which reports Mr. Heath, also discloses that "On 7 and 8 May, 1970, a conference on the theme of Europe in 1990, organised by Chatham House and PEP was held at Chatham House to mark the 20th anniversary of the Schumann Plan for a European Coal and Steel Community. . . . The Rt. Hon. George Thomson . . . spoke of the main problems likely to arise in the forthcoming negotiations for British membership of the European Communities—both the technical problems . . . and also the *greater issues of a more united and effective Europe*" (emphasis added).

Again: "At the beginning of November 1970 four representatives from Chatham House together with the Directors of the Institute for Strategic Studies" (which has informed the world that Soviet Russia has achieved strategic superiority in Europe), "PEP, and the Committee on Invisible Exports and a representative of the National Institute for Economic and Social Research visited Brussels to meet members of the Commission of the European Communities".

Under the heading: *Chatham House Studies Programme*, the *Report* states: "The study groups and conferences bring together widely differing categories of scholars, officials, businessmen, journalists and others, and the educational character of these groups is to some extent their sufficient justification". But not the whole extent, of course.

Compare this with the purposes of the CFR: On July 29, 1921, the Council on Foreign Relations was incorporated, to bring together "experts on statecraft, finance, industry, education and science; to *create* and stimulate *international* thought among the people of the United States, and to this

end, to cooperate with the Government of the United States and with international agencies . . . to create new bodies, and to employ such other and further means, as from time to time may seem wise and proper" (emphasis added). "Further means" include addresses to selected industrialists by such foreign policy experts as Castro, Mikoyan, Hammarskjold, Nkrumah, etc.

This is the technique of semi-secret or anonymous 'background briefing'. Participants in these Chatham House and CFR programmes are informed that they may make use of the information gained at various sessions, but may not attribute their knowledge or opinions formed to Chatham House or the CFR. This procedure inevitably induces a feeling of superiority in the 'insiders' as against the 'outsiders', and accounts for the pontifical attitude of so many professional political commentators: they are "in the know". And it accounts also for the international unanimity of comment on international affairs. They follow the 'Line' agreed in the inner Councils of Chatham House and the CFR.

Following the 'binary fission' of the British Institute, the Royal Institute has metastasised throughout the Commonwealth, while maintaining an almost symbiotic relationship with its binary product, the CFR; and of course there is a close association with similar organisations in almost every country—they are listed in the Council's Report, together with much other revealing information relating to such matters as finance and sponsorship. Both Chatham House and the CFR are sustained by massive grants from international banking groups and the great tax-free Foundations, such as the Rockefeller, and the Carnegie Endowment for International Peace, which financed the study for the military invasion of Southern Africa. Brown Shipley & Co. Ltd. also subscribes. Both Chatham House and the CFR advocate international socialism, which Brezhnev has assured us is inevitable.

Parallel with, and also supported by, financial Foundations and sometimes running joint projects, is the organisation (an offshoot of the Fabian Society) Political and Economic Planning (PEP), frequently mentioned in the Report. Its directorate interlocks with Chatham House, but PEP emphasises economic strategy, and thus is something of a wheel within a wheel — but a highly influential one.

All this is the real background to the attempt to subordinate Britain to 'Europe'—an attempt which has nothing to do with economics *per se*, but a great deal to do with the economics of international cartelisation—the world organised as the province of economic internationalism whose consummation is hindered by local national sovereignties. It is the culmination of what Professor Toynbee described as "a deliberate and sustained and concentrated effort to impose limitations upon the sovereignty and independence of the fifty or sixty local sovereign independent states" (*International Affairs*, Nov. 1931). Moreover, he specified deception as the means to achievement ("All the time we are denying with our lips what we are doing with our hands")—a deception still manifest today ("There is no question of any erosion of national sovereignty"—White Paper).

Now if there is anything left that can save Britain from subordination to Europe, as a major step to eventual Communisation, it is *concentration of all the forces in opposition to 'joining Europe' on the narrow front of the preservation*

of sovereignty. The economic issues are phonies—distractions deliberately conceived. A straight-out political union with Europe would never have been tolerated by the British public, and its advocacy *as such* would have been death to any political Party.

The Queen in Parliament embodies the national sovereignty of Britain, the preservation of which is the first duty of any Government. Adhering to the Treaty of Rome abrogates that sovereignty, and the advocacy of that abrogation is an act of treason—a violation of allegiance to the Sovereign. It has been well established that the substantial majority of the British are opposed to 'entry', so that the problem is to make that opposition effective; and the way to do that is to focus it sharply on the only vital issue—*sovereignty*. Of course Britain can survive economically—*if sovereign*. After all, Britain led the world in industrialisation. But with loss of sovereignty, Britain's economic interests can and almost certainly will be subordinated to equalising the world's wealth.

That this is the probability is cunningly canvassed in the *Times's* leading article, Nov. 20, 1971, based on the Rutherford lecture given by Dr. Hugh Montefiore, Bishop of Kingston upon Thames. The *Times* comments: "Internationally, there would have to be similar restraints on the exercise of national freedom of action. Although as he sees it the 'great debate' went off the rails by failing to 'lead people to an understanding that there is not much more economic growth possible; or if there is, it will lead to later collapse', he detects in the EEC the germ of the kind of surrender of sovereignty that the situation requires. It would be a nice irony if the Common Market, advertised as an association for waxing fat, proved its usefulness as an instrument for abating the rapacity of industrial society.

"No such redirection of the collective energies of men would be possible without a drastic revision of political and social attitudes. . . ."

"Yet before man is broken—of his acquisitive attitudes in relation to the material universe, before the new conservationists have better success than the old gossellers have had of imparting a religious frame of mind to man in his political capacity, people will have to be brought to assent to the reality of the prophetic doom awaiting them if they do not mend their ways. . . ."

Russia, China, Eastern Europe, North Vietnam, Cuba, Chile . . . are examples of the "drastic revision" which the *Times*, and Chatham House to which the *Times* subscribes, has in mind and in prospect. It will not be averted, as many seem to think, by future obstructive tactics in the House of Commons. Beyond doubt, there is a well-considered strategy to overcome Parliament. **Only if public opinion over-rides Parliament to prevent the formal adhesion to the Treaty of Rome will there be a viable British future.** The stakes, as Douglas observed long ago, which are being played for "are so high that the players, on one side" (Chatham House-CFR-PEP-International Finance-Communist Russia) "at least, care no more for the immolation of the peoples of a continent than for the death of a sparrow". And that is being demonstrated day by day in Vietnam, the Indian sub-continent, and Ireland. The immolation is being carried out in those areas because ~~there the heavy industry and major resources which~~ are the stake at issue are not at risk. If Europe, including Britain, can be taken by stratagem rather than by force, the

“prophetic doom” can be administered at leisure, as in Russia under Stalin, at the end of Lenin’s transitional New Economic Policy.

The British people have been, and are being “conned”. If we are subjected to the Treaty of Rome, we are doomed to extinction as a nation, and in many cases, as individuals.

Black Thursday

(continued from page 1)

building countries up and pulling them down: witness Japan and West Germany and remember Britain and the U.S.A. in the 1920’s and 1930’s. It is quite possible that Lord Thomson and his friends know more of what is in the minds of “our masters” than does Mr. Powell.

There is nothing in Mr. Powell’s book which indicates that he contemplates such a situation arising; hence we do not know how he would deal with it. We are not blaming him: his book is about the Common Market and how to keep us out of it. But he has been at the head of two great government spending departments and he has this to say about currency: “A currency today is not gold or anything intrinsically valuable; it is fiat money and exists by the will or fiat of government which can make it or unmake it, which can manufacture more or less of it as they choose. . . . The power to make or unmake domestic money, however much it is misused, is one which governments are not going to give up, even if they could; and it is one which is valued because of the belief, and probably the fact, that it provides the means to correct severe depression and unemployment. Contrariwise, the misuse of this power can and does create the opposite evils and injustices of inflation. It is a power which people are going to wish their governments to keep and use wisely and call them to account if they use it ill.” (pp. 29-30)

Also, on p. 39, he says: “If Britain were a member of a Common Market with a common currency . . . the British parliament would have as little control (over prices, wages and balance of payments) as the Staffordshire County Council has today. Money is managed by governments and the management of money determines wages, prices, employment and the whole economy.”

Well! if this is true, let the government prove it. Montagu Norman said that the Bank of England and the Treasury were like Tweedledum and Tweedledee: if the Treasury twin has now won the battle and has possession of the rattle, let him use it. Yet we still wonder: only the other evening, Sir Keith Joseph, who has one of Mr. Powell’s old jobs, in telling us about the wonderful things the social services were doing and the vast sums they were going to spend, said that there were many more things that they would like to do but they just hadn’t got the money; they had to consider priorities &c., &c.; which does not seem altogether reasonable if they can create money by fiat and if there is spare labour (970,000) and any spare resources which can be used.

In our view, the trouble lies in the fact that whoever has the fiat still sticks to the pre-machine-age and pre-scientific-age methods of accountancy. Every penny issued is pushed in at the producer’s end of our economic system and sooner or later (mostly sooner) raked back again in prices and taxation. Nothing—no proportion of price—is credited to or returned to the public in respect of centuries of scientific discovery and invention: nothing is allowed to flow in freely

at the consumers’ end. All money for social services has to be “found” from taxation (Sir Keith talked of “finding” money, not of creating it by fiat, and we have always pictured Ministers searching under stones and in all sorts of odd corners and crevices). Moreover it is only just beginning to occur to the powers-that-be that labour-saving machinery must, in time, save labour and that a way must be found to distribute for the satisfaction of and to the orders of the community what the machines can produce: at present what is not wasted is exported, some of it to outer space.

As Social Crediters, we know that C. H. Douglas thoroughly explored this situation and that he prescribed the correct and necessary adjustments in the field of finance to put things right. He saw that continuation of existing methods must lead to ever-increasing centralisation of power and, ultimately, to a world tyranny towards which our proposed entry into Europe will be another long stride. There is all the difference in the world between a merger or a federation, such as is proposed, and an association of free nations such as the British Commonwealth was intended to be—a Canadian poet has expressed it as the difference between a handcuff and a hand-clasp.

As Social Crediters, too, we were sorry to notice, on p. 53 of his book, Mr. Powell’s attitude to the Agricultural subsidies. Does he not realise that these subsidies are the nearest approach, although still a long way off, to the correct use of credit that we have so far enjoyed and that they embody certain features, although falling short in essentials, of the Douglas technique? It is true that they are derived from taxation but they do give consumers a rebate on their taxes by keeping prices down and at the same time they help to keep farmers solvent. It is a pity that Mr. Powell cannot see this. Perhaps it is their rather remote resemblance to the Douglas proposals that has made the powers-that-be so anxious to decry them and to “phase them out”.

This raises a rather disturbing point: any move for reform in the direction we have indicated will encounter bitter opposition from the powers-that-be and, to avoid the fate described in *The Times leader*, will require courage and resource; that is assuming that we manage to keep out of the E.E.C.

One thing we know and know for certain: genuine human unity and happiness can never be achieved by the wicked policies and underhand methods to which we are at present subjected but only by setting people free for enlightened self-development as proposed by the greatest religious teachers and thinkers and, especially in these modern times of great scope for good or ill, by C. H. Douglas. The time has come to say this and say it plainly, and with intent.

—T. N. MORRIS.

“Prophetic Doom”

The Assault on Sovereignty

The “From Week to Week” article in this issue is being reprinted under the above title and will be in booklet form.

Prices posted: 5 copies, 25p

10 copies, 40p; 15 copies, 55p; 30 copies, £1

K.R.P. Publications Ltd., 245 Cann Hall Road, London, E.11