

RELEASING REALITY



C.H.DOUGLAS 1879 - 1952

SOCIAL CREDIT AND THE
KINGDOM OF GOD

By
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1979

“Christianity, Democracy, and Social Credit have at least three things in common, they are all said to have failed, none of them is in the nature of a Plan, and every effort of some of the most powerfully organised forces in the world is directed to the end, not only that they shall never be accepted, but that as few persons as possible shall ever understand their nature.” —*C. H. Douglas.*

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[Introduction](#) - [A Background Picture](#) - [The Nature of Democracy](#) - [Policies and Philosophy](#) - [Social Credit and The Jewish Question](#) - [Freeing Christianity from Pharisaim](#) - [The Lessons of Alberta](#) - [From The Ground Up](#) - [Turning Back The Clock of Civilisation](#) - [Faith Without Works](#) - [Full Employment Denies Access To The Kingdom](#) - [A Realistic Spiritual Revival](#) - [Other Works by Eric Butler](#)

INTRODUCTION

In 1935, at the age of 19, I read a letter in a country newspaper (Benalla, Victoria. Australia) which was my first introduction to the ideas of C.H. Douglas, founder of the Social Credit Movement. The course of my life was changed by that introduction to Douglas and the subsequent impact of Douglas's thinking.

My youthful aspirations were towards a life on the land, but, while I have fortunately been able to maintain a close practical association with farming, my introduction to Douglas led me into a life of attempted service to Truths which, if applied, would certainly lead to the growth of a Civilisation surpassing all those of the past.

At school, history was a subject of intense fascination for me. I wondered why great Civilisations had collapsed. At an early age I had read all of the generally recognised historians like Gibbon, Leckey, Macauley and others. But not until I read Douglas, who indicated a more realistic approach to history, did I completely grasp that the excessive centralisation of power over individual initiative was the major cause of Civilisation collapsing and that the creation and control of money was a major instrument of power. In one of his many profound observations, Douglas said that history was not

merely a series of disconnected episodes concerning the birth of Kings, wars and other events, but was “crystallised politics.” And policies are manifestations of underlying philosophies. While the development of policies may from time to time, be influenced by what Douglas described as “unrehearsed events”, they are in the main the result of conscious effort by individuals organised to pursue policies reflecting philosophies.

In an address given at Liverpool. England, in 1936, *The Tragedy of Human Effort*, Douglas said:

The general principles which govern association for the common good are as capable of exact statement as the principles of bridge-building, and departure from them just as disastrous.

The modern theory, if it can be called modern, of the totalitarian state, for instance, to the effect that the state is everything and the individual nothing, is a departure from those principles, and is a revamping of the theory of the later Roman Empire, which theory, together with the financial methods by which it was maintained, led to Rome's downfall, not by the conquest of stronger Empires, but by its own internal dissensions. It is a theory involving complete inversion of fact and is, incidentally, fundamentally anti-Christian

Astronomical debt, crushing taxation and inflation produced in Rome the same disastrous economic, social and political results which are a feature of what is now clearly another disintegrating Civilisation. The lessons of history are vital. Those who refuse to learn from the disasters of history are doomed to repeat those disasters. It is equally important to learn from man's successful achievements throughout history. Douglas observed on a number of occasions valuable knowledge of the past which has either been lost or deliberately suppressed. Tradition has been derided, which means a turning away from the accumulated wisdom and experiences of the past. The downgrading of classical literature has deprived modern man of priceless knowledge. Very few modern

students of history have even heard of the great work of one of the famous American Adams family, Brooks, *The Law of Civilisation and Decay*, first published in 1895. Brooks Adams assembled a mass of carefully documented material to demonstrate that excessive centralisation of power had been the *basic* cause of the collapse of all Civilisations to date.

Douglas described William Cobbett as the greatest Englishman of the last century. The remarkable Cobbett, a self-taught master of the English language, vigorously attacked the debt system at a time when Karl Marx and his backers were laying the foundations for a movement of ideas now increasingly threatening what is left of Western Civilisation. Cobbett's *Rural Rides* and other writings are essential reading for an understanding of real English history. Today William Cobbett is generally unknown while Marx is treated as an outstanding philosopher, even by some who call themselves anti-Communists.

Douglas's vital contribution towards an understanding of real history was to show how the money system has over centuries been a major instrument through which power has been centralised. Douglas described how when he first made his discovery about the basic flaw in the present finance-economic system, he thought that all he had to do was to tell those in control of the system about the flaw, that they would thank him, and then proceed to correct the flaw. But he soon discovered that so far from wanting to correct the flaw, those in control of financial policy were determined to resist any suggestion of correcting a flaw which made the progressive centralisation of power appear inevitable. The Marxists and other will-to-power groups also strongly resisted any corrective policy which would remove the conditions they require for revolution. As Douglas said, he soon realised that he was embarking upon a project which would not only absorb the whole of his lifetime, but many lifetimes to come. In revealing the basic flaw in the finance-economic system, Douglas was brought face to face with the more basic question of

the age-old power question.

If the present state of the world is not the result of policies fashioned by individuals who are organised to advance those policies, but is the result of blind forces and mere chance, then clearly there is nothing the individual can do about averting further disasters. This is the village idiot theory of history and naturally it tends to produce a passive attitude towards events. It cripples individual initiative. But the absurdity of the theory can be demonstrated by asking did Western Christian Civilisation develop over nearly two thousand years by “mere chance”? The development took place because sufficient individuals strove, sacrificed, and many died, to advance a concept of how individuals should live together in society. The retreat from that Civilisation has taken place because individuals with an anti-Christian view of how men should live, have used instruments of power and influence to strive to create a world in which their philosophy prevails. They must be described as conspirators, even though many of them are in competition with one another.

Since Douglas outlined this realistic concept of history, there has in recent years been a spate of works on what is often described sneeringly as the “conspiratorial view of history.” But many of these works, from the pens of outstanding academics with access to documentation not so readily available when Douglas was writing, have confirmed his central thesis. Douglas’s warning that the drive towards creating a World State was designed to ensure that centralised Money Power was reinforced with centralised economic and military power has been dramatically confirmed by the promoting of programmes such as “The New International Economic Order,” which specifically lists basic raw materials, food, oil and minerals, for international control.

But Douglas’s most profound impact upon me has been in the sphere of religion. During my late teens, when I had time to do a

prodigious amount of reading, I had read most of the “rationalist” literature of that period. As one whose religious education consisted of little more than what I learned at a Sunday School, where I recall that in the main stories from *The Old Testament* were presented as literal truth — I recall winning a prize for an essay on one of these stories — I drifted towards an agnostic attitude towards Christianity when I realised that even *The New Testament*, the word of God, reflected obvious human imperfections in the narrative, while there was at least one major contradiction as witnessed by the glaring discrepancy between the alleged genealogy of Christ as given in Matthew and Luke.

One of my greatest difficulties was in attempting to reconcile the Christian God of Love of *The New Testament* with the God of *The Old Testament*, where the most savage and treacherous acts are recorded as having been committed in His name.

Later I came to realise that, irrespective of the imperfections of the record of Christ as given in the four synoptic Gospels of Matthew, Mark, Luke and John, nearly two thousand years of history had convincingly demonstrated that when the Truths enunciated by Christ were *applied* in human affairs, a new and creative type of Civilisation came into existence. Douglas shed a blinding light on much of what had appeared obscure or irrelevant concerning Christianity. His presentation of the vital importance of the Doctrine of Incarnation was a revelation to me and I have long come to the conclusion that Social Credit is, as Douglas said, “practical Christianity,” and that the very future of genuine Christianity now depends upon Social Credit and the Douglas revelations.

It is relatively easy to criticise the alleged disastrous effects of Christianity on the human drama, but G. K. Chesterton was right when he said that so far from Christianity having failed, it had not yet been tried. To the extent that it had been tried, it has resulted in a tremendous advance for mankind. Without the Christian influence

the high-water mark of Western Civilisation, reached before the First World War, would never have been possible. Since then there has been a retreat from Christianity. That retreat can, however, be reversed if sufficient individuals will, with proper humility, search for what has gone wrong and how realistic repentance may take place. Douglas has shown the way by advancing policies which can make the Word flesh.

When I entered the Social Credit Movement in Australia it was in the first full flush of enthusiasm. I came to know the pioneers of this unique movement, some of them outstanding men in their different fields. I participated in the many discussions, and controversies, which took place. One of the most vital of these concerned what type of political action should be taken. I was fortunate to see at the beginning the realism of what Douglas had to say concerning the dangers and futilities of orthodox party political activity and was associated with those who were determined to follow Douglas. Because the main stream of Social Credit activities in Australia followed Douglas's advice, Social Credit never became trapped in the bog lands of party politics and, maintained a vitality which can now be seen as having played a major role in the re-generation of the Social Credit Movement throughout the world.

I studied Douglas's writing carefully. I found my understanding of reality progressively expanded. I later corresponded with Douglas and have had the opportunity during international tours to meet with those who had known Douglas and worked with him. Throughout my public life I have known large numbers of politicians, observed party politics at first hand, and met with influential and distinguished people in all walks of life. Invariably I have found the understanding gained from Douglas of vital importance in assessing my experiences.

1979 is the centenary of Douglas's birth. This collection of lecture notes, used in a series of Douglas Seminars in 1978 and 1979 are

offered as a modest contribution towards commemorating one of the greatest men of recorded history. They seek to demonstrate that the attempt to “release reality” by Douglas covered every aspect of life, ranging from religion to the land question. They are also designed to ensure that unlike other great men who have been obliterated from the written history records, Douglas’s unique contribution to the service of Truth shall not be lost and forgotten. The Douglas Revelation is essential if there is to be a re-generation of a Civilisation now sick to the point of death.

ERIC D. BUTLER, Melbourne, Australia, 1979.

A BACKGROUND PICTURE

Typical of Douglas’s approach to life was his attitude towards excessive comments concerning Douglas the man. In his will he specifically requested no long obituaries. Douglas was concerned that his work and ideas be considered quite apart from what some might have thought for example, about his personality, or his physical appearance. In a shallow criticism of Douglas, Dr. Colin Clark, the Australian economist, felt it necessary to describe Douglas as “fat”. Quite apart from the fact that those who knew Douglas intimately described him as of “stocky build”, what relevance has a man’s physical build to his ideas? Douglas was a very keen golfer, but one of those who played a lot with Douglas said he was only a fair player. Douglas’s average ability at playing golf is of no real interest to those concerned with understanding his ideas. Commenting on one criticism of his literary style, by the late Sir Douglas Copland, the Australian economist, Douglas observed that it was “inevitable that the process of pioneering is not usually associated, contemporaneously, with the laying down of high-speed roads. . . .” The truth is that Douglas said many things so contrary to generally accepted views on economics and associated matters, that at first glance they appeared astonishing or obscure. Douglas was

well aware of this difficulty and went to considerable trouble to elaborate. Nevertheless, such was the genius of Douglas that on many occasions he compressed into a few short comments a description of a profound and explosive truth which could be elaborated into a whole book. The truths expounded by Christ were also explosive and, as pointed out by Douglas, their full significance has not yet been completely grasped after nearly two thousand years.

Douglas was a product of Western Christian Civilisation, especially of the British manifestation of that Civilisation.

He was born in 1879 of an English mother and a Scots father and his formative years were during a period of comparative stability when the British Empire was at its zenith. During his early years he had a vast experience as a consulting engineer in various parts of the world. He had been with the Canadian General Electric Company, Peterborough, Canada. Assistant Engineer, Lachine Rapids Hydraulic Construction, Deputy Chief Electrical Engineer, Buenos Aires and Pacific Railway and Chief Engineer and Manager in India for the Westinghouse Company.

It is instructive to note that Douglas's wide education followed the pattern he later recommended in *Programme For The Third World War* (1943). Observing that the word "educate" means "to lead out", Douglas said that what passed for education was a "putting-in" process

at an age when the critical faculty, even in the case of individuals who might later have developed it, is almost nonexistent. In consequence, such ideas as are absorbed are accepted as equally factual — 'twice two equals four', and 'labour produces all wealth', being statements of the same importance and credibility.

Douglas recommended a reversion, under modern conditions, to what applied in the Middle Ages, when a child of well-established parents mastered reading, writing and simple arithmetic, was

reasonably disciplined and provided with a diversity of social experience before travelling abroad. Then the young person entered a University to assess books against a practical experience of the world. Douglas had many years of overseas practical experience before attending Cambridge University.

History provides many examples of great truths being destroyed, not by direct opposition, but by perversion. The most dangerous perversion is that of those who proclaim they are supporting the author of the truth they are perverting. Large numbers of people who call themselves Christians — followers of Christ — support policies which increasingly crush the individual's freedom. The ultimate in blasphemy is the profession of "Christian-Marxism" and support for the World State — an International Caesar. Many of those describing themselves as Social Crediters and Douglas supporters have perverted [his ideas – Ed.] by describing Douglas as a "money reformer" and a "great idealist". It was the famous Jewish writer, Dr. Oscar Levy, who observed that the ideal is the enemy of the real. Idealism is a manifestation of man's false pride and suggests that man can be his own God. Douglas's approach was that of proper respect and humility, as expressed in his comment that "The rules of the Universe transcend human thinking", and that if man desired the greatest satisfaction in human affairs he should painstakingly attempt to discover what those truths are, and then obey them. Douglas was primarily a man concerned with discovering truth, reality. In another comment he said that Social Credit provided "a glimpse of reality". Douglas modestly claimed that Social Credit provided only a "glimpse" of reality. A fuller understanding of reality requires a constant search for Truth. In one of those profound statements which can be pondered upon indefinitely with increasing benefit, Douglas said Social Crediters were seeking "to release reality."

As for the claim that Social Crediters were concerned with creating a Utopia, Douglas specifically repudiated this on a number of

occasions, stating that

society is never in more deadly danger than when it is committed to the mercies of the idealist, and particularly the Utopianist. The fact is that there is no single Utopia which would give satisfaction to more than a small percentage of us, and that what we really demand of existence is not that we shall be put into somebody else's Utopia, but that we shall be put into a position to construct a Utopia of our own.

Social Credit does not say, "This is how things *ought to work* and we must reform the financial and other systems so that this happens," but that things work best in accord with their own nature. In the preface to *Credit Power and Democracy* (1920) Douglas wrote, "That is moral which works best." Later he pointed out that the word "moral" is used in such a loose manner as though the word defines itself. Much of what is called progress is a-moral. The use of better tools does not automatically ensure better objectives. We can improve planes so that we can fly from one place to another in less time. Is this progress? Or is the real question, "What do we do with the time we saved? Build more planes?"

Elaborating further, Douglas wrote in *Whose Service is Perfect Freedom* (an unfinished work started in 1940) that

the only rational meaning which can be attached to the phrase "moral progress" is firstly a continuous approach to Reality . . . and, secondly, the ordering of our actions, in the light of such approach, so that they tend towards our own and the general good. And if, as may be held, Reality and Good, or God, are synonymous, these too come to much the same thing.

To describe Douglas as a "reformer" is another manifestation of perversion. Social Credit is concerned with the rectification of the errors *discovered* (revealed) by Douglas. Douglas was not concerned with attempting to correct the results of error, *but of correcting the error itself*. Evil can never be defeated by attempting to reform it, by what is in reality only a change in its aspect; it must be abolished

completely. How Douglas came to make his discoveries is best told by himself.

In an address to members of the Canadian Club in Ottawa in April, 1923, when he was in Canada by invitation to present his views to the Canadian Parliamentary Committee on Banking and Commerce, Douglas sketched the history of his discoveries and the development of the line of thought which had brought him to the conclusions he had reached. The beginning of this “rather long-winded story was about fifteen years ago.” Douglas explained how while in India in charge of the Westinghouse interests in the East, he had conducted a survey of a large district with considerable water-power. The survey had been at the insistence of the Government of India. Douglas said that when he went back to Calcutta and Simla and asked what was going to be done about using the water-power, the reaction was, “Well, we have not got any money.” This was at a time when the manufacturers in Great Britain were finding it hard to obtain orders and the prices for machinery were very low. Douglas said that he accepted the statement made, and, he supposed, pigeon-holed the fact in his mind.

He went on to recall how when he dined frequently with the Controller-General of India, he was bored considerably by long lectures on the subject of credit. The Controller-General related his experiences with Treasury officials in India and Britain, insisting that silver and gold had nothing to do with the situation. “It nearly entirely depends upon credit,” he said. Douglas remarked that at the time his friend’s comments made little sense to him, but, nevertheless, he felt that they had also been pigeon-holed in his mind.

Douglas proceeded to explain how just before the First World War he was employed by the British Government in connection with the building of the Post Office tube railway in London. There was no physical problem about the enterprise, but periodically he was

ordered to pay men off as there was insufficient money. “Then the war came,” said Douglas, “and I began to notice that you could get money for any purpose.” That struck him as being rather curious.

During the First World War Douglas, who had seen active service in France and had been mentioned in despatches, was sent to the Farnborough Royal Aircraft Works to sort out “a certain amount of muddle.” After some weeks he had discovered that after introducing tabulating machines to assist his examination of the costing system of the factory, costs were being generated at a much greater rate than incomes were being distributed in the form of wages and salaries. Like a true scientist, Douglas had an investigation made of a cross section of hundreds of British industrial organisations and found that they all created total costs, reflected in prices, at a greater rate than they distributed purchasing power through wages and salaries. Douglas later provided mathematical proof his discovery, stated in the form of the famous $A + B$ theorem.

Continuing, Douglas said that later he noted that with the withdrawal of something like seven million of the best producers in the country, those left, the older people, women and children, had been able to build wonderful concrete cities. Immense quantities of production were being poured out to be destroyed by war. Yet everyone was living on at least as high a standard of living as before the war, Douglas said that these more or less detached facts became also more or less pigeon-holed in his mind. His attention was then directed to a huge propaganda that was being conducted to the effect that “we must produce more,” supplemented later with the claim that Great Britain was a poor, poor nation and that only hard work could save it from destruction. Douglas said that he began to think about what would happen when the vast production for war purposes was diverted to peace-time activities. It was then that he wrote his first article, “The Delusion of Super-Production,” published in the *English Review* of December, 1918, in which he predicted that a policy of still greater production must inevitably lead to more

disasters for mankind.

Douglas then told his Canadian audience that it was not true that Britain was a poor, poor nation in 1919. He said how for fifteen years he had been pigeon-holing a number of disconnected facts, and he was thinking these things over when his mind went back to his Anglo-Indian friend. He thought to himself, that man was right. The key to the problem is credit. Douglas said, "The people at large had not got sufficient purchasing power." "I know from my own technical knowledge," said Douglas,

that there is no production problem in the world at all; that there is no single thing which, if you will put your money down on the table, you cannot get.

In his first major work, *Economic Democracy*, which first appeared serially in *The New Age*, starting in June, 1919, Douglas demonstrated his genius by providing an analysis of the basic problem confronting mankind which has been progressively confirmed by events. The editor of *The New Age*, generally recognised as the most outstanding English-language literary magazine of the early part of the Twentieth Century, the brilliant A. R. Orage, told his secretary after meeting Douglas and agreeing to read the manuscript of *Economic Democracy*, that Douglas was either an economic genius or an economic fool. As he read *Economic Democracy* far into the night, he became progressively convinced that Douglas was a genius. This tribute from a man of Orage's standing, an editor who knew the greatest English writers of the period, was high praise.

Reflecting upon his impressions of Douglas in an article in the New York Catholic weekly, *Commonweal*, in 1926, after he had relinquished the editorship of *The New Age*, Orage said:

He had been assistant-director of the Government aircraft factory during the war; he was a first-rate engineer; he had encountered financial

problems practically as well as theoretically; and he appeared and proved to be the most perfect gentleman I have ever met. His knowledge of economics was extraordinary, and from our very first conversation everything he said concerning finance in its relation to industry and, indeed, to industrial civilisation as a whole gave me the impression of a mastermind perfectly informed upon its special subject. After years of the closest association with him, my first impression has only been intensified. In the scores of interviews we had together with bankers, professors of economics, politicians, and business men, I never saw him so much as at a moment's loss of complete mastery of his subject. Among no matter what experts, he made them look and talk like children.

Maurice Colbourne provided the following personal sketch of Douglas in *Unemployment and War*:

What of the man who has sown the seed? A bespectacled Ishmael with a red beard who prowls round the Bank of England with a bomb in his pocket? Hardly. He tells a story of how the Canadian Government must have expected some such red-tied person when the Opposition invited him to Canada to give evidence upon the motion before the House of Commons. The Ministers were taken aback, therefore, when they found an alert, business-like Scotsman, a cousin of Lord Weir, a Cambridge University man and a gentleman, cross-examining them and successfully tying them up in knots. The inquiry ended, and, finding he had a few days to put in before his boat sailed, his hosts asked Major Douglas what he would like to do. He replied that, above all things, he would like a few days fishing. Accordingly he very soon found himself in Toronto in a shop famous for its trout flies. The proprietor, on learning his customer's name, said, "What, not the man who's been giving evidence in Ottawa before the Government?" And, on being told that Major Douglas was none other, remarked with a twinkle, "Well, if you really want some good fishing, I advise you to tell some of the bankers round here that you're in town, and I'll wager they'll be only too pleased to offer you fishing a great many miles from anywhere!"

First and foremost, Douglas is a Scotsman. To look at him, he might be a gentleman farmer. His steady eyes, and ruddy cheeks, and jovial personality, are those of a squire. A delightful host, his hospitality is of a

kind rare in these hurried times, a hospitality in which one basks at ease from the first. And his conversation matches his wine. Not that it is sparkling, for this suggests brilliant conversation for conversation's sake, but, like good wine, it has a bouquet about it. Living in the country, Douglas is an adept at doing things for himself, with his own hands. A keen fisherman, as we have seen, he also sails his yacht single-handed in the Channel off the coast of France. Then, he laid down his own hard tennis court; and, just to keep his hand in, constructed an engine, for by profession Douglas is a civil engineer.

He has what is probably one of the best-swept minds functioning today. It penetrates, too, without effort or conceit, beneath the fashions and foibles of the times to the permanent things. He will let drop such a remark as that too much store is set on human life and not enough on human happiness, as though he were saying he thought tomorrow would be a fine day.

One of the most revealing word pictures we have of Douglas the man and his philosophy comes from Mr. L. D. Byrne, Douglas's trusted representative in Alberta during that period when a Government under William Aberhart was making a genuine attempt to implement Social Credit policies in the face of centralised power. In his article "Mr. Macpherson's Feud," *The Fig Tree: A Douglas Social Credit Quarterly Review*, No. 2, September 1954, pp. 54-55, Byrne writes:

Notwithstanding a mental stature unusual in any society, Douglas's outstanding characteristic was a profound humility — a humility which was reflected in his writings and in his life Where others viewed the world in terms of mankind's struggles and achievements, and society as the creature of man's brain and behaviour, with the realism of the engineer and the penetrating spirituality of a Medieval theologian, Douglas saw the Universe as an integrated unity centered in its creation and centered in its Creator and subject to His Law.

It was the basis of Douglas's philosophy, of which Social Credit is the policy, that there is running through the warp and woof of the Universe the Law of Righteousness — Divine Law — which he termed "the Canon." Just as the stars in their courses, the electron in relation to the

proton and the behavior of light are obedient to it, so all life is governed by the Canon. Because of the higher intelligence and free-will accorded to him, man cannot rely on instinct to guide him in his adherence to the Canon. He must seek it actively, and to the extent that he finds it and conforms to it, he will achieve harmony with the Universe and his Creator. Conversely, to the degree that he ignores the operation of the Canon and flouts it, he will bring disaster upon himself.

It was inherent in Douglas's writings that he viewed society as something partaking of the nature of an organism which could "have life and life more abundant" to the extent it was God-centred and obedient to His Canon Within it (this organism) the sovereignty of "God the Creator of all things visible and invisible" being absolute, there must be full recognition of the sanctity of human personality, and, therefore, of the individual person as free to live his life, and within the body social, to enter into or contract out of such associations with others as, with responsibility to his Creator, he may choose. And no person may deny another this relationship to God and his fellow men without committing sacrilege.

This concept, reflecting the ideal of Christendom as the integration of Church and Society which was the inspiration of European civilisation for centuries, involves adherence to a policy in every sphere of social life, economic, political and cultural. This is the policy which Douglas termed "Social Credit."

Looking out upon the world with a clarity of vision which was unique in his time, Douglas saw a doomed civilisation committed to the opposite policy, stemming from a conflicting philosophy, a philosophy which deified Man and sought to subjugate the world to him.

The true test of science is consistently correct predictions. Genuine prophets, amongst whom might be counted statesmen, are those who, because of their understanding of Truth, can see well in advance the consequences of certain policies if they are persevered with. In his earliest writings Douglas warned that all attempts to operate the finance-economic system under the prevailing methods of creating and issuing financial credit, must result in inflation. The insidious effects of monetary inflation are destroying Western Civilisation in

the same way that it played a major part in destroying the great Roman Civilisation.

Another of Douglas's colleagues, Dr. Geoffrey Dobbs, has added further to the picture, of this remarkable man with the following in a short biographical sketch in the 1974 edition of *Economic Democracy*:

After retiring from his engineering career, he and his wife ran a small yacht-building yard on Southampton Water for several years. The combination of beauty with functional efficiency in a successfully designed racing yacht had a special appeal for him. When he lived in an old water mill in Hampshire he used the water wheel to turn a dynamo which lit and warmed the house as well as providing power for lathes and other tools. Later, when he moved to Scotland, many of his friends and followers remember helping to build his small hydroelectric power house, sited on the local burn which ran through his land. Since decentralisation of economic power was of the essence of his teaching, it should be put on record that he practised what he preached.

One of the most striking features of *Economic Democracy*, Douglas's first work, one of the greatest historic significance, was that although it contained barely 25,000 words, a study of it sixty years after it was first published reveals that Douglas touched upon, either fully or in principle, every aspect of the vast subject which was subsequently developed more fully. Like an acorn, which possesses within itself the potential to develop, under suitable conditions, into a massive oak tree, Douglas's first work contained the basic ideas which Douglas later expanded into a vast field encompassing religion, politics, constitutionalism, history, international affairs and much else. Just as Christianity is, or should be, concerned with the whole of man's activities, personal and social, so is Social Credit, growing out of the Christian philosophy, concerned with an organic whole.

Douglas was a balanced, integrated man, not a "fanatical reformer." Augustus John, the famous British artist, a close friend

of Orage, commented,

I painted the Major and was impressed by his personal dignity and charm. Unmoved by obloquy or boycott he stands apart, urbane and imperturbable. . . .

In a 1933 address, “The Pursuit of Truth”, Douglas stressed that his primary concern was with rightness in all things, that there was running through the Universe something called a “canon” and that “genuine success only accompanies a consistent attempt to discover and conform to this canon in no matter what sphere our activities lie.” Douglas was primarily concerned with the law of rightness in all things for the sake of *rightness itself*, not because of any personal ambitions. At one public meeting Douglas reacted to one critical interjector by observing that his critic was not obliging him by agreeing or disagreeing: he was living comfortably under the present system.

Large numbers of people only came to hear of Douglas as a result of the Great Depression of the Thirties, predicted by Douglas at a time when it was generally believed that the boom conditions associated with a period of escalating economic expansion would continue indefinitely. Many of these people accepted the view that Douglas was the man who had discovered that the banks create financial credit, and that the primary purpose of Social Credit was to expand credit to overcome depression conditions. As Douglas had explained, he had only come to consider how the credit system worked when faced with the question of how an economic system could be sustained when, as he had discovered, insufficient purchasing power was distributed over any given period to meet the total prices of production for the same period. New credits had to be created to finance new capital production, credit buying schemes which enabled consumers to mortgage future wages in order to buy goods which otherwise could not be sold, or to finance exports. Intensive export drives must lead to increasing

international friction. As all new credits came into existence as a debt, expanding financial debt was essential to try to prevent a major economic collapse. One of the consequences of expanding debt must be higher taxation to help service the debt.

Douglas applied himself to quickly mastering a thorough understanding of how the banking system operated in the same way that he examined other questions. While it is true that the worldwide Social Credit Movement which came into existence played the major role in publicising how financial credit is created and destroyed by the banking system, long before Douglas appeared on the public scene a number of authorities had explained to select audiences how money was created in the form of financial or bank credit. And, of course, those who operated the credit-creating system over the centuries, were well aware of the enormous power they exercised — so long as people generally believed that banks only loaned out money first deposited with them and were generally ignorant about the realities of a money system. Irrespective of what form it takes, money is but a man-made symbol of no value unless real wealth is created. Just so long as sufficient people can be mesmerized into believing that, for example, a credit symbol is more important than a pound of butter, they are at the mercy of those who create and control the symbols. The shadow is more important than the substance!

It is ironic that one of the charges levelled at Douglas's financial proposals, is that they would be inflationary, when in fact Douglas warned from the beginning that all attempts to sustain the economic system under the prevailing system of credit creation made inflation inevitable. Douglas predicted the inevitability of the type of disastrous monetary inflation now playing a major role in producing growing industrial unrest and social disintegration.

Douglas was a man who learned quickly from his experiences.

Talking to a small group of Social Crediters just prior to Christmas, 1938, Douglas said:

It is almost exactly twenty years ago that the first article specifically devoted to our interests was published by Austin Harrison in *The English Review* for September, 1918. It would be a dull man who had devoted twenty years to a subject of this kind without learning something, and I think I have learned something since that time. When I first started, I had the idea that I had got hold of some specific technical information and I had only to get it accepted; I had the idea that I was a clever little boy and that I had only to run to father and he would be very pleased about it.

I got rid of that idea in about 18 months or two years, for very far from anyone wanting to put what I had to say into operation, it took me about two years to grasp thoroughly why it was that it was not likely, at the time, to be put into operation. It was pointed out to me that there were two things to be done at the same time, outlining the job and getting the job itself done — the latter a matter of strategy, not of design. I then grasped that I was in for a political job that was going to last a lifetime. I developed from that stage into the third stage, namely, that it was not only going to last my lifetime, but it was going to last a great many people's lifetime; the knowledge that we should do no significant part of it unless we touched a great many aspects of life that were a long way from A plus B. That was the third idea — 1935-6.

Douglas once recalled how not long after he had published his findings on the basic defect in the modern finance-economic system, he was asked by a representative of one of the Wall Street international finance groups what he proposed to do about obtaining a rectification of the defect. As Douglas said, at that stage he did not fully appreciate the fact that his discovery and proposals struck right at the core of a monopoly whose representatives, so far from relinquishing the power they already exercised, were determined to protect and increase that power. Subsequently every effort was made to suppress, or misrepresent and pervert what Douglas was proposing. The hostile reaction of an unholy alliance of international bankers, Marxists and various other groups, including

those do-gooders who earnestly claim to know what is best for the individual, brought into clear relief the fact that it was the philosophical challenge of Social Credit which was seen as the major threat by all representatives of the will-to-power.

Douglas was naturally distressed by the retreat from Christian Civilisation which he so accurately prophesied if financial and economic policies rooted in a false philosophy were persisted with. But in his correspondence, conversations and written comments right up until the time of his death in 1952, he maintained the same balanced and objective approach to the situation which was a feature of a life of endeavour devoted to the search for Truth. Douglas the physical man has been dead for 27 years. But the Truths he revealed now belong to Eternity. They are essential for the regeneration of Civilisation, irrespective of how long that regeneration takes. Those who have grasped those Truths have the responsibility of carrying the knowledge of them forward into the future.

Social Credit was not only concerned with the *principle* of individual freedom, to which many paid lip service, but as a policy contained concrete proposals for making that principle a reality.

"THE NATURE OF DEMOCRACY"

Once Douglas realised that those who controlled the credit monopoly were not going to correct the flaws in its operations, he faced the reality that those possessing power were not going to relinquish it unless forced to do so. Appropriate political action would have to be devised to reverse what Douglas could see was a policy of disaster.

As early as 1924, when the first edition of *Social Credit* was published, Douglas was predicting that Civilisation would inevitably

disintegrate unless action could be taken to reverse the growing centralisation of power. He warned:

There is, at the moment, no party, group, or individual possessing at once the power, the knowledge, and the will, which would transmute the growing social unrest and resentment (now chiefly marshalled under the crudities of Socialism and Communism) into a constructive effort, for the regeneration of Society. This being the case, we are merely witnesses to a succession of rear-guard actions on the part of the so-called Conservative elements in Society, elements which themselves seem incapable, or undesirous of genuine initiative; a process which can only result, like all rear-guard actions, in a successive, if not successful retreat on the part of the forces attacked. While this process is alone active, there seems to be no sound justification for optimism, but it is difficult to believe that the whole World is so bereft of sanity that a pause for reflection is too much to hope for, pending a final resignation to utter catastrophe.

When that pause occurs mankind will have reached one of those crises which no doubt have been frequently reached before, but which so far have failed to avert the fall of humanity back into an era of barbarism out of which new civilisations have slowly and painfully risen.

The position will be tremendous in its importance. A comparatively short period will probably serve to decide whether we are to master the mighty economic and social machine that we have created, or whether it is to master us; and during that period a small impetus from a body of men who know what to do and how to do it, may make the difference between yet one more retreat into the Dark Ages, or the emergence into the full light of a day of such splendour as we can at present only envisage dimly.

The test of true science is correct prophecy. Unfortunately the warnings and predictions of Douglas came true. The Great Depression of the Thirties, which Douglas predicted, aroused world-wide interest in his financial proposals. But constructive action was sabotaged by the outbreak of the Second World War, also predicted by Douglas. This conflict intensified the process of disintegration and produced a pattern of events also predicted by Douglas. One of Douglas's original warnings was that persistence with finance-

economic policies which generated escalating financial debt was certain to result in further disastrous attempts to halt an inevitable inflation by plans for still greater centralisation of all power.

Christians are familiar with the saying that fear of the Lord is the beginning of all wisdom. This can be put another way. Truth is the great disciplinarian. We ignore Truth at our peril. The truth about the plight of the world is that we live in the post-Christian era. A Civilisation is the incarnation of undergirding values and principles. When values are destroyed and principles violated, civilisation is at its end, even though the material structure still stands. No sane person makes the mistake of looking at the famous architecture of the Acropolis at Athens and believing that the Greek Civilisation which produced this art is still alive. To the extent that Western Civilisation still continues is only possible because the spiritual and moral capital of the past has not yet been completely exhausted. But one only has to consider the plight of the disorientated youth, victims of an insane policy of “full employment” at a time when the computer has given an even bigger impetus to the industrial revolution than did the introduction of solar energy via the steam engine, to realise what the future must be. Cut off from their own heritage it is not surprising that large numbers of the youth of Western nations are recruited for political violence, or turn to drugs and other forms of escapism. Disintegrating Rome also had a youth revolt problem.

By the time he had concluded his 1934 world tour, during which he visited Australia, New Zealand, Canada and United States, Douglas had crystallised his thinking concerning the problem of the type of realistic political action essential by which individuals could force a change in the policies of centralisation being imposed upon them. Douglas presented his first formal concept of political action in 1934, when he addressed a meeting of Social Crediters at Buxton England, on *The Nature of Democracy*. Douglas warned that all over the world there was an organised campaign seeking to discredit genuine

democracy. Douglas said,

The drive behind the desire to substitute various forms of dictatorship for the democratic machine is the desire to employ the forces of the State to impose the policy of international finance and trustified industry upon the general population.

The essence of what Douglas proposed was that a mechanism was necessary whereby the electors could unite to demand *results* from their parliamentary representatives, instead of being divided in controversies about technical methods which not many are competent to assess. In a genuine economic democracy, which is only possible under a free, competitive economic system, consumers do not divide themselves into parties to argue which is the best method of, for example, making shoes. They use their “money votes” to order what they require, the result being that both majorities and minorities get what they want. If it is argued that people may be short of adequate “money votes” to buy what can be produced, this merely indicates that there is a flaw in the system of issuing the “votes.”

In his Buxton address Douglas said,

It is not the business of the Parliamentary machine to reform, for instance, the financial system. It is the business of the Parliamentary machine to transmit the desires of the people for results (which at present the financial system is not producing) out of the financial system, and to transmit to the people the names of the individuals who are responsible for the financial system so, by the exercise of the right of Eminent Domain, which has undoubtedly been established as vested in the representatives of the people, they may, if necessary, take steps to remove those responsible for impeding the will of the people.

Douglas then went on to indicate how electors could be united through an Electoral Campaign which provided every elector in a political unit [an opportunity – Ed.] to indicate in writing that he supported a certain policy:

One by one the voters should be asked whether they are in favour of a larger personal income, with absolute security, via the National Dividend and sufficient information should be placed before them to show that that is possible The electors should then definitely be asked for a pledge to vote for no candidate who is not prepared to demand that dividend. Every sitting Member of Parliament should be notified at a suitable time of the number of individuals whose support has been obtained, and whether he is prepared to proceed along certain lines which will be explained to him, and informed that he will not be supported unless he is [so prepared – Ed.]. If any sitting candidate is not willing to give such an assurance, a new candidate should be nominated.

Although Douglas said that what he suggested “has been sketched only in outline,” it indicated what to many, including those calling themselves Social Crediters, was even more radical than Douglas’s finance-economic proposals. Many rejected them. Douglas’s proposed strategy and tactics for re-generating genuine democracy, one in which the will of the electors did prevail, was the logical extension in the political field of a philosophy which insisted on the supremacy of the individual over his institutions. In a number of comments on democracy over the years, Douglas insisted that it was essential for individuals to insist that governments belonged to them, that they did not belong to governments. He criticised the concept of “the supremacy of Parliament,” observing that this was a comparatively modern idea, as was the party system of government, and a departure from the original concept of limited Constitutional Government in England.

Unlike orthodox party political activities, which encourage electors to be passive for three or more years, and then divide them into warring groups about different methods of implementing the same policies, Douglas insisted that democracy required that policy initiatives must come from the electors. Democracy was impossible unless electors accepted their personal responsibilities. The Electoral Campaign concept was a means whereby this could be done. It was not original in concept, as it had been indicated in a little-known

work, *The Party System*, written early this century by the well-known historian and poet, Hilaire Belloc and the journalist Cecil Chesterton, after these two men resigned from the House of Commons in disgust, refusing to take part any further in what they saw even then as a type of creeping dictatorship. What Douglas did was to take an original concept and devise ways and means of making it practical.

On numerous occasions Douglas repudiated the naive idea that Social Credit was going to be advanced by submitting it to competitions for power. In an address to British Social Crediters in 1936, *The Approach to Reality*, Douglas said that “I regard the election of a Social Credit party as one of the greatest catastrophes that could happen” observing that

to elect a Social Credit Party in this country would be to elect a set of amateurs to direct a set of very competent professionals. The professionals, I may tell you, would see that the amateurs got the blame for everything that went wrong You must not send candidates to Parliament to be technicians. You must send candidates to Parliament to impress your will upon the technicians who already exist. That is the very essence of the problem.

Particularly in New Zealand and Canada, the diversion of Social Credit into what has been aptly described as “the bog lands of party politics,” has proved disastrous. This diversion has been skilfully encouraged by those who understand that once Social Crediters enter the party political field, they are inviting subversion. In Australia nothing has resulted in so much abuse and smearing of the League of Rights, as the League’s attempts to apply Douglas’s advice and encourage electors to unite to elevate their paid political servant into an effective representative.

Douglas warned that unless effective steps could be taken to bring parliament under the control of the electors, the constitutional gains of a thousand years would be progressively eroded. By the end of

the Second World War Douglas was pointing out that the British only possessed a shell of the constitutional system their forbears had so painfully evolved, and that salvation depended upon a retracing of their steps. Some of Douglas's most penetrating writing concerns the evolution of constitutional developments in England as a reflection of Christian influence, and is essential reading for those who wish to participate in a programme of regeneration. The "bureaucratic despotism" warned about by Lord Hewart, former Chief Justice of England, after the First World War, was becoming a reality, not only in Britain but in all English speaking countries, including the United States, at the end of the Second World War. In the year of Douglas's death, 1952, the chilling classic, *The Passing of Parliament*, by a distinguished British Constitutional authority, appeared to confirm Douglas's warnings. In the chapter, "The Road to Moscow," Professor Keeton showed how Parliament was but little more than a facade behind which a tightening dictatorship was being established. Twenty years later the position is much worse, with the individual Member of Parliament almost completely at the mercy of the party and those who provide the huge funds for modern elections.

Professor Keeton said that

The history of modern political society is in large measure the history of the struggle of the ordinary citizen to exercise some influence upon government and of his repeated failures to achieve that modest ambition. All governments control the governed.

Social Credit in action, the policy of a Christian philosophy, seeks to challenge and reverse the programme of progressively centralising power over the individual, and, while political voting still takes place, to devise ways of using it to breathe life back into the empty shell mentioned by Douglas.

A feature of the perversion of democracy has been the use of centralised media to bemuse electors with slogans such as "majority rule." Commonsense tells us that a majority could not "rule"

anything. But majorities can be created and manipulated to serve the ends of power lusts. The myth has been created that the more people there are with the political vote, the more democracy. Thus a world-wide insistence that the voting age be reduced. Presumably the Swiss have less democracy than other countries because, in spite of the fact that the Swiss constitution does provide the individual with the opportunity to exercise a little more control over their politicians, there has been a refusal to reduce the vote to eighteen! In his work *Augustus*, Lord Tweedsmuir, a former Governor-General of Canada, refers to “that degeneration of the democratic theory which imagines that there is a peculiar inspiration in the opinions of the ignorant.” The role of a centralised media in fostering ignorance was dramatically demonstrated in the 1968 Canadian Federal Elections, when every effort was made to suppress the carefully documented pro-Communist background of the relatively unknown Pierre Elliott Trudeau. Even the Conservative “Opposition” refused to attempt to publicise Trudeau’s background. “Trudeaumania” swept Canada. Democracy is impossible while a centralised media misinforms. One of the more practical problems confronting Social Crediters today is how to create the organisation whereby they can develop their own independent media.

Douglas insisted that genuine democracy, not contests in mass bribery, was only possible with responsible voting. His proposals for ensuring that the individual does vote more responsibly, were elaborated in his latter writings. The collectivists naturally react violently against any proposals to make an individual personally responsible for how he votes. What real value is a secret, irresponsible vote? Supposing each elector had to register to vote, paying, say, only one dollar. How many would bother to vote under such conditions?

The original Douglas proposal that electors should unite by signing policy instructions for their elected representatives was a first step towards open, responsible voting. Douglas’s practical approach to

the political problem was demonstrated with his suggestion that Social Crediters encourage electors to unite in smaller campaigns to gain experience in how to use their power. In Great Britain Ratepayers' Associations and similar bodies canvassed ratepayers to sign demands that their Municipal Councillors reduce their rates as a first step towards increasing their purchasing power, and as an indirect assault on the Credit Monopoly. Some decisive victories were won where this type of realistic political activity was encouraged. In Australia before the Second World War a non-Labor Government attempted to impose an unwanted National Insurance scheme. A majority of people clearly were opposed to the legislation, but the politicians went ahead. Social Crediters then showed electors how to unite by drafting a suggested demand letter to the individual Member of Parliament, telling him that if he did not oppose the legislation his position was in jeopardy. Initially politicians tried to take no notice, but when an estimated one and a half million demand letters flooded Canberra, the will of the electors prevailed. The National Insurance legislation was not proclaimed, even though passed by Parliament. The Douglas concept was being increasingly experimented with right throughout the English-speaking world up until the outbreak of the Second World War, with a number of outstanding successes. But the Second World War temporarily ended this type of Social Credit action. Those who attempted to use it to obtain a more realistic financing of the war effort were threatened with repressive action. They were even described as "disloyal."

Today, in a greatly worsened situation, the basic political problem still confronts Social Crediters. One of Douglas's most scathing articles was entitled "This Leadership Nonsense," in which he flatly repudiated any suggestion that he wanted to be the leader of the Social Credit Movement in any conventional sense. Douglas saw himself as a servant of those prepared to take his advice. Douglas developed this theme further over the years, urging that the true Social Creditor should see himself as a Social Engineer in society,

finding out what problems were concerning people most, and then offer to assist. He said,

. . . find out why they (people) are already joining battle over some objective. If you can, get hold of what already someone else is doing and help him to get it quicker. . . . We have not to suggest what to do . . . but make it easier to get it done. In doing this I believe we shall be pursuing a novel method, with attention to that extremely wise saying, “If any man would be greatest among you let him be your servant.”

Social Crediters are not interested in obtaining power, even to “do good” for people, but to help their fellows to increase their own power. New tactics must be devised to apply basic principle to changing circumstances. Douglas always stressed the importance of an organic approach to all Social Credit activities, such an approach being a reflection of Reality. For this reason he always rejected suggestions for a Social Credit financial “plan.” But on a number of occasions he put forward policy suggestions to meet circumstances. While in New Zealand in 1934, Douglas at short notice produced a policy which, while not designed to implement his Social Credit proposals, would at least have effectively increased the purchasing power of the New Zealand people. When the Second World War started he produced his tax-bond proposals which in essence suggested that if banks could obtain interest-bearing war bonds by creating credit, then taxpayers should also receive interest-bearing tax bonds in exchange for their financial contributions in the form of taxes.

A study of all proposals put forward by Douglas reveals a consistent attempt to work from the underlying principle that these proposals should increase the power and independence of the individual. Social Credit activity is designed to reduce the power of Government. This automatically increases the power of the individual.

POLICIES AND PHILOSOPHIES

Douglas observed that a problem correctly stated is already half solved. The starting point for solving the problems of human beings must be to ask the question, “What is the purpose of man himself, and of his activities?” The basic problem is, therefore, philosophical. Douglas implicitly accepted the Christian philosophy when he wrote: “The group exists for the benefit of the individual, in the same sense that the field exists for the benefit of the flower, or the tree for the fruit. . . .” Christ’s famous rejoinder to the Pharisees, that “the Sabbath was made for men, and not man for the Sabbath,” clearly revealed Christ’s concern with the supreme value of the individual. Christ’s revelation paved the way to free the individual from the domination of the group or the system. Examining this question more closely in *The Realistic Position of The Church of England*, Douglas stressed that a genuinely Christian society is one in which power is effectively in the hands of the individual members of that society, who are then in the position to make free choices, accepting of course, personal responsibility for the choices made. The purpose of the anti-Christ, Douglas warned, was to force man into bigger and more highly centralised groups in which man’s most Divine attribute, his creative initiative, is killed. Highly centralised groups are mobs and the main feature of a mob is its susceptibility to fear and hysteria. A mob is mindless and therefore sub-human. Perhaps we have missed the meaning of Christ’s promise that when two or three are gathered together in His name, there will the Divine Spirit prevail?

One of the most illuminating statements made by Douglas, one which reveals his proper humility in the search for Truth, was that the rules of the Universe transcend human thinking, and that if the individual wished to live in a world of harmony, he should make every endeavour to discover those rules and then obey them. Douglas did not say how things *ought* to work; we are trying “to release reality” he said, in order that things can work in accordance

with their own nature. Douglas warned that passing laws indefinitely in an attempt to make systems work in defiance of reality, could only complicate the defects in these systems.

As Douglas stressed on numerous occasions, much of the attack on Social Credit has been designed to misrepresent it as a type of discredited monetary scheme. Referring to this in *Whose Service is Perfect Freedom*, Douglas said,

. . . the first book on what has since come to be known as Social Credit, *Economic Democracy*. . . was concerned almost wholly with the proposition that centralisation of power over initiative as opposed to individual freedom is a persistent and conscious policy . . . every effort has been made to obscure this fundamental issue.

When Douglas first made his discoveries concerning the finance-economic system, it was still reasonable to assume that the Christian philosophy, with its stress on freedom, and the rights of the individual, was widely accepted, even if obscured and misrepresented. But as the drive to centralise all power intensified with a growing stress on the necessity for central planning, eventually leading to global planning and the creation of a World State, the essence of the Christian concept was progressively eroded. As Douglas put it, the anti-Christ was in the ascendant. Reacting as the realist he was, he devoted his talents to dealing with the question of philosophy and religion, stressing that the financial and economic aspects of Social Credit could not be considered in the absence of their philosophical roots.

In one of his most important addresses on the essence of Social Credit, *The Policy of a Philosophy*, given at a Social Credit Conference in London on June 26, 1937, Douglas said that so far from being merely a scheme of monetary reform,

Social Credit is the policy of a philosophy. It is something based upon what you profoundly believe . . . to be a portion of reality. It is probably a

very small portion, but we have glimpsed a portion of reality, and that conception of reality is a philosophy, and that policy is Social Credit.

In the same address, Douglas said,

In the sense that I am going to use it, and, I think, correctly, the word religion has to do with a concept of reality. It is the binding back either of action, or of policy. . . to reality.

Douglas warned that it is futile to argue with people about the techniques of Social Credit when they do not agree with the philosophy of Social Credit.

The late Sir David Kelly, author of a profound philosophical work, *The Hungry Sheep*, and a distinguished British Ambassador to Moscow, told once of how a popular-style English daily requested him to write a series of articles on Communism, but insisted that there be no reference to philosophy, as its readers would not be interested in this. But as Sir David Kelly said, how can one understand Communism without grasping the fact that Marxist policies are rooted in a philosophy known as dialectical materialism. Marx claimed that matter was the only reality, and that matter developed through the clash of opposites. Man was but matter in motion. If this view of reality is accepted then it is logical for Communists to regard themselves as higher animals with the right to treat fellow human beings as mere raw material to be controlled – or destroyed. What men believe governs what they do. Marxists place great stress on the necessity of linking theory and practice. Douglas insisted that Social Credit could not be achieved unless sufficient individuals not only held the Christian view concerning the nature of reality but then took appropriate action to release that reality. Douglas said that even if millions of people grasped the facts about the creation of financial credit and believed that Social Credit as a policy would work successfully, this would be irrelevant unless appropriate action was taken. You do not become a good cricketer by merely reading books on cricket, Douglas said. You must go

down to the nets and practise. Social Crediters must do likewise and in the process learn how to become more effective in encouraging their fellows also to take action.

It was only natural that those whose only understanding of Social Credit was that it was merely some type of credit-expansion scheme for overcoming the conditions of the Great Depression, should believe that all that was necessary was for Governments to nationalise the banks, thus breaking the “private credit monopoly.” Douglas was not primarily concerned with the private monopoly of credit creation, but with the *monopoly itself*. Nationalising the banks merely changed the name over the doors without changing policies. And a Government monopoly can be even worse than a private monopoly, sheltering behind the facade that it has been “democratically elected.” Criticising those money reformers who urged that the State should create all money and spend much of it on “public works,” Douglas said that this was a proposal to return to the philosophy of the Divine Right of Kings, observing that Parliament had been created primarily for the purpose of making the Government, at that stage the Monarch, dependent upon money granted by the representatives of the taxpayer. The credit of a society belongs to the individual members of that society, and Governments should have to come to individuals for required credits in the same way that a company is dependent upon shareholders for its share capital.

A State Monopoly of credit creation and issue is one of Karl Marx’s ten steps for Communising a State. This policy is an expression of a philosophy diametrically opposed to the philosophy of Social Credit. Douglas said that the proper role of the State is to distribute dividends to individuals. The individual must be free to decide how best to use his own credit.

During the Great Depression of the thirties, when Marxism was making an enormous appeal to large numbers of desperate people,

Stalin's colleague, Molotov, made the comment to the "Red" Dean of Canterbury, Dr. Hewlett Johnson, that the Soviet leaders knew all about Social Credit and that it was the only movement they feared. Relating a revealing experience he had with the famous Fabian Marxist leader, Sidney Webb, Douglas said that after he had effectively disposed of all the arguments against the practicability of his proposals, he was confronted with the real objection to those proposals: Webb said that he did not like the purpose of the proposals, the purpose being to free the individual from the domination of those exercising power over him.

What Douglas did was to bring a new strategy and tactics to an age-old problem, the struggle by the individual to defend himself against all manifestations of the will-to-power. With the precision of the trained engineer he analysed the basic defects in the finance-economic system. Some of his most brilliant comment deals with the true purpose of man and the threat to that purpose by the advocates of centralised power using financial, economic and political institutions to enslave. One of his most brilliant revelations was that the true purpose of production was consumption, and that the policy of "full employment" was in defiance of the progress of the industrial arts, which made it possible for the genuine requirements of the individual to be provided with progressively less labour. Nothing caused so much bitter opposition to Douglas than his observation that so far from labour creating all wealth, the major factor in modern production was the use of solar energy in various forms to drive automatic and semi-automatic machinery, and that as the individual was an heir to a cultural heritage, he was morally entitled to a type of dividend. Such a policy was contrary to the carefully-fostered view that the individual could not be trusted with the type of freedom which Douglas had demonstrated was both practical and desirable. Opposition to the principle of a dividend based upon an inheritance was a manifestation of the will-to-power philosophy.

SOCIAL CREDIT AND THE JEWISH QUESTION

In his examination of the problems afflicting Civilisation, and the philosophies of those imposing policies of centralising power, Douglas was forced to agree with what many other eminent students of human affairs had asserted: There was a “Jewish Problem” with its roots deep in history. Although Douglas’s comments on the problem were in his usual objective style, the smear was spread that after becoming frustrated and disillusioned because his financial proposals were not more readily accepted, Douglas then “used the Jews as a scapegoat.” Allegedly he became “paranoic” about the question, but both Douglas’s writings and those who knew him intimately attested to the fact that Douglas remained an integrated individual until the time of his death. So far from seizing upon the “Jewish Problem” in his later years, Douglas had raised the question in 1924 in his book *Social Credit*. In the chapter, “Relation of The Group to The Individual,” Douglas dealt with the danger to human personality by elevating the group over the individual, and then said:

No consideration of this subject would be complete without recognising the bearing upon it of what is known as the Jewish Question, a question rendered doubly difficult by the conspiracy of silence which surrounds it. At the moment it can only be pointed out that the theory of rewards and punishment is Mosaic in origin, that finance and law derive their main inspiration from the same source, and that countries such as pre-war (First World War) Germany and post-war Russia, which exhibit the logical consequences of unchecked collectivism, have done so under the direct influence of Jewish leaders. Of the Jews themselves, it may be said that they exhibit the race-consciousness idea to an extent unapproached elsewhere, and it is fair to say that their success in many walks of life is primarily due to their adaption to an environment which has been moulded in conformity with their own ideal. That is as far as it seems useful to go and there might be a great deal to be said on the other side. It has not yet, I think, been said in such a way as to dispose of the suggestion, which need not necessarily be an offensive suggestion, that the Jews are the protagonists of collectivism in all its forms, whether it is camouflaged under the name of Socialism, Fabianism, or ‘big business,’

and that the opponents of collectivism must look to the Jews for an answer to the indictment of the theory itself. It should in any case be emphasised that it is the Jews as a group, and not as individuals, who are on trial, and that the remedy, if one is required, is to break up the group activity.

Sixteen years later, in *Whose Service is Perfect Freedom* (1940). Douglas wrote:

If I have, for my own part, come to believe that there is a fundamental relationship, between the troubles which afflict Europe and what is known as the Jewish Problem, I have formed the opinion, with reluctance, and only after close consideration both of facts and of less tangible evidence.

There is a vast literature, extending over thousands of years, concerning the “Jewish Question,” with some of the most important contributions coming from Jews like the distinguished Dr. Oscar Levy, who wrote that:

The Question of the Jews and their influence on the world, past and present, cuts to the root of all, things and should be discussed by every honest thinker.

In his book, *The Jews*, (first edition 1922) the famous Catholic writer Hilaire Belloc wrote,

The Jewish problem is one to which no true parallel can be found, for the historical and social phenomenon which has produced it is unique It is a problem which cannot be avoided, nor even lessened (as can some social problems), by a healing effect of time; for it is increasing before our eyes. It must be met and dealt with openly and now.

In his classic work, *Anti-Semitism*, (first edition 1894) the Jewish scholar Bernard Lazare observed,

In as much as the enemies of the Jews belonged to diverse races, as they dwelled far apart from one another, so that they could not possibly judge

alike of any subject, it must needs be that the general causes of antisemitism have always resided in Israel itself, and not in those who antagonised it.

Western European Civilisation was a partial incarnation of Christianity. Its culture was a reflection of Christian values. Jews quite logically reacted against that culture because it was completely alien to them. A Christian cannot begin to understand the real nature of the “Jewish Problem” until he understands that there is a basic cleavage between Christianity and Judaism. The Jewish writer, A. Memmi, wrote frankly as follows in his book, *Portrait Of A Jew* (1962),

Do Christians realise what the name of Jesus, their God can mean to a Jew? For a Christian, even an atheist, it evokes, or at least has evoked at some time, a being infinitely good, who offers himself as The Good, who desires at least to carry on the torch of all bygone philosophies and all morals. For the Christian who is still a believer, Jesus epitomises and fulfils the better part of himself To the Jew who still believes and professes his own religion, Christianity is the greatest theological and metaphysical usurpation in history; it is a spiritual scandal, a subversion and blasphemy. To all Jews, even if they are atheists, the name of Jesus is the symbol of a threat

Not surprisingly, in the United States, where there is a large number of Jews and Jewish influence is strong, Jews have been leaders in a long campaign to keep all Christian activities, including the singing of Christmas carols, out of the public schools.

Douglas went to the core of the “Jewish Question” in the following comment in *Whose Service Is Perfect Freedom*:

Everything of which we have knowledge is relative. The fact that the Dark Forces seem to be in the ascendant is a proof that they are temporarily in the ascendant over something else. You cannot have light without shade, you cannot know what anything is, if you don't know what it is not

It is just as certain as anything can be in this uncertain world, that Christianity is not a Plan, it is a Philosophy which we have hardly begun to grasp. As such, it must have a policy. That policy was and is rejected by the Jews, consequently it cannot be a Jewish Policy. That is to say, Jewish Policy is what Christianity *is not*. What is Jewish Policy? That is much easier to answer, because the present state of the world is the result of it. The short answer is, “Power Politics – The Servile State.”

As all policies are rooted in philosophies, it is not surprising to find that Jews have played a prominent role in collectivist and power activities subverting Christian societies. The distinguished Jewish author, Dr. Alfred Nossig, wrote in his *Intergrades Judentum*:

The modern Socialist movement is in great part the work of the Jews, who impress on it the mark of their brains The present world socialism forms the first step of the accomplishment of Mosaism, the start of the realisation of the state of the world announced by our prophets . . . It is only a League of Nations penetrated with the Socialist spirit that will render possible for us the enjoyment of our international necessities, as well as our national ones.

In *The Social Crediter* of February 7, 1948, Douglas elaborated on the relationship of Social Credit to the “Jewish Problem”:

We believe that there is a small number – loyal and valued members of our public – who, although, because of their loyalty, they accept our views on certain aspects of the Jewish race, yet have an idea that these are an excrescence on “Social Credit” and, they feel, might have been left unnoticed. We are not concerned with the reactions of the crypto-Communists and their accusations “anti-Semitism”, “racism”, “negative criticism” and other catchwords – but we are ready at all times to explain to our friends what we recognise as a very excusable failure of comprehension.

Perhaps the simplest way in which to deal with this matter is to enunciate certain propositions:

1. Both Judaism and Social Credit are rooted in philosophies. Even in the

case of non-orthodox Jews, race and philosophy are inseparable. Heine refers to Judaism as the portable Fatherland.

2. Social Credit is Christian, not primarily because it was designed to be Christian, but because it was painstakingly “dis” (un) -covered reality. If Christianity is not real, it is nothing, it is not “true”, it is not Truth. “Ye shall know the Truth, and the Truth shall make you free.”

3. Judaism is implacably anti-Christian, and it is, by definition, an Incarnate Lie. “Ye do the deeds of your father . . . he is a liar, and the father of it.”

4. Both philosophies have a policy and these policies cannot live together. The Founder of Christianity was quite unequivocal on the question. “I came not to bring peace, but a sword.” It is remarkable that many people who complain of the suppression of vital information by the press and Broadcasting Agencies, will resent the exposure of Jewish policy, even if the exposure is merely the publication of statements made by Jews themselves.

Douglas observed that the practical problem to be faced was militant, not intellectual. Mere conversion to an understanding of the credit swindle of itself leads nowhere. People must know who is preventing effective rectification and who benefits most from a continuation of present policies. Douglas concluded:

For all these reasons and others, we conceive it to be our vocation to indicate, without prejudice but without favour, those whom we conceive to be the enemies of our culture and ideals, to unmask their aims. It does not make a cheerful story; many people would prefer to escape into Utopia, just as ‘the workers’ have been hypnotised into the Utopia which is spreading over Eastern Europe; but it is our conception of Reality at this time, and only from Reality can you proceed to Realisation.

As the central feature of Social Credit policy is the principle of the individual receiving a dividend based upon the cultural heritage, it is not surprising that Jews have been to the forefront in attacks upon Social Credit. In a comment in *The Social Crediter* of March 13,

1948, Douglas referred to a revealing quotation from a review of the work of the historian Wernher Sombart by Dr. Jacob Fromer in *Die Zukunft* of October 28, 1911. Fromer observed that “Nothing in the Jewish religion is done for nothing,” commenting that it is “diametrically opposed to the Christian doctrine of unearned grace.” The same opposition to the doctrine of unearned grace is expressed in the Communist view that the principle of inheritance should be abolished. As with other Jewish revolutionaries, who became atheists, Marx advocated policies rooted in the Judaic philosophy. Bernard Lazare, writing in *Antisemitism*, answered the objection that the Jewish, revolutionary who turns atheist ceases practically to be a Jew. Lazare wrote:

The objection may be raised that, in joining the ranks of revolution, the Jew, as a rule, turns atheist and ceases practically to be a Jew. This, however, is true only in, the sense that the children, of the Jewish radical, lose themselves more easily in the surrounding population, and that as a result the Jewish revolutionist is more easily assimilated. But as a general thing, the Jew, even the extreme Jewish radical, can not help retaining his Jewish characteristics, and though he may have abandoned all religion and all faith, he has none the less received the impress of the national genius acting through hereditary and early training. This is especially true of those Jews who lived during the earlier half of the nineteenth century, and on whom Heinrich Heine and Karl Marx may serve as fitting examples.

Heine, who in France was regarded as a German and was reproached in Germany with being French, was before all things a Jew The only philosophy that ever really attracted him was pantheism, a doctrine which seemed to come naturally to the Jewish philosopher who in speculating upon the unity of God by instinct transforms it into a unity of substance. His sensuousness, that sad and voluptuous sensuousness of the *Intermezzo*, is purely oriental, and has its source, in the Song of Songs. The same is true of Marx. The descendant of a long line of rabbis and teachers he inherited the splendid powers of his ancestors. He had that clear Talmudic mind which does not falter at petty difficulties of fact. He was a Talmudist devoted to sociology and applying his native power of exegesis to the criticism of economic theory Marx was not merely a

logician, he was, also a rebel, an agitator, an acrid controversialist, and he derived his gift for sarcasm and invective, as Heine did, from his Jewish ancestry.

As Lazare indicates, Jews are Orientals. Writing in *Programme for The Third World War* (1943) Douglas commented:

Such ideas as 'fairness', 'decency' and what we call the realistic Christian virtues, convey nothing to the Oriental as such. Perhaps I might with advantage observe . . . that many Orientals compare very favourably with many Europeans on every ground. That does not invalidate the main contention, which is that the Oriental has virtues of his own, but they are not in the main the same virtues of those of the European.

In a further clarification of this question Douglas observed that the day-to-day behaviour and family life of many Jews compared more than favourably with that of non-Jews. But Douglas came back to the fundamental philosophic and religious cleavage between Christianity and Judaism. Once this is grasped, no one should be surprised to note the attraction of collectivism and power movements for the great majority of Jews. All policies are rooted in philosophies. It is impossible to get Christian figs from Judaic thistles.

Commenting on the Jewish Question and "religious freedom," Douglas said in a letter (July 27, 1939) to Mr. Ralph Duclos, prominent Canadian Social Crediter, that

certain philosophies may constitute a social danger. I consider . . . that the 'chosen race' philosophy of the Jews with the idea that the whole world is destined to be ruled by a Jewish Junta, and the idea that there is one morality as between Jews and no limitations of morality in the dealing of a Jew with a non-Jew, comes under the category of anti-social and seditious propaganda.

In his great classic, *The Iron Curtain Over America*, the American historian and former intelligence expert, Dr. John Beaty, documents

how the dominating influence in American collectivist movements has been Jewish, with a big percentage of those engaged in treacherous and revolutionary activities also being Jews. Nathaniel Weyl, himself a former Communist and a Jew, demonstrates in his book *The Jew In American Politics*, (Arlington House, U.S.A., 1968) that the Jewish voting pattern in the U.S.A. from 1932 onwards had demonstrated overwhelming Jewish support for politicians espousing collectivist causes. Even Barry Goldwater, who is proud of his Jewish ancestry, was strongly rejected by Jewish voters in the 1964 American Presidential Elections. He was considered too “right-wing.”

Christianity stresses the value of each separate individual, and the importance of personal responsibility for one’s behaviour. Malcolm Muggeridge, wrote in *Chronicles of Wasted Time* (1972),

Was it not two bourgeois Jews . . . Freud and Marx who undermined the whole basis of Western European civilisation as no avowedly insurrectionary movement ever has or could, by promoting the notion of determinism, in the one case in morals, in the other in history, thereby relieving individual men and women of all responsibility for their personal and collective behaviour?

“By their fruits ye shall know them,” said the Founder of Christianity. The only realistic approach to the basic teachings of Christ is to assess their impact on history when applied. Douglas said “that which works best is moral.” It partakes of Truth. The lessons of history show conclusively that Christianity does work successfully when the Truths of Christianity are applied.

Traditional Christian philosophy has always insisted that God reveals Himself through history; through the continuous application of policies – economic, financial, political and social – rooted in philosophies. The very chaos of today’s world is a demonstration of God’s power; that God does not permit a violation of His truths to take place without a price being paid. The disintegration of

Civilisation is not sin in itself; it is the wages of sin. The individual defies God's truths at his own peril.

Douglas stressed the importance of the historical approach to Christianity, pointing out in *The Realistic Position of The Church of England*, that

The business of the Church in politics is to be the Authority on the Mills of God, which are, of course, *inter alia*, Political Principles which can be checked like any other genuine Laws, by their observed operation *over a sufficient period of time*. It is this latter fact which has inspired the falsification of history. . . . (Emphasis in original).

The historical approach to Christianity is much more satisfactory than sterile debates concerning interpretations of what obviously are imperfect records prepared many years after Christ's crucifixion by men who had not known Christ personally. It is generally believed that the Gospel of St. Mark was the first compiled, about 65 A.D., although some suggest it could have been prepared at an earlier date. By this time the great Apostles Peter and Paul, and probably all of the earlier Christian leaders had been martyred. Scholars have debated for years the exact manner in which *The New Testament* was compiled, but the historical record shows that once Christianity had freed itself from the Judaic influences which surrounded its origin, it moved Westwards, the role of the Greeks being of major importance.

It was in Western Europe that Christianity was the decisive force in producing a new type of Civilisation. The Greek philosophers had struggled with the problem of how to make individual liberty a reality, while the Romans provided man with a firm concept of the Rule of Law. But it was the Christian teaching about man as a special Divine creature which gave the human person a significance unknown outside Western Europe. Now man saw himself as part of a cosmic spiritual drama and so felt that he had the power, derived from God, to shape history. Christianity was a religion of hope,

encouraging the development of man's creative spirit.

But as frankly admitted by a number of Jewish authorities, the Christian concept of the Divine nature of every individual and the universal appeal of Christianity which says that all individuals may enter the Kingdom of God, is anathema to those who accept the "Chosen Race" teaching of Judaism.

FREEING CHRISTIANITY FROM PHARISAISM

Douglas said that the real meaning of Christ's teachings, with their promise of freeing the individual in a manner never before understood, were still, after two thousand years, being smothered. It is true that we have an imperfect record of those teachings in the Gospels, but the early Church Fathers were satisfied that the Gospels they selected for the *New Testament* did contain the basic teachings of Christ. Two thousand years of history have demonstrated that when those teachings have been applied, they clearly reflect Truth.

Unfortunately, however, the real meaning of those teachings has tended to be distorted by the constant claim that Christianity was but a continuation of Judaism. Large numbers of Christians uncritically accept references to their "Judaean-Christian heritage", Judaism being equated with Christianity in flat disagreement with what Christ said and the violent, Jewish rejection of His message.

Douglas referred to Jewish philosophy as that of the one-way street. *The Talmud* teaches that non-Jews may be subjected to fraud and treated differently from Jews. In the Zionist State of Israel the conversion of a Jew to another religion, particularly Christianity, automatically excludes that person from the Jewish community. Jews are leading exponents of the "pluralist society" in other countries, but fiercely oppose such a society in Israel. The establishment of the State of Israel in 1948 was achieved by the use

of the type of murderous terror since complained about when used against Israel. Driving the Palestinians from the home they had lived in for two thousand years has been justified on the ground that the Jews are divinely ordained to return to the “promised land”. They have been supported by large numbers of Christians who are unaware that apart from other considerations, the overwhelming majority of Jews are, as shown in *The Jewish Encyclopaedia* and the writings of distinguished Jewish historians like Professor H. Graetz (*History of the Jews*), descendants from the Khazars, a Turkish-Mongoloid people converted to Judaism on the instructions of King Bulan in the 7th century.

When the famous author Arthur Koestler, himself of Jewish background, thoroughly documented the story of the Khazars in his book, *The Thirteenth Tribe*, there were attempts either to smear the author or to argue that the racial background of modern Jews was relatively unimportant. The alleged persecution of Jews over the centuries, Christians generally being charged with being the most guilty, is justification for the establishment of a Jewish State. In spite of the fact that since the publication of Dr. A. R. Butz’s scholarly and meticulously documented work, *The Hoax Of The Twentieth Century*, there is no longer any doubt that the story of the gassing of six million Jews by the Germans is a carefully fostered myth by Zionist propagandists and their dupes. The myth is used constantly in an attempt to stifle rational discussion of the “Jewish Question”. As the great majority of Jews of the world have no intention of going to Israel to live, the establishment of the Zionist State of Israel must be seen as but a step in what one Zionist frankly described as a “far flung plan.” The rank and file of Jews are regarded by their leaders as the expendable raw material of their power plans. The “Chosen Race” doctrine is essential to further those plans.

Perhaps the most telling aspect of the campaign to pervert Christianity is the claim that as Christ Himself was a Jew, no

Christian should criticise Jews. As a study of history shows, the term Jew evolved over the centuries from the term Judean. It was the famous Jewish historian Flavius Josephus who coined the term Judaism. But Judaism was but another term for the religious system known as Pharisaism. To describe Christ as a Jew in the sense that during His lifetime he was a Judean who practised a form of religious worship known as Pharisaism, is completely false and blasphemous. The Gospels record that Christ denounced the Pharisees and their religious system.

Dr. W. R. Inge, the distinguished Dean of St. Paul's, London, for many years, wrote:

In speaking of the Jewish element in Christianity, it must be remembered that the cradle of our faith was not Judea, but Galilee, and that the Galileans had probably hardly a drop of Jewish blood in their veins. They were tolerated by the Jews in consideration of their strict and almost fanatical orthodoxy, while the heretical Samaritans, who were probably nearer to them in race, were detested; but the Jew never looked upon the Galilean as a member of his own tribe. Judea itself was perhaps the last place in the world from which the religion of the Graeco-Roman Empire could have sprung.

Christ was generally known during His ministry as "Jesus of Nazareth" or "The Galilean." Never once did He refer to His birthplace as "Bethlehem of Judea." A close reading of the Gospel of St. John makes it clear that Christ did not believe that He had been born in Judea. The Galileans were a completely different type of people from the Judeans, a result of their background. When Sargon of Syria crushed Israel in 722 or 721 B.C., only the tribe of Judea was left, Galilee being swept clean with Sargon re-populating the area with people from various parts of his wide dominions. His most fearsome troops were the horsemen known as the Scythians who came from the country now known as Russia. Anthropologists (see *The Makers of Civilisation* by L. A. Waddell, L.L.D., C.B., C.I.E.) believe that the founders of civilisation were the white-

skinned people, the Indo-Europeans or Caucasians, as they are called, who moved from the area east of the Volga southwards towards the warmer climate. These northern whites were responsible for the Sumerian Civilisation which penetrated into much of what today is called the Middle East, including Egypt.

Another European influence, at a much later date, on the population of Galilee was the wandering Gauls who split off from the army of Brennus in 278-77 B.C.

Then in 164 B.C. when Simon Maccabee removed some Jewish infiltration out of Galilee back to Judea, Galilee was again completely Gentile. The strong antipathy between the Galileans and the Judeans helped the Galileans to retain their own identity from then onwards beyond the time of Christ. The Jewish historian Josephus, Governor of Galilee 50 years after the Crucifixion of Christ, makes clear that there were basic differences between the Galileans and the Judeans. As recorded in *The Talmud*, intermarriage was not permitted. The verdict of history leaves no doubt that if Christ is referred to as the Son of Man, He was a Galilean, not a Jew. The traditional pictures of Christ have always portrayed Him as of fair complexion with blue eyes.

The development of Christianity owed more to the Greek influence than it did to the forerunner of Judaism, Pharisaism. The *New Testament* references to the Decapolis, or Eastern Galilee do not give an adequate picture of its dominating Greek character. The Greek influence in the region started with the soldiers of Alexander the Great from 382 B.C. onwards. Under the Romans the Decapolis saw a flowering of Greek culture in its highest forms. The Romans ruled the region through the Greek language. Greek names were used, as witnessed by the names of most of Christ's disciples. It is almost certain that Christ and His disciples knew Greek. Writing in his *Historical Geography of the Holy Land*, George Adam Smith observed:

The Decapolis was flourishing in the time of Christ's ministry. Gadara with her temples and her amphitheatres, with her arts, her games and her literature, overhung the lake of Galilee and the voyages of her fishermen. A leading Epicurean of the previous generation, the founder of the Greek anthology, some of the famous wits of the day, the reigning emperor's tutor, had all been bred within sight of the homes of the writers of the *New Testament*. We have ample proof that the Kingdom of God came forth in no obscure corner, but in the very face of the kingdom of this world.

Irrespective of where Christ had appeared, He was faced with the problem of how to detach himself from all local influences in order that His universal message for all mankind could be presented. And yet He had to work through the culture and institutions of the world in which He emerged. He would have been faced with the same situation if He had appeared in Persia, Greece or Rome. Without making use of the culture and traditions of the world in which He grew up, how could Christ communicate His message to His Disciples so that they in turn could carry it to the whole world? Christ was well versed in the teachings of Judaism, and the works of the Jewish prophets, but in referring to them insisted that there was "a more excellent way." Christ entered the Synagogues, not because He accepted any part of Judaism, but because they were at that time a type of local public forum where He could preach His Message. The Jewish leaders so feared that message that they plotted to have Christ crucified. Christ's denunciation of these leaders was couched in language which today would have Him called before some "race relations" or "anti-discrimination board":

Woe to you, scribes and Pharisees, hypocrits! for you cleanse the outside of the cup and of the plate, but inside they are full of extortion and rapacity Woe to you, scribes and Pharisees, hypocrits! for you are like whitewashed tombs, which outwardly appear beautiful, but within they are full of dead men's bones and uncleanness. So you also outwardly appear righteous to men, but within you are full of hypocrisy and iniquity You serpents, you brood of vipers, how are you going to escape being sentenced to hell?

Although it is an historical fact that the Jewish hierarchy rejected Christ's revelations of reality, of God, the essential nature of Christ's teaching has been distorted by those who have failed to understand that Christ had to use a method of expression suitable for Eastern minds. A limited culture and the Judaic influence made it difficult for Christ's disciples to grasp the principles He sought to teach. Thus the use of parables to encourage consideration of an illustration of a principle. It is obvious that many have missed the *primary meaning* of the principle illustrated in the parable, while others have failed to grasp that the statement of a principle does not of itself indicate how the principle should be applied in all circumstances.

Nothing so dramatically demonstrated the fundamental cleavage between Christ's teachings and the institutionalism and legalism of Judaism than Christ's reaction to the charge that He had been violating the Sabbath. "The Sabbath was made for man, not man for the Sabbath." The Christian view therefore insists that all institutions exist to serve the individual. In his first book *Economic Democracy*, Douglas left no doubt that he implicitly accepted the Christian concept:

Systems were made for men, and not men for systems, and the interest of man, which is self-development, is above all systems.

Douglas later stressed that this truth also applied to legal systems. In his *Merchant of Venice* the great English writer Shakespeare brought out the contrast between the Christian concept of law, which gave rise to English Common Law and the Judaic stress through Shylock on the letter of the law as distinct from the spirit of the law. Christ challenged a religious system of a kind which sought to govern the life of the individual down to every detail. A reading of *The Talmud* explains why so many Jews are attracted to central planning, irrespective of what label it carries.

Christ understood the Law of the Jewish prophets and Jewish traditions. But He did not appeal to them to establish His authority. When He asked his disciples, “But Who say ye I am?” it was the outspoken Peter who said, “Thou art Christ, the Son of the Living God.” Peter was warmly praised for his answer. Christ rejected the suggestion that He was the Jewish Messiah who would lead a revolt against the Roman power. He taught that God’s will should be done on earth. But how? He did not teach subjection to a distant Deity, an external authority, but to an interior one. The Kingdom of God was within each individual. Christ knew that He was of God, was in direct touch with the Father, and that through His teachings and examples all men could come to know of God within themselves. Christ was the great example, the Light of the World, demonstrating in His life complete harmony between principle and practice. He criticised the Scribes and Pharisees “because you shut the kingdom of heaven against men, for you neither enter yourselves, nor allow those who would enter to go in.” The Founder of Christianity directed His most biting invective against that legalistic and juristic habit of mind of priests and scribes who made the Word of God of no effect by their traditions.

The qualities which Christ manifested in His life were a sense of freedom, balance, courage, initiative, simplicity. These qualities were displayed in a man unique in the history of human affairs. Realistic Christianity is not possible unless the dangerous myth of “Judaeo-Christianity” is rejected. Writing in *The Big Idea* Douglas said

it is necessary to face up to the fact of institutionalised Judaeo-Christianity . . . which is simply Liberal Judaism. I repeat my belief, not only that Christianity has not failed because it has not been tried, but that it has not been tried mainly because Judaeo-Christianity has taken care that it should not be tried.

Jewish spokesmen have been very frank about the “Judaeo-Christian” myth. For example, Rabbi Howard Singer writing in *The Saturday*

Evening Post, U.S.A., as quoted in the March, 1979 issue of *Behind The News*, South Africa, said

But all that talk about “Judaeo-Christian tradition” is one of the most successful public relations triumphs of the century But, as a Jew, and a Rabbi, obviously I don’t accept that view. I don’t see Christianity as the exquisite culmination of a long and painful evolution: I see Christianity, to use Santayana’s phrase, as a ‘paganisation’ of monotheism, something with which I can have no real sense of kinship.

The end result of the Judaic concept of monotheism is monopoly. The Christian concept of unity through diversity is reflected in the Doctrine of the Trinity. Douglas directed attention to the Athanasian Creed concerning the trinitarian concept of God, pointing out that it was a brilliant theological exposition of the nature of reality, and that when political and constitutional systems reflected that reality individuals found their associations much more fruitful and harmonious. Douglas instanced the growth of constitutionalism in England in accordance with the trinitarian concept, the result being the House Commons, The House of Lords, both spiritual and secular, and the Crown. The growing Judaic influence was a major factor in having Christianity declared at the time of the First World War to be no longer part of the British Constitution.

The widespread claim that Christians worship the same God as the Jews is a serious reflection upon the understanding of those Christians who make it.

THE LESSONS OF ALBERTA

One of the stock answers of politicians and others to the Social Credit case, is that “Social Credit is that funny money scheme tried in Alberta, Canada, where it failed.” A Social Credit Government was elected in Alberta in 1935 under the depressed conditions of that period. A combination of factors, not the least of which was the

role of the most remarkable William Aberhart, uniquely placed to influence electors right throughout Alberta, resulted in an event which made world headlines and which rung the alarm bells throughout the world of International Finance.

But Social Credit did not fail in Alberta for the simple reason that proposals to implement Social Credit policies were opposed and defeated by centralised power. As Douglas said, if Social Credit was absurd and worthless as an effective answer to the Great Depression of the period, the best way to have this demonstrated would be to permit the Government of Alberta to go ahead with a Social Credit policy. The credit monopolists feared that even a partial application of Social Credit would prove so successful that every effort must be made to prevent this taking place.

Still a pioneering and predominantly rural Province when the Great Economic Depression took place in the early Thirties, Alberta was hard hit by this tragic event. Social Credit had been discussed by a number of people shortly after Douglas had started writing on the subject. Depression conditions produced a rapid expansion of interest, this interest extending to Members of the United Farmers Government of the Province. Great physical hardships amidst plenty or potential plenty made it relatively easy for an increasing number of Albertans to grasp that their only basic problem was a shortage of money. Acting like a potent catalyst in this situation was William Aberhart, a Principal of a Calgary High School who commanded a Province-wide audience every Sunday with his religious broadcasts. Aberhart was a born teacher, a master of using the radio, and an excellent organiser. Once he became convinced that a shortage of money was the cause of the depressed conditions, that this shortage was the result of man-made policies, and was anti-Christian, he started to use his radio programme to preach the gospel of The New Economics. A type of grass roots movement was soon sweeping the Province, with hundreds of study groups. By the time Douglas reached Alberta during his 1934 world tour, the United Farmers

Government was showing open interest in what Douglas had to say. Early in 1935 this Government appointed Douglas as Chief Reconstruction Adviser.

But before Douglas could actually start work, a frustrated electorate, influenced in the main by Aberhart, was insisting that the United Farmers Government start to implement Social Credit policies. It is fair to say that a major part of the reluctance of the Government to move was the belief that a major change in credit policy was a Federal matter and beyond the powers of the Provinces. Aberhart and his supporters disagreed and called for candidates pledged to implement a policy of providing Albertans with a monthly dividend of 25 dollars. In an amazing election result these candidates were swept into office winning all but a few of the seats. However, it was one thing to organise a successful political campaign and to gain office, but it was another matter for a group of political amateurs, led by a middle aged High School Principal with no experience of Government administration to move successfully against powerful international groups with centuries of experience behind them.

Armed with the knowledge that the Albertan election result in 1935 had sent shock waves throughout the financial centres of the world, and that plans had been laid well in advance should the Albertan electorate vote for Social Credit, Douglas did not make the mistake of rushing off to Alberta at Aberhart's urgent request. If centralised financial power was to be assaulted, there had to be careful preparation. Douglas stressed that it was useless for him to go to Alberta until his advice concerning preparations was carried out. The inexperienced Albertan Government, making the fatal mistake of setting itself up as an expert on financial techniques, was out manoeuvred by the representatives of financial orthodoxy. Douglas said he was provided with evidence showing that the first tactic of the enemies of Aberhart was to divorce him from Douglas. Financial interests reacted to the Aberhart victory by taking steps to ensure that the new Government was faced with a major financial crisis.

Aberhart was invited to visit representatives of the financial interests in Eastern Canada, who promised some credit to assist a desperate Government. The result was not only a failure to introduce the monthly dividend promised before the elections, but an increase in taxation and dismissal of a number of Government employees. The Government was implementing an anti-Social Credit policy. By the middle of 1936 the Aberhart Government appeared to be heading for complete disaster.

Commenting on the situation in *The Alberta Experiment*, Douglas said,

. . . although it might, with some justice, be said that almost every mistake of strategy which could be made in Alberta has been made, I find myself in complete disagreement with those who regret that the adventure ever should have been embarked upon or suggest that it must inevitably fail.

Douglas suggested that

The course which offers the greatest and probably the only hope is that which is based upon the essential nature of democracy on one hand, and the primary cause of Mr. Aberhart's Electoral success, on the other. The Provincial Government has, under existing circumstances, certain sanctions which are quite undoubted, and chief among these is its power of legal enforcement of its decrees.

Douglas conceded that if the Provincial Government took the offensive against the financial interests, these interests

in their turn have . . . the power to inflict damage upon Alberta but I do not believe that that power, if seriously challenged, is anything like so great as it is popularly supposed to be . . . The financial system is essentially a system of black magic, and one of the best protections against black magic is not to believe in it.

The Budget brought down by the Aberhart Government early in 1937 triggered developments which generally followed the type of

strategy originally recommended by Douglas. There was open revolt from a number of Social Credit Members, one expressing the view of the critics with his shout, "This Budget violates every Social Credit principle." Aberhart sat with bowed head as he heard accusations of "double-crossing" and of financing the Government "on the pennies of the poor." When it was made clear to Aberhart that his Social Credit critics would not vote him money supply for the next three months unless he agreed to their demands to start to implement a Social Credit policy, he agreed to arrangements embodied in an *Alberta Social Credit Act*, a major feature of which was the establishment of a Social Credit Board of five private Members of the Legislature. This Board was to appoint a Commission of experts subject to it, to determine the necessary technical measures required to provide the Albertan people with the dividends they had overwhelmingly demanded at the 1935 election.

Following the establishment of the Social Credit Board, Social Credit experts from England who had worked with Douglas, Mr. L. D. Byrne and Mr. G. F. Powell, were invited to Alberta to advise. The first major step by Byrne and Powell was to establish the correct relationship between electors, their Parliamentary representatives and technical experts. Electors should confine themselves to demanding specific results, while their Members of Parliament should faithfully represent the electors' policies and call upon appropriate experts to devise the way and means of achieving those policies. Members of Parliament were invited to sign a pledge to uphold the Board and its technicians while means were involved to make the will of the electors prevail. The ground had been prepared for the next stage of the battle for Social Credit in Alberta. During that stage vital legislation, starting with the *Credit of Alberta Regulation Act*, disallowed by the Courts, was designed to force the basic issues confronting the Albertan people into the open, with a view to preparing for an on-going battle. In spite of opposition, the Aberhart Government, advised by Social Credit technical experts, did achieve many valuable results, including the progressive

abolition of the Provincial debt.

When Douglas had given evidence before the Agricultural Committee of the Alberta Legislature in 1934, he had disappointed many who had expected him to produce an immediate neat blueprint for the Province. In his usual objective manner, Douglas insisted that the application of principles had to be governed by situations. The limited constitutional powers of the Canadian Provinces was one major factor to be considered. Douglas well understood the magnitude of the problem of amateurs opposing professionals. And in the case of Aberhart and his colleagues they were poorly equipped amateurs with relatively little knowledge of financial realities. They certainly knew little or nothing about Social Credit.

Douglas wrote in *The Alberta Experiment* (1937) that

It would not be possible to claim that at any time the technical basis of Social Credit proposals was understood by him (Aberhart), and, in fact, his own writings upon the subject are defective both in theory and in practicability; but he did grasp, and his audience grasped, that in the subject of the provision of effective monetary demand lay the clue for the salvation of their difficulties.

Although aware of the serious deficiencies of understanding by Aberhart and his colleagues, Douglas also understood that politics is the art of the possible, and he made every endeavour to ensure that he was not used to undermine Aberhart.

When Aberhart died during the Second World War, Douglas paid him the following tribute:

The character of the man, and the nature of his historic and successful fight against the massed forces of Finance and corrupt politics are not so well known and have, of course, been misrepresented to meet the convenience of his reporters and critics

Exceptional as the new Premier (in 1935) was in electioneering ability, I do not believe that either he or his supporters had the slightest conception of the distance which separated them from the knowledge which was indispensable to have even a fighting chance against an enemy with the experience of the ages to help him. The miraculous fact is that they escaped disaster, if even only by a hair's breadth. They could not fail to make mistakes, but they learnt by them.

It is not easy for a man of 57, the greater part of whose life has been spent in teaching, to learn. It was here that one of Aberhart's outstanding qualities shone so clearly. He was, beyond all question, a man of complete integrity, more concerned to fulfill his pledges than to force his own ideas, once he was convinced that they were wrong or inexpedient. In the short space of five years, while drastically remodelling and purifying the day-to-day administration of the Province, he uncovered his enemies' hands by a series of Bills which forced Mr. MacKenzie King, returned to power at Ottawa in a speech demanding "Hands off Alberta," to forswear himself by disallowing them.

During the 1935 Canadian Federal Elections Mr. MacKenzie King, leading the Liberal Party against the Conservative Government headed by R. B. Bennett, had made a memorable and oft-quoted speech at Saskatoon, Saskatchewan, on September 22, 1935, in which he said,

Canada is faced with a great battle between the Money Power and the People, a battle which will be waged in the new Parliament. I plead for a sweeping Liberal victory to carry out my policy, of public control of currency and credit. Until the control of currency and credit is restored to the Government, all talk of the sovereignty of Parliament and democracy is idle and futile.

Mr. MacKenzie King's words, together with his "Hands off Alberta" statement convinced large numbers of Canadians to help vote the Liberal Party into office. Just as Douglas had not been misled, as were large numbers of money reformers, when Franklin Roosevelt was campaigning for the American Presidency in 1931 with stinging words about bankers, neither was he misled about MacKenzie King,

stressing that he was acceptable to the international financial groups. These groups used the MacKenzie King Government at Ottawa to thwart in every possible way the Albertan revolt against centralised credit control.

The outbreak of the Second World War in 1939 brought changed circumstances for Alberta. Credit was now more freely available, to fight the war. But under the cover of the war crisis, it was proposed to increase still further the powers of the Federal Government at the expense of the Provinces. Aberhart placed himself at the head of a nation-wide campaign to resist such proposals while organising the financial affairs of Alberta to strengthen the base from which the campaign against centralised credit control could be resumed at the end of military hostilities. Aberhart had certainly learned fast under the influence of Douglas's advice. His death during the war was a major tragedy for Social Credit. His place was taken by Mr. Ernest Manning, pledged to continue Mr. Aberhart's work. But soon it was clear that Mr. Manning was not prepared to fight the power of International Finance. He encouraged an "On-to-Ottawa" movement while contenting himself with advocating "good government" in Alberta. The basic educational work was stopped. And eventually the Government's technical adviser, Mr. Byrne, was summarily fired. A staunch supporter of Political Zionism, Mr. Manning took steps to ensure that all suggestions of "extremism" and "anti-Semitism" were removed. The challenge to the credit monopoly was replaced with advocacy of "Conservative" Government. The Alberta Government became like any other Government, primarily concerned with power. The works of Douglas were banned by a party which immorally continued to use the name of "Social Credit."

It was in one sense fitting that Mr. Ernest Manning should leave a wrecked party in Alberta to become a director of a bank and to be appointed to the Canadian Senate by the long-time pro-Marxist Pierre Trudeau. The Albertan story, from beginning to end, confirmed everything Douglas had to say about the nature of the

problem facing Social Credit. If the lessons are learned, the mistakes of the Albertan drama will not be repeated.

FROM THE GROUND UP

Writing in *The 'Land For (The Chosen) People' Racket*, Douglas said that the plotters and planners

recognise that land, the money system, and the police are the raw material of control, and control they are determined to have. They also recognise that a majority is always ruled by a minority, and it is therefore essential that the legal title to these things shall be taken from a minority and vested in a majority – the “Public.”

Genuine private ownership of land is a major barrier to the totalitarians, irrespective of their label. The Soviet planners could not tolerate the relative independence of the peasants, the Kulaks. Solzhenitsyn has pointed out that the first feature of the attack on the peasants was an attempt to tax them out of existence. When that failed, brute force had to be used.

Douglas's approach to the land question was once again a reflection of his philosophy. He said,

At the bottom, there is little doubt that there are two irreconcilable ideas in conflict. The first of these is that the world in which we live is an organism and that men and animals have intricate relationships with the earth – not amorphous but specific and infinitely varied, which can only be disregarded at the peril both of men and the earth they live on. I do not mean in the least by this that a universal back to the land movement is either necessary or desirable, but I do think that the idea that the earth is merely something to be ‘exploited and lived on’ is quite fatal, merely the raw material for a factory, that the nearer agriculture approximates to Mr. Ford's conveyor-belt principles, and towns emulate Stalingrad, the better we shall be. I do not think I am unduly squeamish, but I have to plead guilty to a wave of real nausea at the description, as progress, of egg factories in which hundreds of thousands of hens are kept under electric

lights from birth to death, confined in little boxes, never allowed out, laying eggs. I don't want to eat those eggs, and I have a strong conviction that they are not good to eat, whatever their superficial taste may be. The idea – the Encyclopaedic idea – that everything can be put into a nice watertight compartment, and card indexed, is the philosophy of a frozen Hell.

Writing in *The Brief for The Prosecution*, Douglas quoted the Balt, Paul von Sokolowski:

There are two processes which weaken man's hold over Nature and diminish his courage in his fight with her: they are MOBILISATION of the soil and its SOCIALISATION. Neither war with its ravages nor any Act of God fundamentally endangers civilisation, so long as men pursue agriculture *for its own sake*. But directly the land is mobilised, that is to say, when it becomes mere property, capable of transference and financial-capitalisation, directly it comes to possess only a commercial interest, it loses the inviolable permanence and security without which its care and culture are impossible. To the man whose home is on his own land, the idea that either he or his successor could ever desert the field of their labour for the sake of an economic advantage whatsoever, should be unthinkable. Nothing in the world should be able to make them willing to sacrifice or exchange their inherited home.

Socialisation of the soil is even more ruinous in its effect, for it is likely to take control and care of the land out of the most competent hands; since, regardless of the true needs of the community, it is a temporary satisfaction of the cravings or ambitions of destitute sections of the population by the distribution of landed property (*e.g.*, parcellation of estates). Only one agrarian reform can increase the efficiency of the land; it is the commitment of its care to those best qualified for the trust. A change in agrarian tenure which is made at the expense of the land's welfare – in the interest of no matter what group – should properly be termed destruction of the soil. Socialising land laws undermines confidence in the permanence and inviolability of property, without which proper husbandry is unthinkable, for who is to give even those directly privileged by such reforms the assurance that yet further reforms will not expropriate them from the fields they have just acquired? The faintest recollection of such changes must pass from the memory of the

people before confidence, thus broken, is restored.

A study of the documents on planning by the Fabian Socialist Political and Economic Planning movement (PEP) reveals how there is a long-term strategy to force the individual landowner to submit to “far-reaching changes,” ultimately leading to semi-collectivised farming. Financial policies of escalating debt, taxation and inflation are forcing progressive centralisation of land ownership with farming which approximates soil mining. “Get big or get out” is a slogan which not only applies to business, but to farming. The social implications are becoming increasingly obvious as the rural communities and local towns are destroyed while the Big City becomes progressively bigger.

Those who accept the philosophy of an organic balance in life will applaud the sentiments of Dr. Scott Williamson as expressed in *Physician, Heal Thyself*:

That nature is at war against man, or that man must conquer Nature, his enemy, is the most stupid of all superstitions. It is just as stupid to suggest that Nature has decreed a struggle for existence in face of the scientific fact that Nature provides all the means to live in abundant plenty.

All disease, including that resulting from tension, are manifestations of a departure from natural, God-given law. The well known Lord Horder has commented that “There is within us all a tendency to health.” That tendency can only manifest itself when man accepts the truth outlined by Douglas, that the Laws of the Universe transcend human thinking, and people who desire health in all spheres should seek to discover those laws and obey them.

Douglas said that all movements like those of Henry George, whose first principle was to destroy private ownership of property, have been financed or encouraged by the forces of International Finance. As in every other field, Douglas demonstrated his capacity

to produce principles designed to ensure that private ownership of land is protected. Those principles were designed specifically to meet British conditions, but are just as applicable in other countries. In essence, Douglas said that there must be absolute security of tenure for life, and the abolition of land taxation of every description. All land should be classified and only used for classified purposes. And no official is to have any right of access to private property without a Magistrate's warrant. At present bureaucratic officials have in many cases more powers to enter private property than have the police. This is further evidence of the progression towards the Police State.

All life depends upon the soil and Douglas realistically warned that control of the land is control of life. Social Credit recognised that a healthy balanced society must build from the ground up.

TURNING BACK THE CLOCK OF CIVILISATION

As we have seen, Douglas had as early as 1924, in *Social Credit*, warned of the impending disintegration of Civilisation under prevailing finance-economic policies.

The Great Economic Depression of the Thirties prepared the way for the Second World War, both events being predicted by Douglas. The rapid expansion of the Social Credit Movement throughout the English-speaking world, including the U.S.A. during the Depression years, and the serious threat to the Credit Monopolists with the direct challenge in Alberta, was met in part by a diversion in the form of what came to be known as "Keynesian Economics." As Douglas said, John Maynard Keynes was an able man. He not only conceded that the banking system creates all new credits, but by inference in his major work, *The General Theory of Employment, Interest and Money*, admitted that Douglas was right concerning a deficiency of purchasing power. The Keynes solution was not to

recommend that the individual gain access to his own inherited credit as a right, but that depression conditions should be overcome with an expansion of credit to finance deficit budgets. This would enable Governments to “stimulate” the economy by “pump-priming.” It would, of course, increase centralised control over the individual. And Keynes did admit that one result would be inflation; but this could be “controlled.” Keynesian type “money-reforms,” which Hitler and Mussolini had introduced, were offered to desperate people as the only answer to major depressions. Marxist theoreticians like John Strachey welcomed Keynesian policies of “controlled inflation” because they must inevitably undermine stable society. Consider the state of industrial societies today, as inflation produces increasing confrontations between employers and employees.

In a little-publicised attempt to help avert the threatened Second World War, Douglas at one stage made an approach to Hitler, suggesting that if he were genuine in his anti-Judaic sentiments, he would end the policy of “full employment” which required Germany to strive to “export or perish.” But Hitler, a paranoiac, was a product of the will-to-power philosophy. The result was, as Douglas said, that by “allowing himself to be put in ostensible control of powers greater than himself” Hitler was at the mercy of those who put him there.

When the Second World War started, Douglas expressed the view that the work of the Social Credit Movement would not be lost. Early in the war he predicted that the real objectives of the war were the establishment of an International Police State, the restoration of the Gold Standard and the Debt system, the “elimination of Great Britain in the cultural sense, and the substitution of Jewish-American ideals,” and “the establishment of the Zionist State in Palestine as a geographical centre of World Control, with New York as the centre of World Financial Control.”

In an article in *The New Age* of January 14, 1932, “The International Idea,” Douglas examined the reasons for the campaign to establish the World State:

. . . there is a perfectly straightforward and practical explanation of this propaganda for internationalism, and for practical purposes one does not need to look further. Hardly a day passes without a leading article in *The Times* or other papers of the same type of interest, remarking, as though it were axiomatic that the world is one economic unit, and that no adjustment of the present discontents can be expected which does not proceed from international agreement. These journals are ably seconded by High Clerics. This opinion, you will notice, is never argued; it is always stated as though it were obvious to the meanest intellect, which is, in fact, just about what it is . . . the simplest explanation of this is that if you can make a subject large enough and involve a sufficiently large number of people in the solution of it, you can rest assured that you will never get a solution. A democracy of a thousand voters can be personally approached and convinced on any subject within a reasonable period of time, but if you enlarge the franchise to include everyone over twenty-one in a population of 45,000,000 you can be reasonably sure that any general conclusion at which it will arrive, it will arrive at twenty-five years after that conclusion ceases to be true. If you can superimpose upon that by means of a controlled Press, Broadcasting, and other devices of a similar nature, something that you call “public opinion” (because it is the only opinion which is articulate) you have a perfect mechanism for a continuous dictatorship, and moreover, it is the form of dictatorship which is fundamentally desired by the collectivist mentality -- a dictatorship which has power without responsibility.

Douglas went on to observe that a Jewish financier had contemptuously remarked that the reason the Gentile could not shake himself free from the domination of finance was because the Gentile could not distinguish between numbers and things, adding,

I should be inclined to go further than that, and say that the mentality which is attracted by the Internationalist idea is incapable of distinguishing between numbers, things and individuals. It is a type of mentality which is fostered and ultimately becomes inseparable from people who deal with nothing but figures, and is, in my opinion, the

reason why the banker in particular is fundamentally unsuited for the position of reorganiser of the world. No banker, as such, has any knowledge of large undertakings. He thinks he has because he deals with large figures, and he mistakes the dealing with large figures as being equivalent to dealing with large numbers of things and people . . . this is the idea which is at the root of the International idea, where it is held sincerely. It is that you can obtain an elaborate series of statistics regarding the populations of the world and put a committee down at Geneva, or elsewhere, to legislate for them on the basis of statistics. It is an idea which would never be accepted by anyone who had ever run or organised a small business

The danger to the world of this idea is instant and practical. There is a world movement definitely conscious of its aims, counting amongst its adherents many persons placed by social position, prestige, and other conditions, in what would seem to be a most impressive relation to politics and organisation, which is consciously working for this purpose. With it, or behind it, however you like to regard the matter, are all those forces whose ends are best served by the subjection of the individual to the group. While it will certainly fail, its backing makes a conflict certain.

The end of the Second World War was the signal for an even faster retreat from Civilisation. The break up of the British world, the only real potential barrier to the establishment of the World State, was proceeded with. The first major blow was struck at the Bretton Woods Agreement during the Second World War, when Keynes joined with the secret Communist agent in the American Treasury, Harry Dexter White, to establish the International Monetary Fund and the World Bank. The most devastating blow against the British world was the ruthless campaign which forced Britain into the European Economic Community, the promoters openly claiming that this was a major step towards the establishment of the World State. Since the death of Douglas in 1952 the retreat from Christian Civilisation has accelerated. The retreat has been masked to some extent by feverish material activities as industrialised societies overdrive their production systems in a desperate attempt to keep them from breaking down. But a Civilisation is much more than its

material achievements; it is the incarnation of undergirding values and principles. Once these have been eroded nothing is left but an empty and soul-less shell.

History is repeating itself. It is the disintegration of Rome all over again. Disintegrating Rome had every social problem afflicting mankind today, including the youth revolt movement. A desperate people called for “strong Government.” But a Caesar could not halt the rot. The destructive inflation continued. In an attempt to obtain more money from an over-taxed people, Rome even resorted to public lotteries. Modern Caesars are doing likewise! And, as the problems grow greater, the call now is for an International Caesar, a World Government. Nations and their peoples are called upon to surrender their few remaining freedoms in the interests of “world brotherhood.” Symbolic of the state of retreat is the call by the pro-Marxist World Council of Churches for support for the New International Economic Order, for the very concentration of world power which Christ rejected.

As the twentieth century dawned, mankind was on the threshold of what could have been an advance in Christian Civilisation far exceeding all achievements of the past. By discovering and applying the truths concerning solar energy and technology, the bread of life, and much more, could be easily produced in an abundance for all with progressively less human labour. Real freedom based on economic freedom, was possible on a scale never before possible. Man could be freed to devote himself to the things of the spirit. The foundations had been prepared over hundreds of years. But the very productive capacity which could have been used to expand freedom, was unleashed in an orgy of destruction in the first of a series of disasters, the First World War. It was during this disaster that Douglas emerged with the answer to the problems which had been exploited to precipitate the disaster. He was a true prophet, but he was rejected by those best placed to take constructive action about his message of salvation from further and worse disasters. And

many found the truth so blinding that it was “too good to be true – too simplistic.”

It is now 65 years since the beginning of the First World War. In that comparatively short period of time, which promised so much, the destruction of human life in warfare, in the Communist hells, as a result of famines resulting from tribal conflicts in Africa, and many other man-made disasters, has exceeded the total loss of human beings of the previous thousand years. Standards in all spheres have declined. The very technology which could have served the cause of freedom has been used to promote lies so enormous that the mind boggles. In a short 65 years the clock of Civilisation has been put back 1900 years. And there is worse to come. The stability which still prevails is the result primarily of the spiritual capital of the past. But that capital is being rapidly exhausted.

Reality is the ultimate disciplinarian, and Douglas said that the real threat was not that power maniacs could establish and operate a World State, but that in the attempt to create such a monopoly of power, they would produce increasing chaos. Where then does the follower of Douglas stand today in relationship to such a situation? He or she stands where the early disciples of Christ stood as they looked out on a dark world from which the civilising influence of Rome had been removed. Those who are going to advance the purpose for which Christ said He came must first be clear about that purpose. Christ said, “And ye shall know the truth and the truth shall make you free.” Truth then is the way to the objective of freedom. In one of his typically penetrating and concise statements, Douglas defined freedom as the right “to choose or refuse one thing at a time.” Without genuine freedom of choice the Divine destiny of man is impossible.

FAITH WITHOUT WORKS

Examining the question of how Christianity can be made a reality, Douglas compared Christianity to the Theory of Thermo-Dynamics, a theory which concerns a basic truth. But it is not this truth *itself*, or an expression of *faith* in the truth, which moves things. Proper mechanisms have to be established so that the truth can be used to drive, for example, great ships across the ocean. As Douglas said, “Thermo-Dynamics means nothing without Heat Engines, and Christianity means nothing without the Incarnation.” Faith can move mountains if the appropriate mechanisms, reflecting truth, are used. But faith without works is, as Christ said, death. Millions of people can attend Church services and verbally express their belief in Christianity, but unless that belief finds expression in appropriate action, in every sphere of human activity, including political and economic, a truly Christian society is impossible.

Christ’s statement that those who were not for Him were against Him can only mean that those who would seek to know the Father through the Son, must accept the absolutes of Divine Law as it applies to all aspects of man’s activities and his relationship to the universe. Christianity is not merely “another religion,” as many claim. Douglas said that

Christianity is something inherent in the very warp and woof of the Universe, or it is just another set of interesting opinions, largely discredited and thus doubtfully on a par with many other opinions, and having neither more nor less claim to consideration.

What then, was unique about Christianity? Certainly not the claim of those who say it offers the prospect of life after death. Other religions have also made this claim. Christ not only stressed the value of every individual, as a person in his own right, but shattered all prevailing religious concepts by stating that the Kingdom of God was *within* the individual. And that if the individual *first* sought the Kingdom of God, he did not need to concern himself unduly about

other requirements, as they would be added unto him. The starting point for the development of the Kingdom was the *individual*, submitting himself to a search for God's laws, and then obeying them.

Christ's claim that God the Father demanded complete obedience, and His insistence that the individual was more important than institutions and systems, whose true purpose was to serve the desires of the individual, was one which Douglas suggested was the real reason why the early Christians were persecuted by the Roman Imperial Power, already disintegrating at that time because of excessive centralised power in which financial policy played a major role. The early Christians were not persecuted because they held "principles," or religious views. There were other religious groups at the time, but the pragmatic Romans were not unduly interested in what they felt were unrealities, so long as those concerned gave unqualified support to the Roman Imperial Power. But the Christian's allegiance was to a higher power. Caesar was entitled only to that which belonged to Caesar, and Caesar himself also should, in the Christian view, be regarded as subservient to God. Like all exponents of the will-to-power, when the Roman Imperial Power saw Christianity as a threat to its monopoly of power, it attempted to destroy that threat.

One of the charges levelled at Christianity is that it is irrelevant concerning the problems of man on earth; that it is pre-occupied with other worldliness. Regretfully many calling themselves Christians provide evidence to support these charges. So far from ignoring the problems of man on earth, Christ taught His disciples to appeal to God the Father in Heaven, asking, "*Thy Kingdom come on earth as it is in Heaven.*" God's Kingdom can, only come on earth if individuals seek to know God, to serve God and to advance His purpose for man. Christ commanded, "Be ye perfect." Striving for perfection is only possible when the individual possesses the freedom to do so. The goal of perfection means that Christ came to

restore, to make atonement with God possible. Atonement means at-one-with, and Christ said that it was only through Him that the individual could come to know the Father, to make complete contact.

So far from ignoring the material world, Christ said He had overcome it. Man did not live by bread alone, but sufficient bread was essential. "Give us this day our daily bread." God the Father has provided an abundance of the material things required for the "life more abundant" which Christ spoke about.

"FULL EMPLOYMENT" DENIES ACCESS TO KINGDOM

The overriding policy being used to deny man access to the potential real security and expanding freedom which is his birthright, is that of "Full Employment." Although the policy blatantly contradicts every advance in technology, it is promoted persistently as the most important objective towards which man can strive. The underlying philosophy is materialistic, treating the human being as so much raw material to be fed into an expanding mass production system, and anti-Christian because it denies that the major factor in modern production is inheritance. When Douglas first put forward the policy of a National Dividend for the individual as a right reflecting the reality of inheritance, it was scathingly denounced as "something for nothing." Life itself is a gift, as are the most important factors which sustain life – water, air and unlimited solar energy.

The failure to accept God's gifts with proper respect is a manifestation of man's false pride, a refusal to accept the truth that man is not self-sufficient, that he does depend upon God and His abundant Universe, abundant in materials and the laws which, if discovered and applied, provide both security and freedom.

The tendency to worship science as some type of God is but further

evidence of man's false pride. Science cannot create anything. It is but an orderly method of discovering and using that which already exists. Formulae are but man-devised instruments which man has invented to increase his effectiveness in arranging associations which result in natural action. Each new generation inherits knowledge built up by previous generations. Even ideas are inherited, as pointed out by that great scientist, Isaac Newton: "If I have seen further than other men, it is because I have stood on the shoulders of giants."

As Douglas said, every generation of mankind receives contributions from two sources, the effort of human beings applied to instruments which have been created by previous generations. Douglas summarised:

We have an association between the present and the past yielding an increment which is present; and relatively to one another, the past is enormously the most effective element in this association.

One of the most shallow statements by those who endorse the "Full Employment" policy, is that "hard work never hurt anyone." So far from being true, much hard work has had a brutalising effect on the individual. And activities which can be seen to be unnecessary, except to obtain a monetary income, are soul-destroying. Human drudgery is not conducive to man seeking the Kingdom of God. The major contributions to Civilisation have come from those who have enjoyed relative security and freedom. But in defiance of the facts, many Christians support the policy of "Full Employment" on the authority of St. Paul's statement that if a man did not work neither would he eat. That statement was generally true *when Paul made it*. There was a time when human energy was the only means of production. But St. Paul had never seen or even envisaged a computer-controlled automated production system. A much greater authority than St. Paul, Christ, said something much more fundamental and of permanent value:

Behold the fowls of the air: for they sow not, neither do they reap, nor gather into barns; yet your Heavenly Father feedeth them. Are ye not much better than they? . And why take ye thought for raiment? Consider the lilies of the field; how they grow; they toil not, neither do they spin . . . Wherefore, if God so clothe the grass of the field, which today is, and tomorrow is cast into the oven shall He not more clothe you, O ye of little faith?

Christ said that He came in order that the individual might enjoy the life more abundant. He did not say, as a former Governor of the Bank of England, Sir Montagu Norman said, that poverty was, good for people. The great Christian philosopher, St. Thomas Aquinas, said that

Spiritual danger ensues from poverty when the latter is not voluntary . . . no man ought to live unbecomingly.

Increasing freedom from compulsory economic activity does not presume growing idleness. Such freedom would place the individual in the position where he could participate in the type of activity which appealed to him. There would be a flowering of creative activity with individuals employing themselves. It can be predicted with certainty that an intensification of the policy of “Full Employment” can only hasten the growing disintegration of what is left of Christian Civilisation. Regeneration depends upon that and associated policies being opposed and rejected.

A REALISTIC SPIRITUAL REVIVAL

The desperate plight of the world results in many calls for a ‘spiritual revival.’ But no realistic spiritual revival can take place unless it is based upon the truth that spirit is creative initiative which requires genuine freedom in order to develop. Christianity stresses the primacy of the spiritual over the material. “My Kingdom is not of this world,” said Christ. But Christianity does not ignore this

world. What Christ said was that it was essential *first* to seek the Kingdom of God and then “all these things shall be added unto you.” Douglas said, “It is not improper to say that Christianity is *inter alia* a technique by which a man, by control of his ideation, may gain such part of the world as in the nature of things appertains to him But there is warning. “What shall it profit a man if he gain the whole world, and lose his own soul.” The objective of those seeking centralised power is to gain the whole world.

Christ was tempted with complete world power on the mountain. But such power meant a renunciation of the Kingdom of God and Christ rejected Satan’s temptation. The truth about power was outlined succinctly in the famous words of the great English statesman and historian, Lord Acton: “All power tends to corrupt, and absolute power corrupts absolutely.” Here is a law as absolute as the law of gravity. The individual defies it at his peril. While some have no difficulty in grasping that centralised power corrupts those individuals using it, it is not so generally appreciated that those over whom the power is exercised also become corrupted. They become the instrument of someone else’s power, and in the process lose control of themselves. They surrender the Kingdom within to the anti-Christ. It has been said that even worse than the institution of slavery is that the slaves can come to love their chains. Those who stand idly by while centralised power is used to deny the individual the right to search for the Kingdom are traitors to God and His purpose for man. Every retreat from freedom is a retreat from God. Practical Christianity requires policies which provide the individual with freedom to make choices which ensure that each individual is personally responsible for the choices he makes.

The starting point for a realistic spiritual revival will not be discovered in mass rallies. The starting point *is the individual*. Christ’s message was not directed towards groups, organisations, States, or any other manifestation of collectivism; it was directed towards *individuals*. Christ said that when *two or three* were

gathered together in His name they would experience the Divine presence. Every study of power shows that the bigger the number of individuals in a group, the more it approximates a mob. Mobs are ugly manifestations of evil in which the Divine spirit is destroyed. The individual surrenders to mob hysteria and to those who manipulate mobs.

He who taught that Faith without works is death clearly did not suggest that God's Kingdom on earth would arrive by people merely praying about it. Far too many who call themselves Christians have retreated from the battleground where the anti-Christ has been winning many battles, to the comfort of the prayer meeting, where in essence they ask God to do that which they should be doing. Much that passes for prayer is little more than lip service or vain petitions. There is something bordering on blasphemy when, for example, an individual having for years violated God's laws concerning the treatment of the body God gave him, then asks God to cure him of a serious illness. God, of course, can cure, but only if the individual will genuinely repent of his errors and take action to correct them. There are different types of prayer, including contemplative prayer. But prayer must be seen as a means through which the individual can establish a special relationship with God, thus gaining access to a source of power which then enables the individual to do what must be done, or to establish a state of mind which reduces tensions, casts out fear, or increases Faith for ultimate action. The type of action taken is the only measure of the depth of Faith. Mere words of themselves cannot help in the search for Truth. Words can often be a tyranny by which man deludes himself. Far too many Christians are like the Jewish Rabbis, slaves to what was "written in the law," spending endless time in quibbling interpretations, fragmented into warring groups, with undue concentration on "the word" to the exclusion of making the word flesh – of action. Lack of action is sometimes justified on the grounds that a group has been "chosen." Apart from the Zionist thrust for power, there have been different manifestations of the concept of the "chosen" group. It was

Calvin who promulgated the doctrine of pre-destination, one which was used to justify the worst features of the Industrial Revolution. Those who had succeeded materially had done so because God had ordained this. Karl Marx replaced the “Chosen Race” idea of his Jewish forbears with that of the proletariat, which must “inevitably” triumph because of the “will of history” expressing itself through the “law” of dialectical materialism. It was logical that Marx welcomed Charles Darwin’s theory of evolution, which taught that “the fittest” were the chosen and survived.

All doctrines of inevitability strike at the core of the Christian doctrine of free will; the belief that by conscious effort the individual can change the course of events from what they otherwise would be. But to be effective that effort must be the product of a realistic Faith, one developed as the result of a constant deepening of the knowledge of Reality. A realistic Faith is like a compass on a dark night. Irrespective of appearances, Faith in the compass is based upon the sure knowledge that it always reflects Reality, Truth. Action can be confidently based on that type of Faith. Realistic Faith places the individual in touch with the ultimate source of all power, God. It does not result in a passive complacency, but in dynamic action based upon a lack of fear. Social Credit action must be a product of a Realistic Faith. That action must refuse to give any semblance of reality to Evil. Social Credit action must reject the old power game of divisive party politics. It must seek to unite, to heal, in accordance with the Christian law of Love.

As the Kingdom of God is within each individual, access to the Kingdom is available NOW. Regeneration of Civilisation must start with regeneration of the individual. The development of the Kingdom of God can start now with individuals seeking to use their initiative, in association with others who are also “practical Christians,” to resist wherever possible the policies of evil. Refusal to act is a failure to strive to enter the kingdom. Douglas stressed the importance of individual integrity, of facing truth as it is, observing

how it was found more often in little children than in adults. Hans Anderson's fable about the Emperor's new clothes has the child naturally and truthfully saying that the Emperor was in fact naked when all others had been conditioned to believe that they could not see the wonderful clothes because they were too stupid.

The worldly, the sophisticated and the powerful scorn, of course, Christ's injunction that they might have more chance of finding the Kingdom if they became as little children. Anyone who has had much to do with children has observed how before the ego develops, generally from the age of five onwards, there is a type of natural frankness and goodness. The ego develops with growth. And the capturing of the young mind for social and other theories starts. The matured Christian learns to accept the importance of proper humility, to repress the ego, and to return to the concept of objective goodness. By seeking to find the Kingdom within, of making an honest attempt to practise that which Christ taught, to in essence become as a little child, he is in reality "born again." And by letting his light shine before others, he can set an example which others will follow.

On a papyrus found at Oxyrinchus, Egypt, in 1903, and now in the British Museum, there is a brilliantly clear exposition of the central teaching of Christ:

The Kingdom of Heaven is within you, and whoever shall know himself shall find it. Strive therefore to know yourselves and ye shall be aware that ye are the sons of the . . . Father; and ye shall know that ye are in the city of God, and ye are the city . . . wherever there are (two) they are not without God, and wherever there is one alone I say I am with him. Raise the stone and there thou shalt find me. Cleave the wood and there I am . . . Let not him who seeks cease until he finds, and when he finds, he will be astonished; astonished he will reach the Kingdom and having reached the Kingdom he shall rest.

Commenting on the Divine attributes of each individual the famous psychologist Jung said that the Christian should not seek to make

himself a carbon copy of Christ, but should see Christ, His example and teachings as the way to spiritualise his own life, to develop his own uniqueness. Nothing has done so much damage to the cause of genuine Christianity than the acceptance of the dogma that “all men are equal.” As Douglas stressed, the meaning of “equality” is no quality at all. The equality dogma is linked with the concept of central planning, with the individual being regarded as little more than a piece of raw material to be suitably conditioned to serve the purposes of the planners. Much of what passes for education today is a conditioning process with psychologists selecting the types of young people judged to be the most suitable to operate an increasingly centralised society. As power becomes progressively centralised, so do those without any scruples concerning the use of power come to the top. Fear, not love, becomes the major energising factor. And fear is destructive, preventing the creativeness of the individual to flower.

There is nothing in Christ’s message which supports the equality dogma. Christ said that “in my house are many mansions” Every individual entering Christ’s house can select which mansion he prefers for his spiritual development. How can there be equality amongst individuals when Christ said that the greatest would be the servants of all? And Christ dealt a devastating blow to the equality dogma with His biting advice, “Cast not your pearls before swine, lest they turn upon you, and rend you.”

In a genuinely free, creative society, a Christian society, one of the outstanding features is diversity, not equality. As self-development takes place, differences become more striking with the result that more meaningful comparisons can be made. Those genuinely seeking the Kingdom must consider how they stand in relationship to God *as individuals*, not as part of some group. “Collective salvation” is an anti-Christian concept. Douglas said,

The ‘mass’ is unsaveable, just as a mob is insane (‘without health’): the

object of anti-Christ is to keep mankind in ever larger mobs, thus defeating the purpose of Christ, to permit the emergence of self-governing, self-conscious individuals, exercising free will, and choosing good because it is good. The energising factor is attraction, inducement.

The philosophy underlying all central planning is lack of faith in free individuals. They fear such individuals because, in the words of those responsible for the revolutionary documents known as *The Protocols*, there is nothing so dangerous as individual initiative, an admission that the material can be made subservient to the Spirit.

Douglas said that

Christianity, Democracy, and Social Credit have at least three things in common, they are said to have failed; none of them is in the nature of a Plan, and every effort of some of the most powerfully organised forces in the world is directed to the end, not only that they shall never be accepted, but that as few persons as possible shall ever understand their nature.

Douglas devoted considerable attention to stressing that genuine Christianity, Democracy and Social Credit were all concerned with ensuring that individuals had effective control over their own lives and accepted *personal* responsibility for how they used power.

Christianity has struggled for nearly two thousand years to free itself from that Talmudic influence which Christ so strongly attacked. Christianity's alleged failure is that of individuals who failed to grasp the message of real freedom which Christ brought and to take Christ's advice.

The genius of Douglas enabled him to present the true nature of both democracy and Christianity. Douglas has provided the key to the door which must be opened to enable the individual to enter the Kingdom But that key must be turned by individuals with the knowledge and the will to do so. The future of Christianity now depends upon those who have grasped the Truths – the glimpse of Reality – discovered and presented by Douglas.

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