

The SOCIAL CREDITER

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SOCIAL CREDIT: CLEARLY EXPLAINED 101 QUESTIONS ANSWERED

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(Continuing our reprint, by kind permission, of the original booklet)

69. IS IT A FACT THAT MODERN COMMUNITIES ACTUALLY DISCARD OR SCRAP MACHINERY IN ORDER TO "MAKE WORK"?

YES, IT IS TRUE, although it sounds more like the antics of Bedlam, than the policy of sane men. The ceremonial "burial" of the toy steam shovel in Montreal, 1932 (see Answer to Question 68, above), is one example. Here are others: -

Coal instead of oil used on Rumanian railways in order to "make work" (1933).

River barrages constructed in Germany by hand labour in order to "make work" (1933).

Contract for a new bridge at Saskatoon limited the amount of machinery to be used in its construction in order to "make work" (1933).

New York State, in granting money for

road-making, stipulated that 90 per cent. be allocated to man-work, thus debarring the use of rock-crushers and other labour-saving machinery, in order to "make work" (1933).

Fear of The Machine is fear of Leisure. Fancy grown men and women being afraid of the machines they have invented and made! If it were not tragic, it would be enough to make a cat laugh! Why not master The Machine by taking your Leisure and using it? Incidentally, there is no other way of mastering The Machine. And there is no way of taking your Leisure, and using it, unless you have the right to draw "The Wages of The Machine." In other words. Social Credit is the only remedy.

70. WHAT WILL SOCIAL CREDIT DO FOR AGRICULTURE?

AGRICULTURE WILL BE given Number One place in the production-system of Great Britain. Food-Warmth-Shelter: these are the Three Essentials, and obviously food-growing comes first. Social Credit will remove all financial hazards from the growing of food as a business proposition. It will not only ensure a remunerative market generally, but will bring markets nearer to the grower. The right to draw the National Dividend enjoyed by everyone will re-

verse the migration from country to town and enable multitudes of people to live where food grows at their doorsteps, and they can, if they choose, grow their own food, or take part in food-growing. This will mean fresher food and an open-air life, and therefore a vast improvement in the health of the nation.

As for the farmer: every working farmer knows that in peace-time his only real problem is money - i.e., *prices*. Farming is not his problem but how to make farming "pay." He cannot, under the Bankers' Debt-system, get a market price for his products that will cover his costs and leave him enough to live on. He puts his hand to the plough, but there's always a spectre following. He is dogged by debt.

Under Social Credit the farmer will (a) be able to get new debt-free credits for new production, (b) he will get his National Dividend like everyone else, and (c) always find an effective Home Market - i.e., people will be able to buy his produce at the just or scientific price, and the farmer will receive the full price (as now calculated) from the wholesaler or the retailer. (See Question 40, *How Will the Price Adjustment work?*)

Therefore, the farmer will flourish. Think it out, and you will soon see why. And don't forget that it was the *farmers* of Alberta - and their wives - who elected a Social Credit Government in that Province in 1935, again in 1940, and again in 1944. They voted for Social Credit because they had been sunk up to their necks in money-

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debt - i.e., they couldn't get a price for their product (mainly wheat) that would cover their costs.

(See Question 4: *Is it not a fact that Social Credit has been tried in Alberta and failed?*)

71. WHAT ABOUT THE COAL INDUSTRY AND THE COAL MINERS?

SOCIAL CREDIT WILL put a stop to a gross scandal - the dispersal of our irreplaceable coal reserves abroad, and the ridiculous resistance of coal magnates to inflows of coal from abroad.

In 1939 the South Wales Trade Recovery and Expansion Committee (of which Sir Robert Horne was chairman) issued a Report *complaining* that our exports of coal dropped from 7,359,000 tons to 5,951,000 between 1935 and 1936. It asserted that much of this "loss" was due to German subsidies on exports, averaging 12s. a ton and called for a counter-subsidy.

This policy is peculiarly dangerous to us because we are not well situated for water-power, and we have no forests to provide fuel.

Social Credit will reverse this policy. It will promote the conservation and sparing use (for our own purposes) of our coal resources and welcome any additions that can be gained by importation. Should this involve (as it may) a lowering of output from our own mines, that will not matter. Managements will be entitled to apply for a revision of their costs (under the provision of their Price-Adjustment agreements with the National Credit Office) and will be authorised to raise prices sufficiently to make good losses in revenue and thus maintain payments of wages, salaries, and dividends on the previously agreed scale.

Coalminers thrown out of work by any such lowering of output will, of course, be able to fall back upon the National Dividend. But in these special circumstances it is a moral certainty that public opinion would spontaneously approve of a supplementary grant to these men a sort of "stop-gap pension" - continuing until they found alternative work. If so approved, this would be done, for the basic charac-

teristic of a Social Credit Government is summed up in the formula: *The protection of minorities*. In this case you would have (by assumption) the whole body of public opinion in favour of conserving our coal resources in its ultimate interests. Hence common justice demands that local losses arising from that policy shall be universally spread. The effect of this would be an almost imperceptible rise (and even then only temporary) in the price-level, which, however, would not be felt as a rise at all, because the general price-level would be falling all the time.

Now, what about the coalminer himself?

Dirt, darkness, danger, and drudgery - that's coalmining. Therefore, if it has to be done by human beings, it will have to be paid for at high wage-rates. Under Social Credit this will happen, because the National Dividend will enable each individual pitman to stand out for (1) good wages, and (2) much shorter hours of working. There would be no financial difficulty in halving the hours, engaging double the number of men, and paying each the same rates as before (which would mean doubling the piecework rates), if that were found to be necessary in order to get the work done efficiently by contented workers.*

But, of course, Social Credit will have another important effect upon the lives of these underground toilers. Electrical coal-cutters and other modern labour-saving devices and processes will be installed in order to reduce the number of human workers required on this body-racking, and often body-wrecking, job. Less and less human beings will be needed to go down the pits. The National Dividend - the "Wages of the Machine" - will enable our disengaged pitmen to have a well-earned rest, take up other paid work, or make use of their leisure-time in self-employment.

The miners, as I know from first-hand experience in speaking to them on Social Credit at the pithead in Durham and Northumberland, and Staffordshire, are perhaps the most intelligent set of workers in the community. They and their families will not be long in finding out how to employ

their new leisure to full advantage. Splendid fellows, our miners, we all agree. Well, then, let them live splendidly. Under Social Credit they will. A new life looms ahead for them, and they deserve it.

It is possible too that coalmining may no longer be needed. Ways are already known of extracting the products from unmined coal; but further still it may be that already in some laboratory is a device for using Solar Energy direct, without using coal. This is speculation but it is certain that if, under Social Credit, coalmining became obsolete, it would not spell ruin for all concerned as it would now. On the contrary, it would usher in the Sun-Power Age, and a sun-powered life for everyone.

Already Atomic Energy has been applied to war, and could be applied to industrial production. Even before that has been done, we may be able to use direct Solar Energy - power direct from the sun - without any "atom-splitting" at all. Such an advance towards the New Solar Civilisation calls for the introduction of Social Credit *now*, in order to enable research, invention, and discovery to go forward unhampered by financial considerations.

72. WHAT ABOUT LARGE-SCALE MASS-PRODUCERS AND SMALL MANUFACTURERS?

THEY WILL BE in a position to produce those things that can best be made in quantity by mass-production methods, and in doing so will be able to use (1) new and fully automatic inventions and processes, and (2) less and less human labour.

Under the Bankers' Debt-system, large scale mass-producers cannot perform the proper function of industry, which is to produce and deliver goods and/or services as, when, and where required by the community, but are forced into a fierce catch-as-catch-can for markets; tend not to modernise their plant when new inventions and improvements call for such modernisation; and, when forced to sack workers during "slump" periods in order to cut production costs, make it still more difficult to sell the goods

produced - since a cut in wages is a cut in buying-power. This compels mass-producers to scramble for export markets, and this is the chief cause of war today.

Under Social Credit large-scale mass-producers will be assured of an effective Home Market, and therefore the beggar-my-neighbour smash-and-grab for markets abroad will not be necessary. New credits for new production, issued via the National Credit Office, will enable them to install up-to-date labour-saving machinery and improved processes, while the release of workers no longer needed will not result in loss of sales due to lack of buying-power. Finally, the Price Adjustment technique will prevent periods of "boom" and "slump" so that those workers really needed for mass-production will be fairly certain of steady work at high rates of pay over and above the National Dividend.

Social Credit will give consumer control of mass-production. In a community where "cheapness" is not a primary consideration, mass produced articles will only be used where they are an actual improvement upon hand-made articles, or where it is impossible to supply a sufficient quantity of hand-made articles. Thus, in many directions mass-produced articles will tend to go out of use if they have only been made in order to "make money," and not because they are really wanted. On the other hand, new needs will arise in which mass-production will be essential. We may therefore expect a sorting out process to take place in which a great natural revival of craftsmanship will oust mass-production in certain spheres, while mass-production will find new fields of development; as, for instance, architectural building units, aircraft, plastics, etc.

So long as mass-production is called for by consumers, mass-production will flourish. And in a modern community mass-production is called for in the making of such articles as vacuum-cleaners, telephones, refrigerators, radio sets, motor cars, etc.

An assured Home Market - expanding to the limits of consumer need - will enable mass-producers to sell their goods at a fair price - i.e., the Just or

Scientific Price that will include an agreed profit, or service-fee for the producer.

When the Home Market - you and I, and everyone else - is satisfied, mass-producers will be able to manufacture a Real Export Surplus to be shipped abroad in exchange for necessary imports.

As for the small manufacturer: under Social Credit they will increase and flourish. Not being mass-producers they will be better able to satisfy the public demand for *variety* in the kinds and qualities of goods. They will be able to adapt their plant to changes in the tastes and habits of customers. For these reasons they will take over a large proportion of business which is now done by large-scale mass-producers. The latter will not object because they will be chiefly occupied in producing machinery, tools, semi-manufactures; so the small manufacturers will be their customers rather than competitors. Even if both make the same articles and compete in price, the small manufacturer will often be able to quote the lower price. Large plants do not necessarily show lower costs. Again, small plants will often be making tools for large plants. Thus there will be give-and take in buying and selling between them.

This interplay takes place in a restricted way under the present system, but, as a rule, the small manufacturer finds himself driven out of business by large-scale mass-producers. This is due to the general shortage of consumer buying-power. There will be no shortage under Social Credit. Everything made can be sold provided somebody would like to have it. *It will be up to the producers - large or small - to find out what the public wants.* In other words Social Credit, by empowering the individual to buy, makes consumer control of industry effective.

73. WHAT ABOUT RETAILERS?

UNDER SOCIAL CREDIT every retail shop will sooner or later become a "free house" in the sense in which one speaks of a public house not tied to any brewer or distiller.

The business of a producer is to produce. That of a retailer is to distribute. The duty of a producer is to make what the retailer orders. That of a retailer is to order what his customers want.

Any attempt by a producer to tie a retailer to his factory (whether it turns out beer, boots, or more expensive things like ovens, refrigerators, motor-cars) is an attempt to reverse the proper order, to push the customer around and force him to accept some particular goods, or type of goods. Such attempts are made to-day simply and solely because they "pay," or rather because neglect to do these things is likely to involve loss. They are the phenomena of cut-throat competition, arising directly out of the Bankers' Debt-system. Social Credit will remove the motive for this commercial smash-and-grab.

Today retailers feel the first shock, after wage-earners, of disemployment. Under Social Credit disemployment won't affect the buying power of the public because the National Dividend will supplement wages, and gradually supersede them.

With the abolition of Bankers' control, the beggar-my-neighbour driving compulsion of the business world will vanish also. There will be no devil to take the hindmost, and people will be able to deal with each other as human beings instead of as market-snatching gangsters.

74. HOW WILL SOCIAL CREDIT AFFECT THE POSITION OF WOMEN IN GENERAL?

BY GIVING EVERY woman a birthright income - i.e., the National Dividend based on the productive capacity of the community - it will ensure economic independence and freedom, for it will release her from being :-

1. Tied to the home when she wishes to live her own life.
2. Treated as a drudge or as an inferior - i.e., the "chattel" status.
3. Driven to marry for the sake of economic security.

4. Bound to some man who ill-treats her, or is in some other way unsuitable as a person to live with.

5. Driven into work-wage slavery in competition with men in order to keep alive.

75. WILL WOMEN GET "EQUAL PAY FOR EQUAL WORK"?

YES, THEY WILL. (1) Because a Social Credit Government will naturally stand for fair play for all citizens without distinction; (2) because employers will no longer need "cheap labour"; and (3) because each individual woman will be able to say - "If I do this job as well as a man could do it, I shall want the same pay as a man." And if the employer says, "No," she will be able to say: "Very well, I refuse the job. After all I can live on my National Dividend."

This places every woman in a very powerful position.

(It will apply equally, of course to badly-paid male workers.)

76. WILL PEOPLE KNOW WHAT TO DO WITH THEIR LEISURE?

WELL WILL YOU know what to do with yours?

After all, there are plenty of things to do in the world, and it will not take most people long to find out what they are once they have *time* to do so.

(Some people may like to go fishing. It doesn't interest me but every man to his own choice ...)

"What," you may ask, "will people do with their leisure?"

To begin with, of course, there will not be much leisure, because there is such an enormous amount of reconstruction to be done. For ten years at least, after this war, there will be work for all. We have to re-shape our world. But, all the same, we must re-shape it in such a way as to establish a Leisure State in a Power Age. If we don't, we shall be heading straight for World War III. Quite gradually people will come to value their leisure because it will allow them time to "work" at work of their own choosing.

It will give them *freedom to work at work worth doing*. No more "square pegs in round holes." Released from a great deal of industrial drudgery, people will begin to take up a thousand and one activities, and in a Leisure State we shall find the majority of people *working harder than ever!* but at work they have chosen, want to do, and enjoy. Have no fear: a Social Credit Government will usher in the Leisure State gradually and smoothly, giving people time to readjust and re-educate themselves. And the rising generation - those born into a Leisure State - will shed the last vestiges of the "fear of leisure" and live a life of intense activity and awareness such as their parents never knew. That is because they will have *time*, to live, and to live splendidly.

77. SURELY PEOPLE ARE ALWAYS MUCH HAPPIER AT WORK?

IT DEPENDS ENTIRELY on what you mean by "happiness" and by "work." If by "work" you mean some activity they have chosen to do of their own accord, and without being driven to "find a job" in order to keep alive, you are right and under Social Credit that would be possible for everyone. But if by "work" you mean needless toil - monotonous drudgery that could be done by automatic machinery or, maybe, not done at all - then you are wrong, and you are preaching Work for the sake of Work, which can have but one result: Mass Ignorance and a Low-Grade Culture. That is what we have at the moment, and it is due to this perverted idea that "people are always much happier at work." They aren't. It depends on what *kind* of work - and whether they have chosen to do it of their own free will, and can give it up, or change to another kind, when they desire to do so.

78. WON'T PEOPLE TAKE TO DRINK AND ALL THAT SORT OF THING?

A FEW MAY, as they do now but they will soon find themselves in "clink" if they become a public nuisance. Most people are about the same as you are - decent and law-abiding, This fear that other people will "go wrong" if they have time to live is really nonsense. To live and to enjoy life is the only sane objective, and people must be

given the time and opportunity to do so, even if a few scallywags and ne'er-do-wells are unable to stand the strain of real individual freedom.

79. WONT PEOPLE GET TIRED OF DOING NOTHING?

THAT REMINDS ME of the little boy who came upon a real work-shy Weary Willie sitting under a haystack smoking a pipe.

"Don't you never get tired, doing nothin', Mister?" asked the little boy. To which the tramp replied:

"Ah, we all 'ave our troubles"

I once told that to a meeting organised by the Bank Officers' Guild in London. It was to illustrate a point I was making about Work and Leisure. The bank managers and bank clerks present didn't smile. There wasn't a titter. Dead silence. It was before the Hitler-war, and it wasn't at all funny to them. They wanted work—"full employment" - and couldn't see themselves with plenty of leisure time.

And that is the whole thing. People who are used to plenty of leisure - men like the old hunting squires, artists, poets, musicians, the real old *Romanitshel* gipsies, inventive engineers, scholars devoted to some special study, such as philology, archaeology, ethnology, and craftsmen who have time to sit and think and dream - do not "get tired of doing nothing," because, when they find themselves (if they ever do) in that sad state, they always know what they want to do and have a hundred and one things to turn to.

No, no, people will not "get tired of doing nothing." They, or their children, will very quickly learn to live a good *life*. And in this connection we may remind ourselves of Jasper's words from Borrow's *Lavengro*:

"Life is sweet, brother"

"Do you think so?"

"Think so! There's night and day, brother, both sweet things; sun, moon, and stars, brother, all sweet things; there's likewise a wind on the heath. . ."

Those words have been over-quoted, and sneering weevil-intellectuals have eaten out the heart of them and turned them to dust. But the truth of them remains, and the lilting chant in which they are set is part of that truth.

Only conditioned slaves, machine-minders, robots, mechanical men, work-or-starve serfs fear leisure, which, to them, means "doing nothing." To the free man "life is sweet" - and even to breathe God's fresh air with a good pair of lungs is a joyful thing.

Nothing suits the Bankers quite so well as a herd of would-be workers clamouring for *WORK!* Don't you want time to live, to enjoy life? If not, what is your idea of progress, of Civilisation - an ant-heap?

Science gives us the possibility of an Age of Leisure and Abundance - *now*. Even the ravages of war have not destroyed it. On the contrary, war organisation and war production have actually increased this possibility. What are you going to do - drag us back to the old Work-or-Starve Slavery by your fear of leisure?

If "sun, moon and stars" are not good enough for you, then, of course there is nothing for it but to scrap the mechanical bull-dozers, grabs and scoops, and start digging holes with a saltspoon and filling them in again. But before you go off "genuinely seeking work" you might give this question of Work and Leisure another thought? It happens to be the fundamental question of our age.

80. SURELY IT IS RIGHT THAT "IF A MAN WILL NOT WORK, NEITHER SHOULD HE EAT"?

THAT IS A popular misquotation from Saint Paul. The correct wording is: "This we commanded you, that if any would not work, neither should he eat." (Thessalonians II ch. 3 x). He was addressing a small body of Christian converts in Thessalonica, some of whom were evidently making rather a nuisance of themselves; since in the very next verse he writes: "For we hear there are some which walk among you disorderly working not at all, but are busy-bodies." He was

giving instructions to a persecuted religious minority in an Age of Hand-Labour. He was telling them to "watch their step." Saint Paul had never seen a modern power-station, an automatic lathe, nor a power-driven loom, and it is quite ridiculous to quote his words as though they were addressed to the 20th century.

To apply to modern man the text would have to read: "If people cannot get money to buy, it is no use producing food to eat." A very different state of affairs, brought about by the Mechanical Revolution of about a hundred years ago plus the inventions and improvements that have followed since.

81. DO PEOPLE REALLY WANT FREEDOM?

I SOMETIMES WONDER myself. Nevertheless, we must either allow economic freedom and security - or face the Complete break-up of our civilisation. We have reached the stage where, willy-nilly, people must have freedom and shoulder the responsibilities of fully adult individuals or plunge headlong into a New Dark Age of want, misery and confusion. It seems almost as though people must have freedom thrust upon them for their own good (and mine - and yours). However, it is more than likely that they will take to it quite easily, as a duck takes to water, once they are given the chance.

82. DON'T YOU RATHER GIVE THE IMPRESSION THAT LIFE CAN BE A SORT OF "PARADISE ON EARTH" - AND DO YOU REALLY BELIEVE IT?

THAT DEPENDS ENTIRELY upon what you mean by "paradise," but, taking the QUESTION by and large, I would say: Yes, I do believe it.

In the 13th year of Mohammed's mission, a number of disciples came to Mecca from Medina offering their services. Mohammed was then in great need of such help, for his enemies had become so powerful that his life was in imminent danger. He therefore accepted this offer from the faithful, and met them secretly one night at Al Akaba. But he was not, it seems, quite sure of their absolute faithful-

ness to himself and to the cause. Through the mouth of his uncle, Al Abbas, the matter was put squarely to them: "As Mohammed is obliged to quit his native city and seek refuge elsewhere, and as you offered your protection, you will do well not to deceive him. If you are not firmly resolved to defend him, if need be with your lives you had better say so outright, and let him make other plans for his safety."

They thereupon protested their sincerity, and Mohammed swore to be faithful to them, on condition that they protected him against all threats and insults. They then asked what recompense they might expect if they should be killed in carrying out these duties. Mohammed answered with one word: "Paradise!"

At that they pledged their faith to him, and went about their task.

They were content to fight for the Prophet of Islam, knowing that paradise awaited them should they be killed in his service.

Personally I would rather fight for "paradise on earth" than drift into the stagnant sump of cynicism that begins with the popular notion - "Human nature being what it is" - and ends with the frenzied disbelief in the "perfectibility of man" that generates a fanatical enthusiasm for making "hell on earth" only equalled, if it ever was, by the 11th century Assassins of Hassan Sabah in Syria and Persia, whose motto was: -" Nothing is true, everything is permitted."

I believe that the Kingdom of Heaven (Paradise) on Earth is perfectly possible, and that most people secretly believe this - or wish they could. I believe that Social Credit is the key that will open the door to what may seem "paradise" to us, but will seem no more than a free and normal life to those born into a debt-free community.

"These things shall be: a loftier race
That e'er the world hath known shall rise,
With flame of freedom in their souls
And light of knowledge in their eyes
New arts shall bloom of loftier

mould,
And mightier music thrill the
skies,
And every life shall be a song,
When all the earth is paradise"

-John Addington Symonds (1840-1893)

Little tin-pot intellectuals, with more brain weariness than sense, may sneer at these lines. Yet the fact remains that without such a vision the people perish -including the so-called "intellectuals." If

you will not fight for Paradise-on-Earth, you are compelled to assist those forces that make for Hell-on-Earth There is no middle course for anyone.

PART IV

WHY IS SOCIAL CREDIT THE ONLY REMEDY?

83. AREN'T THE JEWS THE MAIN CAUSE OF ALL THE TROUBLE?

THAT IS WHAT Hitler told the Germans. For centuries the Jews have been a convenient scapegoat. But, in fact, the social-economic troubles of this country and the world to-day have nothing to do with any particular race. The present economic-financial system could not be run satisfactorily by a Company of Angels and Archangels from Heaven. The system is unsound and unworkable by anyone. It is mathematically incorrect in its methods of calculating Financial Credit and Financial Debt. To embark upon a campaign of Jew-hating and Jew-baiting will not establish a sane and workable monetary system; it will merely drive us towards this or that form of Hitlerism.

Social Credit is the only remedy.

84. ISN'T NATIONALISATION OF THE BANKS THE FIRST STEP TO SOCIAL CREDIT?

NATIONALISING THE BANKS will not, in itself, make any difference to anything, and the Bankers know it. "Nationalisation? I welcome it!" said Montagu Norman, some time before the Hitler-war began. It's the method of credit issue and withdrawal used in the books of the banks that has to be changed. It's not the *ownership* of the banks that matters. but the *technique* of banking Calling a bank "national" does not alter the technique used. You don't

change raspberry jam by sticking a label "National Jam" on the pot. It's still raspberry.

So complete has been the boycott of social credit ideas by Press, radio and political parties in this country that the general public knows hardly anything about them

85. WHAT DO SOCIAL CREDIT ADVOCATES MEAN WHEN THEY SAY THAT "OWNERSHIP OF THE MEANS OF PRODUCTION DOES NOT GIVE CONTROL"?

THEY MEAN that control of credit is control of production, and that merely taking over the "ownership" of the means of production - land, buildings, raw materials, plant etc. - leaves the control in the hands of the Bankers' Credit Monopoly. In other words: *Finance Capital controls Industrial Capital.*

Now listen to Lenin: "In running the current account of a certain number of capitalists, the bank may seem to be undertaking only a technical process; but when these operations assume extensive proportions, the result is that a handful of monopolists control all the operations, both commercial and industrial, of capitalist society. They can, by means of their banking connections, by means of knowing the state of current accounts, by means of knowing financial operations, first *ascertain* exactly the position of isolated capitalists, then *control* them, act on them by restricting their credits or, on the contrary, by extending them; at length they can *entirely determine their fate*, deprive them of capital, or, on the other hand, permit them to increase their capital to enormous proportions." (*Imperialism: The Last Stage*, Chapter II, pp. 27-28, English Edition, 1927).

Lenin recognised that Finance Capital controls Industrial Capital. It follows logically, that "ownership of the means of production does not give control." Such control depends upon a fundamental change in the technique of banking-accountancy. Neither Socialism nor Communism state what this fundamental change in financial technique must be in order to ensure that total consumer incomes always equal total retail prices. Social Credit is this New Technique.

86. DIDN'T HITLER INTRODUCE SOME KIND OF "SOCIAL CREDIT" IN GERMANY?

No. All he did was to grasp the fact that a man with a Tommy-gun need not pay in money for what he demands and/or grabs from someone who has only a pea-shooter. Hitler did not make his Home Market effective. All he did was to "solve" his unemployment problem (*sic*) by first of all preparing for war, and then going to war. Any fool can do that, and Hitler was a fool. (but not the only one).

87. WHY DIDN'T HITLER PUT IN SOCIAL CREDIT?

BECAUSE HE WANTED to be a Dictator, and you cannot be a Dictator if people have a birthright income (National Dividend) that does not depend upon "earning a living." How can a Dictator get people to click heels and do what they are told, if they can "cock a snook" at him and get food, warmth, and shelter without obeying his orders? *Social Credit is fatal to any form of dictatorship.*

88. IN ORDER TO SHARE-THE-WEALTH, ISN'T "RE-DISTRIBUTION OF INCOMES" THE PROPER SOLUTION?

NO, IT ISN'T. You cannot turn Scarcity into Plenty by redistributing an insufficiency of buying-power. You can't make one pound of butter into two by spreading it more thinly.

Professor A. L. Bowley (in *The Distribution of the National Income*) referring to the period just before 1914, calculated Great Britain's total annual income, over and above £150 per family, at £250,000,000. This, divided by the 10,000,000 families to be considered, would benefit each of them by £25. That would give every family an annual income of no more than £175. The whole idea is absurd! The extra £25 would be spent in a few weeks and the poor would be as poor as before, with this difference - everyone would be on this £175 poverty-line. A little later on, everyone would be poorer still, because no one would be able to afford the things industry could produce - cars, telephones, refrigerators, vacuum-cleaners, new and well-designed houses, and a thousand and one other things. Industry would droop for lack of orders, the factories and workshops would sack their workpeople. and mass unemployment would engulf the nation.

89. IF WE ARE TO HELP THE

POOR, ISN'T IT NECESSARY TO "SOAK THE RICH"?

NO. That is like a man amputating his feet to cure his corns. *Not less for some, but more for all*, is the right line of approach in a community that can produce enough and to spare for all its citizens.

90. WASN'T ROOSEVELT'S "NEW DEAL" A KIND OF SOCIAL CREDIT.

NO, IT WAS *not*. It was a kind of State Socialist - i.e., State Capitalist Industrial Planning Scheme. It did not change the technique of banking and finance. It was an attempt to plan industry *within the limits of the financial system*. It was exactly like rats in a trap planning a New Deal for themselves within the limits of the trap. It did not plan to get out of the trap, nor has it enabled anyone to do so. State Planning of Industry is no solution to the problem, which is not a problem of Production, but of Consumer Buying-Power.

91. WOULDN'T "FAMILY ALLOWANCES" HELP?

NO THEY would not. The Social Credit National Dividend does away with the need for "family allowances." And the best of it is, it doesn't have to come out of your pocket - nor do you have to take it out of someone else's pocket. Every "family allowance" scheme is a taxation-and-redistribution-of-income scheme - i.e., robbing Peter to pay Paul. But the S.C. National Dividend is everyone's birthright income, everyone's fair share of the nation's wealth based upon the community's total productive power.

The unconditional nature of the Social Credit Dividend places it in a class by itself. Family "allowances," payments made with insulting conditions attached, would have no place under Social Credit.

92. WOULDN'T "COMMON OWNERSHIP" SOLVE THE PROBLEM?

NO IT WOULD not, because the problem has nothing to do with the own-

ership of anything. It is a problem of consumer markets - i.e., the buying-power of money in your pocket, and mine.

Ownership does not give control over markets. If you and I, and everyone else, owned everything, everywhere, it would not, of itself, add one penny to our buying-power.

For example, it is of no advantage to be able to say, "I, and 40,000,000 other people, *own* the railways." The only question that matters is, "Have I the money to buy a ticket so that I can *use* the railways?"

Ownership and use are two quite different things, and what people want in a modern community is not to own things, *but to be able to use them*. Social Credit empowers them to do so by means of the National Dividend and Price Adjustment.

93. WASN'T THE "BEVERIDGE PLAN" A MOVE IN THE RIGHT DIRECTION?

NO, THE "Beveridge Plan" was a move in the wrong direction. It was a move in the direction of compulsory all-in insurance i.e., a move towards Totalitarianism, the Ant-heap State, the Servile State. No freedom-loving people would tolerate such a plan.

PART V

HOW CAN WE GET SOCIAL CREDIT?

94. WILL IT BE POSSIBLE TO MAKE THE BANKERS CONFORM TO THE SOCIAL CREDIT TECHNIQUE?

YES, QUITE EASILY. In order to enforce the Plimsoll Line, painted on the hulls of merchant vessels, all that was necessary was the Merchant Shipping Act of 1876, that made this load-line technique compulsory.

All that is needed to make the Bankers conform to the Social Credit technique is a National Credit (Equation of Consumption to Production) Act.

You may say, "Oh, but Social Credit isn't a 'Plimsoll Line' - I mean, it isn't a

simple device like that."

But it *is* a simple device like that. It is, in fact, an economic load-line - a balance between Production and Consumption - and might very well be called the "Douglas Line." Moreover, the Social Credit Device can be set down just as simply as the Plimsoll Line - and perhaps it ought to be painted on the wall of every bank building, just as the Plimsoll Line is painted on the hull of every merchant vessel.

Here it is : -

$$\begin{aligned} \text{Just Price (in £)} = & \text{cost of ultimate} \\ & \text{products consumed (in £) +} \\ & \text{depreciation of real capital} \\ & \text{in £} \\ \text{cost (in £)) x} & \text{credit created (in} \\ & \text{£) + cost of total production} \\ & \text{(£)} \end{aligned}$$

If you say you can't understand that Simple Device, that is not the fault of the Simple Device, nor of those who can understand it. Whether you happen to understand it or not, it is the only calculation-method that indicates correctly the Just or Scientific Price of any article - i.e., the load-line of cost that any article must carry in its retail price, *if all articles ready for sale to the final consumer are to be sold*.

95. WHAT WILL YOU DO IF THE BANKERS REFUSE TO OPERATE SOCIAL CREDIT - OR, WITHOUT REFUSING, QUIETLY SABOTAGE THE WHOLE SCHEME?

REPEAL THE Bank Charter Act of 1844 - empower the Treasury to carry out all necessary transactions - employ Chartered Accountants instead of Bankers - use the Post Offices everywhere as local Credit Offices (leaving the banks out of it altogether) - keep the public fully informed of what is taking place, and why, by radio and Press - and, if necessary, forbid any bank to operate without a Government licence.

Whatever happens, a Social Credit Government will see that (1) the National Credit Authority is properly established, (2) the National Dividend is made available to everyone,

and (3) the Price Adjustment is applied at the retail end. It must be remembered that these "Three Demands" will be embodied in legal enactments and will become the law of the land. The Bankers will have to comply with the law of the land, or go out of business. You will find that they will comply.

It will not be possible to "quietly sabotage the whole scheme." The establishment of Social Credit will be carried out in the full glare of high-powered publicity by a properly constituted Government acting in accordance with the direct mandate of the people, and wielding sovereign power. Moreover, every citizen will know whether or not he or she is, in fact, receiving the National Dividend, and whether Retail Prices have been lowered. There can be nothing secret, underhand, or hidden about any of it.

The short answer to the question is: a *Social Credit Government will enforce the law.*

96. WHY DON'T WE HEAR MORE ABOUT SOCIAL CREDIT IN THE PRESS AND ON THE RADIO - FOR INSTANCE, THE B.B.C. "BRAINS TRUST"?

YOU HARDLY EVER read about Social Credit in the newspapers because there is a "Press boycott," due to the fact that almost every paper is under financial control.

Many editors declare that there is no such boycott, and that the only reason why they do not publish anything about Social Credit is that their readers "are not interested in the subject". Just how they know this - since their readers have never had a chance of discovering whether they are interested or not! - remains a mystery.

However, one editor at least has been quite frank about it. Mr. H. Norman Smith, M.P. for South Nottingham (1945), and one-time editor of *The Illustrated Carpenter and Builder*, wrote in his paper, October 9, 1942:-

"So complete has been the boycott of Social Credit ideas by Press, radio and political parties in this country that the general public knows hardly anything about them."

As for the radio: the B.B.C is under financial control, and naturally, does not want the idea of Social Credit made known. It is no use giving the excuse that it is "political," and barred on that account, for Social Credit, in itself, is an economic theory - a technique of National Accountancy - and is no more political than Einstein's Relativity Theory.

97. WHY DOESN'T THE LABOUR PARTY BACK SOCIAL CREDIT?

BECAUSE THE Labour Party is in the pockets of the Trade Unions, and the Trade Union leaders are too muddled in their minds to know whether to back Social Credit or not. Naturally, as specialists in the organising of labour, they do not like the idea of a system that will make their services unnecessary. Yet they see that events are doing this in any case. They know that they cannot force employers to hire all the labour available, nor force them to pay stipulated rates of wages to hired labour. Directly they try they find themselves up against something called "limits of costs." Sooner or later they will challenge that obstacle or get out - and when that happens, Social Credit will back *them*.

98. CAN WE GET SOCIAL CREDIT THROUGH PARLIAMENT?

YES IF A sufficient number of people vote for Social Credit Party candidates pledged to the Three Demands.

99. WOULD IT NOT BE POSSIBLE FOR THE BANKERS TO SET UP A "BOGUS" SOCIAL CREDIT RE-GIME?

YES IT WOULD - and they may try to do so. That is why it is vitally important that everyone should have a clear understanding of Social Credit.

100. HOW WILL YOU GET THE POWER TO PUT IN SOCIAL CREDIT?

FIRST OF ALL, by convincing *you* that Social Credit is desirable and workable.

Power to "put in" anything depends upon certain well-understood factors, of which the most important are:

- (a) The emotional appeal of the idea itself plus its commonsense appeal.
- (b) The number of individuals who respond to the idea.
- (c) The building up of a powerful propaganda.
- (d) The will-to-release-power of the movement and its supporters.
- (e) The inability of other movements and or parties to stand against the "magic" of the idea.
- (f) The development of a steady agitation inside Parliament carried on by M.P.s pledged to the Three Demands.
- (g) The development of mass pressure carried on by demonstrations outside Parliament, backing up the agitation inside Parliament.
- (h) The ability to take full advantage from day to day of events outside the control of the movement and its supporters - i.e., the swift link-up to circumstances arising out of the social-economic breakdown of the old form of civilisation.
- (i) The "jump" into position.
- (j) The ability to hold the position.

We shall "get the power to put in Social Credit" when the above factors begin to converge. It is not, however, a matter of sitting still and waiting for that to happen. It has to be *made* to happen, and each one of us can do something to help. For example, you can help by getting your friends to read this little book - or by using it as a textbook for a Social Credit "Brains Trust" in your own locality. Why not organise one right away?

It is clear that the general line of action throughout the British Isles should be:

....continued on page 54.....

Comment.....

As the horrendous events of Tuesday 11th September unfolded on my television screen I put aside the editorial for the already delayed September TSC. Subsequently it is becoming apparent that whatever happens things will never be quite the same again. Maybe the most revolutionary change will be in our understanding of the nature of political, economic and military power.

Across the world, *peoples* have suffered as a consequence of the desire of one faction or another to secure wealth and power. Homes and families have come under attack for reasons completely beyond the comprehension of the victims. One can list Hiroshima, Nagasaki, the saturation bombing of Dresden, Mi Li, Kosovo and sadly many, many others. However, because the attacks were incomprehensible to the victims does not mean they were mindless. Somewhere along the line plans were laid out. The attacks on the American mainland followed the same pattern. Not only were the attacks skilfully planned and executed, but the *consequences* were also thought through. The intention will emerge in due course, there is little doubt about that. For the time being, we can only speculate. However, it is important to do just that. Those attacks were planned by skilful chess players, well able to anticipate how leaders would react and events unfold. It has been suggested that 'they' foresaw the fall on stock

markets, selling their investments just before the attacks.

Very likely the intention was to polarise the West and Islam, to escalate conflict on a global scale. In recent conflicts America has sent in missiles, causing *civilian* loss of life in order to minimise American *military* casualties. The 11th September attacks were very different. One could almost say that the actual perpetrators of the attacks were themselves victims, in that they had been persuaded to lay down their lives in a 'just' war by a person or faction with no intention of dying with them. Whichever way you look at it, great evil will only result in greater evil if people of good will ally themselves with one faction or the other, reacting from an un-informed perspective.

What is being offered by the two opposing factions? The Islamic leaders can ask support on the grounds that death in battle takes the individual straight to heaven. That is a very clever motivation, since the dead, having done the will of their earthly leaders, are in no position to return and report back that killing anybody, civilian or otherwise, is *not* the will of Allah. Meanwhile, the Western nations seek to maintain the economy. Again, the people imagine that they benefit from a 'strong' economy when in fact the gap between rich and poor is widening, both within and between nations.

...the people imagine that they benefit from a 'strong' economy when in fact the gap between rich and poor is widening both within and between nations.

Equally, the people are urged to produce and consume more in order to avoid recession. This at a time when global warming and other problems are associated with *over-* production and mounting heaps of waste. Very likely the damage to *the global economy* was an integral part of the strategy for the terrorist attacks. The World Trade Centre sited within the American homeland was a deliberate target intended to raise the wrath of political leaders in every Western nation.

Our sympathies must go out to the victims of all forms of violence, whether perpetrated by terrorists or nation states. Maybe the greatest change will come in our attitude to the creation and stockpiling of weapons of mass destruction, if not the production and marketing of military hardware as a whole. That would certainly require a re-think of economic policies from a social credit perspective.

Book reviews

By Frances Hutchinson

LOCALIZATION: a Global Manifesto. Colin Hines. Earthscan, 2000 pp.290, £10.99.

BEYOND GLOBALIZATION: shaping a Sustainable Global Economy, Hazel Henderson for the New Economics Foundation, Kumarian Press, 1999 pp.90, £7

ese two books provide valuable insights into the workings of the global economy. Once again, Hazel Henderson and Colin Hines provide comprehensive documentation of the relationship between the debt-based global economy and the emergence of seemingly insuperable ecological and social problems. Although neither book is a light read, they offer study material for all seeking to understand their own roles in the global economy.

Hines challenges the worldly religion of economic orthodoxy as propounded by the World Bank, IMF and World Trade Organisation. By examining its history and debunking its basic tenets through concrete examples, he argues for replacement of "beggar-your-neighbour globalization" with the "potentially more cooperative better-your-neighbour localization". The case for taming the 'tiger' of free trade is clearly presented through a thorough critique of the operation of the global economy. Hines calls for 'activists' to set aside their

single-issue differences by uniting to revive their own local economies within a coherent political and economic framework, including basic income, food security, labour rights and monetary reform issues. Although almost entirely consistent with social credit, Hines fails to forge links with the powerful food, farming and society writers and movements of the mid-twentieth century. He may well not know of them.

Like Hines, Henderson rejects the old labels of left and right while placing great faith in the individual's ability to bring about change through actions based on reasoned consideration. *Beyond Globalization* sets out seven levels of economic activity through which the global economy might be reshaped. Henderson appears convinced that setting out a few home truths will cause the captains of globalized commerce and banking to slap their foreheads and mend their ways by promoting social justice and environmental sustainability. This appears to be over-

...replacement of "beggar-your-neighbour globalization" with the "potentially more cooperative better-your-neighbour localisation"

optimistic. Nevertheless, the book is a valuable resource, providing an introduction to a range of relevant writings, periodicals and organisations (with contact addresses).

There has always been a solid body of so-called 'alternative' political philosophy concerned with good management of the earth, right livelihoods and shared community. However, studied in isolation, each writer can be dismissed as a lone voice attempting to turn back from the inevitable progress to consume more and more earthly goods. It is time for a more holistic approach, making connections between the money economy, arts, farming, theology, philosophy and all branches of learning. In this context, these two books advocating localization of the economy are highly recommended as valuable aids to study.

.....continued from page 52

(1) A nation-wide Social Credit Crusade, or Evangel, carried out by trained full-time "missioners," followed up by:

(2) A well-planned and efficiently carried out Parliamentary Campaign.

101. IS THERE A SOCIAL CREDIT PARTY IN THIS COUNTRY?

There was and it was very active.

This concludes our serialisation of *Social Credit: Clearly Explained*.
101 Questions Answered

Editorial

Welcome change has been occurring, both within and outside the social credit movement, even as events unfold. Throughout the twentieth century mainstream economic theory held sway in universities, with social credit and other so-called 'heterodox' economics being ruthlessly suppressed. According to Frederick Lee, leading heterodox economist, economics departments and associations have ensured that heterodox economic theory was not taught to students, while neo-classical economists have used their power:

to not hire, deny tenure to, or outright fire heterodox economists, to berate and denigrate students who innocently question such things as economic rationality, and to gain access to organisational and state power that they then use to forcibly make heterodox economists convert to neoclassical economics or exclude them altogether from economics.

Writing in the July 2001 Newsletter of the European Association for Evolutionary Political Economy (EAEPE), Lee offers powerful confirmation that Douglas and other 'heterodox' theorists were not dismissed from an informed standpoint. Although the battle is far from won, it is now possible to enter into debate within academia through such bodies as EAEPE <http://eaepe.tuwien.ac.at/>, the Association of Heterodox Economists (AHE) and the emerging post-autistic economics movement www.paecon.net and others. There is still, however, a long way to go before orthodoxy engages in joined-up thought in a meaningful way (See piece by Frank Ackerman, "What We Learned in the Twentieth Century" in PAE

news Issue no.8).

Meanwhile, on the Secretariat front, for the first time in our history we welcome onto the Secretariat two full-time academics working in the social sciences. Social Credit activists have included many professors and other academic staff, but almost always from the arts or sciences. We are delighted that Professor Mary Mellor of the University of Northumbria at Newcastle and Dr Wendy Olsen of Bradford University will be working with us at the Secretariat.

Most encouraging of all, slowly but surely signs are emerging of a breaking down of barriers between political, economic, cultural, social, religious and other 'single issue' campaigns. Again, it is early days. Nevertheless, the conversation stopper, "Well, I'm not an economist/Christian/academic/Muslim/farmer/socialist/feminist/conservatist" comes out slightly less readily as common cause is recognised. With a view to developing awareness of common cause we seek to publish news of events organised with the common good in mind, and to publicise publications and study material available from other organisations, while working alongside others to facilitate a broad understanding that single-issue campaigns have more to gain than to lose by coming together. This is to do nothing new. Until the second half of the twentieth century it was still possible for adults to turn to university extra-mural departments and the Workers' Educational Association for non-vocational study of the political economy. Today tiny pockets of not-motivated-by-money-and-career study survive, if tenuously. One such is the Course in Christian Rural Concern, accredited by Keele University. Having worked with this organisation for some time, I am pleased to publicise their correspondence course as entirely consistent with social credit principles and

philosophy. Although the course units can also be studied by community groups, we intend to develop material designed specifically for group study.

As we establish working links with CRuC and other organisations we see the need for accessible study material explaining social credit independently of the context of flawed mainstream theorising. In this issue of *The Social Crediter* we complete our serialisation of *Social Credit Clearly Explained*. As a priority we intend to reprint the document as a booklet with a new introduction. Although "101 Questions Answered" was written during World War II, it remains highly relevant to current issues as it explains how economic competition and social exclusion tend to war rather than peace. While critiques of global capitalism abound, credible alternatives are hard to come by. Social credit has been around for a long time, although it has ceased to be taken for granted as a theoretical underpinning of local economic democracy. Our ongoing task is to overcome the "I shop, therefore I am", progress is inevitable, big is beautiful and anyway TINA philosophy. We welcome support from a broad spectrum of alternative thought in order to reset social credit economics within its historical and political context. In the meantime, our web site, www.douglassocialcredit.com will offer food for thought in these changing times.

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The Social Crediter is the official journal of the Social Credit Secretariat. It promulgates the analysis and prescription of radical change to the current financial/economic system developed by C.H. Douglas in the 1920s. At the centre of our concern is the need for radical reform of the international fractional reserve, debt-money system. Only then might other major socio-economic changes, including the introduction of a National Dividend, follow and help to ensure that all of the world's people have the potential to enjoy economic sufficiency, while simultaneously living a full and satisfying life in harmony with each other and the natural environment. It is our conviction that whatever is **physically possible and socially desirable** CAN be made financially possible. This should be everyone's concern and radical reform is urgent, so that this potential might be realised.

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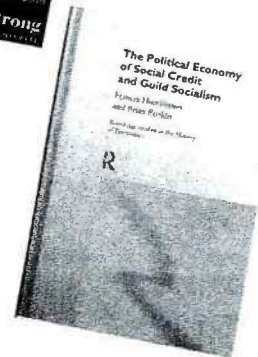
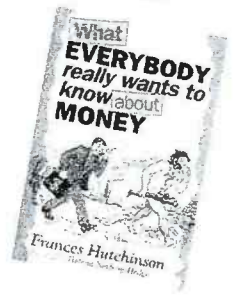
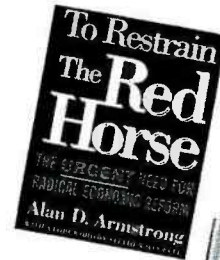
Frances Hutchinson
What Everybody really wants to know about Money

Alan D Armstrong
To Restrain the Red Horse

Frances Hutchinson & Brian Burkitt
The Political Economy of Social Credit And Guild Socialism

Books by Major C H Douglas

- Economic Democracy*
- Social Credit*
- The Monopoly of Credit*
- Warning Democracy*
- Credit Power and Democracy*
- The Control and Distribution of Production*



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