

M E N A C E O F T H E M O N E Y P O W E R — I I

HITLER's revolt was not mild. It challenged the entire concept of international lending, and established as the basis of trade the mutual exchange of goods, without recourse to the usurers. There had been pioneers before Hitler. Kemal Ataturk had carried through the reconstruction of Turkey without borrowing a penny from abroad. Mussolini had safeguarded Italian currency against foreign speculators and striven as far as possible to build up for his people a self-contained economy. He was to have successors in Spain and Portugal. After the emergence of Hitler, however, it became clear that the international financial system was in mortal danger and that only by another war could it ever regain control over its vast empire—the empire built and maintained by debt. As it happened, Hitler was only too happy to oblige, and war came. War would have come in any case. As Josef Stalin has put on record: 'It would be incorrect to think that the war arose accidentally or as the result of the fault of some of the statesmen. Although those faults did exist, the war arose in reality as the inevitable result of the development of the world economic and political forces on the basis of monopoly capitalism.'

The master-financiers of New York and their associates breathed again; now they would be able, not only to retrieve all the ground they had lost, but, by careful planning, to ensure that such rebellions never again occurred, or—if they did occur—that they should be put down by international armed force. As in 1918 they had grafted their wicked designs upon President Wilson's idealism to secure their precious central banking system, so in 1919 had they done precisely the same thing to secure that 'hope of all the ages'—the League of Nations. One of the first actions of the League was to recommend all member states to return to the gold standard, which leaves little room for doubt, even if no other evidence were available, that it was from the beginning the kept creature of the Money-Power. Geneva, however, was a sad disappointment to its promoters. When the opportunity came to coerce the rebel nations, 'not a ship, not a gun' was available for the job.

Next time the chosen instrument should have 'teeth' to enforce the Wall Street writ. This was decided long before the war came to an end—at Dumbarton Oaks. The war was to fulfil everything else that had been expected of it. The first rebel to be brought to heel was Great Britain, whose foreign assets were taken over by New York

almost en bloc, and who was for the most part forbidden to export, so that her foreign markets might be captured by the United States. Thereafter, as we shall see presently, much more ambitious plans were prepared to ensure her complete subjection to Wall Street. The last rebel to be vanquished—for in this sense Japan did not come within the rebel class—was Germany. Germany's fate does not need to be described: the one consoling feature of her plight is that she brought it upon herself by virtue of her warrior-dream, which the masters of the world were able so relentlessly to use against her for her own destruction. Britain restored to the comity of international finance, all rebels on the other side shattered, an international organization, with 'teeth,' formed to keep the Money-Lenders' Peace—these be rich gains for Wall Street, but they are not the only gains.

We have seen how Paul Warburg managed to foist his idea of a central banking system on Woodrow Wilson and other sincere reformers. He represented it as a device for securing stability in the price level, but as soon as it was set up he used it to maintain instability of prices, a condition essential for the practice of large-scale usury. Within two years, as our Ambassador in Washington reported, he and his friends had become the financial masters of America. If it were possible to go further, and establish the same device on an international scale, would it not enable the world's strongest national reserve banking system to control its activities, so that the controllers of the national system could become the financial masters of the whole world?

While the Second World War had still a long way to go to its determined end, 'experts' suddenly began, both here and in America, to prepare plans for a 'sound' monetary policy after it was over. Then came a gathering at a sylvan spot called Bretton Woods. By this time the reader will scarcely require to be told that its avowed object was to secure stability in the price level! There was one other similarity to the campaign for the passing of the Federal Reserve Act. That Act was preceded by the Aldrich Bill, a more extreme measure which failed to get through the House of Representatives. So was the Final Act of Bretton Woods preceded by the more drastic White Plan. It would almost seem in each case that the extreme measure was put first, to make the succeeding compromise seem the more gracious. However that might be, the Final Act of Bretton Woods was duly presented to the nations for approval. Lord Keynes arrived back in this country to commend it with great eagerness. It would, he assured us, secure stability of prices. The mechanism which it proposed to set up would conduct funds lying idle to irrigate the

currency of any necessitous area which might need them. In precisely this kind of language did Woodrow Wilson commend the Federal Reserve Board system. We know now that the Federal Reserve system, instead of doing what Wilson had intended, often deliberately withheld credit where it was needed in order to create a panic. We know, too, that it enabled the strongest group within its complex of interests to gain control of its policy and of the economic policies of the American nation. Few things are more astonishing in economic history than the apparent failure of Lord Keynes to lay the moral to his heart.

The first objective of Bretton Woods is, of course, the linking of all currencies to gold. When sterling is fixed in terms of gold it will not be allowed to fluctuate above one per cent. There will be an obligation to buy and sell gold at a fixed buying and selling price. Member nations, moreover, will be obliged to include gold, in a given ratio, in their quotas to the International Monetary Fund, as well as in their contributions to the International Bank—the lodging of security against loans that have still to be advanced! The New York bankers have thus won on a world-scale the battle which they won on a national scale in 1893: henceforward gold is to be the measure of things. And they control the gold!

Potentially even more catastrophic is the provision that nations will be unable, without the express consent of the Lords of Gold, to devalue their currencies above ten per cent. The seriousness of this enactment can only be understood by recalling that when, in 1931, it was vital for Britain to sever the link which bound her to the evil New York system, she found it necessary to devalue up to 27 per cent. Wall Street is determined that such a thing shall not be allowed to happen again. Should Britain or any other hard-pressed country attempt an unauthorized devaluation the international bankers will possess means of securing immediate redress. What means? The answer takes one's breath away. Power has been vested in certain men to declare the defaulter an outlaw among nations. They can order member States not to trade with her, and so starve her people into submission. If Britain were to default, her own Dominions, on pain of dire penalties, would be required to employ economic sanctions against her; similarly if a Dominion defaulted the Mother Country would be called up—as *Truth* forcefully pointed out—'to repay the blood-loyalty and sacrifices of two wars by declaring an economic war on that Dominion.' Could anything be more intolerable?

Some may draw comfort from the fact that Britain will be represented among the official controllers of the International Monetary

Fund. Every one of the appointments of senior officials to the Federal Reserve Board was made by President Wilson, but that fact did not prevent it becoming the chosen weapon of Kuhn, Loeb and Company and their affiliated interests. So will it be with the new Fund. No power at present on earth will be able to stop it carrying out the policy of the same group, again through the instrumentality of the Federal Reserve Board's overwhelming financial leverage. By passing the Bretton Woods Bill, which it did without debate and in a hurried two hours, the British Labour majority made Great Britain a party to the creation of a World Bankers' State, armed with powers beyond anything hitherto enjoyed by men. Simultaneously it made Britain a party to her own ultimate destruction.

Comprehensive as is the Bretton Woods enactment, it was still not considered sufficiently specific in its detail to guarantee the money-lenders against the continuance of British sovereignty, which after the defeat of Imperial Germany and of Tsarist Russia was given first priority for liquidation. When Paul Warburg announced after the first World War that other debtor countries might hope for leniency, he made the categorical assertion that Britain would be treated as a 'case apart,' and so, indeed, she was treated. During the inter-war period the New York financial bosses waged incessant economic warfare against us. Its course during the first decade can be traced in a grimly interesting book called 'America Conquers Britain,' by Ludwell Denny. Our surrender of the command of the seas and our non-renewal of the Japanese Alliance have been noted. When we called upon America for a loan to fight the ravages of the depression the terms dictated were framed to create proletarian discontent, and did, in fact, lead to the mutiny at Invergordon. After we had been forced out of the Wall Street orbit the attacks on us were redoubled and kept up until the outbreak of war, when the assault on our sovereign independence as a Great Power had to take second place to the more urgent assault on Hitler's Reich. But it was never abandoned. Reporting to the Legislative Assembly of the Province of Alberta in 1939, the Alberta Social Credit Board stated: 'The evidence is overwhelming that the objective of International Finance in the present struggle centred in the war is the destruction, for all practical purposes, of the British Commonwealth of Nations as the bulwark of democracy. There can be little doubt that the forces controlled by International Finance will be invoked to concentrate on the weakening of the sovereign power of the people, by means of a progressive centralization of power. The rapid increase of the debt structure as a result of the war, the introduction of large-scale planning under bureaucratic central control, the impositions of harsh

regulations and the rapid increase of taxation are methods which have already proved successful in consolidating financial control in the past under the pretext of war conditions. Therefore they are likely to be the methods used by International Finance at the present time in the pursuit of its objective of world domination . . . ' How lamentably true this prediction has been proved. Apart from its fulfilment inside Britain, the proofs of the prophecy lie in U.N.O., in Bretton Woods, and in the special measure drawn up to give Britain the *coup de grace*—the American Loan Agreement. Bretton Woods would have made any economic insulation of the British Empire a difficult and precarious undertaking: the Loan Agreement makes it an impossible one. It wipes out the sterling area and uses the euphemism 'contraction' to define the abolition of Imperial Preference. Henceforward American goods and capital will sweep us from our Empire markets. The Federal Reserve Board will dictate our financial policy during the period of the loan-repayment, which means that it will enjoy a fifty-years' usufruct of the Empire—or of what is now about to cease being the Empire. Great Britain herself will be forced in repayment to sell more and more of her capital assets at home, as she has already sold them abroad. Unless a great upsurge of the national spirit moves her to a speedy revolt against these iniquities, she must become a mere financial colony—slum would be a more appropriate word—of Wall Street banksterdom. An exaggeration? Perspicacious Americans do not think so. Said Mr John Abbink, chairman of the National Foreign Trade Council of the U.S.: 'If the Bretton Woods plan and the U.S. loan to Britain are properly developed, the dollar will replace the pound as the monetary plan for world finance. The U.S. will become the greatest financial agent the world has ever known.' For 'U.S.' read 'Wall Street,' and for 'agent' read 'master'; the picture is then true. Mr Abbink added: 'The line of credit to be offered Britain, together with the settlement of Lend-Lease, is a small price to pay for the opportunity to plan a period of prosperity such as this country (the U.S.) has never known. I confess some doubt about the British ability to comply with all the conditions.' Unimaginable prosperity for America: Britain too impoverished to meet her commitments! President Truman contented himself with saying that the loan would be 'good business' for America. Both the President and Mr Abbink are greatly mistaken, however, if they suppose that there is any hope of permanent prosperity for America in this 'good business,' not only because of the flaw in the heart of the export-capitalist system, but even more because permanent prosperity would ruin the entire money-lending racket. What *will*

become permanent will be the stranglehold of the money-lenders over mankind.

There is, perhaps, a reservation to be made here. It may not be a stranglehold over the whole of mankind. Mr Churchill in his Fulton speech referred to the shadow which has fallen over the Allied victory. There is some evidence that the same shadow has fallen over Wall Street. The modern international banking system—although its seed was sown in Britain by the financial advisers of William III, who in turn had imported it from Holland—did not begin to come into its own until the French Revolution had thoroughly watered the ground. The 1848 revolts strengthened its growth. Thereafter we find it developing in continuous association with the forces of the Left; friends nurtured the Russian Communist State with American money which they fed through German channels. Since then international capitalism and international socialism have planned many campaigns together; at this very time they are presenting a united front against Spain, Portugal and Argentina. Why this mutual attraction? One reason, no doubt, is that the Money-Power possesses that which it may be expected to possess—money. And Communism has never shown that it despises money. Conversely, Bolshevism is a potent ally in undermining the Monarchical or National State, which is the only effective rival to the complete Bankers' State. Moreover, so long as the headquarters of the financial system are located in the most powerful industrial state, and so long as free enterprise therein is assured, the Money-Power in the ordinary course can have little objection to other nations establishing socialist economies. Governments are peculiarly susceptible to the pressure which it knows so well how to exert: their contracts always go in largest measure to the entrenched vested interests. If every export and every import be made a Government contract, the Money-Power in the free enterprise country can look, therefore, to abundant profits and an absolute ultimate control. Potential rivals will also be eliminated—a first-class attraction.

The New Zealand writer, Mr A. N. Field, who has done more than any man living to expose the wickedness of the financial system, summed up in these words the situation as it existed in 1932: 'The position is that international finance, by enticing the world into enormous debts and then withholding the means of payment, is goading mankind into the arms of the international revolutionaries established in Moscow.' That position certainly existed fourteen years ago; it existed as recently as fourteen months ago. But now, as I say, has fallen the shadow. It is the not inconsiderable shadow of Russia.

Red Russia was the child of Wall Street finance, and even today she is not averse from borrowing from her parents—a well-known method of keeping affections sweet and fresh in that family relationship. Now, however, it has become exceedingly clear that such loans will be used for a purpose different from any thought possible before the war—the strengthening of Russia as an Imperialism which may rival and overthrow the Dollar Imperialism of the Federal Reserve Board. This does not mean that the quarrel is necessarily a permanent one: the tremendous anti-Russian ‘build-up’ in America during the fortnight before Mr Churchill’s Fulton speech, for instance, may have been caused by some purely local dispute—such as the division of the spoils in Manchuria—and a permanent settlement may well see the two Imperialisms again at work breaking up and devouring the British Empire.

The quandary in which Britain finds herself is one of the utmost difficulty and menace. Any attempt to steer her own course by building up an Empire economy on a sound monetary basis would meet with immense opposition abroad, and be freely sabotaged at home by Fifth Columnists—both those serving Moscow and the others on the Right who seek to shelter behind the illusory ægis of America. There is, moreover, very little recognition in this country of the facts behind the conventional Press and B.B.C. façade. Some men have fought bravely against Bretton Woods, it is true—at their head Messrs Robert Boothby, Christopher Hollis, Norman Smith, Richard Stokes and Michael Foot in the House of Commons, Lord Beaverbrook and the Duke of Bedford in the House of Lords—but as yet the picture of world affairs in their totality has been revealed to only a small fraction of the British people, and there is no doubt whatever that the ignorance of the rest has been deliberately fostered by the staging of political sham-fights for their distraction—a technique admitted in the extract from the U.S. Bankers’ Magazine which I have quoted.

Unless enlightenment comes within the next few months Britain as a Great Power will cease to exist, and ‘sole sovereign sway and masterdom’ over all British lands will pass into the keeping of a small group of master-usurers who know the value of everything in the world—provided it can be measured in terms of gold!

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NOTE.—*It has been suggested that the information in this article is inaccurate. The matter will therefore be discussed in a subsequent issue of Blackfriars.*—THE EDITOR.