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BOOK REVIEW

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John W. Hughes, *Major Douglas: The Policy of a Philosophy* (Edmonton, Brightest Pebble Publishing, 2004), pp. 297, \$34.95 (CAD) (paperback), ISBN: 0-968-36279-6.

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As the back cover of Hughes's book tells us, the Social Credit movement was once a social force. Garnering substantial political and academic attention under the slogan "Dividends for All!", this early supply-side movement obtained a following throughout the British Empire. *Major Douglas: the Policy of a Philosophy* explores the Social Credit movement, which started in the early 1920s, with some attention to economic theory but a greater emphasis on the movement's social and political impact.

The product of 20 years of labour, yet a tolerably brief 297 pages long (including notes, index, and introduction), this book attempts to do several things quickly. At its centre is Major Clifford Hugh Douglas, the progenitor of Social Credit theory and, in Hughes's words, the "guru" of what became the Social Credit movement. In part, the book aims at being a biography of this interesting figure. However, Hughes tells us there are "insuperable obstacles to writing biographical details on Douglas" (p. 30) (Hughes attributes these to Douglas's personal reticence), so instead, the substance of the book is the Social Credit movement as a whole – a "biography" of the Major's life work rather than his life.

The book begins with the context of Social Credit's birth, the economic theory and circumstances of the late Victorian and Edwardian Empire, then sketches Social Credit as a set of economic theories designed to meet the systemic economic shortcomings of the twenties and thirties. Those interested in social credit as an economic theory will find a reasonable, but brief, exposition and defence.

Hughes traces the growth of the Social Credit movement through its writings and political activities. As he aims to chart Social Credit as a movement, the writings of other associated supply-side authors get substantial attention. Of particular historical interest is the (alleged) influence of Douglas's writings on J. M. Keynes's thinking. In respect to Social Credit's political activities, Hughes traces Social Credit's growth as an organization: his treatment of this topic is multifaceted. At the centre is a discussion of the Social Credit associations of England, which are placed in a wider context of like-minded "underconsumptionist" associations such as the faintly ludicrous but mildly alarming paramilitary Kibbo Kift. With respect to Social Credit's colonial manifestations, Hughes appropriately emphasizes Canada: the "Albertan Onslaught" is given a chapter describing how a nominally Social Credit party gained power in 1935 and subsequently implemented economic policy. His discussion largely concerns the failure of the Albertan Social Credit government to properly implement Douglasian theory.

Faithful to the book title, Hughes gives the public policy of social credit substantial attention, primarily in the form of political strategy and draft schemes of implementation: the author discusses political representation, both in Douglas's theory and in the Social Creditors' attempts to gain civic office or influence those in office. Finally, Hughes goes to some pains to diffuse popular criticism of the Social Credit movement. This defence extends beyond the core theoretical tenets to include the overtly anti-Semitic, socially conservative, and somewhat mystical religious ideology of Major Douglas. Hughes emphasizes that, at root, Douglas is a traditional conservative of the squirearchy – a gentleman farmer deeply suspicious of the state's aggregation of power and opposed to any form of centralization be it Nazism, socialism or simply the European Central Bank.

The material Hughes amassed is not engrossing in itself, and his emphasis on history rather than economic analysis is unlikely to recommend itself to readers apart from those requiring information regarding the events and persons surrounding Social Credit. In summary, the main theme is the rejection of the radical monetary-reform ideas of Social Credit because the powerful were and are beholden to a conception of the banking system that denies them the ability to see the truth about credit. A subtheme is the failure of small-minded academic economists – particularly those of a socialist, centralising persuasion – to give Douglasian theory sufficient attention or, when they offered attention, their failure to give sufficient credit for insights that more famous theorists later developed. Finally, the smallish applications of Social Credit theory were never

implemented with sufficient thoroughness to allow any empirical assessment of their aptitude. Here Hughes supports the primary Social Credit tenet that policymakers remain blind, either willfully or not, to the real character of debt.

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