

# THE SOCIAL CREDITOR

## FOR POLITICAL AND ECONOMIC REALISM

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### The Brief for the Prosecution\*

By C. H. DOUGLAS

#### CHAPTER V

##### ANTECEDENTS

WHEN the Masonically-propagated wave of revolutionary disturbance which swept Europe in 1848 reached the little German town of Cassel, a young German-speaking Jew, Ludwig, a son of Moritz Mond and Henrietta Levinsohn, put on a red tie and harangued the Jewish children of Cassel on the genius of Karl Marx. Prussia had a short way with revolutions, but young Ludwig abandoned street corner politics without apparently incurring any noticeable penalty, and studied chemistry under Bunsen at Heidelberg, marrying the daughter, Frieda, of Loewenthal, the Jewish chemist who is credited with being the pioneer of the German electro-plating and electro-chemical industry. At this period, England was greatly under the influence of the Prince Consort and the mysterious Freemason, Baron Stockmar.

Young Ludwig Mond and his wife decided to become English-speaking Jews. They arrived in this country in 1862, three years after Charles Darwin's MSS. of *The Origin of Species* had been accepted by a London publisher. Marx had published his *Critique of Political Economy* and Wagner had written *Tristan and Isolde*. It is generally recognised that these three works, the first on the plane of religion, the second in the sphere of industrial politics, and the third as a moulder of psychological outlook, have been systematically exploited in the interests of the dialectical materialism which forms the philosophy of the modern State. (See JACQUES BARZUN: *Darwin, Marx, Wagner*.) Ludwig Mond was a passionate devotee of Wagner.

In 1864 Ivan Levinstein, a Russian-speaking Jew, established an aniline dye works in Manchester and as Philip Goldschmidt, Mayor of Manchester, was a relation, Mond decided to settle there in view of the demand for chemists and the influence of Jewry. He worked as an employee for some years, spending his spare time in organising Socialist propaganda.

In 1873 he established, with T. E. Brunner, an accountant, the firm of Brunner, Mond, at Winnington, Cheshire, in those days a pastoral county of much beauty. For many years Brunner appeared to be the representative partner, but the Brunner interest was eventually eliminated.

The primary objective was the manufacture of soda by the Smet-Solvey process, for which Mond obtained a licence on peculiarly advantageous terms. The neighbourhood of Winnington was transformed into a stinking eye-sore, and the local population, and particularly the local gentry, expressed their opinion of him in no uncertain terms. The lifelong antagonism, which was inherited by his son Alfred Moritz Mond, against the country gentry is quite probably a factor to be taken into account in considering the subsequent policy of the dynasty.

Mond at once showed complete familiarity with the process now known as "rationalisation." Owing to the unexplained nature of the licence terms under which he operated, he was able to undercut by more than 100 per cent. his competitors in the soda market, whom he bought up and shut down, and in a comparatively short time had almost a complete monopoly. Mond retained close connections with

Germany, was a member of the German Chemical Society, and corresponding Member of the Prussian *Academie für Wissenschaften*. Practically every development in British chemistry reached Germany through these channels.

Messrs. Brunner, Mond's activities rapidly extended far beyond the manufacture of soda, and beyond the limits to which it is necessary for our present purpose to follow them. But a consistent policy can be seen from the inception of the undertaking to its disappearance in the larger body to which it gave birth—Imperial Chemical Industries.

That policy is the monopoly of key industries (Nickel, for instance, is an indispensable component of armour plate and machine tools, and Mond control Nickel) together with the transference of information and control to so-called international bodies, the focus of which was in Germany in the first place.

Since it is proposed to show that the international chemical cartel is a major factor in the almost incredible long-term policy to which the World War is directly due, it is important to grasp exactly what is involved. Perhaps the first approach to this end is to be clear that it was largely a "one-way street." The "patent" aspect of the policy forms a good illustration.

The cartel covering the interworking of Mond interests with the *I.G. Farben* and others, provides for an interchange of patent information. But, to quote Sir William Pope, reporting on the matter in 1917:

"Some German patents are drawn up for the purpose of discouraging investigation by more practical methods; thus anyone who attempted to repeat the method for manufacturing a dye-stuff protected by German patent No. 12096 would be pretty certain to blow himself up in the operation."

In this connection, it is perhaps not without significance that the (Washington, U.S.A.) Brookings Institution, which is generally regarded as a sounding-board for "Big Business," is (1944) circulating a book by its Principal, Mr. Harold G. Moulton, and Dr. Luis Marlio, advocating a "soft" peace for Germany, and in particular, no control for "German" cartels.

Ludwig Mond had two sons, of whom only Alfred concerns us. Being, of course, an English-speaking Jew, Alfred went to Cambridge where his chief recorded triumphs appear to have been in the field of poker, which he popularised. His general character is well illustrated by the remark he made during a tour of Palestine:

"It is madness and profanation to think that there exists anywhere in the whole world, anybody who could prevent us from

\*This is the last of the contributions to the understanding of world politics written during the War of 1939-1945 by Major Douglas. [*Whose Service is Perfect Freedom* (1939-40), *This "American" Business* (1940), *The Big Idea* (1942), *The "Land for the (Chosen) People" Racket* (1943), and *Programme for the Third World War* (1943)].

Chapters of *The Brief for the Prosecution* appeared serially in *The Social Creditor* between May and September 1944. Full publication in book form was in 1945. The reprinting is continued of this incomparable commentary of the causes of war and the ultimate seat of responsibility for the threat to civilisation, so much more imminent now.

carrying out our ideal. . . . My hands are not weak, and I will allow no Jew in the world to have weak hands." (*Biography*, p. 362, HECTOR BOLITHO.)

"All through his life, the philosophy of Wagner held and guided him" . . . "just as he loved Cromwell's courage, and sometimes planned his life upon it, so he applied Wagner's philosophy to the problems of politics and economics." (*Ibid*, p. 60.)

It is one of those inexplicable contradictions of the Jewish temperament that this love of Wagner was in the face of the violent anti-Judaism of Wagner himself.

Alfred Mond married Violet Goetze, and the daughter of this marriage married in 1914 Gerald Rufus Isaacs, son of Rufus Isaacs, the negotiator, on undisclosed terms, of the agreement in Washington which arrested the obstructive tactics of the American-German-speaking Jews, in particular the firm of Kuhn, Loeb, and caused them to change from the support of Germany to the support of the Allies. Rufus Isaacs, the brother of Godfrey Isaacs, of the Marconi case, became Marquis of Reading and Viceroy of India. His son, the second and present Marquis, was Chairman of the Central Valuation Committee under the Coal Act, 1938, which governed the acquisition of mineral rights, and is Chairman of the Council for German Jewry.

Coal, besides being the main mineral asset of Great Britain, is the primary raw material of industrial chemistry and war material. Absolute control of the coal resources of this country would decide in six months or less our ability to resist even a minor invasion.

Such absolute control was an impossibility when the coal was in private hands: it is, legally, a fact since the acquisition of the coal by the "Nation" in July, 1942.

It is necessary, in order to understand the working of super-national politics, to realise that control of a few chemical products means control of war. For instance, it was recently stated by Mr. R. E. McConnell, a mining expert and a war-time Assistant to the Secretary of the U.S. Treasury, that control of two materials only, oil and nitrogen, would give power to defeat any country, however large, which could not obtain them. Coal and oil are nearly interchangeable: nitrogen is "fixed" from the air by power from coal.

While, to the onlooker unfamiliar with international intrigue, a chemical combine such as Imperial Chemical Industries might appear to be a source of strength, the entire situation is altered when it is realised that it is certainly possible, and highly probable that certain controls are both extra-territorial and extra-national. And when, as in the case of Alfred Moritz Mond, the channel of communication had high political aspirations both personal and racial, which did not necessarily correspond with the interests of his more or less temporary hosts, the danger is one which no country should tolerate.

Mond was primarily a Zionist Jew. His immediate colleagues were Herbert Samuel, Rufus Isaacs, Godfrey Isaacs; Mr. David Lloyd George was solicitor to the Zionist Committee, but the whole of the powerful international group of Jews controlling a large part of world finance—Schiffs, Schusters, Rothschilds, Bleichroeders, Warburgs, and others, have to be taken into consideration. To the uninterested, Zionism is a slightly romantic semi-religious cult of much the same character as the Crusades, which, equally misunderstood, are regarded as a symptom of the rudimentary intelligence of our forefathers. The real force behind the Crusades was probably very different to that we are asked to accept in standard history; and Zionism is something very different to a simple scheme for the return of the Jews to Palestine. That is incidental to the moulding of events and Governments to procure a World Dominion for "Israel." The objective involves a perfectly clear, coherent, and continuous policy on the part of the Zionists. The conditions for successive and major crises must be created and maintained in the world; the means required to deal with each crisis as it arises must be in the hands of Zionist Jews, directly or indirectly: and the use of these means must only be granted to the highest bidder in the surrender of power or the guarantee of its use in the interests of

Jewry. In the past the control of money, gold, and credit, has been the primary weapon of the Zionist.

But the money myth has been exploded; and legal control of raw materials is essential to the pursuit of the policy to a final and successful issue. Genuine and unfettered private property of any description whatever, is absolutely fatal to it; and the liberal financing of any movement, "Commonwealth," "Liberal," Socialist, Henry Georgite "Single Tax" or Communist, which attacks the idea of private ownership in anything whatever, can be traced without difficulty, if not to Zionism, to Zionist bankers. This is the answer to the fact which seems to puzzle so many people; that the richest body of individuals in the world should subsidise attacks on wealth. Not a single one of the movements mentioned has ever attacked the Money Power or the Jews. Since it was impossible, after the publicity given to the subject by the election of the Social Credit Government of Alberta, to ignore the subject of Finance altogether, practically all the Left Wing parties now include the "nationalisation," i.e., central control, of banking in their programmes. The objective is similar to that involved in the "Nationalisation" of coal.

During the early years of the 1914-18 phase of the war, the British Empire was heavily handicapped by the chemical situation, particularly in regard to high explosives. The Government Explosive Factories were under the control of Sir Frederick Nathan. Messrs. Brunner, Mond did what they could to help: they constructed a large factory at Silvertown with Government money, but unfortunately it blew up, killing 40 people and destroying 800 houses.

Much misfortune seemed to attend the attempts to produce aniline dyes, although they were discovered by an Englishman, Perkins. But fortunately, after the collapse of Imperial Russia and the visit of Rufus Isaacs to Washington, followed by the Balfour Declaration on Palestine, things soon righted themselves. As Sir Alfred Mond remarked in a speech to the New York Zionists, reported in the *Jewish Chronicle* of November 8, 1928: "Has it ever occurred to you how remarkable it is that out of the welter of world blood there has arisen this opportunity? Do you really believe that it is an accident? Do you really in your hearts believe we have been led back to Israel by a fluke?"

After the cessation of military hostilities in 1918 the explosives and allied industries were concentrated into the control of Nobel Industries, Ltd., with Sir Harry, now Lord McGowan, as Chairman British Dyes Ltd., with Mr. Herbert Levinstein as Managing Director, and Brunner, Mond, with its affiliate United Alkali, merged with these to form, in 1926, Imperial Chemical Industries Ltd. (I.C.I.). Directly and indirectly, Imperial Chemical Industries thus became probably the most important industrial group in Great Britain.

On April 27, 1928, the following paragraph appeared in the *Chemical News* (London):—

#### THE NEW WORLD FINANCE COMBINE AND CHEMISTRY.

It would be difficult to over-estimate the importance, not only to British industries, but to the industries of the whole Empire and of the world at large, of the formation of the new Finance Company of Great Britain and America. It represents an alliance of British and American industrial and banking interests on an unprecedented scale.

In the new corporation the largest single producing unit in the British Empire—Imperial Chemical Industries, Ltd.—is allying itself with the biggest banking interests in the United States—the Chase Securities Corporation of New York and the Chase National Bank.

The chemical combine has a capital of £65,000,000, and includes over a hundred companies with branches, factories, agencies, etc., all over the world. The Chase Securities Corporation has over 4,000 branches and commands assets amounting to £200,000,000.

The military "defeat" of Germany will, of course, raise the question of the control of *I.G. Farben*, the "opposite number." In considering this situation it should be remembered that Finance always controls Policy.

Having centralised the capital side, and assembled the factors leading to the centralised control, *via* "nationalisation," of raw material, obviously the next step was to centralise Labour control.

At this point, perhaps it may be desirable to touch upon the most formidable difficulty which has to be overcome in mobilising public opinion on major politics. Even well-informed people, when their attention is drawn to the dangers which threaten civilisation, are apt to say that we are merely witnessing the results of the "Capitalist" or "Profits" system. Nothing could be further from the truth. As Mr. Austin Hopkinson, Member of Parliament for the Mossley Division of Lancashire (Independent) in a recent speech in the House of Commons said: "'Big Business' has nothing to do with legitimate commerce and industry; nothing whatever; it is a purely parasitic growth, living upon the lifeblood of industry and of the workers. It is obvious that Big Business, in collusion with the Labour Boss of the syndicalist type, is preparing a brave new world for these young men (the fighting forces) when they come home. Many Hon. Members will have seen a manifesto by Big Business recently. What did it mean? It meant that great monopolistic bodies will be set up in each industry, vested with statutory powers whereby they may crush every form of independent enterprise by making one great monopoly. By collusion with the labour boss, they would always have a majority on the council for each industry, and by their statutory powers they could always enforce their will on everybody else. If I may quote a familiar Latin saying '*Solitudinem faciunt, pacem appellant*,' which means that these people would make a monopoly, and call it 'peace.'

"This is not the first time we have had to fight against this sort of thing. Many Hon. Members will remember the 'peace in industry' stunt of the late Lord Melchett (Sir Alfred Mond) some years ago, which was exactly the same thing as is being prepared in this country to-day. The idea was to set up large councils for industry on which the big monopolistic firms would have a majority, and if they could work with the labour boss, as they intended to do, they would be able to crush out any chance for any of those young men who are fighting for us abroad. . . ."

The proposals to which Mr. Hopkinson refers were the subject of the Mond-Turner Conferences, and a "Joint Interim Report" of them may be found on pp. 219-230, Trades Union Congress Record, 1926.

No very detailed statement in regard to their outcome was issued. But it is perhaps not without bearing on the question that the headquarters of the Trades Union Congress were moved to convenient offices owned by Imperial Chemical Industries, and the relations between the officials of both enterprises have been continuously amicable. The general public is, of course, not represented.

There is no fundamental, and not much detailed, difference between the Mond-Turner proposals and the Fascism which this war purports to eliminate. It will not be difficult to show that it is a coherent part of a much wider strategy, *adopted* by Germany at the time of Frederick the "Great." But each step of this strategy requires assistance from Powers controlling finance and industry. That is to say, political power has to make terms with economic power. The objective of World Domination is quite certainly sponsored by Germany, and in particular, the German Great General Staff. But behind them, we can perceive the movement of forces whose controllers have very different ideas as to the ultimate Sovereignty.

The main proposal of the Mond-Turner Conference was that industrial affairs should be taken out of the hands of Parliament, and dealt with in a kind of Third Chamber, consisting only of members of the Trades Union Congress and the Employers. The resemblance to the Italian Fascist Corporation Council is striking.

Associated with Mond, on the Employers side, were Sir Hugo

Hirst (Hirsch), Lord Ashfield, Lord Weir, Lord Barnby, and Mr. Lennox Lee. How far his associates understood the implications of the policy, it is, of course, impossible to say.

The Trades Union representatives were Mr. (afterwards Sir) Ben Turner, Mr. Ernest Bevin, now Minister of Labour, Mr. (now Sir) Walter Citrine, Mr. A. J. Cook (Communist), Mr. Ben Tillett and Mr. Gosling. Of those who survive, it is interesting to note that they have been selected for steady promotion.

"On the subject of rationalisation" (*i.e.*, squeezing out small firms) "the Conference decided that this tendency should be encouraged" (Lord Melchett) with certain pious reservations.

## CHAPTER VI

### THE GOLD STANDARD

In October, 1929, a year after the (British) Bank Notes and Currency Act had placed the British currency and credit system under the control of a non-governmental, and, so far as is publicly known, possibly-foreign-controlled, institution, the Bank "of England," the nine years' period of almost fantastic commercial and industrial prosperity in the United States—a period in which shiploads of millionaires found time to visit Europe, including "Britain," for the purpose of acquiring the assets of our bankruptcies—came to a sudden end. In a month, stocks and shares became almost un-saleable; workmen were discharged in millions, to be followed at a short interval by black-coated staffs and technicians. The United States, and the world in general, had entered on the greatest economic depression in history. The late Sir Henry Strakosch was ready with an explanation. Primary prices had fallen. Notice the natural phenomenon. No-one to blame.

It is probable that complex theories of Trade Cycles and the effect of sunspots on industrial activity are already in preparation in the London School of Economics and Columbia University, in order that historians may have the material to explain the economic blizzard. But, meanwhile and in fact, its cause is beyond dispute.

Under more normal conditions, industry in the United States is preponderantly financed by bank loans or overdrafts. In consequence the manufacturer and farmer are under the complete control of the banker, who can, and often does liquidate them almost without notice. The system constitutes the most comprehensive control of policy of which it is possible to conceive, extending to the ability to penalise opinion by economic ruin.

During the decade of abnormal industrial activity, much of which consisted in the manufacture of goods for the reconstruction of Russia and Germany, the American manufacturer accumulated large sums, and bank balances, which, towards the latter quarter of the period, he found it difficult to employ in industry. As a result, he not only made less use of bank money, but actually entered into competition with financial circles for the provision of funds to borrowers not only in the U.S.A. but abroad. Not only were the profits of money-lending threatened, but the industrial subservience to the book-keeper was endangered to an extent which called for immediate action. It was taken. Notwithstanding the immense prosperity of American industry even towards the end of the boom, much of the day-to-day money was as usual provided by current accounts normally fluctuating from large overdrafts for wages, etc., to small credits as these overdrafts were repaid. These were all "call money," *i.e.*, were subject to the fiat of the banker. The industrialists were not organised to lend "call money" and their funds were placed on fixed terms of three months, or more.

At the end of October, 1929, the New York banks, without notice, called in practically every overdraft, and advanced the rate for "call money" from a normal 3 per cent. to 30 per cent. or more. The effect was instantaneous. Borrowers, for the most part in possession

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## The Sanhedrin of Satan\*

"The political has nothing in common with the moral... Our countersign is Force and Make-believe." *Protocols of the Learned Elders of Zion I.*

A respectable minority of those who have been impressed by the importance of the *Protocols*, as for instance, Mr. Henry Ford, Sr., and Lord Sydenham, take the attitude that the origin of the *Protocols* is a matter of comparatively small importance; that it is their almost uncanny correspondence with events which did not transpire until many years after their publication which gives them the importance they have.

We have never been able to follow this argument in its entirety. We imagine that if Scotland Yard were to receive a schedule of the major crimes which would be committed over a period of the next fifty years, and the events of the first five years of the period corresponded with the programme, they would be primarily concerned to know who was in a position to draw up the schedule. But if it became evident that all, or a great part, of the resources of Government, propaganda, the educational system and some of the dignitaries of the State Church were involved in the Schedule, then the matter would clearly require attention at higher levels.

The dominance of Force in current affairs, whether police force internally or military force internationally, does not require to be stressed. It is obvious and inescapable. But the growth and prevalence of make-believe requires far more attention than it receives.

At the outset, let us notice the accuracy of the phrase, *make believe*. That is a short description of hypnotism: the use of mental dominance which, for evil purposes, is Black Magic.

Once that is grasped it is easy to see that the *Protocols* are the Gospel of Black Magic applied to human affairs. Now let us turn to a specific instance.

That shop-front for the Sanhedrin of Satan, U.N.O., the last assertion of the Monotheistic principal of Government, is a sham founded on shams. Its mechanism is a franchise founded on arbitrary units called nations each of which in theory has a vote irrespective of its size, history, ideals or other qualification. Not half of one per cent. of the populations of these nations had the most distant conception either of the implica-

\*From C.H. Douglas's "Week to Week" notes originally published in T.S.C., Oct. 28, 1950. The title has been added.

tion of its creation, or the interests it was intended to serve, although Mr. Attlee declared in advance that "Labour" when it came to power would subordinate British interests to World interests (which is of course the explanation of the "enigma" of Mr. Attlee's Prime Ministership).

A leading agent in its hasty launch at San Francisco was stated to be Mr. Alger Hiss, now serving a long sentence in gaol for treason to the United States.

There are three fair-sized wars in progress under its direct and indirect management, the whole world is becoming mortgaged to the power behind its policy, the United States perhaps better described as Wall Street, "Britain" has "won" one more war and lost one more "peace," together with the most successful Empire known to history, and the people of these islands are governed for all essential purposes by ideals and, in a large part, *personnel* derived from the Polish and Russian Ghettos.

It is beyond question that there is an intimate connection between the course of events and the schedule which foretold them. Whoever constructed that document or its essential features, should be the primary objective of an outraged humanity.

### HISTORY

Who controls the past controls the future;  
Who controls the present controls the past.

—George Orwell, in 1984.

### The Brief for the Prosecution

(Continued from page 3)

of large blocks of securities both American and European (Germany re-possessed herself of her own borrowings at bargain prices), threw them on the market in order to obtain cash, either to meet calls or wages account. But there were no buyers for cash, since there was no cash. The banks had it all, although the country at large had the securities representing much of the funded wealth of the prosperous years.

For about twelve months, American business staggered down the "slope. Any slight improvement in the stock markets (there was none in commodity markets) was greeted by an avalanche of selling orders. Where salaried workers were retained, they were presented with ultimatums requiring immediate acceptance of drastic salary reductions. Living standards, and consequent consumers' buying, fell even faster than wage and salary reductions, as a consequence of widespread lack of confidence in the future—misgivings which were more than justified.

It is probably not without significance that the President, elected by the Republican Party, was by profession an engineer with a natural tendency to favour the producer rather than the financier and the trader. As an instance of the attitude assumed by the Money Power in relation to the Administration, it may be recalled that Mr. Hoover dictated an official memorandum to Eugene Meyer, Chairman of the Federal Reserve Board, drawing his attention to the disastrous consequences of the Board's policy, and requesting reconsideration of it. Mr. Meyer acknowledged the receipt of it and took no action. Eugene Meyer was appointed Chairman of the Reconstruction Finance Corporation by Mr. Hoover's successor.

The Governor of the Bank "of England," Mr. Montagu Norman, adopted much the same attitude, remarking to the "MacMillan" Commission on the working of the Gold Standard, "If the Government will inform us of their policy, we will co-operate as though we were under statutory obligation to do so." This attitude, which agrees with the extra-territorial status of the various Central Banks,

founded, together with the Bank of International Settlements, during the Armistice years, is a clearcut assertion of super-nationality. It is quite in accordance with this position that Mr. Norman and other Central Bank Governors remain co-directors of the Bank of International Settlements with those nominally belonging to enemy states.

Under normal conditions, the paralysis of a trade competitor would have reacted to the advantage of British industry. The grip of the Bank Notes and Currency Act (1928) upon trade conditions was so comprehensive, however, that the "depression" while not so spectacular in Great Britain as in the United States (almost entirely because compulsory unemployment insurance, miscalled the dole, masked the widespread misery and despair) was at least as disastrous. Certain areas such as South Wales, Tyneside and the Clyde were in so desperate a condition that they were first earmarked for treatment under the title of Distressed Areas, but later distinguished as Special, an adjective as descriptive as the treatment they received was abominable. It is the essence of the history of the period that in the face of disastrous unemployment the armed forces were depleted both of men and equipment, and every effort was made to re-equip Germany.

The effect of continuous trade depression on business organisations is uniform. First profits decrease by competition in a decreasing market causing a fall, but not necessarily a heavy fall, in prices. There is no evidence to support the statement sedulously propagated, that the depression was *caused* by a fall in prices. *Before* the panic of October, 1929, American prices were still at a profitable level.

Such fall as did in fact take place was equivalent to a rise in purchasing power and in all probability increased for some time the *volume* of goods bought, and delayed the next stage—the disappearance of profits, the liquidation of reserves, and the separation of business undertakings into two classes: those which were to be supported by bank overdrafts and carried on as bank-controlled organisations; and those which were to be closed down.

In fact it can be seen both by the depression itself, and by the means which were inaugurated to end it when the process was considered to have gone far enough, that elimination of competition was its primary objective.

Lord Melchett (Sir Alfred Mond), speaking at Harvard in 1928 on the Mond-Turner Conference, said: "The high purpose of the Conference could not be more amply illustrated than by the fact that the first agreed resolution published to the world was a Joint Memorandum on the Gold Reserve and its relations with Industry.

"It is merely necessary for me to point out that the issue of that Memorandum to the Chancellor of the Exchequer had a definite result in the policy which he pursued . . . when the Bank Note issue and the Treasury issue were amalgamated this year."

That is surely definite enough. There is probably not a single authority nowadays who would venture to deny that the "economic blizzard" was a monetary phenomenon arising directly out of the parallel monetary policy of the Bank "of England" and the Federal Reserve Board of the United States; that the amalgamation of the Treasury issue with the Bank was a part of it; and that the object of this policy in both countries was advance towards monopoly, then called rationalisation, and now called concentration, or "Planning." Without commenting on other qualities of the Trades Union participants in the Conference, it is safe to say that their qualifications for discussing the effect of Gold Reserves and their understanding of monetary theory were equally non-existent.

The tragic policy to which reference is made with such complacency, besides subjecting the working population of Great Britain, supposed to be represented by the Trades Unionists at the Conference, to six years of desperate misery, is beyond doubt the most important factor amongst those culminating in the Second World War, and the hair-breadth escape of Great Britain from complete disaster in 1940.

On April 21, 1932, Mr. Winston Churchill made the following statement in the House of Commons:

"When I was moved by many arguments and *forces* (my emphasis) in 1925 to return to the Gold Standard, I was assured by the highest

experts that we were anchoring ourselves to stability, and I accepted that advice. But what happened? We have no reality, no stability. . . . This monetary convulsion has now reached a pitch when I am persuaded that producers of new wealth will not tolerate indefinitely so hideous an oppression."

The gold exchange standard was abandoned in 1931.

Seen in the light of subsequent events, its resumption had accomplished its purpose—to emasculate British military, naval, and air power, and to create the atmosphere in which "the threat of war" would "induce the British Government to undertake comprehensive Planning." (P. E. P.)

In 1932 the "economic blizzard" approached its height in the United States, President Hoover was completely discredited, most of the smaller industrial firms were wrecked, and attacks on the banking system, as a system, and as a credit monopoly, were increasing to a formidable volume. There were over twelve million unemployed. In November of that year, Franklin Delano Roosevelt was elected President, and in March 1933 assumed office under conditions of nation-wide panic. In many towns, not a single bank was open for business, and all over the country money substitutes of the token class were in daily use. Probably sixty per cent. of the banks were insolvent. Roosevelt's first action was to close every bank. It is significant that the first step taken to deal with the crisis was financial, not industrial.

It is not necessary to the understanding of the general situation to deal with the technicalities of the banking situation, which have been explored, for instance, in *The Monopoly of Credit*. But it may be explained that the American Banking laws expressly forbid what is called Branch Banking (the English system), and American Banks, for the most part, outside New York, were in real and active competition with each other, not merely for customers' accounts, but for re-discount facilities. The old Scottish Banking system, which had many good features, was similar. The prohibition of Branch Banking had been a great safeguard against the mammoth Wall Street banks, but its fatal weakness was the need to borrow for the purpose of lending. The freezing of re-discount loans by the Reserve Banks ultimately controlled by the Federal Reserve Board, had put the country banks in the position of being helpless against a "run," which occurred in practically every case.

Hundreds of small banks, and some large (but none of the largest) banks had closed, never to re-open. The largest banks were relieved of a good deal of competition.

President Roosevelt devoted the major portion of his Inaugural Address to a castigation of Financiers—not all Financiers, but those who had been uppermost during the Hoover regime. No criticism of the credit monopoly, as such, was expressed or implied.

The new Administration, surrounded by such men as Bernard Baruch, Felix Frankfurter and other international Jews, acted with vigour, and clearly in accordance with a carefully prepared programme. Selected banks were re-opened, and the Federal Reserve Banks, until now entirely quiescent, poured out credits to them on dictated terms which removed any danger of revolt. Large contracts for public works were placed with contractors, and State Employment organisations, whose barely concealed object was the lavish spending of money, rose and expanded. At the same time "controls," which can be recognised as the groundwork of the Planned Monopolistic State, were imposed on each main industry.

Three months later, Mr. Montagu Norman took a holiday, and while he was at sea Great Britain renounced the deflationary policy so relentlessly pursued.

The red light was replaced by green. The traffic was to be allowed to proceed on conditions.

## CHAPTER VII

### THE BIG IDEA

WE require an intergrowth of the German and Slav races, and

we require too, the cleverest financiers, the Jews, for us to become masters of the world. We require an unconditional union with Russia, together with a mutual plan of action which shall not permit any English schemata to obtain the mastery in Russia. No American future!—FRIEDRICH NIETZSCHE: *Genealogy of Morals*, p. 187.

In the main, no great error is involved in dividing responsibility for world disasters into action on two planes. The first plane is that on which very long term policy, as we consider length of time, is pursued by the same organisation. An attempt to outline policy on this plane is contained in a previous work, *The Big Idea*. It is quite possible, and even probable, that we have to take into consideration more than one tradition. Prussianism seems to be the modern embodiment of one World Empire concept possibly descending from the Teutonic Knights of the Crusading period, just as the Financial Empire of Judaism is another. That the two should unite in Germany appears just as logical as that internal enmity would be inevitable.

But the instruments of this policy, Nations or States, are chosen and retained for much shorter historical periods, and are discarded when a better instrument becomes available. It is in this sense that "Germany" bears a large share of the guilt of the World Wars, and it is in this sense that it is possible to date the inception of the policy with accuracy, and beyond much danger of serious disagreement.

Frederick II of Prussia, commonly and revealingly called the "Great," ascended the Throne in 1740. He has fortunately left voluminous writings of which the *Political Testament* is possibly the most important. The language and sentiments of this work bear in many ways a striking resemblance to those of the so-called Protocols of Zion, and strengthen the belief that the source of the policy of both of them is Masonic. Anacharsis Cloutz, who called himself "the personal enemy of Jesus Christ," was a close associate of Frederick, and was a high Freemason.

The philosophy of Frederick, if it can be so described, is not in doubt. He remarks:

"As it has been agreed among men that to cheat our fellow creatures is a base and criminal act, it has been necessary to find a word which might modify the idea; and the word *policy* has been sanctioned to that end. In all probability, this word was selected only for sovereigns, for they cannot really be called rogues or rascals." (Note the curious suggestion of outside influence—Author.)

"However that may be, here is what I think of policy. I mean, by the word *policy*, that we must always try to dupe other people. . . .

"This principle being laid down, do not be ashamed of making interested alliances from which only you yourself can derive the whole advantage. Do not make the foolish mistake of not breaking them when you believe that your interests require it; and above all, uphold the following maxim: 'That to despoil your neighbours is to deprive them of the means of injuring you.'" (Frederick the Great: *Political Testament*, pp. 8-9, Boston edition, 1870.)

It is possible that the preceding paragraph contains in the shortest form the guiding principle of German national action. And the instrument of this principle is the Great German General Staff. It is necessary to be clear in our understanding of this statement, because the words represent an idea which is completely unfamiliar to the average British or American mind, and misunderstanding of them leads to a misunderstanding of the problem of dealing with Germany. The Great German General Staff (G.D.G.S.) is Germany, and the German people are its instrument.

For instance, not very many people connect the attempt to bureaucratise Great Britain with the German General Staff. They do not understand that words such as "military" or "civil" are

merely used in Germany for the deception of foreigners.

In Germany the "Civil Service" is simply a branch of the General Staff—an inferior branch. "Big Business" is another branch. "Eric Bramley-Moore," the pseudonym of an American banker resident in Berlin during the Armistice years, remarks:—

"During my work in Germany, I often negotiated for the release of funds belonging to American Corporations. Did I go to the heads of industries, or to the banks? Not at all. I went to the Economic Section of the German General Staff. In every important business firm in Germany there is an Economic Defence Leader, responsible not to the company which pays him, but to the General Staff." (*Reader's Digest*, March, 1944.)

There is a direct line through Marxian Socialism and the endowment of the London School of Economics by Sir Ernest Cassel, the large sums donated to the Labour Party by German-speaking Jews, and its close connection with German Socialists, which connects the German General Staff with the attempt to bureaucratise this country. The object is simple. The G.D.G.S. knows exactly how to use a bureaucracy for its own ends, without that bureaucracy having any conscious participation. And the end is the downfall of Great Britain, as a step to World Dominion.

Once this central idea is grasped, the absurdity of supposing that we are merely menaced by Hitler and something called National Socialism, is only equalled by the naive idea that there is any fundamental antagonism between the significant German-speaking Jews whether in Germany, Wall Street, or elsewhere, and the heads of the General Staff. Both of them are completely indifferent to the sacrifice of large numbers of their co-racialists if the main strategy is thereby advanced.

Werner Bruck, himself a Jew, and Assistant to Walther Rathenau, one of the group of powerful German-speaking Jews who surrounded the Kaiser, says in his *Social and Economic History of Germany*:—

"This militarism has rightly been called the cement that bound the whole structure of society into an entity. It was, and still is, an outstanding expression of the efficiency of the Supreme State . . . the giant industrial plants, large savings banks, local branches of the Social Democratic Party (Marxian Socialists) functioned through men of the type of captains, or non-commissioned officers."

At the present time, when we are supposed to be fighting the German spirit as well as the German armed forces, we hear through all the main channels of controlled propaganda (and all the main channels are controlled) of the necessity for "economic planning." The original coiner and user of the phrase was General von Moellendorf, of the German War Office.

The German *Weltanschauung* of political and economic world hegemony must be recognised, therefore, as a coherent and unified policy having successful war as its continuous objective. It is in this that the fundamental difference between the German and the British General Staffs can be seen. The British General Staff is quite as capable technically and professionally, but its objective is quite different. The problem put to the British Staff Officer is to be prepared, within the narrow limits of peace-time financing, for any eventuality, and especially for the more likely eventualities. His role is essentially defensive and strategically passive.

That of the German is offensive and active.

It may be desirable to point out at this juncture that the so-called efficiency of the German is purely functional and has led him from one disaster to another, as it would lead us if we copied it. The weakness of democracy, in its present form, is not lack of "planning," but in the existence of financial and industrial oligarchies whose mentality is sympathetic to Prussianism, and in fact is largely interlocked with it.

Since the origin of the Russian "Communist" policy is identical with that instilled into Frederick II by Anacharsis Cloutz, they are in essence similar. The coalition of Germany and Russia is logical,

but the Russian mentality is very dissimilar to that of the German, and may easily contribute unrehearsed developments.

## CHAPTER VIII

### THE ECONOMIC & POLITICAL CONSEQUENCES OF THE PEACE

ON November 11, 1918, at eleven o'clock—the eleventh hour of the eleventh day of the eleventh month, an Armistice in the World War came into force between Germany and the Allies, France and Great Britain, with the Associated Nation, the U.S.A., concurring. The slightly mystical character of the date and hour is not without interest.

Germany was beaten. The military history of 1918 is curiously unconvincing, but certain facts stand out. Powerful forces were at work behind the German Front to halt the war before American casualties became serious. And the German Staff was determined that the destruction wrought in France and Belgium should not be repaid in kind on German soil.

Palestine had been conquered by General Allenby's Forces, and Russia had been reduced to chaos, through the agency of a sealed train of expert revolutionaries, headed by Lenin (Oulianoff) and Trotzky (Bronstein), almost all of whom came from New York.

London abandoned itself to an orgy of relief and rejoicing. Mr. Lloyd George stampeded the country into a General Election with the main items in his programme announced as "Hang the Kaiser" and "Make the Germans pay." The Kaiser died a peaceful, natural death in the Castle of Doorn, Holland, twenty-two years later, Herr Hitler, the National Socialist, having given orders to the German troops invading Holland that they were not to approach the Castle nearer than one mile, so as not to disturb him. It is instructive to consider the success of the second item.

It should be remembered, however, that hardly had the guns ceased fire, than numbers of distinguished and well-patronised economists the world over announced that it was impossible to make Germany pay. The basis of this statement was not that Germany *could* not pay. It was that the Allies could not afford to be paid. A conspicuous exception to this attitude was the United States, the Associated Nation, which not only insisted on being paid "out-of-pocket expenses" by Germany but the much more considerable debts incurred by the Allies, and underwritten by Great Britain. It must be remembered also that Great Britain entered the war a large creditor of America; parted with gold and securities to an amount almost equal to the debt; and received in return war material, much of it so inferior as to be almost useless, and all of it at tremendously inflated prices.

It is impossible to understand the extraordinary collapse of the power and prestige of Great Britain at the end of a victorious war on any grounds other than that the terms upon which the United States entered the war (which were certainly dictated by German Jews to Wilson), contained provisions which were designed to ensure not merely the temporary defeat of Germany, but the permanent impotence of Great Britain.

The freedom previously enjoyed by Great Britain in regard to foreign policy disappeared with the entry of the U.S.A. into the war. What, then, did the economists mean? There is little doubt of what they meant. It was not that Germany could not pay, and not even that Germany could not be made to pay. It was that all the politicians were in the hands of the financiers, and had been made to understand quite clearly that the interests of finance were paramount. This involved certain clear issues. The first of these was that every effort must be made to re-establish gold as the basis of payment. (Rufus Isaacs, Lord Reading, had agreed in Washington that British debts to U.S.A. should all be paid in gold). The second was that everyone should be poorer—or think themselves poorer—so that "employment" for wages might be re-established everywhere as quickly as possible. Whoever was to be paid, it must on no account be the ordinary individual. The third was that debts to bankers must be given priority over debts to Governments. And the fourth was that the American-speaking German-Jewish bankers

such as the Warburgs and Schiffs who were paramount at the peace conferences, were determined that Germany should be in a position to renew the struggle at the earliest possible moment. Apart from other reasons they had done too well not to wish for a repetition.

The first payment ordered by the Reparations Commission was in kind. The German Government were ordered to deliver 2,234,000 tons of coal per month. After numerous protests at non-delivery by the French Government, the Reparations Commission informed the Allied Governments on June 30, 1920, that Germany had voluntarily defaulted on coal deliveries. She could deliver, but she would not.

At Boulogne in May and June, 1920, the Reparations Money Indemnity was fixed at 269 milliards of gold marks, spread out over 42 years. The Germans did not pay. The paper mark began to fall in exchange value which would normally indicate that she was importing more than she exported. Enormous quantities of paper marks were sold to speculators in foreign countries for gold currencies. When these became valueless the Germans had received a considerable war indemnity and wiped out their own National Debt.

Germany had agreed to supply large quantities of timber. On December 26, 1922, the Reparations Commission declared Germany in voluntary default in the delivery of timber.

On January 26, 1923, the Reparations Commission declared Germany to be in general default both in respect of deliveries in kind and in monetary payments.

By this time, France and Belgium were ranged in solid opposition to Great Britain, and the forces working through the British Government were assisting Germany in every way to defy France. On August 11, 1923, the mark collapsed completely, and became worthless. As a consequence German properties were bought up for trivial sums in dollars by Jews with foreign balances.

We now enter the almost incredible period of the Dawes and Young Plans by which Allied and American bankers, under an American Chairman, supervised the building up of German credit, and provided the funds for the modernisation of German industry. With Mr. Montagu Norman as Governor, and a nominee of the Federal Reserve Board, Dr. Sprague, to advise him, the Bank "of England" co-operated with New York banks in assisting Dr. Schacht, described by Lord Vansittart as "the most oleaginous rascal I have ever met," to obtain large sums of money from both countries, small fractions of which were returned as "reparations." This fantastic situation finally came to an end with the failure in May 1931 of the *Credit Anstalt*, a large Austrian bank which had been supported by the Bank "of England," which coolly transferred a loss of £40,000,000 from its own accounts (the Bank "of England" being a privately owned bank) to the debit of the Exchange Equalisation Account, which is national property. Germany declared a moratorium which finally terminated all reparations payments. At the same time President Hoover declared a moratorium which temporarily suspended Allied payments to America.

Turning to the military aspects of this period, Article 160 of the Treaty of Versailles read, "The Greater German General Staff and all similar organisations shall be dissolved, and may not be re-constituted in any form." The G.D.G.S. merely went into plain clothes. The Treaty limited the Germany Army to 100,000 men. General von Seeckt trained them all as officers, which most of them had been before. Von Seeckt made a secret arrangement (and this is significant because "American" influence in Russia at this time was paramount), whereby army units were trained in the Soviet Union, and an aviation school was established near Moscow. The "Black *Reichswehr*" was set up to thwart the Allied Control Commission, and to spend secret funds where they would further the main object: to weaken the military power and national morale of Great Britain and France, and to build up that of the Reich.

This steady pursuit of a fixed and unalterable objective was completely independent of the various forms of Government which succeeded each other in Germany in the fifteen years between the Armistice and the accession to power of Adolf Hitler, the ex-corporal who had been a paid spy for the Army. To suppose that he came

to power without the consent of the G.D.G.S. is simply to misapprehend the possibilities of political Germany.

It may be convenient at this juncture to emphasise an aspect of the matter which has an importance, if possible, greater at the present time than during the period of German re-armament. Both Britain and France had staffs of men in Germany on the Reparations Commission, and in other capacities, who knew what was going on, and reported their findings. British business men visiting Germany reported the drilling of thousands of armed men in every district of Germany. Mr. Douglas Reed, for some years a foreign correspondent for *The Times*, has stated that his warning despatches were suppressed.

Almost up to the outbreak of war in 1939, the British public was abysmally ignorant of the situation, so that Mr. Stanley Baldwin, with that engaging honesty which must ensure him a place in history, remarked in 1936, "Supposing I had gone to the country and had said 'Germany is re-arming; we must re-arm.' Does anyone think this pacific democracy of ours would have rallied to that call?"

The British Press, with a few honourable exceptions, played down the dangers which lay clearly ahead, and were supported by the "British" Broadcasting Corporation, the latter under the obvious control of the Bank "of England." Broadly speaking, the British Press is controlled by international Big Business and Finance. The Labour-Socialist Party did everything possible to hamper re-armament, and actually stopped the completion of the Singapore Base (not on technical grounds, which appear to have existed, but for pacifist reasons).

At the present time, we are being presented with the same description of distorted information on the social conditions of the totalitarian states, and notably of Russia, whose military prowess is systematically confused with social well-being.

It is impossible to dispute the evidence which is available that there is a tacit conspiracy between the international financier with his controlled press, and the international socialist, to stampede the general public through the agency of continuous mis-information, just as the same forces prevented the British Government from utilising the unemployment period of 1928-1933 to anticipate and suppress the German re-armament which proceeded throughout with unabated vigour. Does Lord Baldwin or anyone else suppose that the unemployed in the Distressed Areas would have refused to make guns in 1930?

It must be obvious to anyone who will give the matter serious consideration that *the interests which control British publicity consciously worked to emasculate British military power and to build up that of Germany, and that they were assisted, whether consciously or not, by certain carefully selected Trades Union leaders who moulded the policy of the Labour Party in accordance with the parallel policies of the German-speaking Jew-inspired Fabian Society (later, P.E.P.) and the Zionists.*

In the Report of the (U.S.A.) Custodian of Alien Property, published in 1919, after explaining the care with which German control had been concealed, it is remarked:

"In many of the large German-owned companies taken over by the alien property custodian after investigation it was found that espionage was one of their chief functions. Every scrap of information of commercial or military value to Germany, was carefully gathered by the representatives of these concerns in this country, and quickly forwarded to the home office in Germany. . . . Especially the American chemical industry was a natural centre for German espionage."

J. Carlton Ward, President of the Fairchild Engine and Aeroplane Corporation, speaking at the Ritz-Carlton Hotel in New York on January 20, 1943, said:—

"Britain began to re-arm very slowly in 1935. That so-called slow phase of re-arming extended through 1937. The British political situation at that time has had a fairly close parallel in the United States. The Government was not free to spend the monies

required for armament."

It should be noticed, therefore, that German re-armament was being assisted by dominant powers in New York and London; in both centres this re-armament was played down, and political parties notoriously dominated by "internationalism" opposed defence measures; and that Germany and Russia alone devoted single-handed attention to preparation for war.

The control of the money policy of Great Britain is predominantly in the care of the Bank "of England." The control of the monetary situation in the United States is predominantly in the hands of the Federal Reserve Board.

Since it is probable that the Jewish question will be one, if not the major, preoccupation of the twentieth century, the obvious contradictions of German policy in this regard demand attention. In the world's press at this time (1944) "Nazi," a Jewish word meaning "Prince" as well as National Socialist, is made to appear synonymous with the persecution of the Jews. How much persecution there really has been will not be known until a much later date. That there has been some, is quite logical and understandable. The inflation racket inflicted untold hardships on the general body of the German people. German-speaking Jews were conspicuous exceptions. They appeared to be possessed of large quantities of American currency or credit, and used it to buy out every German business, and even personal property, from a population which saw its means of contact with food and lodging disappear overnight. A raging thirst for revenge was undoubtedly widespread, and in the lawlessness of the times some of it found satisfaction. But that the genuine *higher* policy of Germany is anti-Jew is patently absurd. There is abundant evidence that Hitler received exactly the same kind of support from powerful Jews as did the Kaiser.

On the authority of the pre-*Anschluss* Vienna police, Hitler himself is an illegitimate descendant of a Viennese Baron Rothschild. Martha von Haushofer, the wife of the leading German exponent of geopolitics, who is said to exercise almost the major influence on Hitler, is a Jewess. Many important German-speaking Jews are just as powerful in Germany, so far as can be gathered from relevant evidence, as they were in the reign of the Kaiser, *and after*. They are in accord with the G.D.G.S. or they would not be there.

There is a rich and powerful body of Zionist Jews working in Palestine by the same methods of organised assassination and terrorism as were financed in Russia by the New York Jews, to embarrass the British Government in its fight with Germany—the alleged persecutor of the Jews.

In comparison with the atrocities perpetrated in Russia on Russians at the behest of German and Russian-speaking Jews, both in numbers and nature, it appears certain that the "atrocities" stories are exaggerated out of all proportion. But they have an obvious use. They form an excuse for forcing the barriers of immigration laws. And the objective is exactly that of parachute troops—to get behind the enemy's lines. The effect on internal politics of the "refugees" in every country ought to be sufficient indication as to the identity of the enemy.

The indisputable fact is that there is a coherent Jewish policy everywhere. At the present time it can be seen in full operation in practically every country in the world, *and on both sides of the fighting-line. It is the conditions which are inseparable from total war which alone make possible the erection of the bureaucratic state alike envisaged by the Jews and the Great German General Staff as the instrument of World Dominion. Hence, so long as this influence is allowed to operate, we can expect one war after another until someone has enslaved the planet.*

The Rooseveltian "New Deal" was an attempt at a more or less bloodless revolution which would centralise power in the U.S.A. It failed to achieve sufficient success to be stable. The war was the next step. "War is the pursuit of policy by other means." (CLAUSEWITZ.)

(To be continued)