

# THE SOCIAL CREDITER

## FOR POLITICAL AND ECONOMIC REALISM

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### The Big Idea

By C.H. DOUGLAS

THIS TREATISE, HERE CONTINUED, WHICH FIRST APPEARED SERIALLY IN THESE PAGES BETWEEN JANUARY AND MAY, 1942, AND LATER IN BOOKLET FORM, WILL NOT BE FAMILIAR TO MANY OF OUR PRESENT READERS. FOR OTHERS A RE-READING SHOULD PROVE ENLIGHTENING.

#### VII

I have suggested that there is an attempt in operation, to impose a World Policy. That is to say, somewhere there is a body of men claiming to be a World Government.

If that suggestion has any grounds, two propositions appear to be self-evident. The first is that all discussion regarding Dictatorships and Democracies, is, to put it in the most charitable form, simply a discussion as to the brand of coating we prefer on our pill.

And the second proposition is that it ought by now to be possible to identify common factors in every country at war, which are evidence of action by an organisation concerned to impose a common policy irrespective of the ultimate "Victors." There are such common factors.

It is of course evident that this World Dominion is not yet absolute. Even if one believes, as I am coming to believe, that its apex transcends normal human activity, it is by no means necessary to accept the view that it is invincible and inevitable. Unless I am much mistaken, there are already signs of important unrehearsed developments, in regard to which the limitations of writing in war-time impose difficulties of description. That is another story.

The first and most obvious indication of a common policy is the similarity—the practical identity—of the methods by which all power is transferred from individuals to officials, who themselves have no initiative. I am not sure that the real character of these methods is generally grasped, even at this late stage.

It is commonly agreed that large undertakings find it very difficult to make rapid changes either in production or policy. To take a well-known example, the Ford Motor Company found it necessary to shut down the whole of its factories for six months, in order to change from the old Model "T" to a more modern type. Motor cars are, incidentally, one of the simplest problems of repetition production. Ford's difficulties were much more with items he did not himself produce.

But the bureaucratic socialism which by means of carefully prepared panic legislation took over the management of the whole of Britain at the outbreak of war, gaily assumed a task beside which the complete re-organisation, not merely of the Ford Company, but of the complete automobile industry of the United States, would be an amusement for an

idle hour. Even presuming the practicability of unified direction of this colossal character, which, for reasons too numerous to mention here, is an assumption I should not be prepared to admit, experience, trained ability and physical geographical arrangement are lacking.

With the usual premise that the valour of the Russians in defending their own country (whatever the effect—they are certainly not fighting consciously to defend ours) is worthy of whole-hearted admiration, I think a public disservice is done by suppressing the exposure of the inefficiency of a country of 170 millions, with an army double that of Germany, supposed to be laid out by the best transatlantic talent to be suitable for bureaucratic management, which has been preparing for war for twenty years, and yet has to apply for munitions to an effete and out-of-date country of 45 millions, which has successfully opposed single-handed the continent of Europe for eighteen months. That we have been able to supply them is certainly not due to socialistic management, which has not built up a single industry.

The object of this assumption of power, under the conditions foretold by P.E.P., had little or nothing to do with the efficient prosecution of the war. It was simply and solely the seizure of power by an international gang of Plotters or Planners, who were perfectly aware of the dangers to their rule in Russia itself, and wished to extend it to this country before it was overthrown elsewhere. This situation, common to Russia and Germany, is specially evident in once-great Britain, in the case of bed, board, and clothes—the domain of the Ministry of Works and Buildings, under Lord Reith\*, the congenital monopolist of the "B".B.C., and the Ministry of Food under the chain-store enthusiast, Lord Woolton.

Private housing has little or nothing to do with the war—but it has been "nationalised." Control of bed, board, and clothes, is, of course, control of life itself. And centralised control of life is the groundwork of The Big Idea.

While contemplating the colossal inefficiency which accompanies, for example, the operations of the two Ministries just mentioned, it is convenient to examine this glorification of Bigness. Bigness for the sake of Bigness, you can't have too much Bigness: Bigger wars, bigger guns, bigger debts. One Big Union, Federal Union. Big Smash.

\*Since this was written Lord Portal has succeeded Lord Reith and the name of the Ministry has been changed to the Ministry of Works and Planning.

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## The John Birch Society and Social Credit

"The Populist Nonsense of the Social Creditists/THAT MONEY SHELL GAME" is the provocative and misleading title of an article by Gary Allen in The John Birch Society's magazine *American Opinion* for June, 1983. This is just another way of asserting, without reason, that the old pea-and-thimble trick is the basis of Social Credit. As an investigative journalist his conclusions are outstandingly false as will be unfolded. Had he read our literature (*The Social Crediter* should be on file in the Society's Research Department) surely he would have named us Social Crediters instead of referring all the way through his article to Social Creditists. To call us Populists is nonsense.

Covering seventeen pages, the article quotes words we have never used, and overlooks the many works of our founder. The only reference to him is in a footnote: "The term Social Credit was coined by Major C.H. Douglas who was the intellectual founder of the Social Credit Party of Canada." Perhaps not untrue but misleading. Douglas said "our task is, *not to capture politics*, but to fragment them." The footnote continues: "The works of Gertrude Coogan have been selected here to represent this school of thought because her books are probably the most widely known of the genre..." It is the first we have heard of Miss Coogan and some other authors listed as Social Credit writers. The list includes a number of names known to us but not one as a Social Crediter. For instance, Frederick Soddy, R. McNair Wilson, A.N. Field, Arthur Kitson, Father Denis Fahey.

Mr. Allen says "The Social Creditists would replace the Federal Reserve by turning the money presses over to the politicians, whom they naively believe can be trusted not to debauch the currency. What the U.S. really needs is a monetary system based on gold and silver coins and fully redeemable hard-money certificates." He can't resist the use of the term "printing-press money" which he uses regularly in his articles without any reference to "cheque money". Control of financial credit should be outside government control and be based on statistics.

As to the Gold Standard, realistic accountancy, not gold, is the proper 'reserve' for 'money'. "Since the rate of expansion of the money-supply progressively exceeds the rate of production of gold (the former is an exponential growth, the latter virtually linear), it is impossible to maintain convertibility of notes into gold on demand. The total value of gold in the world

(excluding Russia) at \$35 per oz. in 1966 was \$1.46 billion (U.S.), whereas the money supply in the U.S. in 1969 was \$192.3 billion, and the Gross National Product \$932 billion. There is thus no possible *fixed* relationship between the 'value' of the unit of currency and a unit of gold" (B.W. Monahan in *Freedom and Inflation*\*)

There are other gems of 'journalistic licence' in Allen's article. For instance: "The notions of the Social Credit populists [a contradiction in terms] consist of a confused mixture of Marxist, Keynesian, and Monetarists elements [he's backing nearly every horse in the race]. . . They believe that a stable fiat currency can be established and maintained, provided that it is handled honestly and intelligently by the 'representatives of the people' in a sovereign government and is based on that government's credit and its power of taxation."

Taxation is legalised robbery. Please read Major Douglas's "Dictatorship by Taxation" reprinted in *The Social Crediter*, May-June 1978.

It would be a waste of time to debate every point of Allen's confusing, journalistic screed. Any who wish to know our views can avail themselves of an unending supply of literature and sort things out for themselves, as we recommend. They might then realise that those who control credit also control information – or misinformation – and know why there is so much contrived confusion about money. And, perhaps, get a glimpse of the devilish creatures behind it all.

He does not mention Douglas's discovery of the flaw in costing which led to his "A + B Theorem" and later to his "National Dividend" and "Compensated Price" which form the technical aspects of Social Credit and will have to wait until the Money Power is defeated.

Whether *American Opinion*'s publishers know what they do is a matter for readers to decide, but for one thing we should be thankful, that they have, at last, hoisted their true flag to leave us in no doubt as to where they stand. Arising out of Mr. Allen's article we come to the conclusion that the architects of World Dominion, whose aims The John Birch Society claims to oppose, are conscious of a critical stage in their endeavours during which we might, just possibly, with public opinion sufficiently fortified with facts, win the next round.

(In addition to his many articles and his "Week to Week" notes, a regular feature, in *The Social Crediter* – a selection of these notes was later published under the title *The Development of World Dominion*\* – C.H. Douglas wrote at least thirteen books and twelve, or more, of his addresses and essays were published in pamphlet form. It would appear that Mr. Gary Allen has ignored all of them.)

## Inflation

In the press, over radio and through television there are constant comments on the causes, cures and measurement of inflation but we are not given an agreed definition, a sort of starting point. Three are suggested:

- (a) A Social Credit usage of the term:  
Inflation consists in an expansion of the figures of money available, accompanied by a

\* Tidal Publications and K.R.P. Publications

- corresponding rise in prices.
- (b) A general usage might be agreed as:  
Inflation consists in an increase in the money supply accompanied by an increase in the overall general level of prices of goods and services.
- (c) Mathematically, it can be stated as a ratio:  
Inflation is defined as the loss of purchasing power of the unit of money over a unit of time.

\* \* \*

Inflation has been officially designated an enemy. Of course, it is nothing of the sort. Inflation is an instrument of policy, and the enemy is the group ultimately responsible for the policy which is producing disaster and threatens catastrophe. The technical solution to inflation is quite simple, and is undoubtedly understood but opposed in higher financial circles whence international monetary policy originates - a position of immense power. The elimination of inflation requires a challenge to that power.

There is a prevalent idea that Socialism is a "Workers' Revolution, for the benefit of the craftsman. Nothing could be less true. The genuine craftsman, where he takes the trouble to understand it, detests it. The backbone of Socialism in every country (which is not to say its inspiration) is the Lower Middle Class, the type which yearns to have power without responsibility and looks to exchange its unenviable situation for a "safe government job." It was the Lower Middle Class who were the tools of revolution in Russia, it is the lower middle class who are the most enthusiastic supporters of National Socialism in Germany. "...National Socialism is not merely a political and economic upheaval, but a social revolution as well. To a very large extent it has brought the lower middle class to power... the lower middle class seems to be inordinately in evidence." (—LOTHROP STODDARD: *Into the Darkness*. The italics in the text are mine.) The coming revolution in Japan will be of the same nature.

The English Fabians, and their offshoot, the Planners, are in the main the same type. What, then, is the characteristic of "bigness" which makes it a common objective in every country in which we can discern revolutionary propaganda at work? To say that it is efficiency is clearly absurd even if efficiency were urgently necessary. It would be as sensible to acclaim the superior efficiency of the Atlantic Ocean over Lake Derwentwater.

It is not difficult to find an answer. The attribute of size—so far as I am aware, the only attribute of size—which grows as size increases, is momentum. The larger the mass, the more difficult becomes a change of direction—the harder becomes the task of individual initiative. That is another objective of The Big Idea, because as the *Protocols of Zion* remark, "Nothing is so dangerous as individual initiative."

A second identifiable common factor is the appearance of plans everywhere designed to make people forget their historic attachment—as Mr. Curtin, the Australian Socialist Prime Minister put it so engagingly when he undertook to make Australians into Costa Ricans, overnight.

This feature is particularly significant, since it links up the present crisis with the French Revolution. The revolutionaries abolished the old Royal Provinces of France (just as an attempt is being made to abolish Britain's Counties by the appointment of Kommissars of Regions) and substituted "Departments" so arbitrarily that except as electoral divisions, they hardly exist to-day.

And a third feature is the systematic destruction or perversion of significant history, and particularly that form of unwritten history represented by hereditary experience.

## VIII

Mr. Henry Ford ("Cars, Tractors, and Retractions"\*) is credited with the opinion that history is bunk. Mr. Ford's opinions, like his cars, seem to be arranged for replacement on advantageous terms, but in this case he would appear to have noticed something which, seen in its proper relation to other knowledge, is worth examination. The first modifying factor is that the reference was to *written* history.

\*Mr. Ford said that what was attributed to him on the Jewish question was said without his knowledge. Mr. William Cameron, Editor of the *Dearborn Independent*, took the same line.

## The Big Idea

(Continued from page 1)

Any ten prize-fighters weigh more than Shakespeare, therefore any ten prize-fighters are more important than Shakespeare. The Albert Memorial is bigger than any Cotswold cottage—grade accordingly. Passed to you for information and necessary action, please.

The first point to notice in regard to this deification of Bigness, is that it is accompanied everywhere by the Lower Middle Class Revolution. I recognise the unpleasant impression that such a phrase may convey, but the French equivalent, *petit bourgeois*, which has been largely used in this connection, does not appear to be more descriptive.

As perhaps it is permissible to repeat, the real cleavage in the world to-day is a cultural, not an economic cleavage, although the two may not be wholly distinct. The Lower Middle Class is a warped cultural class. To illustrate this, I should exemplify Lord Reith as representing the Scottish Lower Middle Class, and Lord Addison, and Mr. H. G. Wells, as types of English lower mediocrity. One characteristic of the class is blatancy, quite often joined with qualities much more admirable, and it appears to be specially and no doubt unconsciously, amenable to outside influence.

If a man comes into your house, and says loudly, "I don't care what you want to talk about, you are going to listen to what I think is good for you," he may be possessed of many good qualities, but your chief preoccupation is to get away from him. But if he returns and says, "You are going to have the kind of house I like, not what you like, and you will pay what I think you ought to pay, and you will not be allowed to build a hen-house unless I agree. And my friend across the way will say where you are to shop and what you are to eat, and which of you is to eat it and together we will tell you why God made you," then it is time to take notice and action.

This curious adulation of bigness is indisputably a common attribute of Socialism (under all its names), Big Business, and what we call vulgarity.

Writing differs from memory in being two-dimensional instead of four-dimensional. It is only possible to write about one thing at a time. Genuine history, that is to say, the flow of events, is just as unwritable as a spring morning. You can pick out certain facts about it, which you think are important, but there are infinitely more contemporaneous happenings than you can possibly mention. In other words, written history is five per cent. fact, and ninety-five per cent. historian, even at its best. What value it possesses, and that may be considerable, depends primarily on the historian, and secondarily, on the equipment of the reader—on his ability to see the related facts in their true perspective.

But there is a type of history which is four-dimensional. Everyone has a certain amount of it, and where it relates to something of the nature of a profession, this memory-history, over the period of a lifetime, has a practical value out of all proportion to anything available in print. It forms the basis of effective ability. We call it experience.

There is, however, a memory-history of still greater importance, and that is hereditary. Many of the country villages of England and Scotland were full of it. The first essential to its growth is stability.

One cannot fail to notice the curious contradiction involved in the passionate study of race-horse pedigree which was so popular in the distant days of uneasy peace, and the carefully fostered contempt for "family" in the human race, which is contemporaneous with Socialism. The subject is complex, and is obscured by the confusion introduced by the rapid growth of a pseudo-aristocracy which possesses no discernible characteristics other than rapacity. I merely wish to refer to it in connection with this most important fact of family-traditional-history, which may take the form of "feeling for the land," water-divining, boat-building, or anything else which has been carried on in the same place by the same families over a considerable period. For the purpose of a "feeling for policy," which is really a subconscious memory of trial and error, the same consideration is equally true if we are to accept the theory of a continuous policy. I do not believe there is any substitute for it, although it requires checks and balances.

Now, I do not think it is possible that anyone who will take the trouble to consider the evidence, can ignore the purposeful endeavour which has been made over at least three hundred years to break up and destroy this hereditary memory of policy. I should not exclude the Crusades from consideration in this respect, but it is sufficient to begin with the decimation of the country families by duelling in the seventeenth, eighteenth, and early nineteenth centuries.

As this began to wane by the recognition of its trend, a wave of the most absurd gambling set in, in which estates which had been in the same family for centuries, changed hands overnight, often accompanied by the suicide of the loser. Both this mania and duelling had the same common feature; they were insidiously stimulated by psychological methods—they were not merely "fashionable," but were, for the country squire, and only for the country squire, an almost inescapable accompaniment to the intercourse with his fellows by which alone his instincts could affect the course of events. "A poor spirited fellow" was not likely to be listened to with much attention.

It is notable that exactly the same sequence of events

occurred somewhat later in America. It is commonly forgotten that the United States, between the War of Secession and the American Civil War, was in essence a country of squires, of the George Washington type. Among these, more particularly in the Southern States, duelling and gambling appeared like an epidemic. By the time the Civil War broke out, the class was sensibly weakened. The war practically eliminated it.

The French Revolution, to the records of which Mr. Ford's kind of history is specially applicable, was primarily a massacre of the French hereditary aristocracy. So was the Russian Revolution of 1917.

Anyone who will take the trouble to go through the casualty lists of the 1914-1942 war, can verify the disproportionate percentage of "hereditary" families appearing in them. This does not apply to one side only. The hereditary memory is being eliminated everywhere.

I can imagine many readers, at this point, feeling the inclination to comment in accordance with the orthodox conception of a downtrodden peasantry rising spontaneously to rid themselves of a vicious tyranny. Like so many of these "all black and pure white" pictures, this idea is more remarkable for simplicity than accuracy. Quite apart from the important truth so well put by Sir William Gilbert, that "Hearts just as pure and fair, may beat in Belgrave Square, as in the lowlier air, of Seven Dials," and that, if it were not so, we ought at all costs to treasure our slums as the only school of virtue, there are three significant facts which apply to both the French and the Russian Revolution.

The first is that they were not spontaneous. The second is that neither of them was a peasant revolution—that is to say, while both of them attacked and massacred the landowners, it was not the tenants of these landowners who were active—it was town mobs and mutinied soldiers. And the third and most significant of all, is that both of these revolutions cut short a period of high prosperity.

(1) "There is a greater amount of artificiality in revolution than is believed. This is not solely to be imputed to the Jews. It is not certain that they form its most numerous elements, but thanks to their racial qualities, they are the strategists and directors of the movement, from which they almost alone derive advantage."—LEON DE PONCINS: *The Secret Powers behind Revolution*, p. 239.

(2) Amongst much other evidence to the same effect, numerous passages in Disraeli's writings, such as the well known reference in *Coningsby* to the occult powers directing affairs, and that, already quoted, in the biography of Lord George Bentinck, which states categorically that the French Revolution was not a popular uprising, may be cited.

(3) The condition of France just prior to the Revolution was one of almost unequalled prosperity, recalling that of England in the later days of the nineteenth century. Chancellor Pasquier, in his *Memoires*, writes:

"I firmly believe that at no time since the beginning of the Monarchy, had France been so happy as at this period (1783)."

Rivarol, in a typically Calvinistic comment on the same period, remarks "*La maladie du bonheur les gagne*"—they are attacked by the disease of good Fortune.

(To be continued)