

THE SOCIAL CREDITER

For Economic Democracy

Quarterly

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Editorial.....

It is said that readers of *The Times* think they run the country, while *Financial Times* readers know that they do. Meanwhile, *Guardian* readers have fanciful notions about how the country ought to be run. So, where does the reader (and writer) of *TSC* fit in? Are we, like readers of *The Times*, content, in general, with the way things are? Have we, like readers of the *Financial Times*, reached a happy understanding of how the economy works and to whose benefit? Or do we remain as confused as the average *Guardian* reader, sensing that all is not well but reluctant to challenge the goose that appears to lay the golden egg? Hopefully, *TSC* readers recognise the golden egg of economic progress as an illusion. But how do we locate possible routes from where we are now to the economic democracy of social credit?

In this edition of *TSC* we seek to draw out the strands of debate while refreshing our understanding of the relevance of social credit within the context of the 21st century. As John Pilger noted in a *Guardian* article published ten days after September 11, the policy embarked upon by the Bush/Blair alliance in the imme-

diately aftermath of the attacks could only ever lead to an escalation of the suffering and death of further untold thousands of innocent civilians. Although we can do little, in the short term, to prevent the escalation of violence, we can deepen our understanding of the quest for power, and of the ability of the individual to counter that power through thoughtful and determined action. The review of Patrick Curry's book remains one of the most difficult I have ever attempted, but is equally the most rewarding. I believe that without a broader supporting literature, economic, monetary, social and environmental reform will either fail or will merely serve to prolong corporatism for a while longer. We recommend study of *Defending Middle Earth*, alongside other books mentioned in the new introduction to John Hargrave's booklet as a prelude to reclaiming a sense of locality and community capable of spanning a great diversity of world views. The generation of mutual respect for diverse interest groups opposed to the domination of money values is a central plank of social credit

philosophy.

Originally published in the journals of the Rural Theology Association and Christian Rural Concern, the article on genetic manipulation by Salvation Army Captain David Swales was written for a Christian readership. From another Christian source (FN Christian Ecology Link Prayer Guide for the Care of Creation), we learn that two breeds of farm animals go extinct every week. Over the last 15 years, according to the UN Food and Agriculture Organisation, 300 breeds out of a total of 6,000 have disappeared. Ironically, scientists are trying to create GM animals with the very qualities of those becoming extinct.

We are pleased to publish arti-

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cles from specific religious or ethical standpoints rather than relying purely on the 'Yuk factor' and a general unease. The requirements of business and commerce have come to so dominate our research institutions that principled objection can now, almost by definition, be dismissed as 'irrational'. On the other hand, we argue, you do not have to be a Christian to appreciate the logic of the Christian viewpoint. Equally, it is possible to examine the pro and anti-EMU cases from principled standpoints. Mary Mellor's review of Brian Burkitt's *No Pound: No Independence* provides pointers to that debate.

In our quest to move beyond negative reactions to so-called 'progress' in economics, technology and statutory law we plan to make some longer texts available in booklet form. The Introduction to the first of these, Hargrave's *Social Credit Clearly Explained* is included in

this issue. The booklet sets out the principles of social credit, providing scope to weigh the individual proposals, all mutually compatible, against principles of Christianity, Islam, socialism, environmentalism or any other value system, so that common strands of unity can be detected. To date, a particular money system has operated under the guise of moral neutrality, on the principle of divide and rule. We seek unity in diversity (Connect Clouston review of 'Blood, Sweat and Tears' with Bradford University motto "Making Knowledge Work" (for money...)) In the current climate a great deal of material is being circulated by individuals and organisations. Much of the material can be easily dismissed by the 'mainstream' as cranky and unworkable, and so it is under the dominant theoretical framework. Hence the necessity to clarify the terms of debate. Are proposed reforms

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consistent with social credit analysis – I have yet to find any other economic analysis as coherent as social credit. For example – do 'we' want an end to unemployment? Or is what we really want an end to income insecurity by replacing dependence upon the employment system with a national dividend or basic income? This debate has only just begun.

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A New Introduction by Frances Hutchinson
to
SOCIAL CREDIT CLEARLY EXPLAINED: 101 QUESTIONS ANSWERED
By John Hargrave
(2002 edition, in booklet format, to be published shortly)

When originally published, *Social Credit Clearly Explained* formed a small part of an extensive literature on alternatives to the ecologically and socially destructive economics already responsible for two world wars. In *The Wisdom of the Fields*, also written at the close of World War II, H.J. Massingham observed:

A new war lies before us, the greatest of all wars, the war of values, and it may be that our soldiers who have so valiantly borne themselves through the

hell of modern war will have a part to play in this other war (The Wisdom of the Fields 1945-7).

Hence John Hargrave could take for granted a UK and wider general public asking the questions to which he provides the answers. This was no isolated attempt to draw attention to the work of an obscure economist. It must, however, be placed within the broader context of political and economic writings of the times.

During World War II Massingham also published *The English Countryman* (1942), *Remembrance* (1942) and *The Tree of Life* (1943). Much sought after to this day, these books are now only available in second hand bookshops. Although an anthology of his writings was published by Green Books in 1988, it carries virtually nothing of the power of his political and economic thought. In his own battle Massingham drew upon the writings of the great whistle blower, William Cobbett (whose *Rural Rides* and *Cottage Economy* are still available in print), demonstrat-

ing their enduring value. Cobbett did not stand against change *per se*. A living rural economy is in a constant state of flux and adaptation to changing circumstances. However, the new technology and above all the dominant rule of finance brought an altogether destructive form of change to the countryside.

According to Massingham, Cobbett's work was popular amongst skilled labourers and artisans forced to migrate to the towns as unskilled machine minders and wage labourers. The machine did not eliminate drudgery. Instead, by eliminating skill and pride in work the new technology created "a new drudgery of its own, the drudgery of mechanising not only work but men" (p18). Industrialisation and commercialisation of the land undermined the "institution of small property that (gave) economic freedom", replacing service to the community with the servitude of wage labour. Discussion of these issues was widespread in the UK among all classes throughout the early decades of the twentieth century, most particularly among wage labourers themselves, as evidenced by Robert Tressell's *The Ragged Trousered Philanthropists* and the history of the William Morris inspired guild socialist movement. In this broad context Massingham could write (in *The Tree of Life*) "Peasant economy is the ground floor of the structure of civilization; industrialism but its top-heavy upper storey" (p130), confident that his words would be read, understood and appreciated by a broad spectrum of society, not only in England but in other cultures as well. Equally, he could

assume knowledge of the campaign for a basic income or national dividend, economic democracy, the just price and the other demands made by social crediters.

Social credit originated from the work of the now almost forgotten economist, C.H. Douglas, as Hargrave's answer to Question 2 indicates. However, in common with other social credit activists of the 1930s, Hargrave failed to acknowledge the guild socialist origins of Douglas' writings. The idea of good work, service to the community, the common cultural inheritance, local production for local use, the folly of overproduction, the links between competitive international trade and warfare, the replacement of wage labour and the concept of the just price, to be found throughout the works of guild socialism, did not originate with Douglas. By the late 1930s, however, the guild socialist origins of social credit were largely forgotten by Douglas and his keenest supporters, as is evident from Hargrave's answer to Question 3. Moreover, social credit drew the wrath of 'socialist' politicians and trade union leaders, since its widespread popularity and appeal threatened the Labour party's political base. It failed, not because its conceptualisation of the economy was unsound, but because, along with guild socialism and the political writings of a host of thinkers opposed to global capitalism social credit philosophy was systematically eliminated from the mainstream academic curriculum.

Born in 1941, I graduated in social studies with economics in the early 1960s. Social credit, guild socialism and the rich literature surrounding those traditions did

not appear on the mainstream curriculum. If mentioned at all, alternatives were dismissed as impractical, idealistic or misguided nonsense. There was no alternative to Benthamite utilitarianism and rational self-interest as the motivation for all social and economic action. Even altruism was presented to us as a self-interested ploy to massage the ego of the giver, while searching questions as to the purpose of economic activity were almost invariably met with ridicule. I say 'almost', advisedly since I owe my interest in economic and political thought to my tutor, the economic historian David Eversley. There have always been individuals fighting a lone battle against the general onslaught on reasoning and its replacement by the 'exact' sciences based upon objectifying, analytical, particularising and reductionist methodology.

Thankfully, students today continue to ask those same questions about social and economic life. In the absence of quick and easy answers we recommend that this little booklet be read alongside a number of classical texts, including the Massingham and Tressell books already mentioned, Hammond's *The Labourer 1760-1832*, Thorstein Veblen's *The Theory of the Leisure Class*, the political writings of William Morris, the works of R.H. Tawney, Mahatma Gandhi, Wendell Berry, Rachel Carson and Richard Mabey, T.S. Eliot's *The Waste Land*, Marx's *Capital* Vol.1 (in the original), The Bible via Richard Foster, *Money, Sex and Power* and the leading texts of other religions. (1) Such works provide an introduction to the rich legacy of

alternative 'stories' to the 'change is inevitable', 'you can't stop progress', 'where's the money to come from' and 'you can't change human nature' philosophy dominating the study of society at the present time. It is impossible to underestimate the power of the silence suppressing these works. Each one of them has been marginalized by being labelled fascist, communist, xenophobic, archaic, historical, artistic, feminist, misogynist and/or, most damning of all, associated with a particular religion or sect. Any work challenging today's dominant material self-interest can be studied as a curiosity but it must not be taken at face value. In this way, our history is assigned to oblivion. 'We' have all moved on. We must not look back. In this climate, time taken out for study and discussion is essential if the voices of individual reformers are not to remain lone voices in the wilderness.

Furthermore, as Colin Hines has so ably indicated in *Localization – A Global Manifesto*, the focus on solutions to individual single-issue problems merely serves to maintain the *status quo*. In isolation, each single issue pressure group may rectify symptoms, achieving short-term amelioration of suffering. However, as the underlying causes of problems remain hidden the fundamentally inequitable political economy remains unchallenged. The case for a Citizen's Income (CI) has been ably presented by the Basic Income European Network and the UK Citizen's Income Research Group on grounds of social justice. Within the context of the continuation of capitalism and waged labour, however, demands for a CI regardless of

work status remain logically inconsistent and politically unacceptable. Within the context of social credit the demand for a citizen's income or 'national dividend' makes a great deal more sense, providing the basis for economic democracy.

Taken as a whole, the questions and answers provide an excellent starting point for a re-examination of capitalist production and distribution. (Q.60) In reprinting the *101 Questions Answered* we seek to engender debate leading to constructive personal and political policy alternatives to the destructive forces of global capitalism. Although the practical examples cited are now dated, the principles remain the same. The details may have altered, but capitalism has not changed its spots. It still insists that if a thing is worth doing it is worth being *paid* to do it, and conversely that services and resources operating outside the money economy have no intrinsic value. Long ago, in *Capital* Karl Marx raised the questions of what money *is*, how it comes into existence, how it undermines all other values and how it is guaranteed by statutory law. His basic premises were accepted and followed by guild socialists and social crediters across the world, although few of the latter recognised the origins of social credit.

A key question raised by social credit relates to the apparent necessity to restrict access to income to past, present or future employment, with only the privileged few entitled to an unearned income through their personal ownership of a large share of wealth. For social crediters, the necessity for full *employment* in the machine age was ludicrous

(Q68). They therefore proposed payment of a basic income or 'national dividend' to all citizens by right of their 'common cultural heritage' (Q. 24), calculated on accounting procedures derived from the present financial system. By studying the existing system of income distribution through wages, salaries, dividends, pensions and subsidies in dispassionate terms it becomes possible to understand its folly. Ever since the original publication of '101', evidence has mounted that people would be content to produce and consume less under conditions of income security (see Juliet Schor *The Overworked American* and Joe Dominguez and Vici Robin *Your Money or Your Life*). The absurdity of overproduction and the constant dangers of economic competition escalating into warfare and ecological disaster run throughout the booklet. From its inception in the early 1920s the social credit movement proposed practical, ecologically sound and socially just economics, compatible with green and feminist principles. Its 'failure' is not in its arguments, but in its ability to be heard. The power of global capitalism to silence dissent continues: Q96 would today be answered in like manner by Noam Chomsky (See, e.g. *Necessary Illusions: Thought Control in Democratic Societies*).

Equally, Q.35 remains highly topical. The failure of the elected social credit government of Alberta to introduce social credit was due to the fact that Alberta was merely a province without sovereign powers. Once again, our history has been suppressed (See Frances Hutchinson and Brian Burkitt *The Political Economy of Social Credit and Guild Socialism* for documentation of

social credit history). The UK will be in exactly the same position as Alberta, unable to introduce economic democracy, if or when it effectively hands over sovereignty in return for the EMU. This is not parochialism. Rather it spells solidarity with other cultures across the globe in a common fight against global capital (see Patrick Curry's *Defending Middle-earth. Tolkien: Myth and Modernity*).

The core concept of social credit is the debt-creation of money. People and resources are sucked into the service of finance-driven capitalism, to be spewed out as waste, through the mechanism of indebtedness. The phenomenon occurs in many different forms, with identical results. In the case of Third World debt, for example, institutions governed by the so-called 'developed' world lent (and still lend) money to developing nations. The loans enable 'developing' nations to buy goods and services on offer from Western firms and institutions, including armaments, big dam and other 'development' projects, and the services of experts and academics. In many instances, loans are tied to specific prod-

ucts or projects. Having spent the borrowed money in this way, the 'developing' countries find themselves in trade deficit, faced with the necessity to export cash crops and mineral resources in order to redress the imbalance in trade. On the identical principle, loans for the purpose of investment within a 'developed' country are allocated on grounds of *financial* speculation, with other considerations coming a poor second. The removal of financial speculation as the motive-power for production and distribution of incomes is the primary aim of social credit. To this end, the notion of the 'Just' or 'scientific' price remains central (Q14). Equally, however, it remains the least adequately explored concept throughout social credit literature, to date, with this booklet being no exception.

The current edition of '101' can provide little more than a sketchy introduction to social credit economic philosophy. Nevertheless, in the present climate where the philosophical neutrality of mainstream economics is coming under review (see www.paecon.net), the search for alternatives may usefully commence with a re-examination of existing literature, adapting it to current circumstances. The alternative is to reinvent wheels of all manner of

shapes and sizes, reverting by default to the *status quo*. We can recommend this booklet as a handy guide to the study of other texts on social credit, including, for adventurous spirits, Douglas' original works. Modern readers will find the identical questions raised in the early decades of the twentieth century as are being discussed today: the connections between economic competition and warfare, the expansion of environmentally destructive production to maintain full employment, the failure of technology to produce increased leisure, the destruction of sustainable farming and replacement by agribusiness. Last, but by no means least, Q57 envisages a "Social Credit Europe" of independent sovereign countries each regulating its own system of distribution and production through control of its social credit.

Although money is what makes the economy tick over (Good idea, we have the resources, but where's the money to come from?) mainstream theory remains adamant: money is nothing more than a useful device for regulating exchanges. Since study of alternative theories takes a considerable amount of time, this booklet offers a useful short cut for newcomers to social credit.

(1) We would welcome additions to this list

GENETIC MANIPULATION

For whose benefit is it anyway?

By David Swales

So why are biogeneticists so interested in this area of science? One reason is that the world population now exceeds

5 billion. By the end of this century this total will have passed 6 billion and by AD 2050 it is predicted that it will be near 10 bil-

lion. With such numbers the only way of feeding so many people will be in seeking more and more efficient methods of agricultural

production and distribution. It is also noted that genetic research is also being applied to the areas of human development with equal vigour. Genetically modified food, say its supporters, has benefits for everyone: producers, consumers and the environment, through crops being made resistant to pest or disease and therefore giving higher yields and overall less cost. For example, herbicide-tolerant GM Soya needs far less spraying so it is less costly to produce, more environmentally friendly and has the benefit of less chemical exposure.

However, there are fears that genetically modified crops do have an effect on their environment. In a recent High Court case in Devon, the owner of a large organic farm went to the High Court because he felt that an adjacent field of genetically modified maize had the potential to contaminate his own organic crop. The threat of cross-pollination between conventional and genetically modified crops still remains an unknown quantity at this time. Environmentalists fear that growing genetically modified crops could lead to all the non-cultivated plants being destroyed, taking with them all the varied wildlife which depends on them. Upsetting the ecological balance would in time have a disastrous effect which could only be guessed at - possibly the weeds may develop a resistance and become more difficult to eradicate. With the loss of the insects, birds would need to look elsewhere for food, thus taking away one of the great joys of the countryside.

Currently only four "core" genetically modified foods are on sale in Britain: tomato purée and tomatoes, vegetarian cheese, maize and soya. However these products can be used as constituents in any number of processed foods. How safe is such

food? It is easy to make claims which later have to be retracted. The honest answer, as with any scientific research, is that the scientists do not know what the long term effect of such modified foods will have on our health. In a recent experiment in Scotland, Professor Puztai fed GM potatoes to rats for 100 days and observed how they were affected. The potatoes had been modified with a bean gene. The results showed that the rats suffered stunted growth and damage to their immune system. *"The immune system is there to fight off all disease-carrying bacteria that get into our bodies. If that is damaged we are in trouble"*, Dr. Mae-Wan Ho, a geneticist at the Open University claimed on radio earlier this year, and that *"the large scale release of Transgenic organisms could be worse than nuclear weapons as means of mass destruction"*. In her book she states: *"The commercialisation of science in genetic engineering biotechnology has compromised the integrity of scientists, reduced organisms including humans to commodities, intensified the exploitation and oppression of the Third World and threatens human and animal health and biodiversity. It fuels the resurgence of eugenics and the discrimination against non-white populations, minority groups and all dispossessed peoples of the world. It results in a monolithic wasteland of genetic determinist mentality that is the beginning of the brave new world"*.

Private power can use the legal system to take action against those in government. So far this recourse has not been used much; however the Multilateral Agreement on Investment

(MAI) if implemented will establish a very specific right for investors to sue governments both national and local - but not conversely.

Over the past few years Roslin and PPL Therapeutics have been using genetically modified sheep and other animals to provide milk which contains valuable medical proteins. The first practical result has been the production of proteins which may assist sufferers of *emphysema* and *cystic fibrosis*. Clearly such cloning has a human benefit factor.

When it comes to cloning for profit we face a dilemma. Whilst we may desire to feed the world by producing many animals, such actions may create long term problems. *"To reduce the genetic range of breeding stock to a limited recipe is one step too far in treating animals as commodities, for their functional worth. It is not only a question of genetic diversity, but of applying a factory mass production mentality to our fellow creatures. Even ordinary animal breeding has caused problems. Just as in the Old Testament an ox was not to be muzzled while it trod out the grain, animals have certain freedoms which we should preserve. We may use them, but we also need to remind ourselves that they are God's creatures first to whom we may not do everything we like"*. (Church of Scotland)

It is also worth noting that the farmer who continues to use normal seed may well find that his crops fail due to potential cross pollination with the *"Terminator"* crops, thus

leaving the farmer even poorer than before. With such a crop, the world is dealing with a very unknown quantity. In the rush for financial gain without suitable sustained trials, who knows what we may be unleashing on the world? Such practices are clearly a form of moral covert blackmail which should be resisted at all costs as it demeans the less fortunate and puts us all at risk.

Whilst there are differing approaches and methods put forward by theologians, Ronald Cole-Turner concludes that *"they show a remarkable convergence in agreeing on the following affirmations. Firstly creation is an evolutionary process in which God is continuously active. Secondly God is everywhere present, affecting the creation at every moment and at every level of complexity. Thirdly the future of the (physical) creation is uncertain for God has not guaranteed its outcome"*.

Many Christians fear that new technologies such as genetic modification are an attempt to *"play at God"*, usurping his role as the Creator and allowing humans to have tyrannical domination over the other species and elements in creation. *"At the present time, when we are beginning to appreciate the wholeness and inter-relatedness of the cosmos, preoccupation with humanity will seem distinctly parochial... so often our theology of creation, especially here, in the so-called "developed" world, has been distorted by being too man-centred. We need to maintain the value, the preciousness of the human, by affirming the preciousness of the*

non-human also - of all that is". (Peter Wheale & Ruth McNally).

The New Testament continually reminds us that it is individual repentance and faith that are the marks of the new creation. Salvation does not depend on heredity. (*St. John 1.13, St. Peter 1.22-23*). Furthermore we find the writer of the *Letter to the Romans* comparing the deaths of Adam and Jesus. The outcome for man does not depend on his ancestry since it is the spiritual and not the physical consequences that the writer is concerned with (*Romans 9.8*). Our genes are as necessary as body-souls, but are no more or no less spiritually significant than our feet, hands or any other part of the body (*1 Corinthians 12.14-26*).

However, despite what some may consider just functionary, it must be acknowledged that all creation has an intrinsic value to its Creator. Such an argument brings us back to the Creator and his creation. Considering the creation narrative, we are reminded that humanity was given the task to *"subdue the earth, till it and keep it"*. (*Genesis 2 & 3*) as well as have management over it for which we are directly responsible to God the Creator. By this humanity has been given the responsibility of being *"Steward of Creation"*. By definition, a steward is someone who takes care of another person's property. He has no legal claim on the property, therefore as *"Stewards of Creation"* we have no right to act independently or arrogantly with what has been committed to our charge.

Despite the objections that

some Christians put forward that those engaged in genetic research and modification are *"playing God"* and producing *"Frankenstein foods"* etc I personally believe that genetic modification is not wrong. The question still remains - *for whose benefit is it anyway?* If we as Christians believe that we are called by God to cooperate with him in healing our fallen world, then a process that ultimately provides food for the hungry or relief from suffering and pain must be a worthy part of that act of cooperation. However, even with pure altruistic motives there must be caution for with any pioneering research there are many unknown potential dangers.

If therefore, we accept that all Creation is sacramental as it holds within it the Creator's reflection, which is displayed in beauty and life itself, then should we not strive to accept our Christian responsibility for our world and all its facets by acknowledging their intrinsic sacramental value? If we do this, then we must note the connection between the sacraments of the Eucharist and our daily living. *"To live, we must daily break the body and blood of creation. When we do this knowingly, lovingly, skilfully and reverently, it is a sacrament. When we do this ignorantly, greedily, clumsily and destructively, it is a desecration. In such desecration we condemn ourselves to spiritual and moral loneliness and others to want"*. (Wendell Berry). For me, in practice, this means that all we do in genetics and in the other parts of life should be done to the glory of God and in the service, care, and for the benefit of his whole creation and not for purely personal gain.

This article previously appeared in the *Christian Rural Concern* magazine and is reprinted by kind permission of the author.

BOOKLET LAUNCH

The 2002 reprint of John Hargrave's *Social Credit Clearly Explained: 101 Questions Answered* will be launched on Saturday February 2, 2002 in the Reading Room, Cambridge House, Holy Island (near Berwick-on-Tweed). TSC readers are invited to join the Social Credit Secretariat for this informal event.

The Holy Island of Lindisfarne is cut off from the mainland by the tide twice a day. For two hours before high tide and three hours afterwards the causeway to the island is closed to traffic by the sea. We therefore recommend that anyone wishing to join us on the Saturday make a weekend of it by staying in one of the retreat houses, Bed and Breakfast establishments or hotels on the island. Although we do have details of accommodation, this can easily be obtained via Tourist Information.

Holy Island is a place where land, sea and sky meet. It is a place for dreamers to dream dreams, to reflect on those dreams and to share their dreams gently in the company of others of like mind. This is no organised weekend: there are no 'experts' to preach and teach. A time to listen, reflect and replenish at your own pace. Do join us.

Book reviews**Blood, Sweat and Tears: The Evolution of Work, by Richard Donkin (Texere, £18.99)**

Are we working more? Is the Dalai Lama a Buddhist? The average American now works the equivalent of 13 months a year, compared to the shifts put in by his or her father, according to the zealous Harvard economist Juliet Schor. On top of this, American engineers, poor people, work two months a year more than their already hyperactive French or German colleagues. Although most of us Westerners are now statistically middle class, a majority will, when asked in the leisure snacks between mobile phone calls, canteen conferences, office chores, and email overload, define ourselves as working class.

This puzzles Richard Donkin, the Financial Times columnist, who comes across in this book as a genial but disillusioned abbot, clutching a bottle of smelling salts as he recovers from the shock of watching a monastery full of patient manuscript illustrators who suddenly down quills and start hurling ink wells at each other.

His speculation - and it's an engaging one - is that mankind has possibly gone off on an erroneous tan-

By Erlend Clouston, Frances Hutchinson and Mary Mellor

gent. Many thousands of years before we all clutched palm pilots and over-stressed hearts, the world was a mellower place, full of benign hunter-gatherers who, like the Kalahari bushmen of today, spent a couple of days a week at their sport and the rest of the time dancing and talking with their neighbours. Indeed, early Europeans may have subscribed to a continent-wide co-operative culture focussed on feminine virtues: a sort of transnational neolithic women's rural institute. Now, argues Donkin, we must show some common sense and stop forever submitting to this self-imposed, self-destructive regimen. For a start, we could do worse than join the recruiting queue at the John Lewis Partnership where the department store's employees, one is gratified to learn, have the benefit of five staff yachts, three staff golf courses, subsidised lodgings at four top holiday resorts and job security after five years of service.

Who pushed us out of Eden? In European terms it was the Kurgans who came racing in from the East, replacing all those kilimweaving workshops with a warrior-dominated, status-conscious, hierarchical society. Then one

band of organised religion, the Roman Catholic Church, lost the confidence of the people, letting in a more severe form, Protestantism. This decreed that, as indolence and luxury were the snares of the devil, the motorway to salvation lay via hard work and austerity. Once the Industrial Revolution set in, it was downhill all the way. The Quaker Abraham Darby's ironworks at Coalbrookdale established the concept of The Job as a routine, rewarded, segment of the day, independent of the seasons, the whims of aristocrats, or any immediate need to survive. As the maw of the factory system opened wider, the sophistication of the enslavement grew. Idlers and poets found themselves denounced by stopwatch-wielding managers. A nineteenth-century American called Frederick Winslow Taylor divided The Job into precisely-controlled units which did wonders for production but dehumanised the worker. Ford's conveyor belts cut the time devoted to constructing the Model T

chassis from 12 ½ hours to 93 minutes.

"A ghastly sublimation of the human spirit," pants the abbot, correctly. It was a small step from this to I.G.Farben paying the SS four marks a day (half a mark for children) for its expendable Auschwitz workforce. Where do we go from here? Mr Donkin sketches out a future of home-workers with flexible timetables and portfolio careers, subsidised by share dividends, annuities and inherited wealth. There's not much of that, of course, in Sao Paulo or Calcutta. More encouraging is the news on co-operatives. Despite their association with hare-brained economics, it seems they can work. Mondragon, in the truculent Basque region of Spain, employs 26,000 people and is the country's largest supplier of machine tools and domestic appliances. None of their executives earn more than six-times the wage of the lowest-paid labourer.

And it's good for you, honest. A study of two towns in Italy found that the death rate in the community which had opted for the co-op-rich, pre-Kurgan, life-style was 14 per cent lower.

Erlend Clouston worked for The Guardian between 1979 and 1997, latterly as Scottish correspondent.

THE RING OF POWER
Why is the *Lord of the Rings* so popular?
Defending Middle-earth.
Tolkien: Myth and Modernity
PATRICK CURRY
HarperCollins,
1998. £7.99 pb
ISBN 0 261 10371 7

The publication of *The Lord of the Rings* more than forty years ago was greeted with cries of derision by the literary establishment. Nevertheless, sales have topped 50 million copies, and are still going strong, with public library lending totals exceeding 300,000 per year. Despite the book's steady popularity - it headed a poll of over 25,000 readers as the most important book of the twentieth century - it continues to be shunned by the "clever" world of adult literary fiction.

The popular success of *The Lord of the Rings* lies in its relevance to the contemporary struggle of "community, nature and spirit against the modern union of state-power, capital and technology". Noting the "domination of financial and technological magic" over "God's enchanted world" Curry concludes that root-less science, existing beyond history and locality, becomes inseparable from power and profit.

Curry has arranged his book around the three inter-related worlds of the Shire; its culture, politics and society; Middle-earth, its nature and ecology; and the spiritual and ethical world of the Sea. Each 'world' is inextricably intertwined with the others, creating a powerful sense of specific and recognisable place. In Curry's view, by setting the Shire in pre-modern England Tolkien gives his tale universal appeal. Itself not 'Europeanized', the Shire is invaded by modernizing Mordor. Within the Shire, the hobbits who share a strong sense of community and of a

decentralized bioregionalism, resist.

Although he omitted specific reference to religious practices, Tolkien perceived *The Lord of the Rings* as "a fundamentally religious and Catholic work". Curry argues that decisions based upon pure utility yield the centre ground to the forces of destruction: "the things, places and people we love will be saved for their own sakes or not at all; and that is ultimately a religious valuing."

"The choice", Curry observes, "is between myths and stories that are liberating, and those that are destructive and debilitating." *The Lord of the Rings* emerges as a major contribution to the former. Tolkien's purpose was to challenge the myth of "progress" from primitive squalor to global civilisation based upon science and technology. His work echoes the ancient mythologies of a fall from a past golden age. It also rejects the inevitability of "progress" in favour of a belief in individuals as free agents capable of determining events for good or ill.

Tolkien's mythology contains hope for "the re-sacralization (or re-enchantment) of experienced and living nature, in the local cultural idiom". Escape from the prison of enforced modernity is presently barred by its "intellectual and cultural warders ... the realists and rationalists" who declare "progress" is not only good for us, but also here to stay regardless of the trail of devastation left in its wake. The fatal charm of the Ring of power leads its

servants to feed it, rather than to control it.

The book presents no simplistic division between good and evil: "one of the glories of Middle-earth is its messy pluralism". People with very different cultures, languages and habits, linked into a tenuous alliance, oppose the modernistic magic which is Mor-dor. Writing under the shadow of the "ongoing holocaust of the natural world" in the name of global capitalism, Curry quotes Ruskin:

"To watch the corn grow, and the blossom set; to draw hard breath over ploughshare or spade; to read, to think, to love, to hope, to pray - these are the things that make men happy; they have always had the power of doing these, they never *will* have the power to do more. The world's prosperity or adversity depends upon our knowing and teaching these few things: but upon iron, or glass, or electricity, or steam, in no wise."

Curry suggests that the Ring has affinity with the most powerful economic and political forces in the material realm. Three Elven Rings, capable of creating beauty, understanding and healing are ultimately under the control of the One, which can transform and destroy their potential but is devoid of ability to create. The magic of the One Ring is its capacity for illusion. Evil, the lust for complete power in the world, arises from apparently innocent intervention in life in all its forms. In the One Ring is its capacity for

illusion. Evil, the lust for complete power in the world, arises from apparently innocent intervention in life in all its forms. In Tolkien's words, "frightful evil can and does arise from an apparently good root, the desire to benefit the world and others - speedily and according to the benefactor's own plans". This magic has been appropriated and transformed by modern science and technology.

Curry reminds us not only of the dangers of abandoning the lessons of history, as encapsulated in myth, but also of the good sense and good faith of the vast mass of ordinary people and the capacity of small individuals to stand against great evil.

Frances Hutchinson

Brian Burkitt (2001)
No Pound: No Independence?
European Economic and
Monetary Union: Its
Economic and Political
Impact upon the United
Kingdom with a Forward by
Frederick Forsyth.

Sovereignty Publications,
Worcester Park, Surrey

This is a short pamphlet that will give all those who oppose Economic and Monetary Union (EMU) the ammunition that they need, at the same time it reveals some of the limitations of the 'sovereignty' argument. Both authors claim that the British electorate is being manipulated by pro-European forces into

threatening the existence of the United Kingdom. Frederick Forsyth claims that those seeking a European 'single mega-republic' will ensure that the masses are 'duped, conned, deceived and gulled into thinking they were not really voting for the abolition of their country' (p.iv). Brian Burkitt argues that Gordon Brown's five treasury tests strategy is imprecise and makes assumptions that appear to be in favour of the Euro (this may come as a surprise to Gordon Brown). Burkitt sees all the tests as failing. Whether there can be sustainable convergence between Britain and the economies of a single currency - Burkitt says No, Britain with its service and finance sector development is on a different track. Whether there is sufficient flexibility to cope with economic change - Burkitt says the social chapter will create 'rigidities' and ethnic differences (language customs) will inhibit mobility (it is of course the UK population that is notoriously poor at languages). The effect on investment - it will undermine the City and affect inward investment generally. Whether it is good for employment - it will reduce and destroy jobs. The impact on the UK's financial services industry - would be 'catastrophic'.

If we do not take the Euro route what alternative are we offered? For Burkitt isolationism is not an acceptable strategy. In fact, his argument against the Euro is based on the UK's reliance on the non-European finance sector. We are told that a billion pounds

and 11,000 jobs are at risk in the City, although it appears this document was written before the dot.com-led financial collapse and certainly before the attack on the World Trade Center. This is one of my main concerns. The strong pound policy that seems to have been central to both the Thatcher and Blair governments might have maintained British political sovereignty but it has virtually destroyed our economic sovereignty. Unlike the rest of Europe Britain seems uniquely exposed to the winds of the global market. Burkitt confirms this by pointing out that manufacturing in Britain is only 23% of GDP, let alone GNP. This is not local production for local need as Greens would understand it. Burkitt does see the necessity for policy integration at the global level, to curb currency fluctuations and protect the environment. It is, however, arguable how much global financial trade there would be if currencies did not swing or how much physical trade if forests were not felled.

James Robertson in his pamphlet Transforming Economic Life published by Green Books in collaboration with the Schumacher Society and the New Economics Foundation in 1998 makes the crucial distinction between a single currency and a common currency. He argues that a common currency may be necessary to protect Europe from the single currency domination of the dollar, however there should also remain national and local currencies to protect national and local economies. This would appear more likely to protect national sover-

eignty than a 'national' currency that is in fact open to global forces.

I also have concerns about the meaning of sovereignty here. The main concern of both Burkitt and Forsyth is the threat to parliamentary democracy if power and authority pass to Europe. While certainly there would be limitations to parliamentary decision-making if legal or fiscal policy passed to Europe, it is important to realise as I have already pointed out, that the UK has very little democratic control over its economy in the global market. Also what is to be the basis of sovereignty? Neither author mentions devolution. The discussion slips from the United Kingdom, to Britain, to parliament (Westminster?, Scottish?) to country (England, Scotland, Wales?) to people united by custom and culture (Northern Ireland?). Burkitt points to the danger of nationalism and fascism in response to European integration whereas of course part of the political project of Europe was in response to the fascist nationalism of the 1930s. There is also a question about the concept of a national currency itself. This was largely a product of 19th century nationalism and for much of that century there was effectively a European currency through the gold standard.

Personally I have not come to a conclusion for or against the Euro, but I find that those who oppose it from a position of supporting exposure to global finance capitalism (Burkitt) or narrow nationalism (Forsyth) are driving me towards it. Also there is a strong possibility that when the Euro is launched in the UK people will begin using it for convenience. Burkitt acknowledges that is already the case for companies engaged in cross border trade. If substantial parts of our economy become euro-

ised by default and we have no economic voice in Europe then we will have the worst of all worlds.

Mary Mellor

LETTERS

7 November 2001

Dear Editor,

The monetary reform proposals by James Robertson in *The Social Crediter*, Vol 79, No 6 of Nov - Dec 2000, seem beguilingly parallel to Social Credit, but leave some questions to be answered.

First of these is: why should the Central Bank be entrusted with calculating the amount of non-cash money to be created for the Government to spend into circulation?

C. H. Douglas proposed that this should be calculated by a new department of the Treasury, which he called "The National Credit Office". This body would be acting on behalf of the nation. Central Banks act on behalf of the banking system, not of the citizen.

I wonder if James Robertson would clarify this point.

Yours sincerely,
Bet Harvey
Ilmington, Warwickshire

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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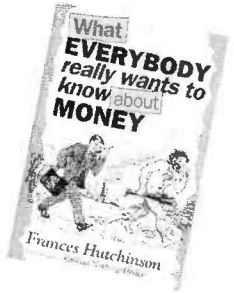
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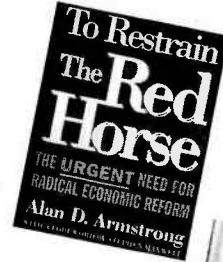
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Recommended Reading

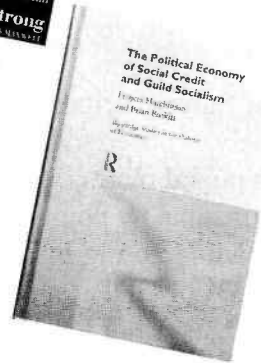
Frances Hutchinson
What Everybody really wants to know about Money



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*
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