

# THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

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## KEEPING UP THE PRESSURE

In the November issue of *The Social Crediter* we announced our intended lobby of M.P.s, M.E.P.s, Ministers and other key people for the continuing battle between Britain and other members of the European Community about the retention or surrender of national control over economic and monetary policies. Under appropriate covering letters, we sent out a four-page compilation of pages from the July and September numbers of this paper dealing with these questions. We emphasised the intended role of the Delors Plan as a major step on the road to a European Government. We also asked recipients to say whether or not they supported Mrs Thatcher in her resistance to this process, for which she has been under attack from all sides.

While most of those who replied confined themselves to an acknowledgement, some did so more fully. A representative selection of extracts follows. As it was impracticable to obtain prior permission to attach names to published comments, only political allegiance is given.

*"Is it a coincidence that Mrs Thatcher has come under sustained attack at the same time as she has let it be known that she questions Monetary Union?"* (Conservative M.P.)

*"I am a strong supporter of European integration, believing that is the only way to ensure peace and prosperity in western Europe in the years ahead."* (Conservative M.P.)

*"I have grave reservations over any increase in centralisation into Europe."* (Conservative M.P.)

*"I have read it with interest but in fact disagree with almost everything you wrote."* (Conservative M.E.P.)

*"I understand the genuine concerns regarding the possibility of what is now popularly known as the Federal States of Europe. This is a proposal that I too am not absolutely convinced on, but I am also very keen to have sovereignty in the Westminster government. However, where you and I seem to part company is that you see the Delors plans as a threat to the Westminster sovereignty, when I see every day of my work in Westminster that the biggest threat to our democracy is Mrs Thatcher herself. . . ."* (Labour M.P.)

*I am more than delighted to see that you have picked up the real situation which is developing and I only wish other people were as perceptive."* (Conservative M.P.)

*"Thank you for your letter of 1st November and the enclosure. I agree that the move toward federalism must be resisted."* (Conservative M.P.)

While Mrs Thatcher's position on the crucial issue is so well known as to have subjected her to a barrage of sustained hostility from the centralisers and most of the media, that of the Leader of the Opposition has been much less positive. We therefore simply record that in the debate on the Queen's Speech, almost as an aside, Mr Kinnock remarked that "federal union will find few friends on this side of the House".

Predictably, in view of his career hitherto, President Bush, following his meeting with President Gorbachov, added his voice in favour of further and faster progress towards "European Integration", thus confirming as American policy the achievement of an end result in line with the policy of successive American administrations since the end of World War II.

Meanwhile, the dramatic developments in Eastern Europe have shown how even the seemingly impregnable fortresses of communist totalitarianism can be undermined and overthrown by well-directed and determined populist initiatives. This must be a message of hope and encouragement to all who are politically aware of the true nature of the winds and tides determining the currents now flowing not only in Europe but in the wider world.

The emergence of these new regimes in Eastern Europe poses new and unexpected problems for the European community and seems likely to put a brake on the drive to "European Unity". The former threat to peace in Europe posed by the Warsaw Pact can hardly any longer be cited to justify closer Western union, while the need and the desire for closer economic ties with new governments runs directly counter to the "Fortress Europe" philosophy which so recently has motivated some members of the twelve. In particular, Chancellor Kohl of West Germany, previously closely allied with President Mitterand in support of the Delors plans, may now hesitate to take any further steps which might impede the future reunification of the two Germanies, a demand for which is already being heard on both sides of the present divide.

Despite all the present turmoil, however, there can be no doubting that the ultimate objective of a European Government will still be ruthlessly pursued, and will need to be as vigorously opposed. The basic issue at stake, as shown by the revolts in Eastern Europe, is quite clear. It is essentially that the remoter any form of government is from those it governs, the less susceptible it becomes to their will, and the more difficult it becomes for that will to be effectively expressed. Specious arguments, typified above, that "peace and prosperity" may be better ensured by remoteness must be challenged as being wholly fallacious. In an age of plenty, prosperity can best be ensured by the application of Social Credit principles, and peace from ensuing security "when they shall sit every man under his vine and under his fig tree; and none shall make them afraid" (Micah iv: 4).

DONALD NEALE.

RESPONSES INVITED TO THE ABOVE

## THE NEW CIVILISATION

The destiny of mankind is unknown. Therein is the very stuff of freedom. Here is a statement, not to be contradicted, which countenances a large hope but does not define it; rather, it gives to hope the boundless contours of a majesty not clouded by vague imaginings or limited by any shape of things to come, but large and pregnant with an undiscovered reality. It stands for a sane faith which for ever can keep pace with the expanding universe.

We cannot tell if there is some divine, far-off event to which the whole creation moves. If there is, it may well be infinitely remote in astronomical time, and such as must abash the countenance of imagination at the crass levels of man's present powers. But a realistic view of the universe and of the vital processes at work in it establishes a single fact which is the key to destiny. That fact is that mankind is free. Freedom connotes simply freedom of choice, and it is possible to choose only one thing at a time.

Man can choose what direction he shall take; he is not bound or fashioned by a rigid ecology, but creates his own environment.

All action has consequences, which are determinable. Action and reaction are constant. So that, although he is not exempt from the repercussions of error, and despite the hiatuses in human knowledge, man is not precluded from free choice by ignorance. He is free to make trial, to profit by experience, to choose what direction he shall follow.

The contest with environment has proceeded so far that victory over scarcity conditions is complete, and further development in that direction lies in the endless refinement of scientific and industrial method under conditions of cosmic armistice. Perhaps it is a false figure to describe man's essays against frugality in terms of hostility between himself as nature. But it is certain that he has always regarded himself as wresting his fortunes from sea and soil; he is toiler not merely a gatherer. Finally, however he has eased toil. With the cajoleries of scientific method and applied power he can reap an increase up to the limits of his own choice, and deal with such increase as he will, transforming by manufacture or utilising by novel application wealth which he has won by scientific obedience. This is a tremendous fact.

Between and throughout those monarchic and martial crises which are the substance of academic history, the steady policy of mankind as a whole has been to escape the rigours of poverty and toil. This has been done. The historic environment has been transformed. In place of scarcity and uncertainty there is controllable plenty; in place of scarcity there is overwhelming variety of wealth; in place of exacting husbandry there is the tool-box of mechanical invention and the prodigal energy of power-plant. Of set purpose man has won economic freedom, which is at once a reversal of the historic environment and the culmination of a policy.

This consummation has not so far eased the parallel struggle for acquisition. The struggle in which man is pitted against man unabated. Indeed, the contest intensifies and grows more bitter day by day. Yet the struggle for a livelihood, the struggle for markets, the last futile struggle of armed warfare which employs death and destruction as a means to livelihoods, and conquest as a means to markets, are all stagnant anachronisms in the light of the victory already gained. The folly of struggle is more pointed when it is realised that civilisation as we know it simply halts because it cannot squander those gains which men, classes and nations tussle to acquire.

# A VISION THE N

It is obvious, therefore, that if civilisation is to eventuate in renewal instead of suicide, the present crisis merely awaits a decision regarding direction. Mankind is faced with a crucial choice, an obligation laid upon him by the freedom he has achieved. What use will he make of his opportunity? It is ridiculous to contend that any crisis has occurred before in history which is comparable with the present issue. If such a crisis has occurred, it predates any record, and certainly goes back to that remote age when man forsook the forest and walked upright. The freed hands and level eye have produced their utmost, and brought him face to face with another juncture of even greater importance.

The main feature of the choice now confronting the world is plain. It is a choice between realism and idealism. The Renaissance produced the scientific spirit in Europe, and empirical method wedded to an existing ambition eventually pricked men on to a versatility which could not have been envisaged at the time it began. From that intellectual and manipulative versatility was born the power of prosperity. Prosperity is the direct outcome of the inductive type of thinking, but side by side with this has grown a moralistic body of thought which has garbled the straight laws of nature (verifiable through their unvarying instances) with artificial "laws" which are mainly the impositions of privilege upon powerlessness. The ability to administer the moral law implicit in caste-riven society has passed . . . from the priestly class who devised it in early civilisations, and from the military class which assumed it at later phases, and from the automatic and plutocratic classes who plundered it, to a mean and subtle and very restricted group, operating in super-imperial fields through the instrument of modern coercion — the monetisation of credit. The important aspect of this development is not that it is a concentration of power amounting to world patronage in the hands of a few superior office boys. The important point is that such a concentration imperils freedom to the point of loss, and stultifies the profitable contract made with nature by obedience to her laws.

Through stultification the moralistic basis of the present civilisation is crumbling. Freedom is jeopardised by tying men to a work-for-wealth idealism in place of the realistic distribution of leisure as a machine bonus. Profitable association with nature is rendered sterile by enforced non-participation in increments of wealth not directly due to conversions of raw material by human energy, or linked somehow to work idealism.

The difficulty of maintaining an idealistic order of subsistence-standards, in contradiction of the demonstrable fact of plenty, has led to the super-idealism of State-worship, just as the refusal to admit the fact of possible leisure has led to the extravagant moral idealism of work for work's sake.

State-worship is a political device to ensure the enslavement of people in conformity with planning idealism. Its danger is the accumulating eruptive force of repression. Already there is a widespread recognition of the duplicity

# ON FOR NETIES

of political propaganda, but there is also lamentable ignorance of the strategy and identity of the wire-pulling social enemy behind it. The outcome is that the name "politician" has become a term of reproach, and justly so, for acceptance of the status of professional catspaw is final abandonment of honour. This discredit is due not only to the subservience of political parties to the money power, but equally to the ignorance of politicians of matters of fact. They are, in the main, ignorant of the nature and function of money, and equally ignorant of the purely administrative function of representational government.

The blustering forms of "government" with which nations are afflicted today are products of ignorance. They are possible by ignorant neglect of the economic forces which are thrusting relentlessly towards an unacknowledged prosperity. There is no science of economics to reveal this pressure. There is simply a toppling edifice of artificial data, expressing wealth always in terms of debt. This false money-economy, fostered and supported by the world-ring of finance, can be, and is pitted against the plain observations of common sense. It is an aspect of the triumph of idealistic over realistic thinking.

Similarly, there is no political science. It is absurd to talk of "political science" in connection with a continual and veering response to all the chilly winds of financial coercion, in utter scorn of the will of the body politic. There, however, is the rub. The politician responds to the pressure exerted upon him. The policy of common mankind is implicit in the direction that discovery and invention, organisation and concerted effort generally has taken up to the present. But, being unformulated and unexpressed, this implicit will is hindered and diverted by a control which negatives free choice. Mankind as a whole, and not simply man the politician, has succumbed to tolerated but intolerable institutions which are the vehicles of a perverted idealism, the idealism of financial conventions, by which all administrative agencies in the state are suborned. No action whatever can be taken without financial consent, for money, under existing conventions, is the means to all ends. The politician is reduced to a writhing servant of financial expediency, and, being bred and selected and conditioned in an atmosphere of idealistic ideas, has not the force to break from the charmed circle, or the wits to perceive the charlatanism of restraint. Force must be applied to him from another angle, for his real problem is a choice of masters.

It seems that the new, realistic civilisation which is coming to birth simply waits upon the forceful declaration of that common policy which is traceable in historic human effort. The policy exists, and is active as the impulse behind most individual effort. But it has not yet assumed the increment of power due to association. It is the common policy. To secure unity some clarification of ideas is a first necessity. The realisation most potent as a unifying force is that competition, which is the polite modification of war, is not the major factor behind material progress. It is a weakening factor; opposition of

effort tends to equilibrium, not momentum. The drive of society, regarded as a force, derives from association, with division of labour.

The principle of association, once admitted as the basis of social dynamics, will elaborate to an art of mutual aid, in which for the first time the spiritual powers of mankind will increase with unhindered speed. Association dislodges all grudges, and makes possible the ethic of the Sermon of the Mount.

The test of any political system is the individual it produces. The final fruits of association accrue to the individual, and the destiny of every man's temporal desire is free, secure life, incited by curiosity, satisfied with growing wisdom, and virile with health. To that end the new civilisation will press on.

The dying order is young only in the extent and vigour of its dominating powers. It is static, if not retrogressive, but its means of defence are formidable, being entrenched in established legalism, in the morality of all orthodoxies in the conservation of education, and in the universal system of nepotism in administrative offices of all kinds. It is supported by propagandist organisation which has the monopolistic power of exclusion as well as the hypnotic powers of endless reiteration, and which can unleash the tiger on its own behalf at short notice, and create a maddened or witless horde overnight.

But the spearhead of a new consciousness, the realism from which will spring a civilisation of greater grace and clearer light, finds every chink in this jointed armour.

Man is his own destiny, forever fashioning from his vicissitudes an order of new associations, magnifying his strength, and deepening his insight at every difficult stage. Within the limitations of his knowledge he appoints his own end, and with the desperate urge of life fulfilling its intrinsic mission, he goes towards it. Man alone takes knowledge of his direction. He is not a lumpish dinosaur lazily to extinction. He invites his destiny and encompasses it little by little.

CHARLES JONES.

Edited from *The Fig Tree* (First Series),  
September, 1938.

## RECOMMENDED READING

|                                  |                                                                                                                                                                                                               |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Abraham, Larry</b>            | Call It Conspiracy.                                                                                                                                                                                           |
| <b>Douglas, C. H.</b>            | The Brief for the Prosecution.<br>The Development of World Dominion.<br>Economic Democracy.<br>The Monopoly of Credit.<br>The Policy of a Philosophy.<br>Programme for the Third World War.<br>Social Credit. |
| <b>Monahan, Bryan W.</b>         | The Moving Storm.<br>The Survival of Britain.<br>Why I am a Social Crediter.                                                                                                                                  |
| <b>Reed, Douglas</b>             | The Controversy of Zion.                                                                                                                                                                                      |
| <b>Social Credit Secretariat</b> | Elements of Social Credit.<br>Zimunism.                                                                                                                                                                       |
| <b>Sutton, Antony C.</b>         | National Suicide — Military Aid to the Soviet Union.<br>Wall Street and the Bolshevik Revolution.<br>Wall Street and the Rise of Hitler.                                                                      |

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**THE SOCIAL CREDIT SECRETARIAT**

**It is with great regret that we have to report that, after a short illness, Mr Cyril R. Preston, Chairman of the Social Credit Secretariat from June 1985 to December 1989, died at Chichester Hospital, West Sussex, on 4th January 1990. Our deepest sympathy is extended to Mrs Preston and to his family in their great loss.**

**THE SOCIAL CREDIT SECRETARIAT**

In accordance with the Constitution and Regulations of the Social Credit Secretariat, the following have been appointed to serve as its officers with effect from January 1990:

- Chairman and Editor:* Donald Neale, O.B.E., 21 Hawkhead Crescent, Edinburgh EH16 6LR.
- General Deputy Chairman:* Dr Basil L. Steele, Flat 3, 45 Regent's Park Road, London NW1 7SY.
- Deputy Chairman, Australia:* H. A. Scoular, 11 Robertson Road, North Curl Curl, NSW 2099.
- Treasurer:* John P. C. Dunlop, C.A., 17 Randolph Crescent, Edinburgh EH3 7TT
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- Production Editor:* Iain McGregor, 170 Portobello High Street Edinburgh EH15 1EX.

**THE SOCIAL CREDITER**

We regret that publication of this number has been unavoidably delayed, partly because of the Christmas and New Year holidays and for other reasons beyond our control. The opportunity has been taken of changing the page size to standard A4, and of introducing certain other changes in design. We hope the new format will be welcomed by our readers, from whom responses are invited. For the future, it is intended that the paper should be published during the first week of the period it covers or as near thereto as possible.

EDITOR.

**THE SOCIAL CREDITER**

This journal expresses and supports the policy of the Social Credit Secretariat, founded in 1933 by Clifford Hugh Douglas.

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**SELF-INFLICTED INJURY**

It is a revealing commentary on the incompetence of our Treasury mandarins that the new Chancellor of the Exchequer should now be accepting part at least of the blame for the current surge in inflation. In evidence to the Treasury Select Committee shortly before the Christmas recess, Mr Major admitted that, "with hindsight", the Treasury should have tightened monetary policy following the October 1987 stock market fall instead of relaxing it in the mistaken belief of thereby avoiding a recession. The resulting credit explosion, on top of Mr Lawson's £4 billion of tax cuts, is estimated to have put some £40 billion of extra money into the economy — a bonanza for the money-lenders, but a painful boomerang for their borrowers as interest rates later climbed.

For a government claiming that beating inflation is its top economic priority, such an admission can only mean that the Treasury's concepts of money management are fundamentally flawed. This of course will come as no surprise to Social Crediters, but only as further evidence of the dichotomy they have long known to exist between money supply and the production of goods and services.

Ironically for those mandarins who favour early British entry to the European Monetary System, the consequences of such misjudgments will further delay progress towards their objective. According to *The Sunday Times* (17th December 1989), the Treasury and the Bank of England are now at one in arguing for postponement of entry at least until 1991 on the grounds that a lengthy period of rehabilitation is needed for Britain's economy before membership can be considered. The Deputy Governor of the Bank is quoted as saying that Britain needed up to three years of low inflation to restore credibility to economic policy. "High inflation in Britain" says *The Sunday Times*, "is officially regarded as the main obstacle to early E.R.M. entry, with the current-account deficit as a secondary, but important, condition."

Whilst loyally sharing the blame as former Chief Secretary to the Treasury, Mr Major's admissions may well re-open the question as to the true reasons behind Mr Lawson's resignation as Chancellor. Could he perhaps have come to see the error of his ways and the likely consequences, and be glad to avail himself of an opportunity to get out? A new round of wage claims from unions demanding 10% and more to counter rising prices, coupled with even larger rises recommended for groups covered by pay review bodies, is now challenging the Government's policy of pay restraint.

The Prime Minister, says *The Scotsman* (12 January 1990) "came as close as she has yet to putting the blame on the former Chancellor, Nigel Lawson. She said there was too much money in the system." Clearly, the lesson has not yet been learnt that inflation is inevitable so long as credit creation remains in private hands and bears no necessary relation to the actual production of goods and services? There can be no hope for price stability unless and until a just relationship is established between the rates of production and consumption of real wealth and the rates at which the tokens which mobilise it are regulated.

The 1990s will present new opportunities for such fundamentals to be restated and our voice must eventually be heard.

**OVERHEARD**

"We think Gorbachev has got Bush in his pocket."  
"Oh, do you? We think they are both in David Rockefeller's."