Editorial

In the bad old days before industrialisation life was nasty, brutish and short, so we are told. People had to grow their own food, collect their own fuel, make their own clothes, design their own furnishings and produce their own tools, all from natural resources found locally. Nobody had a fridge or a washing machine, few could read or write, and the only way to get from A to B was on foot, horseback, by coach or ship. Industrialisation came, the story continues, bringing with it a wealth of material progress, offering new and exciting opportunities for all in the developed world, through improved productive technologies, mass communications and universal education. Yet, despite the wealth of material goods flowing into the average household, many people have little control over day-to-day activities. As industrialisation has progressed, producers and consumers of wealth have become increasingly dependent upon an economic system which they do not understand, and which is therefore beyond their control. For many, the hours spent in paid employment per week, per year and over a lifetime far exceed what is necessary to maintain a pre-industrial household. Stress-related illnesses and debt are common features in the ‘developed’ world. Meanwhile, industrialisation has come to place an intolerable strain on the living planet, Gaia, the home of humanity, as James Lovelock observes.

Shortly before his death, over fifty years ago, C.H. Douglas surveyed the landscape near Aberfeldy in Scotland, turned to a close colleague and said:

“You know, T.J., I think the time is approaching when we shall have to challenge this monstrous and fantastic overgrowth of industrial expansion — fundamentally. Really, you know, I personally can see nothing particularly sinful about a small dynamo; but this thing we’ve got is past a joke. If it isn’t a joke, it is Satanic.”

Today, economic growth rides roughshod over the earth, devastating the natural environment and sustainable rural economies in the third world and Eastern Europe. As Devinder Sharma demonstrates, local power over local resources is increasingly swept aside by money power exercised from a distance. Farmers lured into accepting loans, for machinery, fertilisers and ‘improved’ seeds, face falling financial returns from the sale of cash crops grown for export. Centralisation of financial control is not, however, inevitable. As Wendell Berry indicates, for practical change to occur it is necessary for ordinary people in their individual localities to take stock of their resources, both in terms of materials and skills, so that we, each and every one of us, cease to participate in the war against nature and society.

A key problem, as Michael Holdrege demonstrates, is the artificial divisions between scientific and artistic world views, divisions which Rudolf Steiner sought to overcome through his extensive lectures and publications. For Douglas, the biggest danger comes from powerful would-be reformers seeking to impose their version of Utopia on a powerless community. The way forward is for individuals to take time out to study good works, reflect and experiment with local economic alternatives. For that to happen, a Basic (or Citizens’) Income for all — which could be introduced overnight — would be of incalculable value. The quest is not to eliminate industrial progress, but to use appropriate technologies to conserve local skills and resources free from enforced slavery to an unsustainable global economy.

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Nowadays Adam Smith's eighteen men [pin-makers] are as extinct as the diplodocus. The eighteen flesh-and-blood machines are replaced by machines of steel which spout out pins by the hundred million. Even sticking them into pink papers is done by machinery. The result is that with the exception of a few people who design the machines, nobody knows how to make a pin or how a pin is made: that is to say, the modern worker in pin manufacture need not be one-tenth so intelligent and skilful and accomplished as the old pinmaker; and the only compensation we have for this deterioration is that pins are so cheap that a single pin has no expressible value at all. Even with a big profit stuck onto the cost price you can buy dozens for a farthing; and pins are so recklessly thrown away and wasted that verses have to be written to persuade children (without success) that it is a sin to steal a pin.

Many serious thinkers, like John Ruskin and William Morris, have been greatly troubled by this, just as Goldsmith was, and have asked whether we really believe that it is an advance in wealth to lose our skill and degrade our workers for the sake of being able to waste pins by the ton. We shall see later on, when we come to consider the Distribution of Leisure, that the cure for this is not to go back to the old ways; for if the saving of time by modern machinery were equally divided among us, it would set us all free for higher work than pinmaking and the like. But in the meantime the fact remains that pins are now made by men and women who cannot make anything by themselves and would not arrange between themselves to make anything even in little bits. They are ignorant and helpless, and cannot lift their finger to begin their day's work until it has all been arranged for them by their employers, who themselves do not understand the machines they buy, and simply pay other people to set them going by carrying out the machine maker's directions. The same is true of clothes. Formerly the whole work of making clothes, from the shearing of the sheep to the turning out of the finished and washed garment ready to put on, had to be done in the country by the men and women of the household, especially the women; so that to this day an unmarried woman is called a spinster. Nowadays nothing is left of all this but the sheep-shearing; and even that, like the milking of cows, is being done by machinery, as the sewing is. Give a woman a sheep today and ask her to produce a woollen dress for you; and not only will she be quite unable to do it, but you are as likely as not to find that she is not even aware of any connection between sheep and clothes. When she gets her clothes, which she does by buying them at a shop, she knows that there is a difference between wool and cotton and silk, between flannel and merino, perhaps even between stockinet and other wefts; but as to how they are made, or what they are made of, or how they came to be in the shop ready for her to buy, she knows hardly anything. And the shop assistant from whom she buys is no wiser. The people engaged in the making of them know even less; for many of them are too poor to have any connection with materials when they buy their own clothes.

Thus the capitalist system has produced an almost universal ignorance of how things are made and done, while at the same time it has caused them to be made and done on a gigantic scale. We have to buy books and encyclopedias to find out what it is we are doing all day; and as the books are written by people who are not doing it, and who get their information from other books, what they tell us is from twenty to fifty years out of date, and unpractical at that. And of course most of us are too tired of our work when we come home to want to read about it: what we need is a cinema to take our minds off it and feed our imagination.

It is a funny place, this world of Capitalism, with its astonishing spread of ignorance and helplessness, boasting all the time of its spread of education and enlightenment. There stand the thousands of property owners and the millions of wage workers, none of them able to make anything, none of them knowing what to do until somebody tells them, none of them having the least notion of how it is that they find people paying them money, and things in the shops to buy with it. And when they travel they are surprised to find that savages and Esquimaux and villagers who have to make everything for themselves are more intelligent and resourceful! The wonder would be if they were anything else. We should die of idiocy through disuse of our mental faculties if we did not fill our heads with romantic nonsense out of illustrated newspapers and novels and plays and films. Such stuff keeps us alive; but it falsifies everything for us so absurdly that it leaves us more or less dangerous lunatics in the real world. Excuse my going on like this; but as I am a writer of books and plays myself, I know the folly and peril of it better than you do. And when I see that this moment of our utmost ignorance and helplessness, delusion and folly, has been stumbled on by the blind forces of Capitalism as the moment for giving votes to everybody, so that the few wise women are hopelessly overruled by the thousands whose political minds, as far as they can be said to have any political minds at all, have been formed in the cinema, I realize that I had better stop writing plays for a while to discuss political and social realities in this book with those who are intelligent enough to listen to me.
A third of a century has now passed since C.P. Snow brought to wider awareness a crisis simmering just below the surface of Western cultural life. In his Rede lectures at Cambridge University Snow spoke of "two cultures" existing side by side within one culture, yet separated by a yawning gulf. Not only was communication very limited between the groups Snow chose to characterize—the scientists and the literary intellectuals—but a somewhat hostile mood even existed. Have we lost even the pretense of a common culture? This was the question Snow placed before the Western world.

When Snow raised this question, the belief in continued progress through the consequent application of science and technology to society's problems and needs was still borne with tremendous optimism. Viewed from the perspective of the 1990s, the polarization he was pointing to seems barely to have surfaced at the time he spoke. Today this gulf is evident everywhere—but in much greater diversity and at many different levels: from multiculturalism to postmodernity. Many additional "cultures" have since raised their voices in the great debate about the future of humanity.

A major impetus in this direction was given in the early sixties by Thomas Kuhn's book *The Structure of Scientific Revolutions*. In what is probably the most widely discussed analysis of the scientific endeavour in the second half of this century, Kuhn makes evident the presuppositions that underlie every form of scientific activity. Scientific "truths," supposedly "objective" in nature, were shown to be the reflection of a background of shared assumptions dominant in that scientific community. Kuhn called this framework of shared presuppositions a "paradigm." When a paradigm changes, so does the appearance of the world for those sharing that viewpoint.

What Kuhn formulated in the context of modern science has, together with its wider implications for non-scientific discourse, shaken the rationalistic foundations of Western society at the end of this century. The suspicion has emerged that all thought and belief systems are merely social constructions. Sometimes known as our "postmodern condition," this situation is characterized by a plurality of viewpoints—not just Snow's two cultures—where varying groups are often unable to communicate with each other because of the different "languages" they speak. Not only has the legitimacy of scientific knowledge as the primary source of "objective" understanding been called into question, but also the possibility of making valid universal statements about the nature of anything.

Whereas the latter discussion has taken place primarily at an academic level, the crisis of "modernism" has become evident throughout Western society. Be it in economics, in education, in environmental or in social issues, we find ourselves at the dawn of a new millennium in the midst of a multifaceted reconsideration of our cultural foundations. Like it or not, the limits of reductive natural science and of the narrow fixation on outer progress are becoming undeniably visible. For many individuals this has led to a shift in perspective. An awareness is growing today that the problems we face did not "fall from Heaven" but result from human deeds, the source of which lies in human consciousness. To look at the "outer" state of the world we have created is to see a reflection of our own "inner" state. This perspective is clearly reflected in Albert Gore's widely read book *Earth in the Balance*. Gore speaks of the profound separation that has arisen in the course of Western cultural history between our intellect and the physical world in which we live. He sees this as a major source of the unhealthy relationship to our natural environment which is visible in the ecological crisis we face today.

In light of such fundamental reflections on the foundations of Western culture arising in our time, future generations may well express surprise at the relative unfamiliarity of today's American public with the work of Rudolf Steiner; for Steiner devoted his whole life to overcoming the gulf between science, art, and religion, between clear scientific thinking and the belief in "higher" realities. He did this in a manner that recognizes the inadequacy of monolithic world views, in which everything is subsumed under a universal principle. Already at the age of twenty-five Steiner had formulated the nature of this problem, and had shown in reference to the German poet and scientist Goethe, a much wider perspective:

Goethe's world view is the most many-sided imaginable. It issues from a center resting within the unified nature of the poet, and it always turns outward the side corresponding to the nature of the object being considered. The unity of the spiritual forces being exercised lies in Goethe's nature; the way these forces are exercised at any given moment is determined by the object under consideration. Goethe takes his way of looking at things from the outer world and does not force any particular way upon it. These days, however, the thinking of many people is active in only one particular way; it is useful for only one category of objects; it is not, like that of Goethe, unified but rather uniform...
to see a reflection of our own “inner” just indicated and cannot, in fact, ever be imbued with any single, one-sided conception.

(The Science of Knowing, pp.14-15)

What Steiner characterizes in regard to Goethe’s world view is true to an even larger extent of his own. Rudolf Steiner’s books and published lecture cycles reveal themselves, upon closer scrutiny, to be difficult reading. In our culture of the “quick-fix,” the effort required to work through a book by Steiner will seem excessive to many. Yet it is just this difficulty which gives his writings much of their value. The central task of this introduction to Steiner’s Theosophy will be to shed light upon this aspect of his writings. Hence we shall return repeatedly to the question of why he wrote in the way he did, in order to see more clearly what his intentions were.

But Rudolf Steiner was not only a thinker. His multi-dimensional approach to questions of practical life has also borne significant fruit. Steiner was, in fact, the founder of numerous impulses for the renewal of human society: from the largest non-sectarian school movement in the world today—Waldorf education—to the creation of new forms of organic agriculture, holistic medicine, pharmacology and education for the developmentally handicapped. Not only was he a pioneer in the realms of the arts and architecture, but his ideas have also stimulated new approaches in banking and organizational development. How, future generations may ask, could a man capable of initiating such numerous impulses relevant to the crisis of modern civilization remain almost unknown in twentieth-century America?

That more people are searching for new ways of thinking and new approaches to the multiplying challenges of modern life is clearly apparent after a ten-minute visit to the corner bookstore. But among the hundreds of books one finds little or no Steiner. One explanation for this relative scarcity can be found by comparing his writings with those otherwise available to the searching reader.

Citizens’ Income

Brian Leslie

For a sustainable economy, we need to end the “need for growth”, which is supposedly required to provide the incomes which derive from paid employment, and which are generally accepted as necessarily the main source of income for nearly everyone. This means that basic (citizens’) incomes must be provided independently of employment, if we are to enjoy the potential of modern technology to provide increasing leisure, with efficient production for need, in place of the present mad competition to exploit people and resources to keep the present unsound system going.

If Citizens’ Incomes were introduced and initially funded out of new, debt-free “credit” (or plain money), to use Huber’s term, to distinguish it from bank-created debt money (“credit!”) then the combined effects of these proposals would be dramatic indeed. Citizens’ Incomes would replace most benefits, such as Job Seekers’ Allowance, and given monetary reform, could be set at a much more generous level than is possible without it.

This would have the effect of freeing people from the compulsion to find paid employment. Self employment and co-operatives could flourish, with the fall-back of Citizens’ Income to support their members, and no longer would people be forced into telesales, distributing free, unwanted advertising material, road building, armament production and the like. The pathetic efforts to escape poverty by starting unwanted businesses, doomed to failure, need no longer be made. No employing body would be able to exploit its workers, as they would be able to dictate terms. It would spell the end of wage slavery. Industry could be transformed to produce, efficiently, the high quality, repairable, indefinitely durable goods we would all prefer. Citizens’ Income would make this choice possible, as needs were met without worries about redundancies or saturation of markets.

Citizens’ Incomes would also have a major effect in countering the uneven distribution of income among the various regions of the country.

The “gift economy” could flourish as never before, and increasingly replace the money economy, starting with the areas in which it has been driven out over the last century and more: the domestic and local community.

Extract from Brian Leslie’s Where’s the Money to Come From? – Where does money come from?

Brian Leslie throws down the Challenge, from the Monetary Policy Working Group to the rest of the Green Party, and everyone outside it. The discussion document outlines the reasons why we need to look at the issue of monetary reform, as the most fundamental issue for a sustainable future, and to formulate and promote appropriate policy – urgently.

In a world of plenty, there is no need for poverty and debt. We have the (continued on back page)
Towards the end of As You Like It, Orlando says: “I can live no longer by thinking”. He is ready to marry Rosalind. It is time for incarnation. Having thought too much, he is at one of the limits of human experience, or of human sanity.

All public movements of thought quickly produce a language that works as a code, useless to the extent that it is abstract. It is readily evident, for example, that you couldn’t conduct a relationship with another person in terms of the rhetoric of the civil rights movement or the women’s movement – as useful as those rhetorics may initially have been to personal relationships.

The same is true of the environmental movement. The favourite adjective of this movement now seems to be ‘planetary’. The word is used properly enough, to refer to the interdependence of places, and to the recognition, which is desirable and growing, that no place on earth can be completely healthy until all places are.

But the word ‘planetary’ also refers to an abstract anxiety or an abstract passion that is desperate and useless exactly to the extent that it is abstract. How, after all, can anybody – any particular body – do anything to heal a planet? The suggestion that anybody could do so is preposterous. The heros of abstraction keep galloping in on their white horses to save the planet – and they are falling off in the grandstand.

What we need, obviously, is a more intelligent – which is to say, more accurate – description of the problem. The description of a problem as planetary arouses motivation for which, of necessity, there is no employment. The adjective ‘planetary’ describes a problem in such a way that it cannot be solved. In fact, though we now have serious problems nearly everywhere on the planet, we have no problem that can accurately be described as planetary. And, short of the total annihilation of the human race, there is no planetary solution.

There are also no national, state or country problems, and no national, state or country solutions. That will-o’-the-wisp, the larger scale solutions to a large scale problem, which is so dear to governments, universities, and corporations, serves mostly to distract people from the small, private problems that they may, in fact, have the power to solve.

The problems, if we describe them accurately, are all private and small. Or they are so initially.

The problems are our lives. In the ‘developed’ countries, at least, the large problems occur because all of us are living either partly wrong or almost entirely wrong. It was not just the greed of corporate shareholders and the hubris of corporate executives that put the fate of Prince William Sound into one ship; it was also our demand that energy be cheap and plentiful.

The economics of our communities and households are wrong. The answers to the human problems of ecology are to be found in economy. And the answers to the problems of economy are to be found in culture and character. To fail to see this is to go on dividing the world falsely between guilty producers and innocent consumers.

The planetary versions – the heroic versions – of our problems have attracted great intelligence. But these problems, as they are caused and suffered in our lives, our households, and our communities, have attracted very little intelligence.

We have failed to produce new examples of good home and community economies, and we have nearly completed the destruction of the examples we once had. Without examples, we are left with theory and the bureaucracy and meddling that come with theory. We change our principles, our thoughts, and our words, but these are changes made in the air. Our lives go on unchanged.

For the most part, the subcultures, the countercultures, the dissenters, and the opponents continue mindlessly – or perhaps just helplessly – to follow the pattern of the dominant society in its extravagance, its wastefulness, its dependencies, and its addictions. The old problem remains: How do you get intelligence out of an institution or an organisation?

My small community in Kentucky has lived and dwindled for at least a century under the influence of four kinds of organisations: governments, corporations, schools, and churches – all of which are distant (either actually or in interest), centralised, and consequently abstract in their concerns.

Governments and corporations (except for employees) have no presence in our community at all, which is perhaps fortunate for us, but we nevertheless feel the indifference or the contempt of governments or corporations for communities such as ours.

We have had no school of our own for nearly thirty years. The school system takes our young people, prepares them for ‘the world of tomorrow’ – which it does not expect to take place in any rural area – and gives back ‘expert’ (that is, extremely generalised) ideas.
The church is present in the town. We have two churches. But both have been used by their denominations, for almost a century, to provide training and income for student ministers, who do not stay long enough to become disillusioned.

For a long time, then, the minds that have most influenced our town have not been of the town so have not tried even to perceive, much less to honour, the good possibilities that there are. They have not wondered on what terms a good and conserving life might be lived there. In this my community is not unique but is like almost every other neighbourhood in our country and in the 'developed' world.

The question that must be addressed, therefore, is not how to care for the planet, but how to care for each of the planet's millions of human and natural neighbourhoods, each of its millions of small pieces and parcels of land, each one which is in some precious way different from all others. Our understandable wish to preserve the planet must somehow be reduced to the scale of our competence - that is, to the wish to preserve all of its humble households and neighbourhoods.

What can accomplish this reduction? I will say again, without overweening hope but with certainty nonetheless, that only love can do it. Only love can bring intelligence out of the institutions and organisations, where it aggrandizes itself, into the presence of the work that must be done.

Love is never abstract. It does not adhere to the universe or the planet or the nation or the institution or the profession, but to the singular sparrows of the street, the lilies of the field, "least of these my brethren". Love is not, by its own desire, heroic. It is heroic only when compelled to be. It exists by its willingness to be anonymous, humble and unrewarded.

The older love becomes, the more clearly it understands its involvement in partiality, imperfection, suffering, and mortality. Even so, it longs for incarnation. It can live no longer by thinking.

And yet to put on flesh and do the flesh's work, it must think.

In his essay on Kipling, George Orwell wrote: "All left-wing parties in the highly industrialised countries are at bottom a sham, because they make it their business to fight against something which they do not really wish to destroy. They have international aims, and at the same time they struggle to keep up a standard of life with which those aims are incompatible. We all live by robbing Asiatic coolies, and those of us who are 'enlightened' all maintain that those coolies ought to be set free; but our standard of living, and hence our 'enlightenment', demands that the robbery shall continue".

This statement of Orwell's is clearly applicable to our situation now: all we need to do is change a few nouns. The religion and the environmentalism if the highly industrialised countries are at bottom a sham, because they make it their business to fight against something they do not really wish to destroy. We all live by robbing nature, but our standard of living demands that the robbery shall continue.

We must achieve the character and acquire the skills to live much poorer than we do. We must waste less. We must do more for ourselves and each other. It is either that or continue merely to think and talk about changes that we are inviting catastrophe to make.

The great obstacle is simply this: the conviction that we cannot change because we are dependent on what is wrong. But that is the addict's excuse, and we know that it will not do.

How dependent, in fact, are we? How dependent are our neighbourhoods and communities? How might our dependence be reduced? To answer these questions will require better thoughts and better deeds than we have been capable of so far.

We must have the sense and the courage, for example, to see that the ability to transport food for hundreds or thousands of miles does not necessarily mean that we are well off. It means that the food supply is more vulnerable and more costly than a local food supply would be. It means that consumers do not control or influence the healthfulness of their food supply and that they are at the mercy of people who have control and influence. It means that, in eating, people are using large quantities of petroleum that other people in another time are almost certain to need.

Our most serious problem, perhaps, is that we have become a nation of fantasists. We believe, apparently in the infinite availability of finite sources. We persist in land-use methods that reduce the potentially infinite power of soil fertility to a finite quantity, which we then proceed to waste as if it were an infinite quantity. We have an economy that depends not on the quality and quantity of necessary goods and services, but on the moods of a few stockbrokers. We believe that democratic freedom can be preserved by people ignorant of the history of democracy and indifferent to the responsibilities of freedom.

Our leaders have been for many years as oblivious to the realities and dangers of their time as were George III and Lord North. They believe that the difference between war and peace is still the overriding political difference - when, in fact, the difference has diminished to
the point of insignificance. How would you describe the difference between modern war and modern industry - between, say, bombing and strip mining, or between chemical warfare and chemical manufacturing? The difference seems to be only that in war the victimisation of humans is directly intentional and in industry it is 'accepted' as a 'trade-off'.

Were the catastrophes of Love Canal, Bhopal, Chernobyl, and the Exxon Valdez episodes of war or of peace? The were, in fact, peacetime acts of aggression, intentional to the extent that the risks were known and ignored.

We are involved unremittingly in a war not against 'foreign enemies', but against the world, against our freedom, and indeed against our existence. Our so-called industrial accidents should be looked upon as revenges of Nature. We forget that Nature is necessarily party to all of our enterprises and that she imposes conditions of her own.

Now she is plainly saying to us: "If you put the fates of whole communities or cities or regions or ecosystems at risk in single ships or factories or power plants, then I will furnish the drunk or the fool or the imbecile who will make the necessary small mistake".

Wendell Berry

Passage taken from *What Are People For?* (North Point 1990 ISBN: 086 547 4370)

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**Ethical Economics**

'A reasonable estimate of economic organisation must allow for the fact that, unless industry is to be paralysed by recurrent revolts on the part of outraged human nature, it must satisfy criteria which are not purely economic.'

R.H. Tawney, *Religion and the Rise of Capitalism*

The general public are unaware that modern economics is deeply flawed. Economists pronounce with great confidence in the media and have erected around their subject a barrier of jargon and mathematics which makes it intimidating for the uninitiated. This has created a situation not unlike the children's story of the emperor's new clothing where no one dares to question the assertions of the 'experts'.

However, a few economists have had the courage to expose this. Professor Ormerod, for example, in the Preface to his book *The Death of Economics* (Faber, 1994) stated: 'orthodox economics is in many ways an empty box. Its understanding of the world is similar to that of the physical sciences in the Middle Ages'.

*The Economist* (23rd August 1997) raised the same issue on its front cover and in its editorial 'The puzzling failure of economics'. The occasion for this frank admission was the publication of a new edition of Samuelson's *Economics*, probably the most widely used textbook in universities according to *The Economist*. The article concluded that it 'is not a failure of economics, in fact, but of modern [neo-classical] economics'.

Prof. Ormerod pointed out that, although 'good economists know ... that the foundations of their subject are virtually non-existent' (emphasis added), they still have to teach it in schools and universities, 'for tenure and professional advancement still depend to a large extent on a willingness to comply with and work within the tenets of orthodox theory'. In other words, generation after generation of students are being taught what many of their teachers know to be untrue. Many of their students will go on to fill important positions in governments, think tanks, multinationals, the IMF etc., which determine economic policy for the rest of us.

Further evidence of discontent with the situation emerged in France in June 2000 when a group of economics students published a petition on the web protesting at the excessive use of mathematics which led to what they called 'autistic science' (i.e. out of touch with reality). They complained of the repressive domination of neo-classical theory. In this they were later supported by some professors petitioning for a 'Debate of [sic] the Teaching of Economics'. This was followed by a call from Cambridge University PhD students for the 'Opening up of Economics' to a wider range of considerations. A similar call was issued from Harvard.

'A knowledge of economics is essential to good government; and as men are best governed who govern themselves, a general knowledge of economics is necessary to good government. A voter who votes in ignorance forges the chains which bind him.'

Leon MacLaren. *The Function of Economics*

Shepheard-Walwyn have built up a list, written in plain English, to make economics accessible to the general reader. Social Crediters would equally find it helpful. It can be obtained from:

SHEPHEARD-WALWYN (PUBLISHERS) LTD
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In 1937 C.H. Douglas addressed a Conference of Social Crediters in London. The text of his speech was subsequently reprinted in pamphlet form which has circulated throughout the world until the present day.

Douglas took as his theme the notion that any government, administration or group with a policy for reform must, of necessity, have a philosophy underpinning their plans. Hence Social Credit is “the policy of a philosophy”, the practical means of achieving some end considered desirable by society as a whole.

In the UK and many countries at that time, Douglas observed, the policy of the country is related philosophically to the adulation of money: “Money is an abstraction. Money is a thing of no value whatever. Money is nothing but an accounting system. Money is nothing worthy of attention at all, but we base the whole of our actions, the whole of our policy, on the pursuit of money; and the consequence, of course, is that we become the prey of mere abstractions like the necessity for providing employment.”

In his first book, Economic Democracy, Douglas touches on all the main themes upon which he subsequently elaborated in his later work. It is interesting to note that out of the twelve chapters in the book only three are devoted to an examination of finance, and even so, those chapters are closely related to the principles of economic association dealt with in the other chapters. In Economic Democracy he states, “systems were made for men, and not men for systems,” referring to the Christian philosophy with its stress on the uniqueness and value of the individual. Almost two decades later, however, he observes: “In a great many people’s minds, Social Credit is a scheme of monetary reform, and the explanation of why any scheme of monetary reform is having such heavy going is, of course, because we are all suffering under a wave of so-called ‘prosperity’ [the economy was boosted by arms production prior to World War II - Ed.]; and, obviously if your conception of Social Credit is that it is merely a scheme of monetary reform, you will follow the curve of monetary reform.”

Capitalists, socialists, communists, even fascists, can use monetary reform to achieve their own policies, which may involve imposing centralist policies against the will of the people. Douglas’ philosophy, on the other hand, was that control of the credit system should be so adjusted that individual lives could be planned in voluntary association with others.

The purpose of Social Credit is to make the Christian concept of freedom a reality, to offer the individual the capacity to decide his or her own destiny in voluntary association with others. Douglas described Social Credit as “practical Christianity”, stressing that Christianity was a religion of realism, not something Utopian and impractical. For Douglas, many monetary reformers were seeking to impose their own brand of Utopianism upon other people through the centralised control of the credit system. This would merely result in totalitarianism. In the following statement he dealt with the menace of Utopias as imposed by idealists:

“When we accuse the world’s great financiers of merely being conscienceless buccaneers, there is a sense in which we do them less than justice, and at the same time fail to recognise the deadly danger which they embody. The great financier is in most cases a great idealist, and sooner or later constructs a Utopia which it is his constant endeavour to impose upon the world. Society is never in more deadly danger than when it is committed to the mercies of the idealist, and particularly the Utopianist. What we really demand of existence is not that we shall be put into somebody else’s Utopia, but that we shall be put in a position to construct a Utopia of our own.”

Douglas observed that “the more human personality develops, it becomes more individualised and specialised in its outlook, and less amenable to centralisation”. Subsequent developments have confirmed Douglas’ prediction that centralised credit control must inevitably lead to increasing centralisation in every other sphere of human activity. But in turn this centralisation produces increasing friction and revulsion, much of it unconscious, but nevertheless a potent force which the centralisers attempt to meet by progressive totalitarian measures. The only answer to the developing threat of the World Police State is effective decentralisation of the control of financial credit into the hands of local individuals. Acceptance of this concept first requires acceptance of a philosophy which stresses that genuine freedom is necessary for the true purposes of humanity, a freedom which is, however, impossible without an acceptance of personal responsibility. The basis of real freedom is an economic system which enables the individual to produce the necessary creature comforts in the shortest possible time. However, as Douglas noted, the very economic system which could provide genuine freedom for individuals has been used to enslave them. Instead of freeing them from unnecessary work, it is used to force them into engaging in still more unnecessary work. This matter cannot be satisfactorily resolved until sufficient people have clarified their own philosophy concerning the true purpose of human existence, and have learned to distinguish between means and ends.
At the time when *Economic Democracy* was originally written, it could still be assumed that the general consensus within the institutions of state, church and society were based on the Christianity of caring and sharing. Hence it seemed less important to clarify the philosophy underlying proposals for social credit policies. During the rest of the 20th century it became increasingly apparent that the policies based on the philosophy of socialism, totalitarian planned economies and the centrally controlled welfare state were equally futile. Attempts by social crediters to venture into the “bog lands of party politics” have proved sterile, justifying Douglas’ view that Social Credit requires the development of a new type of political activity, one in which individuals develop themselves through constant and purposeful involvement in activity aimed at restoring initiative to the electorate. The first step to making economic democracy a reality is to revitalise political democracy through purposeful action.

Social Credit is not a mass movement blindly seeking reform from a centralised system for government and finance. Rather, it calls upon individuals to come together at local community level, seeking to inform themselves and others of the issues surrounding political and economic democracy using the wealth of material currently available. Social Credit rejects as meaningless the materialistic, post-modernist view of humanity as nothing more than matter in un-co-ordinated motion. Each individual possesses a spiritual capacity, a creative initiative. It was the development and realistic application of this spiritual capacity which Douglas taught was the only hope for a better world.

Source: The material in this article was largely drawn from *Fifty Years of Social Credit, 1919 – 1969.* (Editor)

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**Indian villages for sale**

Devinder Sharma

Harkishanpura is a non-descript village in Bathinda district of Punjab in northwestern India. It suddenly made its way into news when in an unprecedented move the village panchayat announced that the village was up for sale. That was in Jan 2001. Since than five more villages in Punjab – in the midst of the food bowl of the country – are awaiting auction.

What began as an isolated and an extreme case of rural distress is now slowly and steadily spreading its tentacles throughout the country. In December 2005, Dorli in Wardha district of Maharashtra in central India became the first village outside the frontline agricultural state of Punjab – the harbinger of Green Revolution in India – to make itself available for sale. With signboards pasted all around, and the slogan “Dorli village is for sale” painted on the cattle backs and trees, what appeared to be a bizarre tale is now becoming a sad but widespread reality.

Dorli village comprises 270 residents, 500 livestock, and nearly 600 acres of agricultural land. Every villager, including children, has an outstanding debt of Rs 30,000 (425 pounds).

A few weeks later, hundreds of residents of Chingapur village in Yeotmal region of Maharashtra, invited the President of India, Dr Abdul Kalam, and the Prime Minister, Mr Manmohan Singh, to preside over a ‘human market’ for the sale of kidneys. Unable to repay the mounting debts, the villagers had decided to go in for mass sale of kidneys. The situation in the neighbouring villages is no better. Agricultural distress is written all around.

In the neighbouring village, Shivani Rekhailapur, banners read: “This village is ready to be auctioned. Permit us to commit mass suicides.” Rural indebtedness has reached such alarming proportions that village communities are being forced to sell not only their body organs but also their lands – willing to lose control over their only means of economic security.

Malsinghwala is a tiny village in the Mansa district of Punjab. The village owes up to Rs 50 million to banks and another Rs 25 million to private moneylenders and commission agents. “We are neck deep in debt. We are left with no other option but to sell of our land,” says village panchayat head Jasbir Singh. Showing the panchayat resolution that authorized the sale, he said that each of the 4000 residents had an outstanding debt of Rs 13,000. With crop yields faltering, and with no other hope of repaying the outstanding debts, the village had decided to sell off its assets spread over 1800 acres.

Five years after Harkishanpura in Bathinda district was put up for sale, the village is still awaiting a buyer. Like any other village in prosperous Punjab, Harkishanpura has nothing to indicate that it is different from others. With some 125 families, and 1170 acres of land, the village somehow continues to slog in its march for survival. Mounting indebtedness and an indifferent Punjab government is slowly and steadily pushing several villages in its neighbourhood into a severe socio-economic crisis.

Bhullatal Kalan in Sangrur district comprises 1000 acres of land. The neighbouring Bhullatal Khurd has 1200 acres of land. Eighty per cent of the village land is already mortgaged to moneylenders and commission.
agents. While both these villages are up for sale, the situation is no better in the adjoining villages. “The situation is alarming. But no one seems to take any notice of our cry for help,” says Hardayal Singh, sarpanch of the adjoining village of Govindpura Jawaharwala. No wonder, 40 per cent of the farmers have in the latest National Sample Survey Organisation (NSSO) report expressed the desire to quit farming.

And yet, it doesn’t shock the conscience of the world’s biggest democracy. There was no public outrage when earlier reports showed that sixty-five of the 243 farmers who committed suicide in Vidarbha region of Maharashtra in 2004 alone had debts as little as Rs 8,000 (110 pounds). That Meena Prakash Rechpade, widow of the 36-year-old farmer, Prakash, of village Dhanori, near Wardha, in Maharashtra, had no money to arrange for the last rites of her husband, who took the fatal route to escape the misery of Green Revolution, did not evoke strong reaction. Except for routine inquiries and promises, such stories have failed to move the nation.

Not only in Punjab and Maharashtra, tens of thousands of farmers throughout the country are migrating every season looking for menial jobs in the urban centres. Mofussil newspapers in the heartland of the cyberstate – that’s how Andhra Pradesh in south India wanted itself to be called – are full of advertisements inviting people to mortgage their gold and silver belongings. In Karnataka, where farmer suicide rate is equally high, the over-emphasis on technology had only alienated a large percentage of farming populations from economic growth and development. The biggest tragedy being that both the states have turned into a national capital of shame for farmers’ distress, visible more through the increasing rate of suicides in the rural areas.

While the rural misery continues to multiply, what is more depressing is that the government is clueless about the reasons that aggravate agrarian crisis. Nor is there any effort from agricultural scientists, economists, and social scientists to come out with proposals to put an end to this shameful blot on the country’s image. The reason is obvious. No one has the political courage to point a finger at the fundamental reason behind the collapse of the Green Revolution. It not only exacerbated the crisis leading to an environmental catastrophe but also destroyed millions of rural livelihoods.

The alarm bells had been ringing for quite some time now. For nearly a decade, agricultural production had almost stagnated, then began the downslide. All this happened at a time when high-chemical input based technology had already mined the soils and ultimately led to the lands gasping for breath, with the water-guzzling crops sucking the groundwater aquifer dry, and with the failure of the markets to rescue the farmers from a collapse of the farming systems. By ignoring the critical connection between agricultural production and access to food — with the focus shifting to agro-processing linked to foreign investment and exports — it was bound to happen.

While the input costs kept on increasing over the years, encouraging farmers to back up with more loans, the farm prices remained steady. The entire input-output ratio gradually went upside down, with a large number of farmers sliding into debt that kept on mounting with each year. A recent UNCTAD report showed that agricultural produce continues to be sold at 1985 prices. In other words, the prices farmers are getting today are in reality the same as those for which they were selling their produce 20 years ago.

Such is the growing apathy that without first ascertaining where has the farm equation gone wrong, and without learning from the bloody aftermath of the Green Revolution, a second green revolution is being forced, which will increase dependence over external inputs and thereby add on to farmers costs. The second Green Revolution has all the ingredients to further accentuate the prevailing crisis in sustainability and speed up the marginalisation of the farming community.

Agricultural reforms that are being introduced in the name of increasing food production and minimising the price risks that the farmers continue to be faced with, is actually aimed at destroying the production capacity of the farm lands and would lead to further marginalisation of the farming communities. Encouraging contract farming, future trading in agricultural commodities, land leasing, forming land-sharing companies, allotment of homestead-cum-garden plots, direct procurement of farm commodities and setting up of special purchase centres will drive out a majority of the 600 million farmers.

VILLAGE FOR SALE will then become a common feature of the Indian landscape.

Devinder Sharma is a New Delhi-based writer and commentator.
For millennia, humankind has exploited the Earth without counting the cost. Now, as the world warms and weather patterns change, the Earth is beginning to fight back. James Lovelock, one of the giants of environmental thinking, argues passionately and poetically that, although global warming is now inevitable, we are not yet too late to save at least part of human civilization. This book, written at the age of 86 after a lifetime engaged in the science of the earth, is his testament.

Most thinking people now realize that changes in our environment are taking place as a result of human activity. But, like an addicted smoker, we continue to enjoy our cigarettes and imagine giving up only when the harm becomes tangible. Lovelock shows that this is the position we are now in and—which is much less understood—precisely why these changes are taking place and what can be done about them. Lovelock’s profound understanding of the science of global warming, based on his physiological approach to Earth science, allows him to offer a true explanation. He analyses our need for energy, and considers what the sources of that energy might be—reaching some surprising conclusions.

Not only is mankind on the brink of destroying itself and the Earth, he argues, but most of the alternative remedies that have been proposed, or are already being adopted, are also misguided. We must take drastic action now to safeguard the future of human life. Gaia, the living and self-regulating Earth, will look after itself as always. It is hubris of us to think otherwise.
(continued from page 92) technology to feed, house and clothe all people on earth without destroying our environment. Whatever is physically possible and socially desirable can be made financially possible. This is everyone's concern.

The full text of Brian Leslie’s booklet Where’s the Money to Come From?? is available from 12 Queens Road, Tunbridge Wells, TN4 9LU. See also www.sustecweb.co.uk.

Attempts by social crediters to venture into the “bog lands of party politics” have proved sterile, justifying Douglas’ view that Social Credit requires the development of a new type of political activity, one in which individuals develop themselves through constant and purposeful involvement in activity aimed at restoring initiative to the electorate. The first step to making economic democracy a reality is to revitalise political democracy through purposeful action. (see page 97)

“There is no wealth but life. Life, including all its powers of love, of joy and of admiration. That country is the richest which nourishes the greatest number of noble and happy human beings; that man is richest who, having perfected the functions of his own life to the utmost, has also the widest helpful influence, both personal and by means of his possessions, over the lives of others.”

John Ruskin, Unto This Last

Books by C H Douglas
(available in the Social Credit Library)
Economic Democracy
Social Credit
The Monopoly of Credit
Warning Democracy
Credit Power and Democracy
The Control and Distribution of Production

Recommended Reading

Eimar O’Duffy
Asse in Clover
(Jon Carpenter £11.00)

H J Massingham
The Tree of Life
(Jon Carpenter £13.99)

Alan D Armstrong
To Restrain the Red Horse
(Towerhouse £7.00)

Frances Hutchinson & Brian Burkitt
The Political Economy of Social Credit and Guild Socialism
(Jon Carpenter £12.99)

Frances Hutchinson
Social Credit? Some Questions Answered
(KRP £5.00)

Frances Hutchinson, Mary Mellor & Wendy Olsen
The Politics of Money: Towards Sustainability & Economic Democracy
(Pluto £16.99)

Frances Hutchinson
What Everybody really wants to know about Money
(Jon Carpenter £12.00)

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(It would be very helpful if material were submitted either by e-mail or on disk if at all possible).

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