THE SOCIAL CREDITER

FOR POLITICAL AND ECONOMIC REALISM

Vol. 32. No. 6. Registered at G.P.O. as a Newspaper. Postage: home 1½d. abroad 1d. SATURDAY, APRIL 3, 1954. 6d. Weekly.

From Week to Week

In an article on the 'pulse-taking' of 'gold' resumed daily at 10-30 a.m., in the New Court, St. Swithin's Lane, the *Evening Standard* for March 23 cries "There Isn't A Millionaire Among the British Rothschilds!"

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Mr. Charles Morgan's play, "The Burning Glass" ended its run last Saturday after 28 performances, Mr. Priestley's "The White Countess," after five.

The Trade Union 'sanction' is stated to have put an end to *The Recorder,* the new daily which thought 'ginger' was 'dynamite,'

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It should be obvious that, on a scale quite unprecedented, the development of atomic and nuclear power—mere words to the layman, and mere jargon to the expert, a consideration which places both in the same *political* class, and that is the outsider class, the exploited class, the mischief class, the ballot-box class,—is both substitute for the financial uses of 'hot' war and intensification of 'cold' war. What proportion of present production is directly or indirectly related principally to the new gadget (that is all it is) is hidden under the veil of official secrecy, and we should be glad to be contradicted if we suggest 66 2/3 *per cent.,* provided the contradiction is supported by objective data, and accompanied by a clear statement as to which side we err upon. The new thousand-million dollar vote of Congress, as much as the million and a quarter dollars' worth of new Pacific 'tests,' is not so much as a meagre 'tip' to the porter, but a mere dirty look when he asks what class you travel. This aspect of atomics is just cure of unemployment plus ensurance of overheads to be charged to future consumption goods which figuratively will mount into the upper atmosphere and beyond. 'Some' overheads, and nothing to pay them. As Douglas predicted, phase two of the world war put 'finished' to the financial 'system.' It did. There's no 'system,' but only systematic exploitation of the pretence of system. The pretence remains the same as before: that industry is self-liquidating, and you (or they) can recover total financial costs in prices.

The bluepencilling of the Pope's speeches by journals which proclaim the 'freedom' of the press, and, on the other hand the Pope's persistence in his warnings, are, besides our own, the only signs we can see that the real plight of humanity is grasped. We know what we are saying; the Pope knows what he is saying, and the bluepencillers know what they are *not* going to say. Lying is evidence always of the truth: You can't lie unless you know the truth.

With such instruments as it still possesses, the Church confronts the State.

According to the *Catholic Herald* for March 19, the fifteenth anniversary of the Holy Father's Coronation was marked in Rome by ceremonies in most of the churches, and in the Vatican all the public buildings flew the Papal colours and the Papal armed forces wore their full dress uniforms.

Solemn Pontifical Mass in the Sistine Chapel was attended by all the Cardinals resident in Rome, many Archbishops and Bishops, all the senior prelates of the Papal Court and Roman Curia, the Superiors General of the religious orders and congregations, and all the members of the diplomatic corps accredited to the Holy See, representing some 40 nations.

In the evening the vast auditorium of the new Palazzo Pio—one of the biggest in Europe—was filled to its utmost capacity with leaders of the ecclesiastical, civil, cultural and political life of Rome, for an official address by Cardinal Ruffini, Archbishop of Palermo.

He said that the numerous Encyclicals, constitutions and other masterly documents that Pope Pius XII has given to the world will remain as lasting monuments to the truly Papal wisdom of a great Pope.

The report goes on:—"Among these precious documents that which has a very special importance today, said the Cardinal, was the recent Christmas message dealing with the technical spirit and its dangers.

"The Cardinal showed how Christianity throughout the ages has supported and encouraged development and progress in the world, but today technical mechanisation seems to wish to become a 'technocracy.'

"To the question of whether this technical mechanisation is good or evil, Cardinal Ruffini said that of itself it is good since it can be seen as the meeting of the reasonable creature with the Creator, Who makes use of the human spirit to continue His work and impress His seal upon it. It does not violate nature but supports it and can help to achieve a higher standard of living. [We say again that this help is superfluous—Editor, *T.S.C.*] Today in the place of slaves of yesterday there have come the technical machines.

"On the other hand, technical mechanisation in industry —and this in the service of a merciless capitalism— transforms millions of men into a shapeless mass that eventually becomes an enormous social machine organised in a materialistic manner.

"Then Marxist socialism guided by a blind atheistic materialism, rendering even worse the enslavement of man caused by liberal capitalism, has reduced the worker to the status of a cog that must function with other cogs according to a pre-established plan and under the orders of a tyrannical hierarchy wielding despotic power.

(*continued on page* 4.)

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This journal expresses and supports the policy of the Social Credit Secretariat, which is a non-party, non-class organisation neither connected with nor supporting any political party, Social Credit or otherwise.

SUBSCRIPTION RATES: *Home and abroad, post free*:
One year 30/-; *Six months* 15/-; *Three months* 7s. 6d.
Offices—Business: 11, GARFIELD STREET, BELFAST. *Telephone*: *Belfast* 27810. *Editorial*: 49, PRINCE ALFRED ROAD, LIVERPOOL, 15. *Telephone*: *SEFton Park* 435.

By the Way

(1) In the early days of the war, while the true nature of the political struggle relentlessly carried on under cover of the more public 'effort' was revealing itself and while there was still some doubt whether we should be left alone to pursue our special function, in war or peace, with such instruments as might be available, there was instituted in the Secretariat the distribution of occasional 'Internal Bulletins,' marked 'Private and Confidential' at the start, because we did not know the precise nature of what we might have to communicate to the selected but not very narrowly selected recipients. The subject matter consisted of notes of conversations between the Advisory Chairman of the Secretariat and his deputy. Such conversations took place with fair regularity and averaged four or five a year, occasionally more, from the commencement of the war onwards, though, when the war came to an end, the distribution of notes terminated. The practice was to transcribe the record, eliminating references of a personal nature, and to forward the transcript to Douglas for comment or correction. A slightly more elaborate procedure was adopted in one or two cases in which a third individual, who was the 'interrogator-in-chief' of Major Douglas, desired to take a permanent record abroad. The field covered was certainly as wide as that covered in Douglas's own writings at this time, and, indeed, the whole content of *The Social Crediter*. The subject matter was not, however, adapted, as in the journal, to the necessities of a wide publication, though a good deal did, through Douglas's borrowings from his own conversation or otherwise, ultimately find expression in print.

Recently, one or two comparable sets of notes have been compiled, much smaller in volume, and not submitted to check by reference back to the author of the more important features of their contents. Like the first, they cover the field of strategy, the general principles of society as Douglas presented them, and what we call the philosophy of Social Credit.

A great deal of the more thorough understanding of Social Credit which now exists is traceable to the assistance which these notes lend in assessing the shifting emphasis which Douglas placed on what he had to say. The topics themselves are of perennial importance, if not increasingly so, as the threat of 'quack practitioners' (a phrase from some notes by Mr. Hewlett Edwards in 1944) grows.

As soon as may be, all these notes will be collected, transcribed and distributed, not perhaps widely, but without restriction on their currency. Of immediate practical importance is clear description of the circumstances (for us to acquiesce in or to reject) in which "the battle will always move away from us. 'Social Credit' will come—and we shall all die of heartbreak."

(2) A lady reader who records that she has "always been politically minded and only my knowledge of Social Credit disengaged me from Socialism" writes affirming that "though always a Church member, I had not the faintest idea of what 'The Trinity' was." A reviewer in the *Church Times* for March 26 alleges that the dominant systems of theology in the nineteenth and early twentieth centuries "relegated the trinitarian conception to an unimportant place. The causes for this relegation go back in part to the Reformers." (Beware of Reformers!) In publishing the important correction to an error in our printing of Dr. Monahan's Melbourne address lately, we added a little note, which we afterwards removed, dealing with the just application of 'the trinitarian conception' to our own place in the cosmos. We removed it on account of strong objection from a colleague, who thought our astringency 'derisory.'

So large he was, so great his stride,
All space he seemed to fill.
We feared that he might us deride.
Yet, no, he stood quite still.

which was written of the famous Dean of St. Patrick's of times gone by. Doubtless there is a proper place even for derision; but this was not it, and, though not large, nor of great stride, *we* stood quite still. We have repented since. Not that we intended to deride; but we wish, omitting the offending wit which accompanied it, to make this point:— That, from the point of view of the larger social Constitution, *we conceive the whole Social Credit movement as part and parcel of the rôle of the Kingship, in common with all that is* ultra vires *of the State.* We emphasise 'part.' "Social Credit is an octave of a philosophy. There are other octaves." The rôle of the Kingship in society is authority. The quest of parties in society is Power. Compare this statement with Douglas's: "All education, is part of all religion, and is *ultra vires* of the State." (*Ultra vires*?— Beyond the power . . .) We have to put Social Credit 'Beyond the Power.' That cannot be done bp putting it *under* the power.

NOTICE

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Peers New and Old

(From *London Letters* and Some Others by George W. Smalley, New York, 1891.) LORD ROTHSCHILD AND LORD LINGEN (July 2, 1885. London): —

The new Peerages and other honours bestowed by the departing Government on its supporters are perhaps less numerous than was expected. Some have been refused. Mr. Gladstone set the example by declining the Earldom which the Queen offered him . . .

The Rothschild Peerage is the one which is most talked about. If there are people who object to it, they are people who cling to old prejudices against the race to which Sir Nathan de Rothschild—to give him his old name once more —belongs. It must be admitted that there are such people, and some of them are to be found in the order which is now for the first time thrown open to a Jew. Their grumbling need not detain us. I do not doubt that Mr. Gladstone, though the strictest of Churchmen, rejoiced in the offer he was able to make to the head of the Rothschilds, all the more because of his alien faith. He is in such matters, or at least in this matter, a Liberal first and a Churchman afterward.

No one disputes the fitness of this gift on personal grounds. Sir Nataniel de Rothschild has been the chief of the house for some ten years. He inherits his English baronetcy from his Uncle, Sir Anthony, who took it with special remainder in default of male issue to his nephews, the sons of Baron Lionel. The services rendered by the firm of Messrs. N. M. Rothschild and Sons to the Government are matters of notoriety. The million sterling they advanced for Egypt is one of the latest, but perhaps the most remarkable. They lent it on the expression of a wish by the English Ministry, or rather by Lord Granville; one more instance of the curious relations between the English and Egyptian Governments. The loan has not been paid off; was, indeed, renewed once more after the accession of the present Ministry.

Sir Nataniel's father was the first Jew to sit in the House of Commons; the hero of that long contest which ended in the triumph of free principles over narrow bigotry. Events move rapidly in these days yet it is not quiet easy to convince oneself that less than thirty years ago a Jew had no place in the House of Commons. The oath required was "on the true faith of a Christian." Baron Lionel omitted these words; the House decided the omission to be fatal to his claim. In 1858 a special resolution moved by Lord John Russell cancelled the obnoxious phrase. Eight years later came the law by which the oath for both Houses was made identical.

Sir Nataniel himself is the official head, one may say, of the Jewish community. He is President of the United Synagogue and of the Jews' Free School. He has never withdrawn himself in any way or in the slightest degree from the fullest communion and association with his own people, nor made the least concession to the stale prejudice against his race and his faith. The Rothschilds are not of the ancient priestly lineage which counts for so much among the Jews. The place they fill they have conquered, not inherited. Perhaps that would not be their least recommendation to Americans.

Another thing will recommend Sir Nataniel de Rothschild to Americans. He was one of the few Englishmen who foresaw the triumph of the Union in the Civil War. At the moment when things looked blackest, he invested the whole of his personal fortune in American securities. He was then a young man of twenty-three; his father was alive; his position not even, I think, that of a partner in the firm whose fortunes he has since directed and enlarged. With a just pride in his name, he takes no territorial designation but will be known hereafter as Lord Rothschild.

His reception was a historical scene. The Earl of Rosebery, who married Lord Rothschild's cousin, and Lord Carrington, were the supporters of the new Peer. Nothing of the strictest Jewish ceremonial in the taking of the oath was neglected. Lord Rothschild put on his three-cornered hat, produced a Hebrew Bible of his own, and swore upon that. Never before did the Peers of England look on while one of their number took the oath covered, or took it on another book than that which Christendom accepts. The occasion was thought so interesting that both parties to the ceremony wanted to keep a memento of it, and both fixed on the Hebrew Bible. Lord Rothschild gave it up gracefuly, and it is deposited, I suppose, in the archives of the House; whatever they may be. You perceive that Sir Nataniel de Rothschild has elected to drop the particle. His title is Baron Rothschild; a modification of the family name as it has always been borne in England.

Probably none of his creations pleased Mr. Gladstone more than that of Sir Ralph Lingen, who becomes a Peer. Sir Ralph Lingen's claim to distinction consists in his guardianship of the Treasury, of which he has been permanent secretary since 1869. Of the bureaucracy of permanent clerks who really govern this country, he is perhaps the chief. The Treasury is supreme over everything except the House of Commons; grants and witholds money; supervises every expenditure; prevents much, limits what it does not prevent, and asserts in all sorts of ways the power of the purse, and of the purse-bearer. Sir Ralph Lingen is the impersonation of this system. Mr. Gladstone has been known to eulogise him as one of the greatest living benefactors of his country. He is a ferocious economist; parsimonious with public money; looking upon the chief of each spending department as a public enemy, against whom he defends the public treasury. Be his services greater or less, he has his reward.

ENGLAND AND AMERICA: The American Constitution—English and American Democracy (London, February 4, 1888): —

It is extremely difficult for an American who has never lived in England to comprehend how little the English know about the Constitution and Government of the United States. . . . The American Minister has undertaken to enlighten them by an exposition in the February number of the *Nineteenth Century*.

They have had means of information before now. It is the will to use these means that seems wanting. Professor Dicey has a chapter on the subject in his learned treatise on the *Law of the Constitution of England*. Sir Henry Maine has another in his excellent book on *Popular Government* . . . they do not seem to sink into the English mind. . . .

The most extraordinary mistakes are made by the most eminent men in England; the most extraordinary questions are put . . . once, an Englishman of position wrote to ask whether I thought it possible that a copy of the Constitution of the United States could be found in the British Museum. Lord Salisbury held that the Supreme Court, having been applied to for the purpose of enforcing the provisions of the Constitution, could not deliver judgment according to their consciences "because the soldiers of President Lincoln,

appearing at their doors in arms, so terrified them that they perverted the law to suit the design of the Executive." I quote from Mr. Blaine's *Twenty Years of Congress*. Lord Palmerston declared in Parliament that Mr. Lincoln and Mr. Seward had the power of making war if they could secure the sanction of the Senate. The late Lord Derby insisted that the President and Congress together had no power in case of rebellion to suspend the *habeas corpus*. . . .

Mr. Bagehot, in his book on *The English Constitution*, enlarged on the enormity of the power exercised by President Lincoln at the beginning of the Civil War. He can hardly be quoted too often as an example of what an instructed Englishman is capable of believing about the United States: —

" It has been held that the President has power to emit such (paper) money without consulting Congress at all. The first part of the late war was so carried on by Mr. Lincoln; he relied not on the grants of Congress, but on the prerogative of emission. It sounds a joke, but it is true nevertheless, that this power to issue greenbacks is decided to belong to the President as commander-in-chief of the army; it is part of what was called the " war-power."

This was written deliberately in December 1866, by one of the most enlightened of English political thinkers. . . . It is only fair to Mr. Bagehot's memory to say again that, in spite of this incredible blunder, the English part of his work is of the very highest value. . . Among the statesmen of England, few indeed trouble themselves to acquire a working knowledge of a system under which their kin beyond the sea have thriven. England has been going through, since 1832, a succession of political revolutions. She has thrice remodelled her franchise and always by extension, always in obedience to democratic tendencies and demands. Power, broadly speaking, passed from the aristocracy to the middle classes in 1832; in 1867-68 and far more decisively in 1884, the working classes, first the artisan and then the agricultural labourer, succeeded to that splendid heritage. What could have been more useful to reformers during this period of transition than an accurate acquaintance with the workings of democracy in America? But they did not acquire it, and they are groping their way to-day through a series of difficulties with little help from the experience or wisdom of the United States.

The indifference of the English to precedents which have been established elsewhere than in the United Kingdom is one reason for this continuing and contented ignorance of the American Constitution. But there is another, the influence of which is perhaps not less potent, though more seldom avowed. The men who have the ear of the masses in England are naturally men who have promoted political reforms, and who are eager to promote other reforms. They are Radicals, and they wish to get to the root of things as quickly as possible. They look upon the existing Constitution as embodying a mass of abuses of which they desire to get rid. They want to run the legislative machine at full speed. They are utterly impatient of checks, of moderation, of enforced deliberation upon great Constitutional changes. A leading Radical, whose name I should like to tell you but must not, asked me not very long ago to explain to him the process by which an amendment to the United States Constitution is carried.

I did so, and as I enumerated and described the different delays and legislative obstacles that had to be encountered and overcome, his face lengthened and finally flushed, and he said, " You need not suppose we shall adopt any such system as that in England. There are too many iniquities which we want to abolish, and abolish at once." And it is true that Parliament may pass an Act revolutionising the fundamental law of the Kingdom between midnight and two o'clock in the morning. Once passed, it is law; Constitutional law; a new article of the Constitution of the Kingdom; requiring no ratification, referable to no tribunal, subject to no judicial consideration, practically impossible to repeal, since revolutions do not go backward, and the strongest opponents of a reform are compelled not only to acquiesce in it, but to carry it out when they come into power, and often to propose fresh legislation to make it more efficient. I will undertake to say that any political leader who should seek to engraft upon Parliamentary procedure any modification analogous to the American procedure in amending the fundamental law, would forthwith be denounced as a reactionary. He might not be told he was a Tory, because the Tories are rapidly becoming democratic reformers. But he would be warned that he was obstructing urgent reforms, that he distrusted the people, probably that he was a partisan and tool of the classes.

The English eulogist of the American system must be content to be called a Conservative. So, sometimes, must the American who judge things English by an American standpoint. Sir Henry Maine, who has little faith in the sort of democracy which English Radicals propose to themselves as an ideal, is the admirer and eulogist of American democracy. So, as I pointed out at length last week, is Mr. Froude. They both see that the distribution of wealth in America is, as well the deliberation upon change enforced on the constitution, one cause of American conservatism. For the present, however, we may be content if we can get the English to understand something of our Constitutional doctrine and practice. If Mr. Phelps can induce them to study that, he will indeed have done them a service.

FROM WEEK TO WEEK (*continued from page* 1.)

" Mechanisation today seems to be reaching its zenith and it arouses in the hearts of many the hope that soon, with increased production and a fair distribution of the goods of the earth, human needs will be satisfied and then peace should result.

" Pope Pius XII, however, with his supreme authority, has raised his voice in warning that peace is 'first and foremost an attitude of spirit.'

" Catholics must unite their forces in public life in order to stem the advancing and highly organised forces of evil which plan to strike a mortal blow against Christian civilisation and establish a regime of blind technical mechanisation which is nothing but abject slavery and barbarism."

Upon what ground can anyone so-minded 'unite his forces'? Surely not *in vacuo*. The ground on which all forces of society meet is the political ground, that is to say the ground which is now cluttered up with the remnants of the Constitution. The time is approaching when, if at all, we take our stand on this ground. Preparations are being made to do so.

Published by K.R.P. Publications Ltd., at 11, Garfield Street, Belfast.
Printed by J. Hayes & Co., Woolton, Liverpool.