**THE SOCIAL CREDITER**

**FOR POLITICAL AND ECONOMIC REALISM**

Vol. 52. No. 21  SATURDAY, 6 JANUARY, 1973  7p. (1s. 5d.) Formightly

**Alternative to Disaster**

By BRYAN W. MONAHAN

(Continued)

With the successful installation and satisfactory operation of labour-saving machinery—i.e., an industrialised economic community—the fundamental problem of political economy becomes more and more the problem of the equitable distribution of leisure, and once this is recognised and adopted as a primary objective—as against increasingly grandiose development to maintain full employment (with a concomitant dissipation of natural resources and capacity to respond to future demand) and longevity of durables is a sounder proposition than a shortening by built-in obsolescence merely to maintain production. But a falling off of demand must not carry a penalty to producers.

This estimated overall capacity to produce can be given an estimated capital value. For a beginning, it could be given a value of say ten times the greatest recorded peace-time GNP. This is simply a valuation; although expressed in monetary terms, it does not consist of money. But it does represent a reality against which money, which represents a demand on industrial capacity, can be issued. Such a valuation could be designated, say, the National Resources Fund. It would be progressively re-valued by more precise estimates of productive capacity in accordance with the demonstrated capacity of industry to respond to increased demand. In general, there is a net increase in productive capacity from year to year (total production exceeds total consumption).

On the basis of this 'security' (which is simply a sort of actuarial assurance that an issue of fresh 'money' will have an effective purchasing-power) an account, say the National Resources Account, would be credited annually to periodically to an appropriate monetary institution—a special bank or specially constituted authority resembling the Auditor General's Department. The amount credited (a purely book-keeping operation) would be a percentage—a 'dividend'—on the NRF. This account would be a drawing account for the following specified purposes:

1. To subsidise (initially) a 20% reduction of prices at the point of sale to consumers (negative sales-tax). There are various mechanisms by which this could be achieved. Purely as an example of technique, each sales-docket might show the wholesale price to the retailer, and the retailer's selling price, which includes his own costs plus profit, and is usually a percentage mark-up on the wholesale price. The customer would pay the full retail price, but the properly executed docket could be banked like a cheque, or otherwise dealt with, to the value of 20% of the price paid. This process restores the purchasing-power of the money unit.

2. To ensure that all officially retired persons retain remuneration at the level obtaining on retirement, and that invalids receive, say, double their present pensions.

(continued on page 3)
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 (6/-), Six months £1.30 (26/-)

Secretariat, which was founded in 1933 by Clifford Hugh Douglas, in a 'world in which the big decisions setting the essential ThIS attempt at World Government has two chief com-

Government by financial manipulation.manoeuvre will have been reduced, and probably more ag-

offices—
Business: 245 Curr Hall Road, Leytonstone, London, E.111. Tel. 01-534 7955
Editorial: Penrhyne Lodge Gloucester Gate, London, N.W.1. Tel. 01-387 3893

Vol. 51. No. 26

FROM WEEK TO WEEK

There has been a great deal of distracting nonsense written about the European Economic Community. But every now and again somebody who, if not an active Insider, at least knows what the Insiders are doing and intending, lays the real situation 'on the line'. The latest to come to our notice is Andrew Shonfield in the 1972 Reith Lectures. The text of his fourth lecture, published in The Listener of Nov. 30, 1972, gives the following 'prophecy'—or blueprint—of the projected course of the Conspiracy: "More important, the West Europeans will be living in a world in which the big decisions setting the essential military and strategic framework of international relations look like being made in agreement by the two established super-powers, Russia and America, with less participation on the part of America's European allies of today. Europe may become a more anxious place, less secure in its assumptions, less a comfortable place to live in."

Mr. Heath has used prevarication, threats and patronage to force Britain into this trap; and if one last remote chance remains to the British, it lies in exposing this fact, and the total Conspiracy of which it forms a part, in Parliament. If that is done, there is a slight chance of applying a remedy against further assaults on British culture which, as Major Douglas said, is of supreme importance, but now in extreme danger of passing away "like that of ancient Rome".

This observation of the late C. H. Douglas appeared in the Dec. 1936 issue of the Quarterly Review The Fig Tree, in which he also wrote: "The nature of the remedy is crystal clear; it is to remove the power of manipulating policy through the lure of money, from the hands of international financiers who are completely callous as to the fate of their own successors. The success of conspiracy depends on secrecy and a denial of its own existence through ridicule of the very idea. Exposure, on a sufficiently wide scale, entails defeat."
Alternative to Disaster (continued from page 1)

(3) To pay wage increases determined by arbitration on the basis of demonstrated increased productivity. These increases would not be reflected in prices, the aggregate increases being credited direct to producing organisations, which would add them to their wages fund without accounting them into costs. Financial contributions to superannuation and pension schemes to be discontinued and retirement incomes to be progressively a charge on the NRA.

This represents a minimum and interim programme, to be adapted progressively to an economic situation which would alter rapidly as the measures took effect. The long-term objectives would be the progressive lowering of the retirement age, beginning immediately, and the progressive lowering of prices in relation to the physical facts of production and consumption, expressed as a ratio.

Proposals of this nature (here stated in barest principle) are usually stigmatised as "inflationary"—simply because they would increase the amount of money available to the community. But in point of fact, inflation is the direct result of issuing all new money in such a way that it enters into costs which have to be recovered through the medium of prices. In these proposals, this same new money—additional purchasing-power which is what the community requires—does not enter into costs; but when spent, goes to liquatate past costs, and is cancelled as consumer spending-power. It does not circulate. From the point of retail sale, it travels back through the productive chain, liquidating a proportion of past costs, and being sequestrated in industrial reserves to meet the replacement cost of depreciation or obsolescence; or, if these original costs had their origin in a bank loan, being repaid to the bank and cancelled—for every repayment of a bank loan cancels the 'money'.

Progressive reduction of the retiring age, unaccompanied by financial loss, recognises the replacement of human labour by increasingly automated production. Moreover it provides an incentive to efficiency, since an objective of those employed would be to gain major promotion prior to retirement. There should be sufficient retirement—that is to say, the retiring age should be lowered sufficiently—to offer employment to the extent required at the bottom. Under present demoralised conditions, unemployed youth is a menace to Society; but adequately provisioned retired elders, who have experienced the discipline of productive occupation, would be a stabilising influence.

There is, of course, not the slightest hope of any Government of any Party implementing this type of reform at the present time. They are too deeply committed to things as they are, and are under the vigilant scrutiny of Finance. The absolutely essential first step is to defeat the Conspirators by exposure of who some at least of them are, what they have done, and what they are doing—just as Gary Allen has done. Then, because human nature is fundamentally decent, a genuine solution of economic problems may be more welcome; and when it is, there are plenty of competent people able to embody the general principles enunciated in suitable technical form—a problem almost infinitely less complicated than, say, calculating and correcting the trajectory of a vehicle to the moon. There is so much deliberate confusion
about economic theory that the problem appears to be difficult; but the real difficulty about most problems is defining them correctly. Some problems in mathematics look to be impossible of solution when looked at from the point of view of arithmetic; but they are no problem at all from the point of view of algebra. Now when the economic problem is properly defined in terms of the objective of an economic system, the solution is a mathematical one. The present objective is defined as the full employment of both man (and woman)—power and resources; and the present economic system is the correct mathematical solution. Its banking system, methods of taxation and accountancy counter every development of applied science, organisation and machinery, so that the individual, instead of obtaining the benefits of advances in the form of a higher civilisation and greater leisure, is merely enabled to get more work done at the cost of a permissive and crime-ridden society. This objective is, and has been for a long time, settled as high policy; and it is a pre-supposition of any government’s taking office. Consequently economic theory is orientated in this direction, and professional economists are employed to devise appropriate methods of taxation, etc., to keep the economy geared to the objective. But considering only the industrialised countries, the objective is finally unattainable, for both physical and psychological reasons. On the other hand, development of undeveloped countries at the expense of industrialised communities provides the opportunity of pursuing the policy further.

If the objective were altered, however, economists would be paid (and promoted) to devise the technical (i.e., financial) means to implement it. Obviously, a steady increase in the purchasing power of the unit of currency would reflect the physical situation perfectly; and this is essentially a mathematical problem.

So technical discussions, however useful as a background for understanding, are in cold storage for the present. Conspiracy stands in the way of a change of economic policy, and conspiracy controls the major levels of power. A pre-determined economic policy pre-determines party-political activity, which simply reduces to competing claims to competence in respect of a matter which is not open to public discussion, because—again as a matter of high policy—it is excluded from the agenda of public discussion.

A perspective on this situation may be gained by assuming the virtually impossible: that the mass media should thoroughly expose the facts and personnel of international conspiracy. If this happened, the present system would collapse in a flash. On the other hand, if sufficient exposure could be effected on a more grass-roots level; and even more if, by forming groups united on the common objective of exposing conspiracy, the unearned increment of association could become operative, the objective of changing economic policy might be brought within range of attainment. And then, if elections were invalidated against this background of exposure by boycotting them or, where voting is compulsory, voting deliberately informally, the objective could be even more closely approached. There would be bound to be investigations and analyses of such an unpredicted phenomenon, with a high degree of probability that the truth would come out publicly—the proper answer to the riddle: Why is it becoming more difficult to bring peace on earth, and to make effective, goodwill between men?

What is the dynamism which will encourage the conquest of the earth, the sea and the air, but will only permit the substitution of poverty by slavery? Why does the mouthing of the phrase “the Common Good” merely ensue in individual evil? What is it which is strong enough to plunge the world into cataclysms of destruction at decreasing intervals, against “the common will”?

The answer is known: the task is to make the answer sufficiently widely known. It is not a light task, but short of a miracle, the only hope that remains. But beyond lies the brilliant prospect of the renaissance of the creative human spirit which has wrought such miracles in the past and, freed from the shackles of a conspiratorial and satanic attempt at perpetual tyranny, promises an ever higher civilisation of the future.

(Concluded)

“After reading this book you will never look at national and world events in the same way again”

—John G. Schmitz, United States Congressman

---

Prices include postage but subject to confirmation

Small quantities available from stock. Bulk quantities available end of February


Printed by Circular Press Limited, Colwyn Bay