

Crisis



Danger & Opportunity

by Timothy Wilken

Uncommon Sense•4

The Present

CRISIS

Introduction

“The Chinese word for crisis is written by joining two ideograms together. These two ideograms, when joined together, make up the Chinese word crisis. When these ideograms, are presented separately they stand for two different ideas or concepts. The first ideogram stands for danger and the second ideogram stands for opportunity.”¹



DANGER — Danger of injury if we humans fail to understand. Danger of destruction if we humans act in ignorance.

OPPORTUNITY — Opportunity for growth if we humans understand. Opportunity for survival if we humans act in knowledge.

The Greek definition of the word crisis is somewhat different and yet the same as the Chinese definition. The Greeks define crisis to mean a decision, a choice, the turning point for good or bad.

Universe is constantly changing. As is often quoted in science, “the only thing that never changes is change”. And, Life must adapt to that constantly changing universe, and therefore crisis comes to all life forms.

¹ Peter Russell, The Brain Book, E P Dutton, 1991

If we examine our crisis in terms of life, things will become more clear. Crisis is not unique to humankind. Crisis is the general condition of all life forms. It is the driving force of evolution. Risk and opportunity. Survival of the fittest. The life form that survives and evolves is the one that can grasp the opportunity and avoid the risk. This is the very process of life. It is the engine of evolution.

Today's crisis is simply our turn. We humans are at a point of major transformation. Our world has become evermore complex as a result of human economy, technology, and enterprise. We have now reached a stage where the methods of the past can not solve the problems of the present. We humans have now reached a point where we must successfully adapt to our ever more complex and changing world, or we like so many other life forms will simply become extinct. This may seem to some an overstatement. Many humans living in the richest part of the world can't imagine that our risk could be so grave as to threaten the very survival of our species. They are naive.

Not only are we in crisis, but our crisis so severe some claim we are in the 'end times'. Preachers warn of God's impending judgement.

I agree that the times are very dangerous. I fear for myself, my family, and for all of humanity. But, I have the optimism of life. An optimism reinforced by my careful study of life. I believe the human species can change. I believe that in the future we humans could relate with each other in a much more co-Operative way.

But, if we are to change our problem ridden Present into a problem free Future we must do as Fuller taught us:

**“Always tell only the truth, and all the truth,
and do so promptly — right now.”²**

And now I will tell the truth, and all the truth. Some of it will be new to you, but some of it you will have always known.

We humans are great at not believing what we don't want to believe. There are none so blind as those that will not see, nor none so deaf as those that will not hear. During World War II, there was much evidence that Hitler was systematically exterminating the Jews of Europe. This evidence reached the eyes and ears of the leadership of the both England and

² R. Buckminster Fuller, Critical Path, St. Martin's Press, New York, 1981

the United States years before our soldiers actually entered the concentration camps, and brought the truth before the world press. It was not believed.

The will not to believe runs strong in humanity. Even today, fifty years after Hitler killed 6 million Jews in the Holocaust, there are many living humans that still deny this crime ever took place.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change.

If humanity is to have a future, we must believe the truth.

Truth #1

Present 1

Possessions are not necessarily property.

The possession of an object does not mean that the possessor has a moral or rational claim to ownership of the object. The political, economic, and social structures of our present world are all based on our concept of 'property' and property rights. Recall from the Basics section, my discussion of the shifting of human values as humanity evolves from adversary processing to neutral processing to synergic processing. Adversary wealth is physical force. Neutral wealth is money. And, synergic wealth is mutual life support. Therefore adversary 'property' is property obtained by force or fraud, and then held with physical force. Neutral 'property' is property purchased in the fair market, and held by right of law enforced by neutral government.

Remember Neutrality was an evolutionary advance from Adversity, at the time of Neutrality's inception most possessions were adversary. They had been obtained through force or fraud and held with physical force. The new institutions of Neutrality never made any attempt to correct what by the new values of Neutrality would be past injustices. Neutral values would prevail in future, but the past was left alone. This resulted in the legal precedent **wherein possession is 9/10 of the law**.

In other words, at the time Neutrality was institutionalized, all **existing** 'property' whether adversary or neutral was made **legal** 'property'. However, all **new** 'property' was required to be **neutral** 'property' — that is 'property' acquired by paying a fair price in a free market to the rightful owner, or that 'property' which is created directly by the mind and labor of the owner.

Most of the founding fathers of Neutrality were beneficiaries of 'adversary' property and in no hurry to give it up. They also believed that in the long run these injustices would slowly be corrected, and all property would eventually come to be 'neutral' property. We

will see later that this was not the case.

While synergic ‘property’ is not yet defined, it would have to be property that was obtained without hurting or ignoring anyone, and even more importantly, it would have to be property that was mutually life supporting — that is it would have to be property that had a beneficial effect for self and others. If humanity is to advance to Synergy, our concept of ‘property’ and property rights must change radically in the future. How this could work will be explained in the Future section, but now let us examine ‘property’ as it exists today.

The Territory Imperative

The need to control land begins in the Adversary world as Robert Ardrey explains:

“A territory is an area of space, whether of water or earth or air, which an animal or group of animals defends as an exclusive preserve. The word is also used to describe the inward compulsion in animate beings to possess and defend such a space. A territorial species of animals, therefore, is one in which all males, and sometimes females too, bear an inherent drive to gain and defend an exclusive property.

“Observations of twenty-four different hunting peoples so primitive that their ways differ little from the ways of paleolithic man revealed that their homes were isolated and far-spread. So remote were they from each other that there seemed small likelihood that any one could have learned its ways from others. Yet all formed social bands occupying exclusive, permanent domains.

“Lions, eagles, wolves, great-horned owls are all hunters, and all guard exclusive hunting territories. The lions and wolves, besides, hunt in cooperative prides and packs differing little from the bands of primitive man.”³

Frederick G. Kempin, Jr., Professor of Legal Studies at The Wharton School of the University of Pennsylvania explains further:

“The concept of property goes far back into history. Records of primitive societies indicate a degree of private ownership of personal property. Private ownership of

³ Robert Ardrey, *The Territorial Imperative*, Atheneum, 1966

real property — the land itself — is apparently a much later concept, one that evolved after nomadic tribes settled down in permanent agricultural communities. Even in agricultural societies the land was often considered the property of the tribe or of a clan within the tribe and was rarely privately owned. Even as late as the Middle Ages the absolute ownership of the land by its individual occupants was unusual. Under feudalism, for example, land was held subject to obligations to a superior lord. The breakdown of the feudal system gradually destroyed the feudal relationship between lord and vassal, and the settlement of the New World increased by millions of acres the available land. In the Western Hemisphere absolute ownership of the land became the norm.”⁴

Institutional Neutrality seeks to protect the free and independent citizens from loss. The escape from the Adversary way is the escape from losing. This fact makes property, private ownership of property, and property rights the very foundation of Institutional Neutrality. In today’s America:

“Property is anything that can be possessed and disposed of in a legal manner. Running water in a stream is not anyone’s property, because no one possesses it. If one, however, lawfully takes water from a stream in a container, the water in the container becomes property. In a legal sense property is the aggregate of legal rights of individuals with respect to objects and obligations owed to them by others that are guaranteed and protected by the government. Ownership of property is classified as either private or public. Private property is ownership by an individual or individuals, whereas public ownership implies possession by some kind of a governmental unit. In another sense property is classified as either real or personal. Real property, also known as realty, is land, any buildings that may be on the land, any mineral rights under the land, and anything that is attached to the land or buildings with the intention that it remain there permanently. Personal property is simply defined as any property that is not real property.

“During most of human history, real property — the land itself — was considered the greatest source of wealth. With the coming of the Industrial Revolution, however, personal property — especially in the form of stocks and bonds — gradually outstripped land as the basis of the industrial nations’ wealth. Classical

⁴ Frederick G. Kempin, Jr. , Property, *Grolier Multimedia Encyclopedia*, 1997, Professor of Legal Studies, The Wharton School, University of Pennsylvania, Philadelphia

Marxism views the private ownership of both forms of property as symptoms of the capitalist system that needs to be abolished to make way for a communist society. Therefore, in traditional communist nations very little real property and wealth-producing personal property is individually owned. Private ownership is generally limited to such personal articles as furniture and clothing. Small farms and dwellings in some Marxist countries remain privately owned, but most land is cooperatively owned. In the reformist and democratic socialist countries a mixture of private and public ownership of property generally prevails.

“Perhaps because land was traditionally the main source of wealth, the transfer of real property from one owner to another used to be much more complicated than the transfer of personal property. Since the Middle Ages this difference has diminished. Two basic instruments of transfer are used: the deed and the will. The government may cause land to pass from some form of public ownership to private ownership by a grant (and reclaim private land for public use by eminent domain). Much of the land in the American West, for example, was granted by the government to the original settlers.”⁵

Who has the Right of ownership?

When children sit down to play the board game Monopoly, the first step after choosing your game piece is to count carefully so all players begin with exactly the same amount of play money. That is the only **fair** way to begin.

The control of property did not begin with the institutionalization of Neutrality. The players of Neutrality did not start out as equals. The adversary way dominated all human relations until 1776. It continues to dominate most human relationships throughout the rest of the world.

However, in the United States in 1776, the empty continent with its seemingly unlimited resources allowed the new players of Neutrality access to land that could be turned into private property by simple occupation. If you didn’t have what you needed here — you just moved west. There appeared to be land enough for all — available for the taking. However even in America in 1776, the empty continent of North America was not as empty as it appeared. The native Americans were simply swept aside by the American colonists. The lands they occupied were seized by force and fraud.

⁵ Frederick G. Kempin, Jr., *ibid*

“In 1851, Chief Seattle and the Suquamish and other Indian tribes around Washington’s Puget Sound, were “persuaded” to sell two million acres of land for \$150,000 or seven and one half cents per acre.”⁶

And what of the large plantations in the South that were build on the backs of ~12 million negro slaves? Did those land owners have a moral claim to their ‘property’? And, what of the “carpet baggers” who stole the same lands after the Civil War, did they then represent the rightful owners?

Even those who settled in empty spaces did not pay any price for the land. They either just took it or received as a grant from the government. That is certainly not a fair exchange. And, who gave the land to the government in the first place? Of course, the Government had simply seized the land. After all, might made right. The strong dominated the weak — it was the adversary way.

Galambos Redefines ‘Property’

Today ‘property’ clearly has many different meanings. In the early 1960s, one capitalistic theorist, Andrew J. Galambos⁷ proposed an advanced capitalistic system which was **non-coercive**. Galambos’ **Moral Capitalism** was based on a new definition of ‘property’ designed to eliminate and prohibit loss. Galambos’ **Moral Capitalism** promised to eliminate losing relationships. Galambos’ **Moral Capitalism** was a type of Super-neutrality. It allowed win-draw, draw-win, draw-draw, or win-win. In Galambos’ own words:

“What is Property?

“Most people think of **Property** in terms of material possessions. Because of this, many have successfully denounced the morality of the pursuit of material well-being and claimed it produces conflicts with human rights.

“The above is a restricted and erroneous point of view on **Property**. A more satisfying and total concept arises from the following definition:

⁶ R. Buckminster Fuller, *Critical Path*, St. Martin’s Press, New York, 1981

⁷ Andrew J. Galambos, *Volition 50—Introduction to Volitional Science*, Free Enterprise Institute, Los Angeles, Privately Published 1961-84

“**Property** is individual man’s life and all non-procreative derivatives of his life.

“**Property** is the basis of ownership because to own means to have and hold Property. From the definition of Property, it follows that man must first own his life before he can own anything else. Life itself is defined as **primordial Property**.

“No one may own any man but himself. Thus, **Property** excludes slavery at the outset.

“The first derivatives of man’s life are his thoughts and ideas. Thoughts and ideas are defined as **primary Property**.

“From the definition, man owns **primary Property** and, through this ownership, intellectual freedom arises and inspires knowledge and production. From **primary Property** (ideas) stem actions. Ownership of one’s own actions (clearly a Property right) is commonly called liberty. Liberty, then, as well as life itself, is a Property right. Since all so-called human rights depend upon man’s liberty, it follows that all human rights are Property rights. There can be no conflict!

“Ideas and actions produce further, or secondary, derivatives. These include the access to and use of land and the production, utilization, enjoyment, and disposal of material, tangible goods of all kinds from ash trays to television sets, from log cabins to skyscrapers, from oxcarts to jet planes.

“These are called **secondary Property**. They are secondary both logically and chronologically. In all instances, their existence is antedated by primary Property which led to their generation and employment.

“Further derivatives of man’s life lead to voluntary transactions involving Property transfers (sales, trades, gifts, etc.). Involuntary Property transfers are derivative not from the property owner’s life but from the life of the coercer. Therefore, Property ceases to remain Property and is converted to **Plunder** when subjected to involuntary (coercive) transfer.”⁸

⁸ Andrew J. Galambos, Freedom100: Capitalism—The Liberal Revolution, Free Enterprise Institute, Los Angeles, Privately Published 1961

Property or Plunder?

Galambos acknowledged Frederick Bastiat as his antecedent in recognizing the distinction between property and plunder. Bastiat recognized that French society in 1848 was heavily influenced by the Adversary way, and he was calling for a better way when he wrote the following words:

“A Fatal Tendency of Mankind —

“Self-preservation and self-development are common aspirations among all people. And if everyone enjoyed the unrestricted use of his faculties and the free disposition of the fruits of his labor, social progress would be ceaseless, uninterrupted, and unfailing.

“But there is also another tendency that is common among people. When they can, they wish to live and prosper at the expense of others. This is no rash accusation. Nor does it come from a gloomy and uncharitable spirit. The annals of history bear witness to the truth of it: the incessant wars, mass migrations, religious persecutions, universal slavery, dishonesty in commerce, and monopolies. This fatal desire has its origin in the very nature of man — in that primitive, universal, and insuppressible instinct that impels him to satisfy his desires with the least possible pain.

***Here Bastiat is describing the Adversary way and the Principle of Least Action, he continues:**

“Property and Plunder

“Man can live and satisfy his wants only by ceaseless labor; by the ceaseless application of his faculties to natural resources. This process is the origin of property.

“But it is also true that a man may live and satisfy his wants by seizing and consuming the products of the labor of others. This process is the origin of plunder.

“Now since man is naturally inclined to avoid pain — and since labor is pain in itself — it follows that men will resort to plunder whenever plunder is easier than

work. History shows this quite clearly. And under these conditions, neither religion nor morality can stop it.

“When, then, does plunder stop? It stops when it becomes more painful and more dangerous than labor.

“It is evident, then, that the proper purpose of law is to use the power of its collective force to stop this fatal tendency to plunder instead of to work. All the measures of the law should **protect property** and **punish plunder**.”⁹

This then is one of the major problems with human society even in today’s world. It is based on a definition of ‘**property**’ which makes no distinction between possessions held through honesty and possessions held through thievery — possession and ownership have long been considered synonymous. This is a belief that persists even in our present world.

Galambos reserved the word **property** for those possessions that were acquired by 1) either paying a fair price in a free market to the rightful owner, or 2) that which is produced by the mind and hands of the owner. Using this definition, most of today’s possessions are **plunder** and not property. Galambos continues:

“Children — being young human beings — have Property rights of their own and cannot themselves be owned; children are not property.

“Your ownership of Property is the basis of all you are, all you have, and all you can hope to achieve. Therefore, protect your property as though your life depended upon it. It does!”¹⁰

Galambos’ Moral Capitalism

In Galambos’ own words:

“**Moral Capitalism is the societal structure that produces freedom by ensuring that each individual is fully (100%) in control of his own property** (property being individual man’s life and all non-procreative derivatives of his life). Either

⁹ Frederick Bastiat, *The Law*, France 1848, Republished by The Foundation For Economic Education, Inc., Irvington-on-Hudson, New York, 1950

¹⁰ Andrew J. Galambos, *ibid*

each individual controls his own life and all of its derivatives — or he does not. If he does, moral capitalism is the societal structure that prevails — by definition. From this new definition of **capitalism**, it is evident that moral capitalism is an absolute concept. It does not depend upon time, place, and circumstance.

“There are no possibilities of this being compromised or misunderstood.

“Thus, moral capitalism — an absolute — requires new ideas to bring it into existence. How do we know this? **Because it doesn’t exist at this time — anywhere on this planet. Furthermore, it has never existed to this date — anywhere on this planet.** Before you jump to the false conclusion that it is impossible, consider that the reason for this is not that it would violate any law of nature (the condition for impossibility), but that the social technology to establish it has not been known in the past. Thus, moral capitalism requires the constant search for new ideas, new theories, and new applications. It is, therefore, a progressive and liberal development because it requires forward-thinking and increased individual freedom (liberation from property interferences and controls). Moral capitalism’s only tie with the past is the American Revolution and its ideological antecedents.

“Today moral capitalism does not exist. And those who argue that if more enlightened men are appointed or elected to high office and if the present restrictive laws are repealed then we will achieve freedom are wrong.

“The trouble is not with men, but with a system that can do nothing but coerce. Regardless of who holds the reins of power, the individual is still at the mercy of the state authority. It is not true that good men will reform the state. It is true that the state will corrupt the best of men. No one — and this includes the most sincere and well-meaning of politicians — is immune to Acton’s disease. Acton first defined the symptoms of the world’s foremost political disease: **“Power corrupts and absolute power tends to corrupt absolutely.”**

“Moreover, conservatives worship tradition. Capitalists, on the other hand, honor the knowledge of the past, but believe themselves capable of improving upon it and do not succumb to self-derogation by assuming they can do nothing but repeat the processes of the past. The conservatives who concern themselves most with the rituals of the past traditions and their codification into a party line become the major conservative politicians. The capitalists who concern

themselves most with improvements and progress become the major innovators and entrepreneurs. Conservatism is concerned with codifying past controls of property, moral capitalism is concerned with the improvement of property, the protection of property, and the moral utilization of property.

“The final point to be emphasized is that moral capitalism is not a political concept and that the purpose of moral capitalism is to construct a society wherein man is free by controlling all of his own property all of the time. Because property does not have a political origin (but oftentimes it has a political destruction), moral capitalism does not concern itself with improving the state or any of the political apparatuses employed either to run the state or to exchange the administration of the state. Politics, at best, is a game which never ends. First, the “ins” and “outs” play until the “outs” get “in.” Then they switch sides and play it again. And so on, until man loses all his property and ends up enslaved. Moral capitalism is the vehicle of progress and the builder of civilization through property sanctity. Freedom is its attainable goal. Freedom is not a game. Freedom is a man’s loftiest goal and the prerequisite for all his other permanent goals.

“And when it is finally achieved, freedom is forever!”¹¹

Galambos’ **moral capitalism** offers us better protection of property, increased human freedom, and a fairer concept of justice.

However while, his **moral capitalism** does prohibit hurting others, it does not require helping others. Thus in the final analysis, Galambos’ **moral capitalism** is a neutral and not a synergic system. However it is a much better neutral system than the one in place today, therefore we should embrace and make use of those mechanisms of Galambos’ **moral capitalism** that do offer clear benefits. One of these is the need for a **clear distinction** between **property** and **plunder**. This distinction is essential if we are to repair our present world.

In today’s world plunder is common and property is rare.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If

¹¹ **Andrew J. Galambos**, Conservatism is not Capitalism, Free Enterprise Institute, Los Angeles, Privately Published 1961

humanity is to have a future, we must believe the truth.

Then we can build a future where the very opposite is true — **a future where property is common and plunder is rare.**

Truth #2

Present 2

The vast majority of human wealth is a gift free for the taking, and cannot be morally or rationally claimed as property by any individual.

Alfred Korzybski explains:

“In the earliest times, humans knew that they did not create nature. They did not feel it “proper” to “expropriate the creator” and legalistically appropriate the earth and its treasure for themselves.

“Early man felt, in their unsophisticated morale, that being called into existence they had a natural right to exist and to use freely the gifts of nature in the preservation of their life; and that is what they did.”¹²

Property, ownership of land and the control of natural resources by individuals comes later in the human story. Hazel Henderson, a Futurist and Economist, explains:

“Private property is another good example. The word ‘private’ comes from the Latin *privare* — ‘to deprive’ — which shows you the widespread ancient view that property was first and foremost **communal**. It was only with the rise of individualism in the Renaissance that people no longer thought of private property as those goods that individuals deprived the group from using.

“Today we have completely inverted the meaning of the term. We believe that property should be private in the first place, and that society should not deprive the individual without due process of law.”¹³

¹² Alfred Korzybski, The Manhood of Humanity, E.P. Dutton & Co., New York, 1921

¹³ Hazel Henderson, Quoted by Fritjof Capra, Uncommon Wisdom—Conversations with Remarkable People, Bantam New Age Books, New York, 1989

Land and Natural Resources—a Gift

The **land** and **natural resources** are wealth provided to us by God and Nature. The sunshine, air, water, land, minerals, and the earth itself all come to us freely. The Earth's land and natural resources are not products of the human mind or body. They existed long before life and humankind even emerged on our planet. There exists no moral or rational basis for any **individual** to claim them as Property.

If a claim of ownership can be made at all, it must be a claim on behalf of all humanity both the living and those yet unborn.

This is a truth that has been known and ignored for hundreds of years. In the words¹⁴ of some of our greatest thinkers:

“God gave the world in common to all mankind.”

John Locke (1632 - 1704)

“The earth is given as a common stock for men to labor and live on.”

Thomas Jefferson (1743 - 1826)

“The earth...and all things therein, are the general property of all mankind, from the immediate gift of the creator.”

William Blackstone (1723 - 1780)

“Men did not make the earth. ... It is the value of the improvement only, and not the earth itself, that is individual property. ... Every proprietor owes to the community a ground rent for the land which he holds.”

Tom Paine (1737 - 1809)

“The land, the earth God gave man for his home, sustenance, and support, should never be the possession of any man, corporation, society, or unfriendly government, any more than the air or water.”

Abraham Lincoln (1809 - 1865)

¹⁴ Henry George Institute, Quotations on Ownership of Land, 1998, www.henrygeorge.org

“Equity does not permit property in land. ... The world is God’s bequest to mankind. All men are joint heirs to it.”

Herbert Spencer (1820 - 1903)

“LAND, n. A part of the earth’s surface, considered as property. The theory that land is property subject to private ownership and control is the foundation of modern society, and is eminently worthy of the superstructure. Carried to its logical conclusion, it means that some have the right to prevent others from living; for the right to own implies the right exclusively to occupy; and in fact laws of trespass are enacted wherever property in land is recognized. It follows that if the whole area of terra firma is owned by A, B and C, there will be no place for D, E, F and G to be born, or, born as trespassers, to exist.”

Ambrose Bierce (The Devil’s Dictionary, 1911)

“How can you buy or sell the sky, the warmth of the land? The idea is strange to us. If we do not own the freshness of the air and the sparkle of the water, how can you buy them? ... This we know: the earth does not belong to man; man belongs to the earth. ”

Chief Seattle (~ 1854)¹⁵

And yet today, the Earth’s land and natural resources are claimed as the personal property of a few individuals and serve only them.

Galambos on ownership of land and natural resources

Recall Galambos’ basic definition of property:

“**Property** is individual man’s life and all non-procreative derivatives of his life.”

This definition would exclude land and natural resources since they are clearly not a derivative of any individual’s life.

Whether individuals have a right to the ownership of land and of natural resources was a

¹⁵ The accuracy of the attribution of this quote to Chief Seattle has been challenged, but the truth of the statement seems apparent.

question that Galambos did not answer. Galambos did made reference to the work of **Henry George**, a nineteenth century social scientist who had written:

“All persons have a right to the use of the earth and all have a right to the fruits of their labor. To implement these rights it is proposed that the rent of land be taken by the community as public revenue, and that all taxes on labor and the fruits of labor be abolished. Liberty means justice and justice is the natural law. The social and economic ills besetting the world today are the result of non-conformance to natural law.”¹⁶

In a another paragraph quoted earlier, Galambos says:

“Ideas and actions produce further, or secondary, derivatives. These include the access to and use of land.”

Galambos agreed with George that individuals have a right to use land and natural resources. Elsewhere, Galambos explained that an individual who builds a road to access land, who cultivates a field to grow crops, or who constructs a mine to remove metal ore, is entitled to some property rights related to those modifications and improvements. However nowhere does Galambos state that an individual can claim personal ownership of the land itself, or to the raw natural resources that are found on that land.

Galambos admitted that a better answer was needed and felt that answer might lie in a modification of George’s work. However, his interests took him elsewhere and he died before offering us a better answer.

Progress — another gift

Much of today’s wealth is not in the land and natural resources, nor is it found in cash, stocks or bonds, nor is it in all the personal possessions that we all hold so dear. It is in the evermore powerful tools and technology that results from the accumulation of our human Time-binding power. Present humanity is always the inheritor of the knowledge and technology of past humanity. **Our quality of life is always richer, better, safer, healthier, simply because we are later.** But present humans pay nothing for this rich inheritance. We take our wonderful inheritance and accept it as our due. We are not even aware that it is an inheritance. We simply call it **progress**.

¹⁶ **Henry George**, Progress and Poverty, Henry George Institute, 1879, 1998, www.henrygeorge.org

Korzycki on Progress

“Our primitive forefather in the jungle would have died from hunger, cold, heat, blood poisoning or the attacks of wild animals, if he had not used his brain and muscles to take some stone or a piece of wood to knock down fruit from trees, to kill an animal, so as to use his hide for clothes and his meat for food, or to break wood and trees for a shelter and to make some weapons for defense and hunting.

“Our primitive forefather’s first acquaintance with fire was probably through lightning; he discovered, probably by chance, the possibility of making fire by rubbing together two pieces of wood and by striking together two pieces of stone; he established one of the first facts in technology; he felt the warm effect of fire and also the good effect of broiling his food by finding some roasted animals in a fire. Thus nature revealed to him one of its great gifts, the stored-up energy of the sun in vegetation and its primitive beneficial use. He was already a time-binder; evolution had brought him to that level. Being a product of nature, he was reflecting those natural laws that belong to his class of life; he had ceased to be static — he had become dynamic — progressiveness had got into his blood — he was above the estate of animals.

“We also observe that primitive man produced commodities, acquired experiences, made observations, and that some of the produced commodities had a use-value for other people and remained good for use, even after his death.

“After the death of a man, some of the objects produced by him still survived, such as weapons, fishing or hunting instruments, or the caves adapted for living; a baby had to be nourished for some years by its parents or it would have died. Those facts had important consequences; objects made by someone for some particular use could be used by someone else, even after the death of one or more successive users; again the experiences acquired by one member of a family or a group of people were taught by example or precept to others of the same generation and to the next generation.

“The produced commodities were composed of raw material, freely supplied by nature, combined with some mental work which gave him the conception of how to make and to use the object, and some work on his part which finally shaped the thing; all of this mental and manual work consumed an amount of time. It is obvious that all of these elements are indispensable to produce anything of any

value, or of any use-value. His child not only directly received some of the use-values produced by him, but was initiated into all of his experiences and observations.

“Generally speaking, each successor did not start his life at the point where his father started; he started somewhere near where his father left off. His father gave, say, fifty years to discover two truths in nature and succeeded in making two or three simple objects; but the son does not need to give fifty years to discover and create the same achievements, and so he has time to achieve something new. He thus adds his own achievements to those of his father in tools and experience; this is mathematical equivalent of adding his parent’s years of life to his own. His mother’s work and experience are of course included — the name father and son being only used representatively.

“In political economy , we have not yet grasped the obvious fact — a fact of immeasurable import for all of the social sciences — that with little exception the wealth and capital possessed by a given generation are not produced by its own toil but are the inherited fruit of dead men’s toil — a free gift of the past. We have yet to learn and apply the lesson that not only our material wealth and capital but our science and art and learning and wisdom — all that goes to constitute our civilization — were produced, not by our own labor, but by the time-binding energies of past generations.

“This stupendous fact is the definitive mark of humanity — the power to roll up continuously the ever-increasing achievements of generation after generation endlessly. Such simple facts are the corner stones of our whole civilization and they are the direct result of the HUMAN CAPACITY OF TIME-BINDING.”

“And here arises a most important question: since the wealth of the world is in the main the free gift of the past — the fruit of the labor of the dead — to whom does it of right belong?”¹⁷

The gift of **progress** is from all the humans who have lived and died in the past. My grandmother was born in a house without telephone, radio, television, electricity, running water or toilet. My mother was born in the same house with the addition of electricity, running water, and radio. I was born in a modern hospital, my mother was put to sleep for

¹⁷ Alfred Korzybski, *ibid*

the delivery and I grew up in a house with electricity, running water, flush toilets, radio, and telephone, and when I was eight, we got a television — **Progress.**

My daughters were born in a hospital “home birth center” with my wife awake and participating. My daughters live with us in a house with three televisions, two stereos, three radios, many telephones, three video recorders, and a three personal computers — **Progress.**

I am no smarter than my grandparents. I do not work harder. I am do more deserving. But I am richer. I have a better quality of life. I am healthier. Why? simply because, I am later. Human knowledge and technology continuously results form the continuing use of our Time-binding power — **Progress.**

Progress is the mark of Time-binding power. As we humans look around us things are always advancing. Three hundred years ago we cooked our food over wood fires. One hundred years ago we cooked with piped in gas. Fifty years ago, we cooked with wired in electricity. And, today we cook with microwave — **Progress.**

Three hundred years ago we traveled by foot, or rode on the back of an animal. One hundred years ago, we moved by steam powered train. Fifty years ago, came the car and plane. And today, we jet from New York to London in three hours — **Progress.**

We humans understand progress. We know today’s automobiles are much safer, more comfortable, more efficient than yesterdays models. We know today’s power tools are, stronger, lighter, and cheaper than yesterdays. We know that today’s computers are unbelievable faster and more powerful than those made five years ago and they are much cheaper — **Progress.**

Modern humans are not smarter, they are not better, they are just later. Humans began first making tools ~2.5 million years ago. Humans began using and controlling fire ~1.5 million years ago. The wheel was invented ~6000 years ago. Each generation of humans inherits the accumulated knowledge and technology created by previous generations. We didn’t pay a fair price in a free market for this knowledge and technology. It comes to us as a human legacy — a free gift of the past — the resultant of human Time-binding Power.

We can purchase the newest model of automobile, or the newest model of computer and “own” that. But we can’t own the knowledge and technology that are embedded in these

tools. Progress is the result of Time-Binding.

Two Gifts

It should be clear now that the vast majority of human wealth is a gift. None of us have any moral or rational basis to claim individual ownership of this gift. We did not create it. We never paid for it. It is clearly not property. The land and natural resources of the Earth are a gift from God and Nature **to all life** on Earth. And, Progress is a gift passed in **trust** from all the humans who have ever lived in the past to those of us living today, and to those humans that will be born in the future. Today these two great gifts are possessed and controlled by a few to serve only them.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

Truth #3 —

Present 3

Making money is not the same as creating mutual life support — is not the same as creating synergic wealth.

We humans are an interdependent species. We meet our needs by making exchanges in the marketplace. Supply and demand often determines the value of things that we need. High demand raises the value of a particular good, as does low supply. It is scarcity that gives everything its maximum value.

The laws of supply and demand were originally formulated by Adam Smith before the invention of **advertising**. Advertising is a powerful tool designed to create demand. This tool is a constant and insidious companion to modern life. It is enormously effective at creating demand. You can't watch television, listen to radio, read a magazine, or even drive on the public highways without being bombarded with advertising. This prolific advertising creates a strong demand for products and services that have little or no benefit to humankind.

Most of this advertising created demand is for our **wants** not for our **needs**. Wants and needs are not the same. I want a Mercedes, but I need transportation. I want a gold Rolex, but I need to know the time. I want Guicchi loafers, but I only need shoes. I want a million dollar architectually designed home, but I only need safe, comfortable housing.

Our present culture is dominated by the idea that more is always better than less — that expensive is always better than inexpensive. Two phrases in common use today encapsulate this attitude: "The only difference between men and boys is the price of their toys." and "He who dies with the most toys wins!"

Recall however that Nature is always seeking more for less — always seeking maximum efficiency in all that she does. Fuller called this principle of **seeking more for less** the

“**dymaxion**” way. This is of course simply another way of stating the **Principle of Least Action**. In science the most elegant solution is the one that explains the most with the fewest variables. A synergic culture will be dominated by the dymaxion ideal. The best will be that which accomplishes the most with the least. Doing more with less will makes more available to help others. Helping others so that you are helped in return is the operating basis of synergic culture. There our human wants will move towards congruence with our human needs.

But, back to the present world, today’s wants are not only more than we need, but they often are not even good for us. I want a cigarette, but what I need is to relax. I want a drink of alcohol, but what I need in to reduce the stress in my life. I want an extra dessert, but what I need is more love in my life.

Much of what we want is not helpful for us and often times even harmful. But the laws of supply and demand respond as well to human wants as they do to human needs. Those products most demanded whether for wants or needs are considered valuable. And it is the possession of valuable things that is the usually definition of **wealth**. This means in today’s world many harmful things are valuable — cocaine is very valuable, and possession of a ton of cocaine would make me **wealthy**.

In a synergic science, we make a major distinction between **creating life support or synergic wealth** and just **making money** which is **neutral wealth**. Synergic wealth is more than just what humans want or value. Synergic wealth is that which supports human life.

Synergic Wealth is defined as life itself and that which promotes human well being generally — that which satisfies the human needs of self and other — that which promotes mutual survival and makes life meaningful for self and other.

Recall that money is not really wealth. Money is a symbolic tool that can be used to represent real wealth. It was originally invented as a mechanism to protect real wealth. This distinction has been lost in our modern world. Today there is no distinction between money and real wealth. Most of today’s activities have as their only purpose the making of money. As R. Buckminster Fuller explains:

“Those who have learned how to make money with money — which money can never be anything but a medium of wealth exchanging — have now completely severed money from its constant functional identity with real wealth ... About 90

percent of all U.S.A. employment is engaged in tasks producing no life-support wealth.”¹⁸

If you are not part of the solution, you are part of the problem. How can you tell if you are helping the human condition or simply making it worse?

You must ask yourself, am I creating real wealth with my actions and my leverage or am I just making money to purchase the life support I need? Do my actions and leverage create **life support — that which promotes human well being — that which satisfies human needs — that which promotes both human survival and human meaning?** Do I create the real wealth necessary to support myself and my family, or do I live off the real wealth created by others.

When we analyze our present world, we discover that most individuals in today’s world do not create the real wealth that supports them and their families. They live off the productivity of others. These are not obvious criminals or thieves. Most of them are completely ignorant of their unknowing participation in the plundering of their fellow humans. They are busy making money which in today’s world is easily exchanged for life support — real wealth.

If as Fuller tells us 90% of employed Americans are engaged in tasks that make money, but produce no real wealth, what are these Americans doing?

Obnoxico

Some of those making money, but producing no real wealth are involved in making products to satisfy human wants. In 1947 Buckminster Fuller created the fictitious private-enterprise corporation Obnoxico as an example of how companies can exploit the “wants” of humanity to make money rather than create life-support. As Fuller explains:

“In my theoretical Obnoxico’s catalog the number-one item suggested that on the last day that your baby wears diapers you very carefully remove them, repin them empty, and stuff them full of tissue paper in just the shape in which they were when last occupied by your baby. You pack this assembly carefully into a strong corrugated-paperboard container and send it to Obnoxico, which will base-metallize the diapers, then gold- or silverplate them and send them back to you to be filled with ferns and hung in the back window of your car. The easily

¹⁸ R. Buckminster Fuller, *Critical Path*, ibid

forecastable profits from this one item ran into millions of dollars per year.

“Somehow or other the theoretical Obnoxico concept has now twenty-five years later become a burgeoning reality. Private enterprises now building airports with ever-longer walkways and hotels with ever-increasing numbers of levels of ground-floor and basement arcades to accommodate the ever-more-swiftly multiplying Obnoxico stores.

“Human beings traveling away from home with cash in their pockets, thinking fondly of those left behind or soon-to-be-joined loved ones, are hooked by the realistic statuettes of four-year-old girls and boys with upturned faces saying in a cartoon “balloon,” “What did you bring me, Daddy?”

“As the banking system pleads for more saving-account deposits (so that they can loan your money out to others at interest plus costs) the Obnoxico industry bleeds off an ever-greater percentage of all the potential savings as they are sentimentally or jokingly spent for acrylic toilet seats with dollar bills cast into the transparent plastic material, two teddy bears hugging an alligator, etc..”¹⁹

Look around today, and you will find no shortage of products that fit in with Fuller’s concept of “Obnoxico”. Television, radio, and our Sunday newspapers are filled with ads for these silly products that are of little or no value to humanity. Those creating these obnoxious products are simply seeking to earn their livings by making money. They are unaware that making money is not the same as creating life support.

Advertising — Creating Human Wants

Some of those making money, but creating no life support are engaged in selling products and services to satisfy human wants. Recall human wants are not human needs. Today’s great market the hallmark of neutral organization spends enormous amounts of money and effort in advertising to create human wants where none existed.

When you really need something, you do not require someone to inform you that you need it. If you need something, you will automatically go and look for it. Wants now are a very different case. I don’t know I want something until I see or hear an advertisement for it. It is estimated that \$170 billion is spent annually on advertising to generate demand for

¹⁹ R. Buckminster Fuller, Critical Path, *ibid*

products and services that we almost never need. And the entire cost of all advertising is added on to the price of the products and services we are being urged to buy. As David Shenk explains:

“In 1971 the average American was targeted by at least 560 daily advertising messages. Twenty years later, that number had risen sixfold, to 3,000 messages per day. More than 1,000 telemarketing companies employ 4 million Americans, and generate \$650 billion in annual sales. Today’s commercial messages have crept into every nook and cranny of our lives — onto our jackets, ties, hats, shirts, and wristbands; onto bikes, benches, cars, trucks, even tennis nets; onto banners trailing behind planes, hanging above sporting and concert events and now, in smaller form, bordering Internet Web pages; onto the sides of blimps hovering in the sky. Magazine ads now communicate not only through color and text but also through smell and even sound.”²⁰

This barrage of 3000 messages a day is not to sell us any thing we need. We don’t need advertising to urge us to meet our human needs. We may benefit from a directory, i.e. the Yellow Pages of the telephone book, or a catalogue of available products, but we certainly don’t require a constant bombardment of messages telling us where to get out needs met.

The purpose of advertising is to make money, not to create life support. And it is very effective at making money by generating enormous demand for unneeded products and services to satisfy artificially created human wants.

Advertising injures humanity — Even, if we were somehow wise enough to ignore advertising and never purchased a single unneeded product or service, advertising would still be very damaging to the quality of our lives. It intrudes into every facet of modern life, wastes so much of our precious time, and disrupts the very fabric of our lives.

Imagine a world without advertising — Magazines, Newspapers, Radio, Television, Movies all without advertising. Take a few minutes to really imagine it. It would be wonderful.

²⁰ David Shenk, *DATA SMOG*, HarperCollins, San Francisco, 1997

Play money

Some of those making money, but creating no life support are speculating in currencies, commodities, and the stock and bond markets. Speculators buy low and sell high. They do not invest in anything. They are seeking to gain a momentary price advantage and realize a quick profit. Their only interest is making money. Today's markets are such a large part of our political-economic world that most living humans assume they have always existed. This is of course not true as Hazel Henderson explains:

“Until the sixteenth century the notion of purely economic phenomena, isolated from the fabric of life, did not exist. Nor was there a national system of markets. That, too, is a relatively recent phenomena which originated in seventeenth century England.

“Of course markets have existed since the Stone Age, but they were based on barter, not cash, and so they were bound to be local. The motive of individual gain from economic activities was generally absent. The very idea of profit, let alone interest, was either inconceivable or banned.”²¹

Day traders are new breed of speculator emerging in the current American stock market. These individuals are drawing a lot of attention by buying and selling stocks many times a day. They hold on to their purchases sometimes for only a few minutes to a few hours again seeking to buy low and sell high. Collectively, all these speculators are having a large effect on the global economy. Henderson explains:

“Regulators and central bankers were forced into collective action on a crisis basis after the 1994-95 Mexican peso crisis, since none could defend their currencies, even in concert. Central bankers' policies are defeated each day by the collective action of currency traders staging “bear raids” on weak currencies at will. U.S. treasury Secretary Robert Tubinand and Federal Reserve Board Chairman Alan Greenspan's efforts to coordinate thirteen countries' central banks to boost the dollar prior to the June 1995 Economic Summit meeting between the United States, Britain, Germany, Italy, Canada, France, and Japan and later efforts gave only short-lived warning to currency traders — at a cost to their respective taxpayers of over \$2 billion each. Increasingly, central banks will have to shift from managing domestic money supply to focusing on global aggregates. No

²¹ Hazel Henderson, Quoted by Fritjof Capra, *Uncommon Wisdom*—Conversations with Remarkable People, Bantam New Age Books, New York, 1989

longer is it only developing countries that are swamped by waves of hot money washing across their borders. McKinsey Global Institute estimates that the total stock of financial assets traded in global capital markets will increase from \$35 trillion in 1992 to \$83 trillion in 2000.”²²

Speculators do not create life support. They are only making money. And all the money they make through this process is at the expense of life support created by someone else. Speculators do not really invest in anything. But what about the Stock Market? Surely, this is a place where real investment takes place in companies that are creating life support.

It depends of course on whether I invest in a company creating products and services that support life, or I invest in a company just making money by creating products and services to satisfy human wants. But let us suppose, I **do** invest in a company creating life support then surely my investment is contributing to the creation of life support.

How the Stock Market works

“It all starts when a company wants to raise money to invest in something they think will be profitable, such as a new manufacturing process, more production capacity, or a new product. The company can do this a number of ways, but the two most popular are to borrow the money or sell part of the company. Borrowing the money is usually done by issuing a “bond” which is a promise to repay the borrowed money with interest.

“The next most popular way for a company to get money is to sell “stock” in the company. This is essentially selling a bit of the company in return for a promise of getting a split of the profits when there are profits to split. Stocks are also called “equity” because the owner of the stock has equity, or part ownership, of the company.

“When a company is formed, or incorporated, it sets up a certain amount of stock, which is worth about as much as the paper it is printed on — stock in its infancy carries no real value outside of the company. When the original owner of the company needs to raise money, he has to find good natured people with money to burn and sell this stock person by person, one person at a time. A share of stock

²² Hazel Henderson, Building a Win-Win World, Berrett-Koehler Publishers, San Francisco, 1996

signifies the holder owns some fraction of the company and allows the owner to enjoy part of the profits of the company. The stock may have a “face value” given to it when the company was formed, but you couldn’t walk into a grocery store with \$10 worth of this stock and buy a loaf of bread.

“As the company becomes even larger and needs to raise even more money (usually several hundred million dollars), the stock will be offered on the open market. This is when it gets interesting. An initial public offering is made of so many shares of stock at a predetermined price, say \$15 a share. People who invest in the stock market usually read the Wall Street Journal looking for initial public offerings, or IPO’s. At the moment the stock is sold to a shareholder it is worth its selling price of \$15 a share. Now, you could turn around and sell it for \$15 dollars to someone else and then go buy a loaf of bread, if someone is willing to pay you \$15 dollars for it. The stock has now gone from being held by a few owners of the company, who would have a hard time selling it, to being held by thousands of owners who could sell it more easily because it is now being traded at stock exchanges such as the New York Stock Exchange or via the NASDAQ.

“Soon after trading hands a few time, the people buying the stock now determine the value of the stock by what they are willing to pay for it. Sometimes the price of a stock that sold for \$15 a share at its initial public offering will drop like a rock. Other times, it will skyrocket. The value of the stock is set by many, many people trading it in a free market. And even though a person buying a share of stock may be a hundred times removed from the person originally buying the stock from the company at the IPO, that person still owns some teeny, tiny fraction of the company. I don’t know how they do it, but the company keeps track of all their stockholders, even if a person holds one share for a week.

“Sometimes the value of a share of stock is determined by crazes, such as the internet which tends to drive the price up quickly, but the price may also fall as quickly when the craze loses its “newness”. More often than not, the price of stock is set by how much profit the owner will receive, or dividend, and by the company’s current earnings and their prospects for future earnings. A company with little hope for the future will be frowned upon by the people wanting to buy their stock, and the buyer will not pay very much for it (its price usually doesn’t drop to \$0 right away, as there are optimists and opportunist who will take a chance on disfavored stocks and will keep the price from falling to nothingness

over night).

“It’s just like trading baseball cards. When stock is traded on the open market, the only reason it is worth so much is because there is someone out there willing to pay that much for it. No magic, no mystery.”²³

The stock market is really two different markets — the **primary** market for **new** shares and the **secondary** market for **existing** shares. The primary market is where companies offer **new** securities for sale to the public. When a company first joins the Stock Exchange their initial public offering is made offering **new** shares to the public. Also established companies listed on the Stock Exchange from time to time may issue additional **new** shares to raise additional money. It is this selling of **new** shares in this **primary** market that raises money for companies. Once the public has purchased these new shares, they are then free to turn around and trade these now **existing** shares as they like in the **secondary** market. The proceeds from such trades goes entirely to the shareholder. Sales of **existing** shares in the **secondary** market does not raise money for the companies.

Now the **vast majority** of stocks bought and sold every day are **existing** shares in this **secondary** market. Most investors are not seeking the small return that comes from dividends paid by the companies on the stocks they purchased, but rather hope that the market value of these shares will increase enough so that they will profit when they sell later. Again, we have a case of buying low and selling high — we are just making money rather than creating life support.

Buying and selling stock is almost completely divorced from the companies whose shares are purchased. The rise and fall of stock prices often have little or nothing to do with the real value or health of the companies themselves. The stock market has become like a global casino. Will I get lucky. Will I buy low and sell high. Will I make money. There is no thought of creating life support.

Crack dwelling

Some of those making money, but creating no life support are dwelling in the cracks between the creators of life support. These cracks have been created by our adversary-neutral government.

Crack dwellers include the service industry that surrounds the Stock Market. You are not

²³ Financial Forecast Center, How The Stock Market Works, www.neatideas.com/stock.htm, 1998

allowed to purchase stocks or bonds directly. You require a stock broker to be sure that you pay a commission everytime a trade is made. Commissions are paid with every buy and every sell. The stock brokers are always winners regardless of whether the stocks go up or down. They make lots of money, but of course create no life support.

Government employees are fully supported by by tax dollars. The Amercian government (federal, state, and local) consumed 44% of our national income in 1996. To the extent that government action does not help the people, and certainly in all instances where it hurts the people, this represents plunder — crack-dwellers. Our government wastes much of the national income it siezes in the name of the public good. As Hazel Henderson explains:

“As most U.S. citizens know, state and local governments in the United States are often the most corrupt, dominated by financial and corporate special interests. Local politicians almost routinely line their pockets, thanks to inside information on where airports, roads, and other projects are to be sited, allowing profits for politicians and their friends from real estate and construction deals.”²⁴

Accountants and attorneys spend many hours working in the cracks between the people and the government. They are living off the productivity of their clients — crack dwellers.

Before you buy a house a Title Search is legally required. Fees are charged for this service that is many times greater than its real value. Recall Fuller told us that the Banking industry collected over \$1 billion in 1978 just for transferring home-ownership deeds — crack-dwellers.

The entire Real Estate Industry is based on government licensed Realtors getting into the cracks between the buyer and seller and “earning” 12% of the selling price of the house — crack-dwellers. Once a home is sold it must be financed and here again the banking industry charges “points” to originate the loan in addition to the prevailing interest of the moment — crack-dwellers.

Today’s health care system is full of crack-dwellers. Occupying the cracks between the providers and users of health care, some CEOs of today’s modern HMOs are “earning” as much as \$400 million a year by denying needed health care to their members. As a practicing Physician, I now spend hours each week playing “may I help my patients” with

²⁴ Hazel Henderson, *Building aWin-Win World*, Berrett-Koehler Publishers, San Francisco, 1996

clerks who know nothing of medicine but are instructed in blocking all requests for authorization — crack-dwellers.

Insurance clerks at some of our largest Health Insurance companies routinely throw away every third claim they receive on the basis that this practice will significantly delay payment, and if the insurance company is lucky as many as one third of providers will not rebill — crack-dwellers.

These are only a few examples. If you look around, you will discover that our adversary-neutral world makes cracks between every buyer and seller — between every producer and consumer. Today many modern humans are living in the cracks “earning their livings” off the productivity of others.

What’s so wrong with wanting things

Human wanting will survive a synergic revolution. In a synergic culture we humans will also want things that we may not need. But our wants won’t be artificially generated just so someone else can make money.

This change will mean an end to unsolicited advertising. Some would argue that this would mean an end to free television, or cheap newspapers. I would argue that commercial television, and newspapers full of advertisements are neither free nor cheap. When we purchase any advertised product we are paying for our “free” television and our “cheap” newspaper. And, this ignores all the time we waste being distracted by misdirected advertisements.

When humans have **need** for a product or service, they will take action to meet their needs. Clear and easily accessible information about all available products and services will be a part of synergic culture. However, advertising as we know it today will go the way of the dinosaur.

What’s wrong with just making money?

The money makers in today’s world are among the most respected and admired. The vast majority of humanity thinks there is nothing wrong with just making money since they are completely unaware of the difference between just making money and creating life support. Of course the difference is that making money is making neutral wealth, but it is not creating synergic wealth.

Those just making money are often the “winners” in the neutral-adversary reality of our modern world. But the price humanity pays for this minority to win is the necessity for the majority of living humans to lose. Those who just make money still need life support. They get it by trading their Neutral wealth — money for Synergic wealth — life support.

If as Fuller tells us 90% of Americans are just making money — Neutral wealth then only 10% of Americans are creating life support — Synergic wealth. No wonder the majority of humans are losing.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

Truth #4 —

Present 4

We are running out of fossil fuels. This means the end of cheap and readily available energy.

Recently, the electrical power crisis in California has drawn national and world attention to a shortage of crude oil and natural gas. These fossil fuels are currently the primary source of the cheap energy that powers our modern Industrial Civilization.

If we are running out of crude oil and natural gas, as some of the best scientists and engineers in the Energy field are telling us, we have big problems.

Think back for a moment to the year 1801, only two hundred years ago, that was a time when there was no gasoline, no refined oil, no natural gas, and no electrical power derived from oil and gas. As a thought experiment, try to imagine what life was like at the beginning of the 19th century. If you were transported back two hundred years, how would the lack of petroleum affect your lifestyle? While we might accurately imagine the loss of cheap energy from petroleum, most of us would overlook the 70,000 products that are manufactured using petroleum as a raw feedstock. This includes plastics, acrylics, cosmetics, paints, varnishes, asphalts, fertilizers, medications, etc., etc., etc.. Now, in addition to our loss of cheap energy and the 70,000 products that you and I have come to depend on, imagine our sharing that impoverished Earth with six billion other humans?

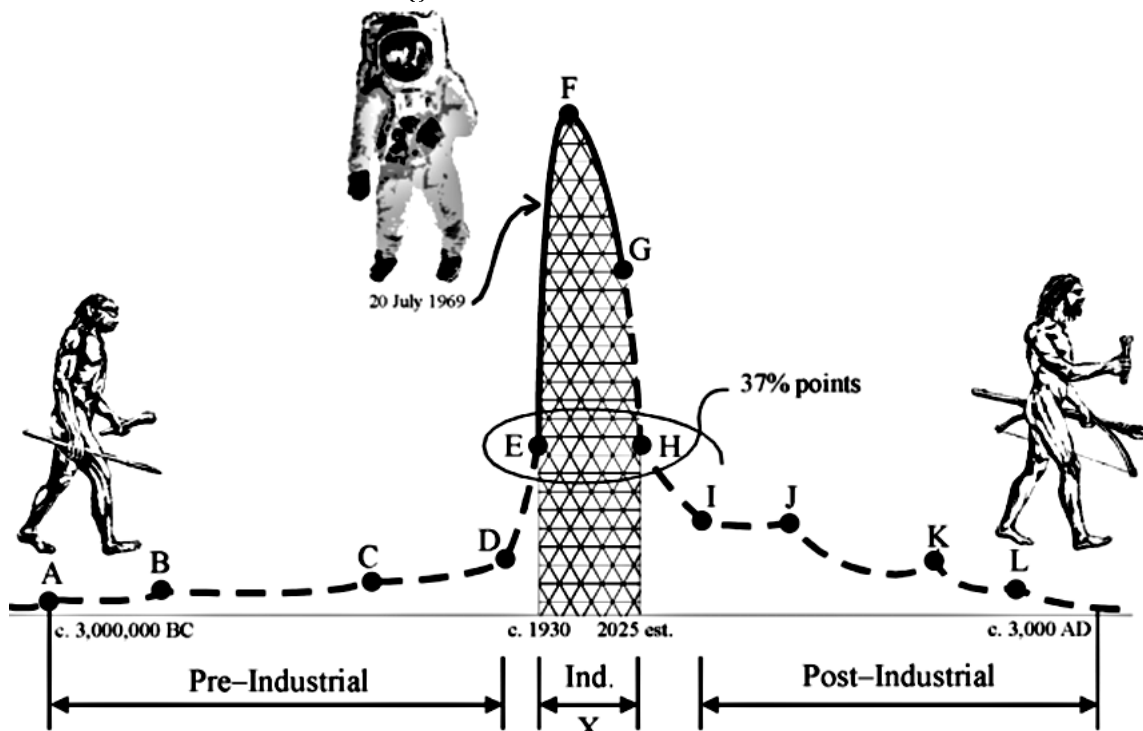
Industrial civilization, as we know it, cannot exist without petroleum. We humans are facing an extinction level crisis. Any careful examination of the writings and papers of the world's leading energy scientists will convince the reader of the validity of the fossil fuel energy crisis. This problem is real and it is even worse that it appears.

Richard C. Duncan, Ph.D. of the **Institute on Energy and Man**, explains our crisis in his *Olduvai Theory*:

"In 1989, I concluded that the life-expectancy of Industrial Civilization is horridly

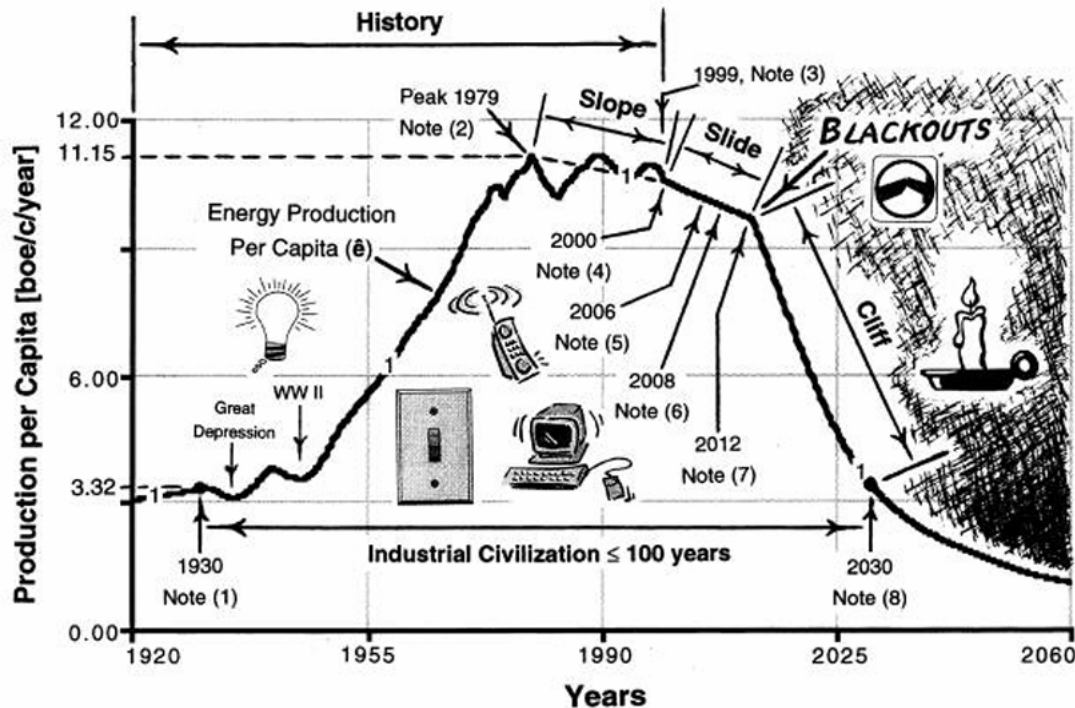
short. This hypothesis was defined in terms of a measurable index, world energy-use per person, and named the "transient-pulse theory of Industrial Civilization." I sketched its maximum point at 1990, followed by a persistent decline. ... By 1996, however, I had successfully tested the Olduvai theory against numerous sets of data. The following facts emerge.

- The broad sweep of human history can be divided into three phases.
- The first, or pre-industrial phase was a very long period of equilibrium when simple tools and weak machines limited economic growth.
- The second, or industrial phase was a very short period of non-equilibrium that ignited with explosive force when powerful new machines temporarily lifted all limits to growth.
- The third, or de-industrial phase lies immediately ahead during which time the industrial economies will decline toward a new period of equilibrium, limited by the exhaustion of nonrenewable resources and continuing deterioration of the natural environment.



"The life-expectancy of Industrial Civilization is less than one-hundred (100) years. Industrial Civilization doesn't evolve. Rather, it rapidly consumes "the necessary

physical prerequisites" for its own existence. It's short-term, unsustainable. "This is a one shot affair ... there will be one chance, and one chance only."



"The Olduvai theory states that the life-expectancy of Industrial Civilization, defined in terms of world energy use per capita (\hat{e}), is less than or equal to 100 years.

"HISTORY: We know that the peak of (\hat{e}) occurred in 1979 and that (\hat{e}) declined from 1979 to 1999 (the 'slope').

"FUTURE: The Olduvai theory predicts that (\hat{e}) will decline even faster from 2000 to the so-named 'cliff event' (the 'slide'). The 'cliff event' is forecast to occur in year 2012."²⁵

In **Barry Carter's** book *Infinite Wealth*, he recognizes and discusses the danger of our entering another Dark Age. He explains, that unless humanity reorganizes itself into a win-win society, there will be no worthwhile future for our children and their children. I

²⁵ **Richard C. Duncan, Ph.D.**, THE PEAK OF WORLD OIL PRODUCTION AND THE ROAD TO THE OLDUVAI GORGE, Internet Reference: <http://www.dieoff.org/page224.htm>

am in full agreement.²⁶

Most of those aware of the fossil fuel energy crisis are focusing on trying to find more fossil fuels. So far this has proved very difficult. And, even if we could find more fossil fuels that might be even more dangerous because of **Global Warming**.²⁷

Jay Hanson (the Paul Revere of the fossil fuel energy crisis) as well as many first rate energy scientists see no solutions. Hanson fears a die off in which billions of humans could die with only a small nucleus, perhaps as few as 10-40 million humans, surviving as new hunter-gatherers.²⁸

Many of Hanson's followers are peeling off and preparing to head for the hills, and return to a pre-Industrial Age lifestyle. This reminds me of the "survivalist thinking" that was common during the gas crisis of the 1970s. But our problems in the 1970s were political and blew over. Our problems today are physical and won't blow over.

Richard Duncan has recently revised his predictions of the coming fossil fuel energy crisis to an even more urgent status. His most recent calculations using data on both crude oil and natural gas paints an even darker picture. No pun intended. He says the rolling blackouts that started in California this past month (February 2001) are only the beginning. His latest calculations published March 6, 2001 show:

"My previous study put the 'cliff event' in year 2012. However, it now appears that 2012 was TOO OPTIMISTIC.

"The newest study indicates that the 'cliff event' will occur about 5 years earlier than 2012 due an epidemic of 'rolling blackouts' that have already begun in the US. This 'electrical epidemic' spreads nationwide, then worldwide, and by ca. 2007 most of the blackouts are permanent. The 'modern way of life' is history by ca. 2025."²⁹

²⁶ **Barry Carter**, Infinite Wealth: A New World of Collaboration and Abundance in the Knowledge Era, Butterworth Heinemann, Mass., 1999

²⁷ **Ross Gelbspan**, HISTORY AT RISK: THE CRISIS OF THE GLOBAL CLIMATE, Internet Reference: <http://www.heatisonline.org/htmloverview.cfm#a>

²⁸ **Jay Hanson**, Energy Synopsis, Internet Reference: <http://www.dieoff.org/synopsis.htm>
Means of Control, Internet Reference: <http://www.dieoff.org/page185.htm>
DIE OFF, Internet Reference: <http://www.dieoff.org/>

²⁹ **Richard C. Duncan, Ph.D**, THE OLDUVAI CLIFF EVENT: ca. 2007, Internet Reference:

Dr. Duncan is only one voice of many now directing our attention to the fossil fuel energy crisis. Interested readers can read more here:

Colin J. Campbell's address³⁰ to Parliament, Colin J. Campbell and Jean H. Laherrère in *Scientific American*³¹, March 1998, L.F. Ivanhoe, *Get Ready For Another Oil Shock*³² and Matthew Simmons³³ who is one of the leading energy advisors to President George Bush and the United States Congress.

If Duncan, Campbell, Laherrère, Ivanhoe, Simmons and Hanson are right right, then we have only a handful of years to change the world.

We are indeed facing crisis. But with the danger of crisis always comes opportunity. Our challenge is to deflect the danger and embrace the opportunity?

If we are to have a future, it will be one where we are enormously more efficient. We must organize in ways that allow us to do more with less. We must reduce our Energy use to less than 10% of its current level. This will require a major reorganization of our society.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

<http://groups.yahoo.com/group/dieoff/message/10>

³⁰Colin J. Campbell', Address to Parliament, 1999, Internet Reference:
<http://www.hubbertpeak.com/campbell/commons.htm>

³¹Colin J. Campbell and Jean H. Laherrère, THE END OF CHEAP OIL, *Scientific American*, March 1998, Internet Reference: <http://www.dieoff.org/page140.htm>

³²L.F. Ivanhoe, Get Ready For Another Oil Shock, *THE FUTURIST*, January/February, 1997, Internet Reference: <http://www.dieoff.org/page90.htm>

³³Matthew Simmons, Simmons and Company International Research, 2001, Internet Reference:
<http://www.simmonsco-intl.com/research/>

Truth # 5

Present 5

Neutral organization and neutral government is failing. The richest nation in the world — The United States of America — is bankrupt.

The United States of America was created in 1776 of the people, by the people, and for the people. By all standards, it has succeeded better than any other form of government presently available to humanity.

The United States of America gave every free and independent man the opportunity for great economic success. Thus began the Neutral way for humanity. Neutral organization focuses on **freedom from loss — protecting free men and their property**. The driving force behind this transition from Adversary institutions to Neutral institutions was to avoid loss.

Neutrality is the natural way for the Plants. As solar collectors, they are the only truly **independent** form of life. Independence requires **unlimited resources**. This was available to the plants in the form of free and limitless supply of sunlight.

For neutrality to work for humans, there must also be **unlimited resources**.

In 1776, the American colonists were in the right place at the right time. The right place was the empty continent of North America. Millions of acres of arable land and forests, filled with abundant water in millions of streams, rivers, and lakes and stocked with uncountable numbers of wildlife. This was further enriched with enormous reserves of iron, coal, copper, aluminum, zinc, lead, gold, silver, oil, and much more — all available for the taking. The right time was 1776, by then the collective power of Humanity's Time-Binding had discovered, invented, and developed the tools and knowhow that created the mechanism of the Agricultural, Industrial, and Transportational Revolutions.

The level of knowledge and technology available to the American colonists coupled with enormous North American reserves, provided them with cheap food, cheap power, and

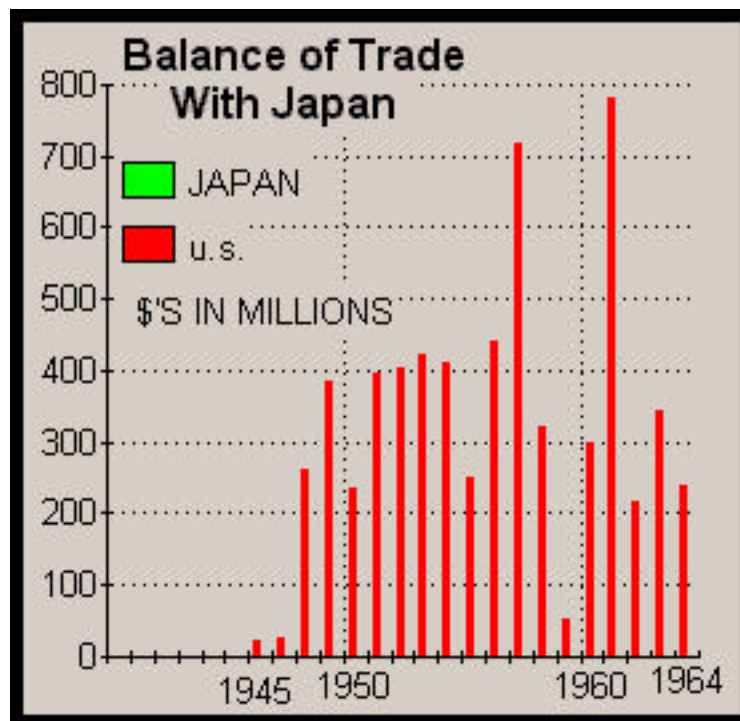
cheap transportation. Thus, conditions were **perfect** for the success of Human Neutrality. America would have the equivalent of **unlimited resources** for the next 150 years.

Today, we are 223 years later, we no longer have unlimited resources, without unlimited resources neutrality does not work. In the past 70 years things have started to go wrong.

Negative Balance of Trade

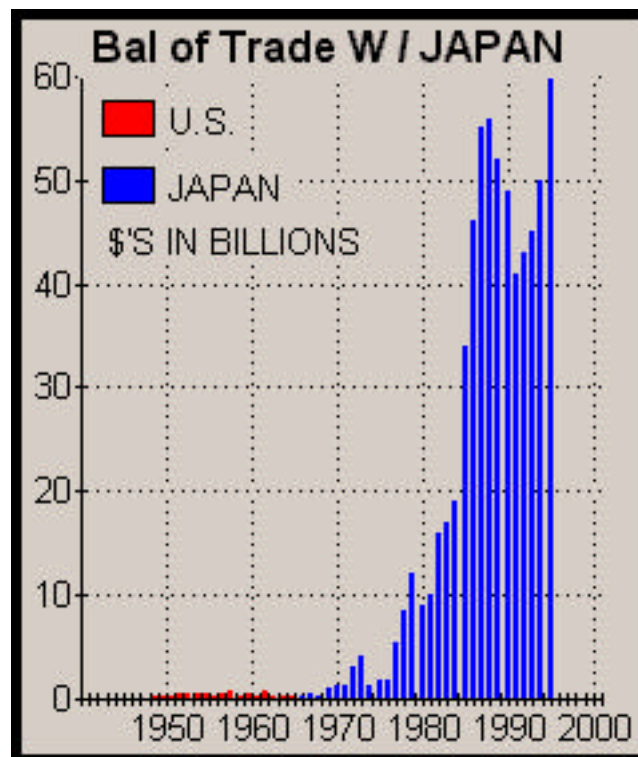
One of the signs of this change in the economic health of the United States is the change in our foreign balance of trades. The balance of trade simply a comparison of how many dollars in goods are sold to foreign countries compared to how many dollars in goods are purchased from foreign countries. Thomas Smith explains:

“This chart represents the Balance of Trade with Japan from 1945 to 1964. It was a balance in favor of the United States, which only makes good sense. We were busily engaged in helping the Japanese rebuild their country after the war, and, because of our bombing, their industry was in no shape to be exporting anything substantial.



"In 1961 the Japanese approached President Kennedy to ask his assistance in helping to resolve this "unfair" balance of trade problem. The President then asked our Trade Representative to see what could be done to aid the Japanese. At a Press Conference in mid-November, Kennedy praised the U.S. Trade negotiators for working out a satisfactory trade agreement with the Japanese. The results were not immediately apparent. It wasn't until 1965 that the balance of trade switched in favor of Japan. It has remained in their favor every year since 1965.

"In 1965 the Balance of trade with Japan switched over in favor of the Japanese. This was in accord with the wishes of President Kennedy, although he probably never dreamed of such an incredible imbalance. From 1945 to 1965 the balance of trade in favor of the United States averaged \$315 Million per year. The balance of trade since 1965 has averaged in excess of \$27 Billion per year, and is now running above \$50 Billion per year, rapidly raising the annual average."³⁴

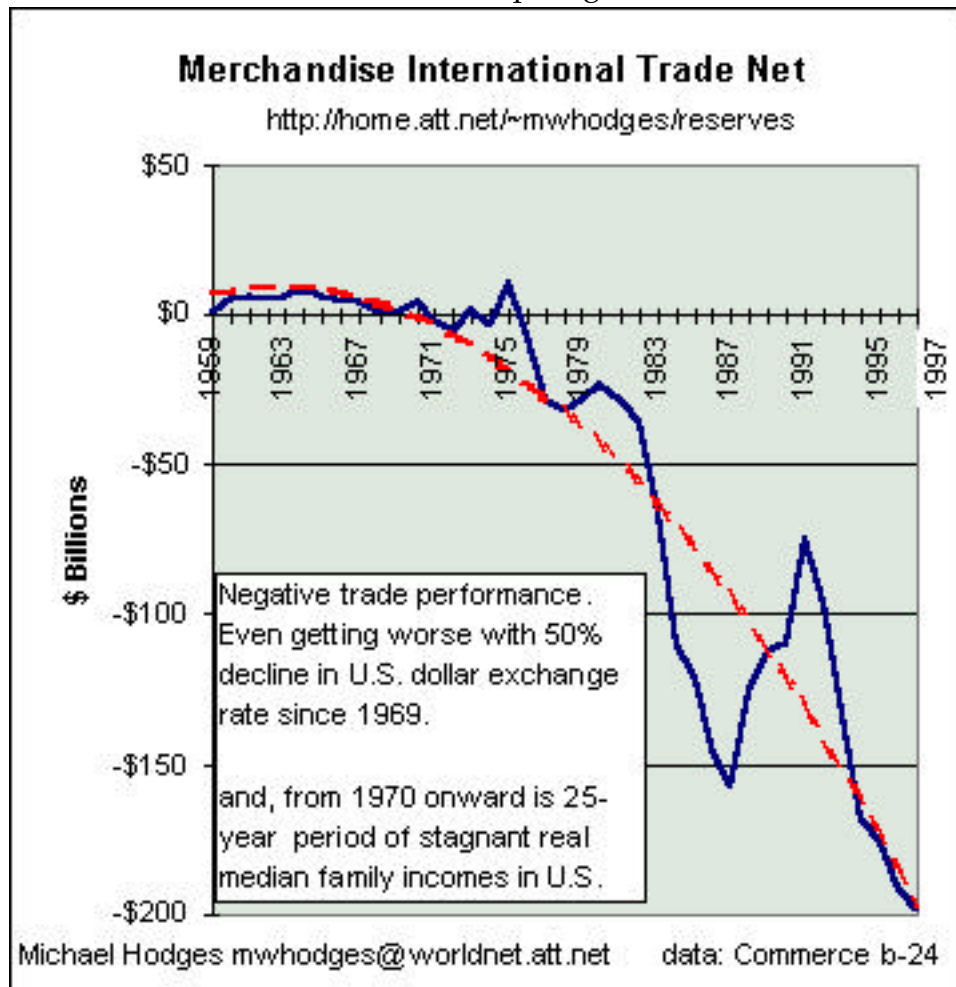


³⁴ Thomas H. Smith, Total Federal Expenditures, The National Debt, 1997, Internet Reference: <http://www.nationaldebt.com/>

Michael Hodges explains further:

“The chart below measures the U.S. merchandise trade balance since 1959. It shows that until the late 1970's our nation ran a positive balance of trade, which demonstrated an ability to remain sufficiently competitive in goods to cover our import needs, no matter what they were.

“But, about mid 1960 trends begin to turn against the U.S. as our imports grew faster than the interest others had in our export goods.

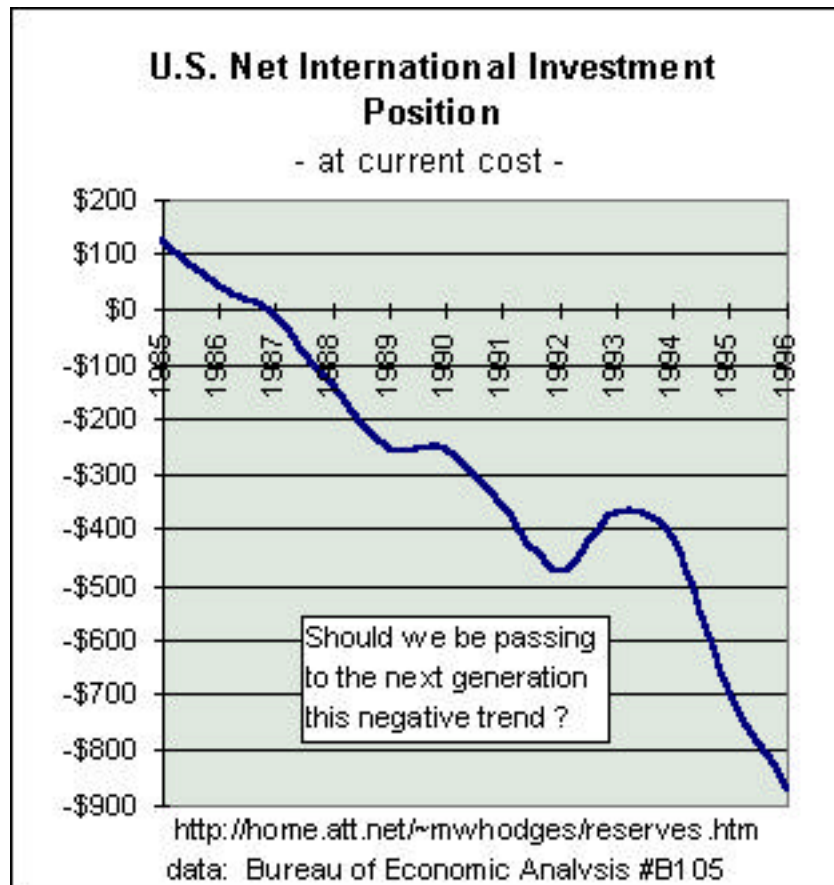


“Trade balances became erratic in the early 1970's (the same period when median family incomes stopped growing), and then plunged to significant and continuing deficits. Devaluation of the dollar followed. It can be seen that the pattern since the mid 1970's brings into focus the basic question above — America's lack of competitiveness world-wide. And, as the U.S. dollar was

devalued 70% since 1970 our deficits actually increased, despite this effective 'cut' in the international price paid to our workers.

"The results for 1996 was a loss of \$187,600,000,000 — the largest negative trade balance in history.

"Here another chart. It includes not only all trade flows, but also the net of investments here vs. abroad - at current cost. If we count all the assets we own abroad, including all of our gold and foreign currency, and compare this total to the assets owned in the U.S. by foreign entities, then we have the net result of the chart at the below.



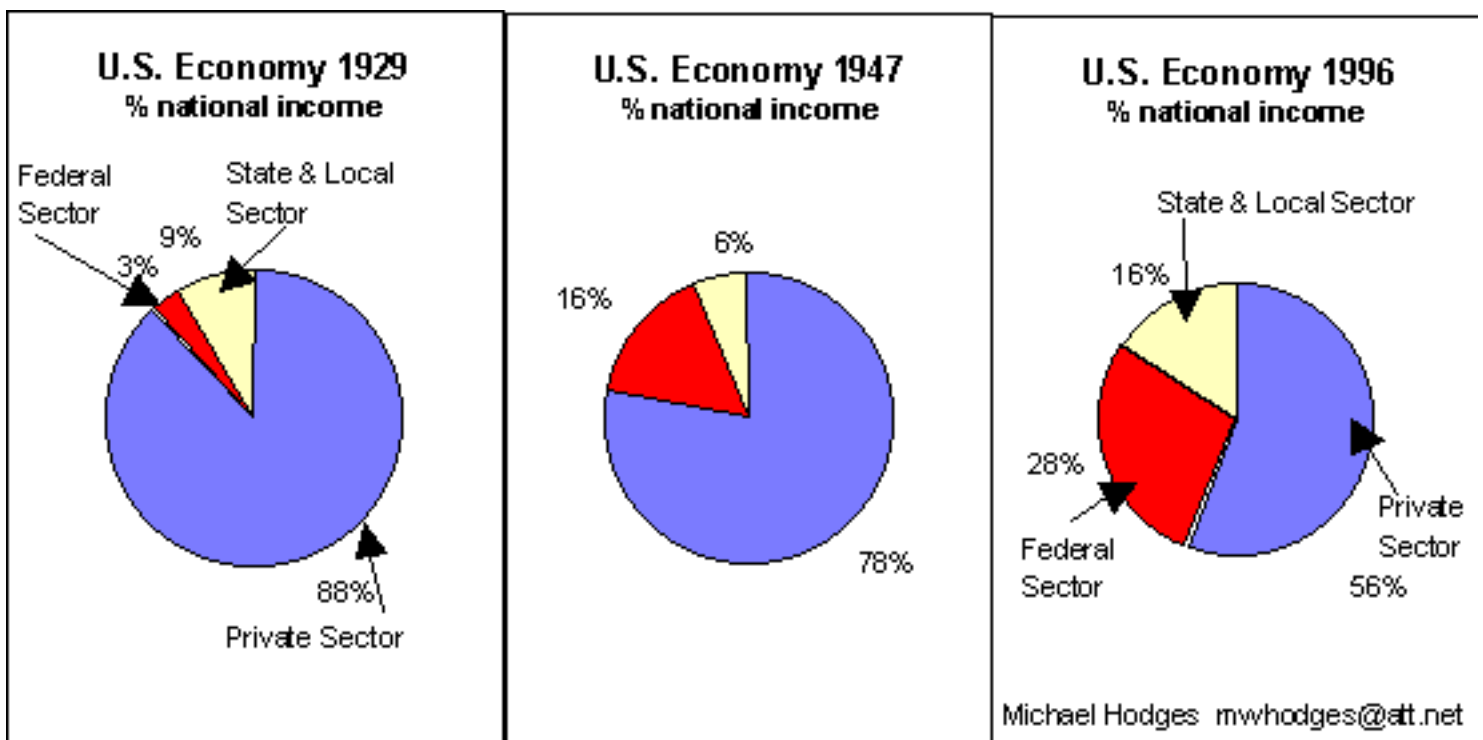
"This shows a significant negative trend against the U.S., compared to a positive balance just 10 years ago."³⁵

³⁵ Michael Hodges, The Foreign Trade Report, GRANDFATHER ECONOMIC REPORT, 1997 Internet Reference: <http://home.att.net/~mwhodges/hodges.htm/>

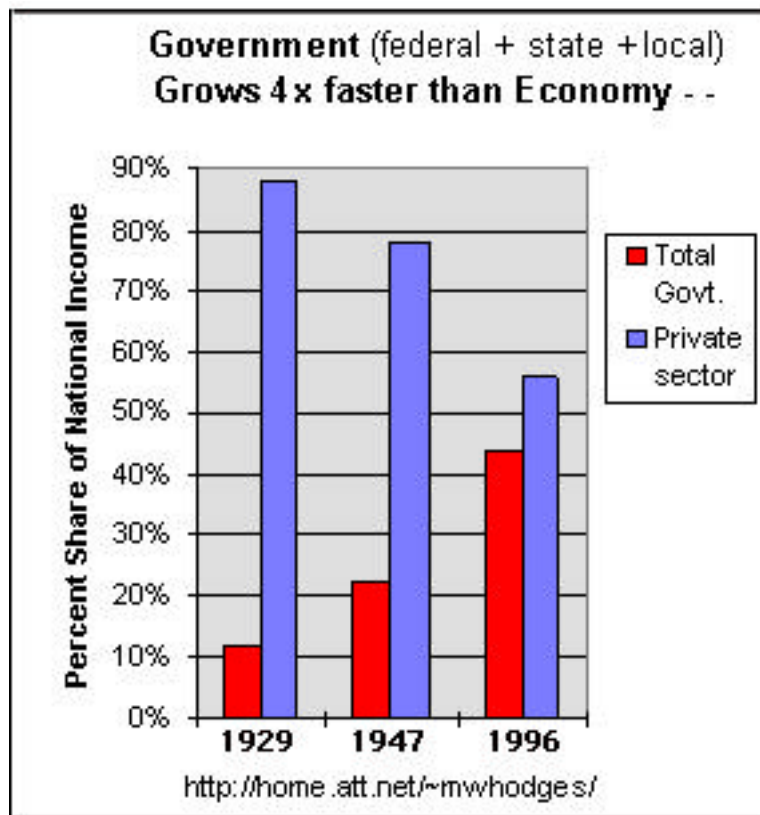
Increased government spending

Another sign of the decreasing effectiveness of our neutral government, is its need to spend more money in order to accomplish the same level of services.

In the American government's efforts to continue serving the people, it has increased total spending as shown in the charts below.³⁶

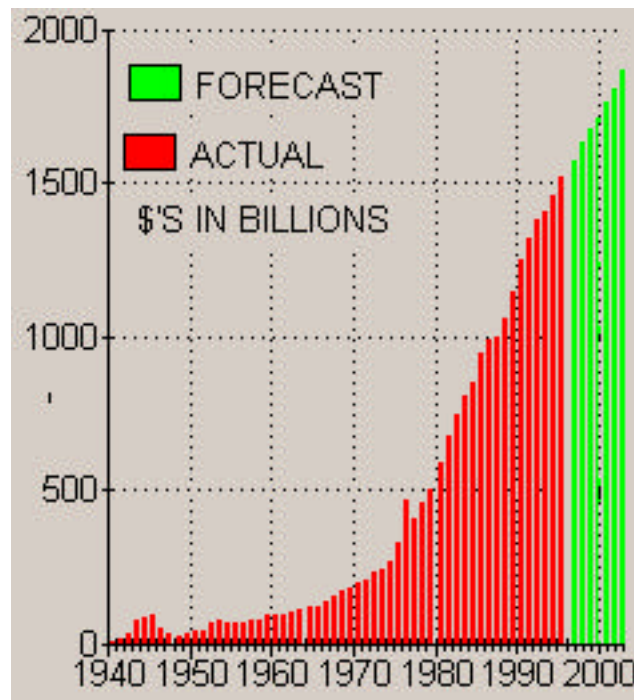


³⁶ Michael Hodges, Many Charts from GRANDFATHER ECONOMIC REPORT, 1997, Internet Reference: <http://home.att.net/~mwhodges/hodges.htm/>



In 1929, total government spending was 12% of national income. By 1947, total spending had doubled to 24% of national income. By 1996, federal spending had almost doubled again at 44% of national income.

The following chart shows the actual yearly Federal expenditures from 1940 to 1996. It includes forecasted expenditures to 2006. Here we can see that the growth of government spending is not just increasing, but increasing at an accelerated rate. In science, this is called logarithmically increasing.



Thomas Smith explains:

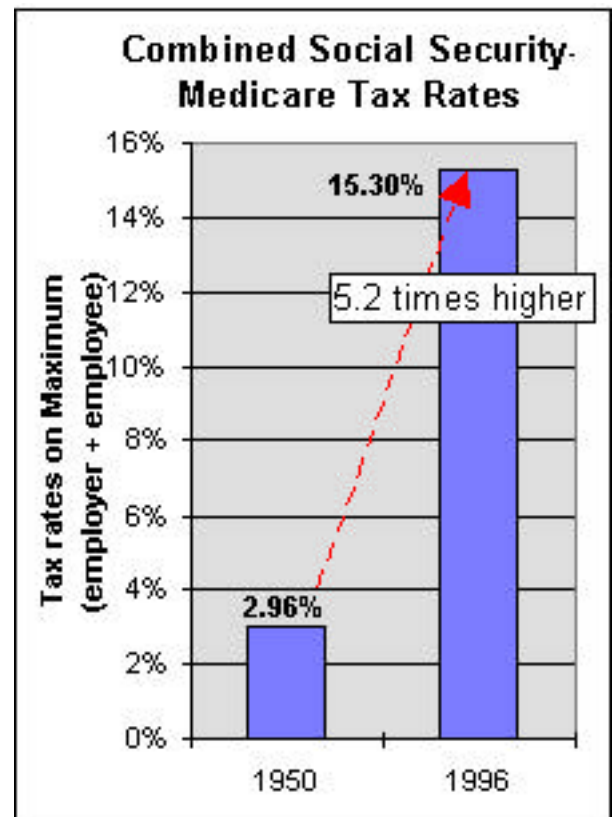
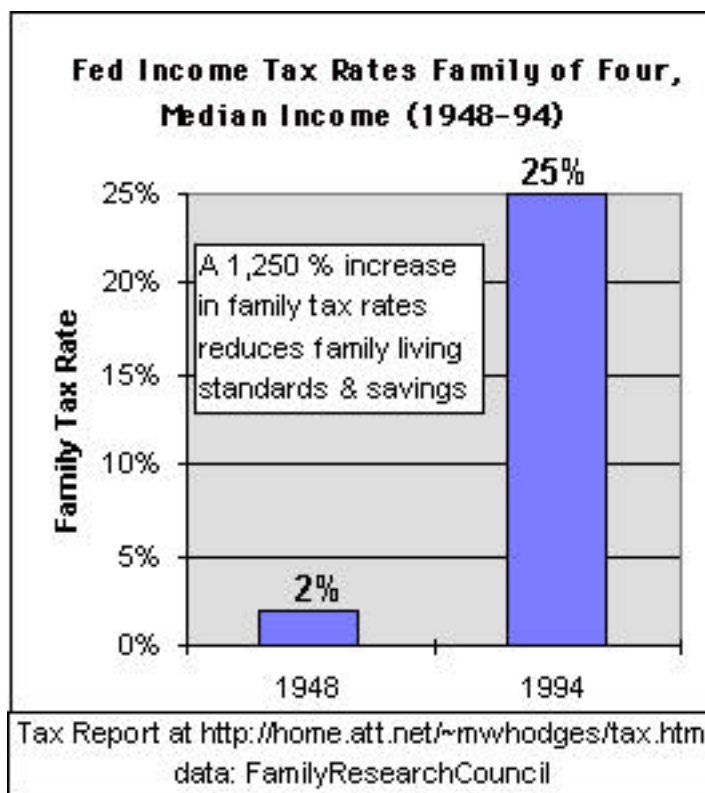
"It is interesting to study the above chart by decades. In the 1940's you notice a significant hump which is easily explainable due to World War II, the most costly war in history. You promptly see a dip as the country cuts costs and tries to pay off some of the debt. In 1950 total spending was \$42.5 Billion. In next few years, there is a slight rise in spending due to the Korean War. In 1960 total spending was \$92.2 Billion. In the mid 60's, expenditures start to rise as we become more involved with the war in Vietnam. Also Lyndon B. Johnson instituted his "Great Society" in the 60's. This really started the exploding costs of operating our government. You only have to look at number of charts in this series which start their climb in the mid-60's. In 1970 total spending was \$195.7 Billion. Johnson's policy of "Guns and Butter" helped to trigger the inflation of the 70's and 80's. During the 70's there is added costs of the Vietnam War, but the large blip in 1976 is due to a change in the fiscal year of the government. In 1980, total spending was \$591 Billion. The 80's were the Reagan years with the Cold War and huge defense spending. In 1989 the government spent \$1,144,000,000,000."³⁷

³⁷ Thomas H. Smith, Total Federal Expenditures, The National Debt, 1997, Internet Reference: <http://www.nationaldebt.com/>

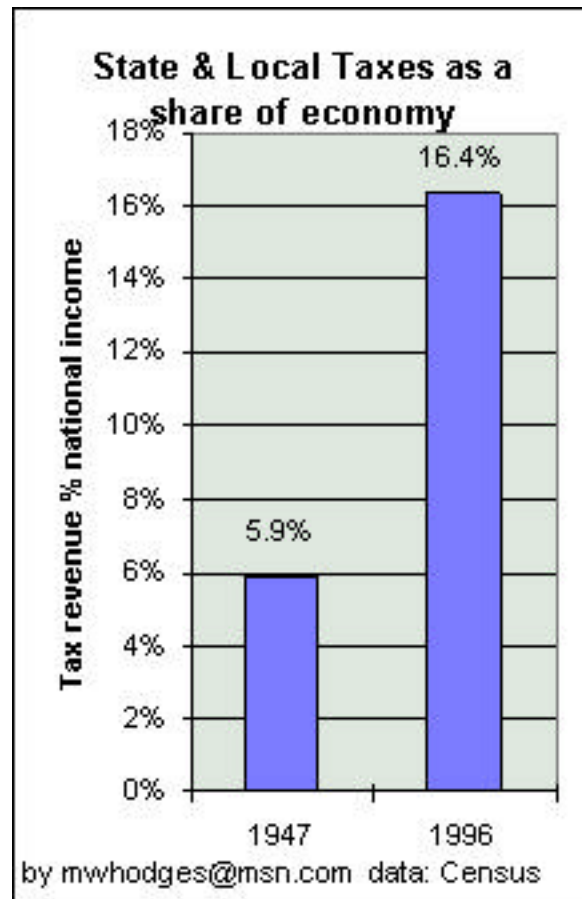
Increased Taxation

To pay for these enormous increases in spending, the American government turned to taxation to raise revenues. And there seems no end to the taxes government can invent — Federal Income Tax, Social Security Tax, Medicare Tax, State Income Tax, Property Tax, Sales Tax, Gasoline Tax, Road Tax, Liquor Tax, Tobacco Tax, Gift Tax, Luxury Tax, Death Tax, Inheritance Tax, Franchise Tax, Use Tax, etc., etc., etc..

The following three charts shows the increase in just some of these taxes. The chart on the left shows the income tax for a typical family of four from 1948 to 1994. The chart on the right shows the increase in social security and medicare tax from 1950 to 1996.



The next chart shows the increase in state and local taxes as a percentage of national income from 1947 to 1996.



Galambos³⁸ explained that government taxation is really much worse than it seems. Let us examine the process of producing a loaf of bread.

The Farmer who would grow wheat must first purchase land and tools to do so. He also needs water and seed. He pays taxes on his land. He pays taxes when he purchases tools, seed, and water. The cost of these taxes have to paid from the profits he makes when he sells his wheat to the Flour mill. He must add these taxes to the price he charges the Miller. The Miller needs land and tools to build and maintain his mill. He pays taxes on his land and his mill. He pays taxes when he purchases tools and supplies for the mill. If he has employees he must pay taxes on the wages they earn. These taxes all add to the price he must charge the Baker when he sells the flour. The Baker needs land for his Bakery. He needs an oven and tools for his kitchen. He pays taxes on the land and his Bakery. He pays

³⁸ **Andrew J. Galambos**, *Volition 50—Introduction Volitional Science*, Free Enterprise Institute, Los Angeles, Privately Published 1961-84

taxes when he buys the oven and his tools. He pays taxes when he buys the flour, butter, and eggs. If he has employees he must pay taxes on the wages they earn. All these taxes add to the cost of his bread. Now when you visit the Bakery to get your daily bread, you must of course pay sales tax on the bread that you buy. But since most of the cost of the bread results from the taxes paid by the Baker, and the taxes paid by the Miller, and the taxes paid by the Farmer, you are really paying tax on tax. Thus, Galambos explained that the cost of our bread is mostly tax.

It becomes obvious once considered that producers of products can not spend the money they pay the government in taxes. Therefore, all producers must add the cost of the taxes they pay to the price of their products. Now when we examine the process of creating modern products we discover that not only is the cost of bread mostly tax, but the cost of nearly all products is mostly tax.

And those products that retain their value and are resold are retaxed. Take as example of the sales tax we pay each time we buy a car. When I buy a new car I pay sales tax on the original price. If I sell it two years later, the new buyer must pay sales tax based on my selling price. This is despite the fact that the government already collected the full sales tax originally. If the average car is sold 4 or more times in its lifetime, the sales tax is collected 4 or more times as well. This is of course in addition the annual tax collected with every registration, and the additional tax collected every time we gas or service the car. The Taxman stands between the producer and consumer in every economic transaction in our neutral world. Unfortunately, despite the enormous amount of taxes collected by the American government, it is apparently not enough. Deficit spending is when a government spends more than it takes in taxes.

Deficit Spending begins with Military Expenditures

We humans cannot economically afford mechanized war and the cost of preparing for high tech warfare. Today's deficit spending has much to do with our military expenditures. This is well explained by Harold Willens.³⁹ I will recount part of his explanation here.

Within the democratic capitalism of American society, there operate several different economies, but the two of most importance to understand the state economy of government systems and the private economy of free enterprise. In America, these economies are related through a common money supply. The only source of revenues for the state economy come from taxes and/or borrowing. While the state purchases many

³⁹ Harold Willens, The Trimtab Factor, William Morrow & Company, 1984

products from the private economy they are not for resale. While within the private economy most revenues come from the sale of products. Wealth is invested in private companies who then create new products. These products are sold producing revenues which allow the company to returned borrowed capital to the investors. These funds are then available to produce another cycle of new products, and this cycle goes on and on and on.

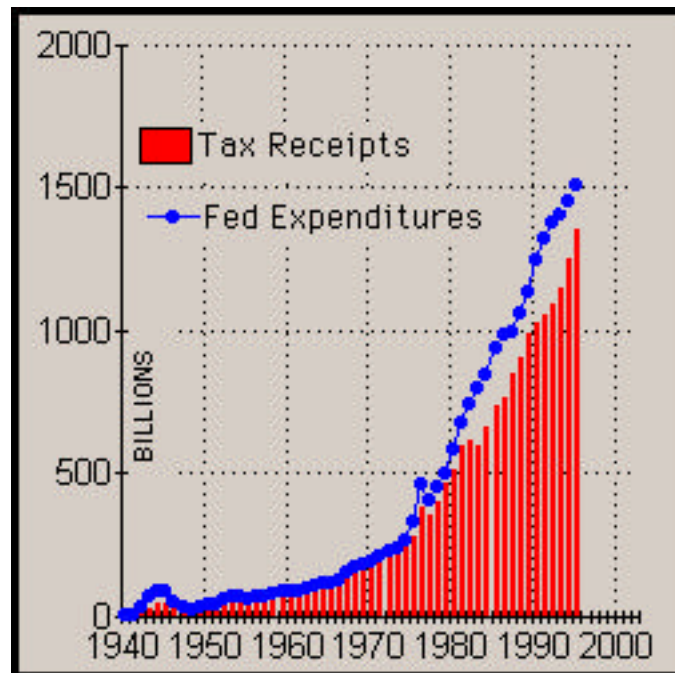
The state economy is a burden on the private economy through taxes. In addition the governments within the state economy can borrow money. Our federal government has spent much more on the military than it took in as taxes. With figures up to 1992, over ten trillion has been spent on the military since W.W.II When the government desires to spend monies for new military armament. It must tax its citizens to underwrite the cost of producing the new weapons, or borrow the money. However, unlike the private economy these “state produced products” can never be sold. Military spending produces military products. These products are unavailable for purchase. They are stored, maintained, and tested in the event of future wars, but they are not for sale. This means there is no return of capital. The only source of funding for more military products is to further increase taxes or for the government to borrow additional money. This is why our federal deficits grow and grow and grow. In most of our human history, we have felt the need for military organizations. In our present troubled world today, we still feel that need. When humans are afraid they arm themselves. And we humans have never been unafraid. Overarmament and financial deficit are interrelated phenomena. They operate as a pair — always found together — as the scientist Buckminster Fuller would say “only and always co-existing”. It matters not whether military budgets purchase nuclear weapons or bows and arrows,. the eventual destruction of the economy is the result.

“The term military-industrial complex was popularized by U.S. President Dwight D. Eisenhower in his farewell address to the American people in January 1961: **“In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex.”** He was warning against the potential power of a large military working in conjunction with a large arms industry.

“The United States made a huge investment in its military after World War II. According to the Department of Defense, from 1947 to 1992 the country spent approximately \$10.2 trillion for national defense (in constant 1987 dollars). The nuclear weapons production industry alone--consisting of three primary

weapons laboratories, nine factories that produced nuclear materials, seven warhead assembly plants, and two test sites for nuclear weapons, all of them government-owned — operated on a budget of \$8.7 billion in 1987 and employed 115,000 people. At the same time private military-industrial firms enjoyed an even more lucrative position. In fiscal year 1990, U. S. private military contractors received contract awards totaling more than \$121 billion.”⁴⁰

Worldwide, the amount of money that will be spent on military expenditures in 1997 is estimated to be \$780,000,000,000.00.⁴¹ The tax burden on the citizens of the United States is enormous. and while a large portion of those taxes have been used to pay part of the cost of military expenditures, an even larger portion is unpaid.



“In the above chart the blue dots represent the Federal Expenditures — the amount spent by the Federal government in a given year. The red bars represent the Tax Receipts — the amount taken in by the Federal government in the same year. The Federal deficit is the amount the Federal Expenditures exceed the Tax receipts.”⁴²

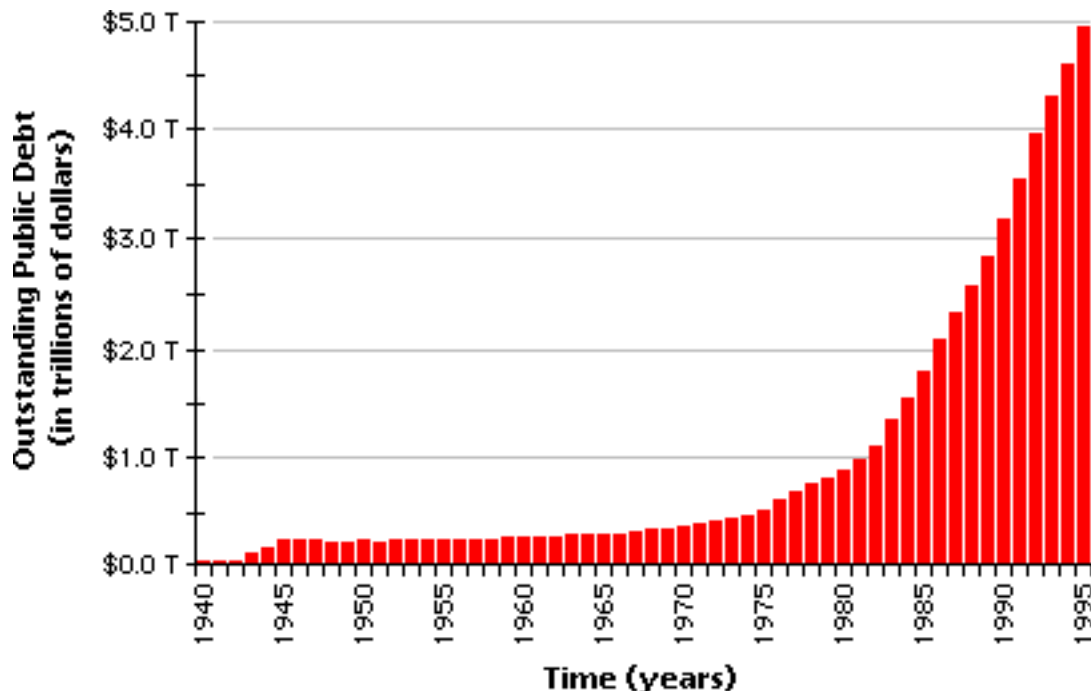
⁴⁰ Grolier Multimedia Encyclopedia, 1997,

⁴¹ Medard Gabel, et al, What We Have and What We Want—Section 1: The World Problem State, World Game Institute, Philadelphia PA, 1997, Internet Reference: <http://www.worldgame.org/>

The United States of America has been spending more than it takes in as taxes for many years. The only way a government can Deficit spend is by borrowing money. Our government has been overspending for many years. It has also been borrowing for many years. The total of all these annual deficits is our very large and growing National Debt.

Growing National Debt

The National Debt is the cumulative total of all our Federal deficits. Fuller told us that the outstanding United States National Public Debt in 1980 was \$800,000,000,000. The following chart is based on data provided by the U. S. Treasury Department and shows the growth of the National Debt from 1940 to 1996.



Again notice that our national debt is not only increasing, but the rate of increase is also accelerating — logarithmic increase. The National Debt Clock maintained on the internet by John Hall gives us the numbers on a daily basis. As of 08/24/01 the outstanding United States National Public Debt was:

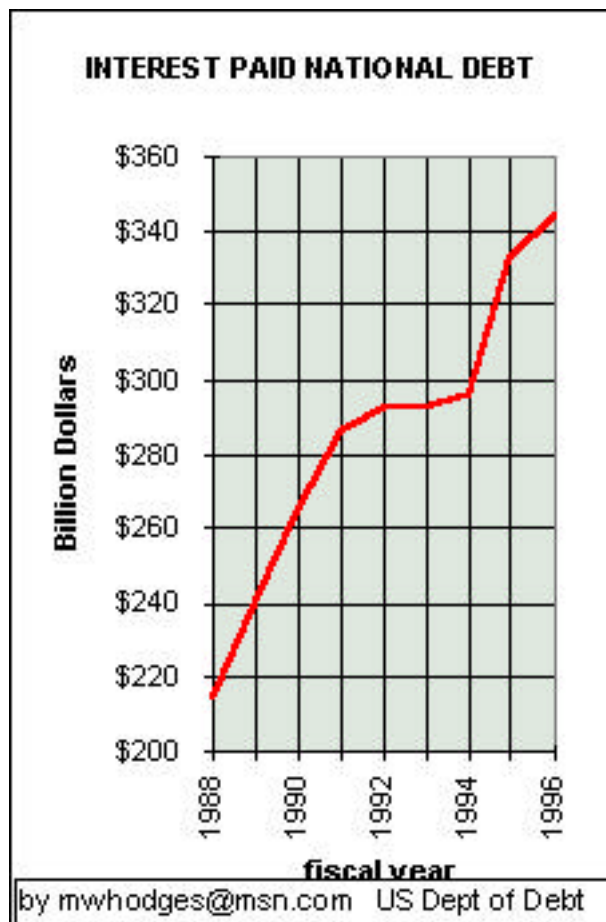
\$5,715,857,673,127.58

⁴² Thomas H. Smith, Tax Receipts compared to Federal Expenditures, The National Debt, 1997, Internet Reference: <http://www.nationaldebt.com/>

"The estimated population of the United States is 284,723,397 so each citizen's share of this debt is \$20,084.76. The National Debt has continued to increase an average of \$182 million per day since September 30, 1998!"⁴³

Interest on the National Debt

This national debt is not being paid off. The government has simply increased taxes to cover the interest payment. In 1997 the annual interest on the national debt was \$356 billion or 15% of the total national budget. The amount of interest being paid on the national debt has been growing every year as shown in the following chart.



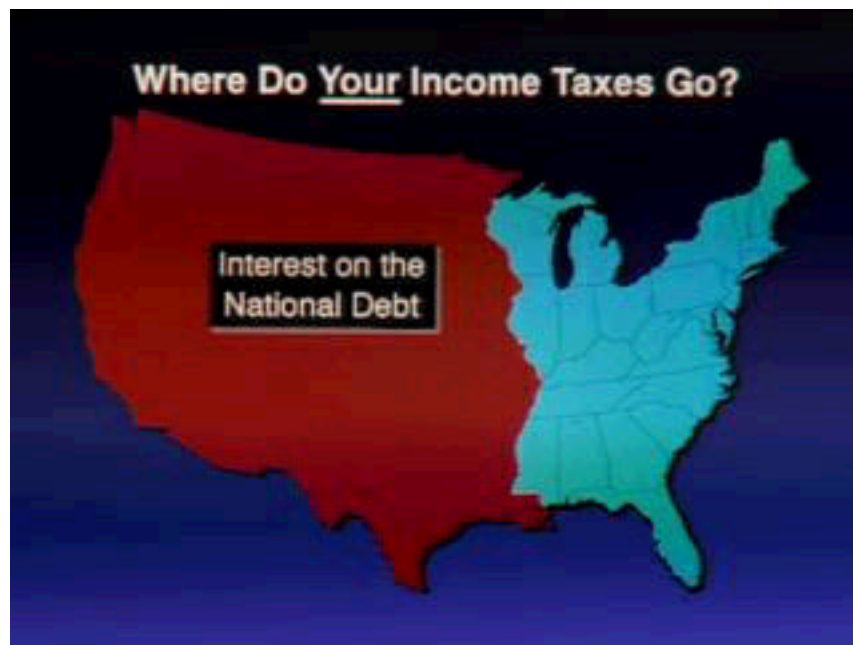
Clifford Cofer writing in September of 1997 explained:

⁴³ John Hall, The U.S. National Debt Clock, Internet, 1998, Internet Reference: http://www.brillig.com/debt_clock/

“Over the past 9 years, INTEREST on the National DEBT totaled \$2,756,000,000,000.00 (that’s \$Trillions). That INTEREST bought us nothing! Think of it this way: That much money could have paid the cost of our Army, Navy, Marines, Air Force and Coast Guard (the entire Defense Department) for almost 11-1/2 years. In Fiscal Year 1997, the INTEREST was \$356 billion, that is 40.6 million dollars per hour, 24 hours a day, 365 days a year!

“The Tax Foundation reported that in 1997, 100.6 million Americans paid an average of \$6127 in income taxes. It took the Income Taxes of all the 58 million Individual Taxpayers living west of the Mississippi River to pay the INTEREST on the National DEBT!”⁴⁴

The next picture presents these statistics graphically.



Inflation

Recall the basic concepts of classical economics — scientific objectivity, the automatic balancing effects of supply and demand, and Adam Smith’s metaphor of an **invisible**

⁴⁴ Clifford Cofer, The Truth about the National Debt, 1997, Internet Reference:
<http://www.geocities.com/CapitolHill/Lobby/1654/truth.html/>

hand guiding the economy. These were the founding economic principles of Institutional Neutrality as created in 1776.

However, when the Great Depression occurred in 1929, the faith in supply and demand and the invisible hand was lost. John Maynard Keynes would become one of the most influential economists of the century by encouraging government interventions to improve the economic condition. Keynes argued that economic equilibrium states were special cases, exceptions rather than the rule in the real world. Fluctuating business cycles are the most striking characteristic of national economies, according to Keynes. As Hazel Henderson explains:

“Keynesian economic theory had the most decisive influence on contemporary economic thought. Keynes shifted his focus from the micro level to the macro level — to economic variables like the national income, the total volume of employment, and so on. By establishing simplified relations between these variables he was able to show that they were susceptible to short-term changes that could be influenced by appropriate policies.

“This Keynesian model of government intervention has become thoroughly assimilated into the mainstream of economic thought. Most economists today attempt to ‘fine-tune’ the economy by applying the Keynesian remedies of printing money, raising or lowering interest rates, cutting or increasing taxes, and so on. This philosophy of making the economy better through government intervention has dominated political-economics since 1929.

“Unfortunately, the Keynesian methods don’t work very well. This is because these methods ignore the detailed structure of the economy and the qualitative nature of its problems. The real world is much more complex than the world Keynes modeled. His model has become inappropriate because it ignores so many factors that are crucial to understanding the economic situation.

“The Keynesian model concentrates on the domestic economy, dissociating it from the global economic network and disregarding international agreements. It neglects the overwhelming political power of multinational corporations, pays no attention to political conditions, and ignores the social and environmental costs of economic activities. At best, the Keynesian approach can provide a set of possible scenarios but cannot make specific predictions, it has outlived its usefulness.”⁴⁵

Galambos⁴⁶ taught there is one and only one cause of inflation.

Recall that money is not real wealth. Money is a symbolic tool that represents real wealth. It was originally invented as a mechanism to protect real wealth. One of the functions of government is to regulate the money supply. This means that the government needs to insure that the amount of money in circulation is roughly equivalent to the amount of real wealth in the nation. Government controls the total amount of money in circulation directly by printing or not printing money and indirectly by raising or lowering taxes, and by raising or lowering interest rates.

As a nation's real wealth grows, the government needs to grow the money supply to insure an even balance. If the nation's real wealth decreases because the nation is at war or because of large scale crop failures, the government needs to shrink the money supply again to insure an even balance. Government **does not control the amount of wealth in the nation**, but it does control the money supply.

Inflation occurs when the government grows the money supply in excess of the real wealth, or fails to shrink the money supply in the face of declining real wealth. Deflation occurs when the government shrinks the money supply below the real wealth, or fails to grow the money supply in face of increasing real wealth. In all cases it is government that is 100% control of the money supply, and it is government that determines whether we have inflation or deflation.

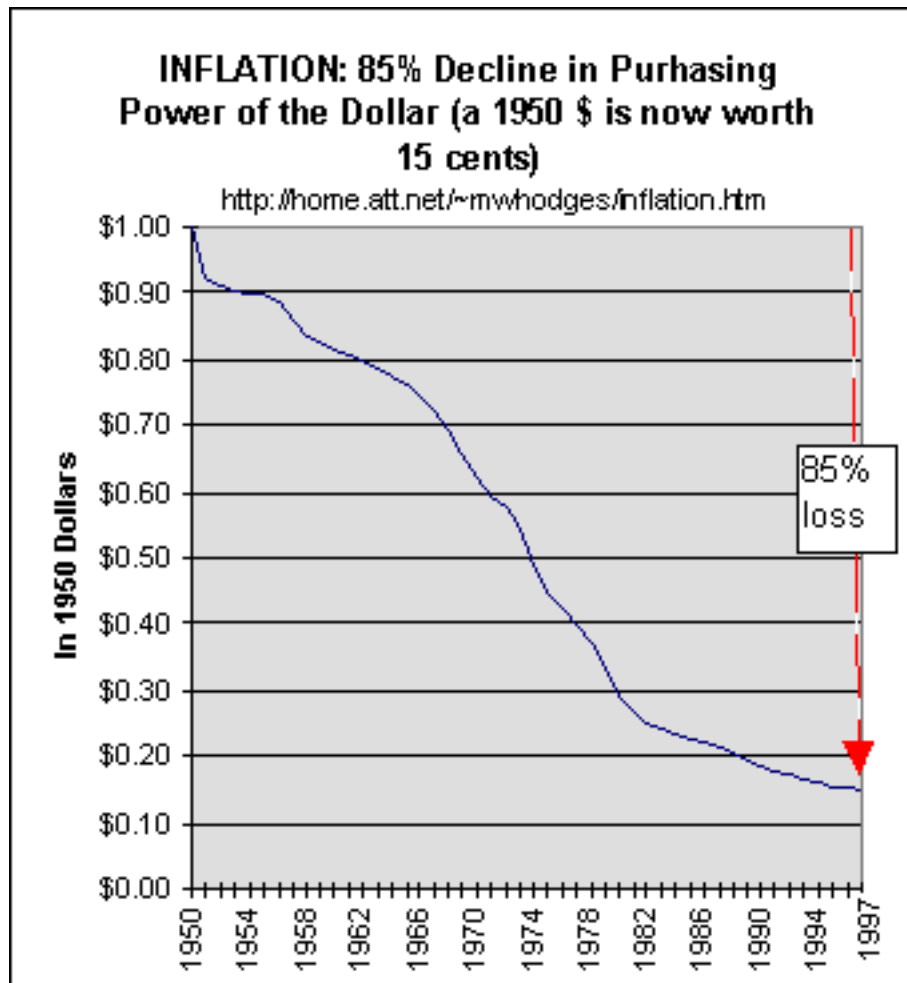
Since 1929, government has used Keynesian authority as its rationale for "managing" the economy through government intervention by printing or not printing money, raising or lowering interest rates, cutting or increasing taxes. When these three mechanisms — created for balancing the money supply to real wealth — are used to manipulate the economy for political reasons, they no longer work effectively to stabilize our economy. They now create the very problem they were invented to prevent.

When modern government inflates the currency, it increases its spending power. By printing excess money, government devalues the currency. This makes each dollar worth less. When the government doubles the amount of printed money in circulation then each

⁴⁵ Hazel Henderson, Quoted by Fritjof Capra, *Uncommon Wisdom*—Conversations with Remarkable People, Bantam New Age Books, New York, 1989

⁴⁶ Andrew J. Galambos, *Volition 50—Introduction Volitional Science*, Free Enterprise Institute, Los Angeles, Privately Published 1961-84

new dollar is worth only one half of what it was before the doubling. Remember money is only a symbolic representation of real wealth, it is not real wealth. When the government doubles the money supply, they do not change the real wealth in the Nation. Everything of real value just costs more in terms of the new dollars. From 1950 to 1997, the American government increased the money supply to over 6 times the value of real wealth in the nation.



It takes \$10,000 in 1997 to purchase that which \$1,400 would purchase in 1950. It takes an entire 1997 dollar to buy what you could have purchased for only 15 cents in 1950.

Understanding Inflation

Today most humans assume inflation is a law of nature like progress. As Vince Page explains:

“Everyone knows that everything will cost more in the future. In 1968, I can remember my mother buying milk for 53 cents a gallon — I was only a boy then. I can remember cigarettes for \$2.75 a carton and gasoline for 25 cents a gallon. What happened to these prices? Well, the value of a gallon of milk is the same as it has always been, but the value of a dollar has decreased over time due to inflation. And although there are fluctuations in the rate of inflation from year to year, it’s a good rule of thumb to say that the average rate of inflation in the United States hovers right around 5% every year.

“Believe it or not, this is very useful business information. For example, let’s see if we can predict the price of a gallon of milk today based upon the fact that it was 53 cents when I was a boy, and that the average rate of inflation has been about 5% every year since then (I realize it was 15% per year during the Jimmy Carter administration, but the average is what counts). Now, it was about 1968 when I remember seeing that price, which is 30 years ago in 1998. If we get out our calculators and multiply 1.05 (5%) times 1.05 times 1.05, on and on 30 times, we will get 4.32. If we then multiply 4.32 times 0.53 (53 cents), we get \$2.29 for a gallon of milk today. Isn’t that incredible? We’ve just accurately predicted the price of a gallon of milk in 1998 from a 1968 price — just because we understand inflation!”⁴⁷

Some prices have increased much more than the average of 5% per year. As any home buyer knows housing is one very painful example. A three bedroom home that could be have been purchased in 1950 for \$5000, increased to 15,000 in 1970, and to \$125,000 in 1997.

Real Wages

Vince Page continues:

“To illustrate real wages, let’s say that my weekly allowance was 53 cents in 1968 — in other words, I would have been able to buy one gallon of milk every week if I hadn’t squandered my allowance on other things. Let’s also say that my parents graciously increased my allowance by 3% every year. You’ll just have to take my word for it that I’ve long since stopped receiving an allowance from my parents, but if my allowance had increased 3% every year for 30 years it would now equal

⁴⁷ Vince Page, *Our Constitution, Our Heritage, Our Future*, 1998, Internet Reference:
<http://rampages.onramp.net/~rampage/cfuture.htm/>

\$1.29 per week, using the same method described above.

“But a gallon of milk costs \$2.29 in 1998, so I wouldn’t be able to afford it on today’s allowance, even though I could in 1968. When this happens, you know that your real wages have gone down — you are not able to buy the same amount of goods and services today as you were last year or the year before. On the other hand, if my allowance had increased at 5% per year — exactly the same as the rate of inflation — my real wages would have remained the same and I would have the same purchasing power today. And if my father had given me a 7% increase every year, I would have been able to buy more goods and services every year.

“So this, then, is the essence of real wages — your paycheck must increase by about 5% every year in America to keep your purchasing power the same as it was last year. If you want a real raise in your purchasing power, your wages must increase by more than 5%.”⁴⁸

This has not happened. Most Americans real wages have not kept pace with the rate of inflation. While they are making more money and paying more in taxes, their purchasing power has actually declined. The quality of life they can afford to purchase has decreased. So if inflation is so bad for the American people, why does the United States Government inflate the currency?

Government benefits from inflation

- 1) As government inflates the currency, prices immediately rise resulting in increases in sales tax revenue, property values rise resulting in increases in property tax revenue. Then a secondary response to inflation results in wage and salary increases as well — the minimum wage in 1960 was \$.75 per hour — today, it is \$5.75. With progressive income tax, the more dollars of income you earn the greater is your tax rate. **Inflation accelerates and increases tax revenues and does so invisibly with no need for congress to even vote an increase in taxes.**
- 2) **Government depreciates its debt through inflation.** The government has enormous debt of its own on which it is currently paying interest. Inflation results in a devaluation of the currency. The real value of the interest being paid is subsequently being reduced. Not that the government will every pay off it debts, but if it did then money borrowed in 1950 could be paid off for 15 cents on the dollar using inflated 1997 currency.

⁴⁸ Vince Page, *ibid*

3) Another point that Galambos made was that in the process of placing new money in circulation the debt is expanded, and government gets the first spending of the new currency. After this initial spending the money is in circulation, but since the government never pays off the debt, that first spend is essentially free.

Inflation by accident

Some would argue that not all causes of inflation are intentional on the part of government interventionists. That often the results of government intervention are not what the interventionists intended. This is of course very true. As Hazel Henderson explains:

“Inflation is just the sum of all the variables economists leave out of their models. All those social, psychological, and ecological variables are coming back to haunt us. Real wealth is partially based on natural resources and energy — these are variables that are ignored by most economists influencing government interventionists. Natural resources and energy must be extracted from ever more degraded and inaccessible reservoirs, and thus more and more capital is needed for the extraction process. Consequently, the inevitable decline of natural resources is accompanied by the an unremitting climb of the price of resources and energy, which becomes one of the main driving forces of inflation.”⁴⁹

Galambos would point out here that this is actually an example of declining real wealth and that if government would shrink the monetary supply reflective of that decrease there would be no inflation. But since government models don’t recognize the natural resources and energy as wealth, they don’t notice or even realize they are experiencing a reduction in real wealth. Their failure to shrink the monetary supply is the real cause of the inflation in Henderson’s example. Henderson continues:

“Our economy is more dependent on natural resources and energy because it is capital intensive rather than labor intensive. The business community seeks tax credits for capital investments, many of which reduce employment through automation. This further shifts the economy away from labor and towards capital, but a capital-intensive economy is also resource and energy intensive, and therefore highly inflationary.”⁵⁰

⁴⁹ Hazel Henderson, Quoted by Fritjof Capra, Uncommon Wisdom—Conversations with Remarkable People, Bantam New Age Books, New York, 1989

Here again, we see the government interventionist reducing taxes on the businesses in exchange for their shifting from labor reliance towards capital reliance. However, we already observed that since capital is based on the real wealth of natural resources and energy. And, if these are in decline then why encourage the economy to shift in that direction. Here the interventionists not only fail to reduce the monetary supply in response to this further decline in real wealth, but their tax reduction itself increases the monetary supply. Again, in this example of Henderson's, it is government action that is creating inflation and with unemployment thrown in for no extra charge. Henderson continues:

"This excessive dependence on capital, energy, and natural resources are examples of ecological variables of inflation. Now, let's examine the social variables. In their attempts to maximize their profits individuals, companies, and institutions try to 'externalize' all social and environmental costs. This means they exclude these costs from their own balance sheets and push them onto each other, passing them around the system, to the environment, and to future generations. Examples include the costs of litigation, crime control, bureaucratic coordination, federal regulation, consumer protection, health care, and so on. Notice that none of these activities adds anything to real production. Therefore, they all contribute to inflation."⁵¹

Here we see "government spending" hiding inside the inflating prices of products offered by the individuals, companies, and institutions. Those doing business are burying these government created costs inside their pricing structure. Recall Galambos' example of the amount of tax hidden in the price of a loaf of bread. Henderson continues:

"Another reason for the rapid increase in social costs is the increasing complexity of our industrial and technological systems. As these systems become more and more complex, they become more and more difficult to model. But any system that cannot be modeled cannot be managed and this unmanageable complexity is now generating a bewildering increase in unanticipated social costs.

"Examples of these social costs include the cost of cleaning up the mess, the cost of caring for the human casualties of all that unplanned technology — the dropouts, the unskilled, the addicts, all those who cannot cope with the maze of urban life. And don't forget all the breakdowns and accidents that now occur with increasing frequency — including train derailments, airline crashes, traffic accidents, etc.

⁵⁰ Hazel Henderson, *ibid*

⁵¹ Hazel Henderson, *ibid*

etc.. If you take all that together you will see that more time is spend on maintaining and regulating the system than on providing useful goods and services — or real wealth. All these enterprises, therefore, are highly inflationary.

“And none of the ecological and social variables I have mentioned show up in economic models. Government interventionists are applying the traditional Keynesian model to inflate or deflate the economy and are creating short-term oscillations that obscure the ecological and social realities.

“The traditional Keynesian methods can no longer solve any of our economic problems. They will merely shift the problems around in the network of social and ecological relations. You may be able to lower inflation with these methods or even inflation and unemployment. But you may have a large budget deficit as a result, or a large foreign trade deficit, or skyrocketing interest rates. You see, today nobody can control all these economic indicators simultaneously. There are too many vicious circles and feedback loops which make it impossible to fine-tune the economy.”⁵²

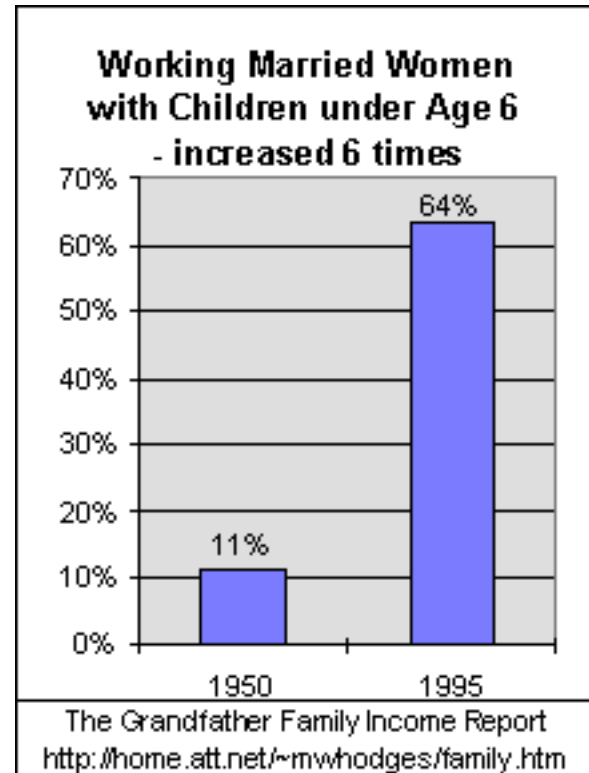
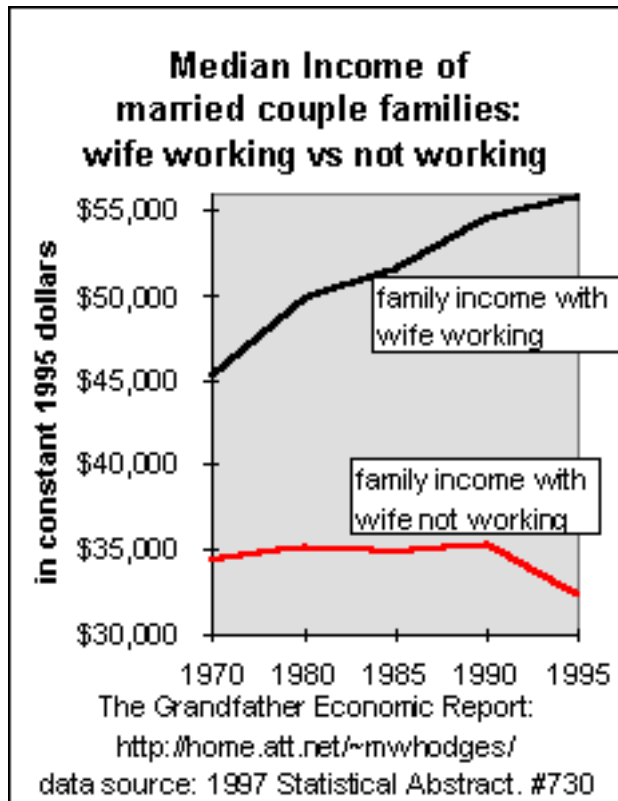
Two income families

One of the major effects of our government’s practice of over spending, over taxing, and inflating the currency has been a enormous reduction in real wages. The American family has simply tried to work harder.

The first great change was the entry into the full time workplace of wives, mothers, daughters. The work ethic is strong in America and women entered the work place with enthusiasm and little complaint. When families looked at the advantages of two incomes it appeared to be the solution to their economic woes. However as the majority of American wives took jobs a secondary effect occurred within the family

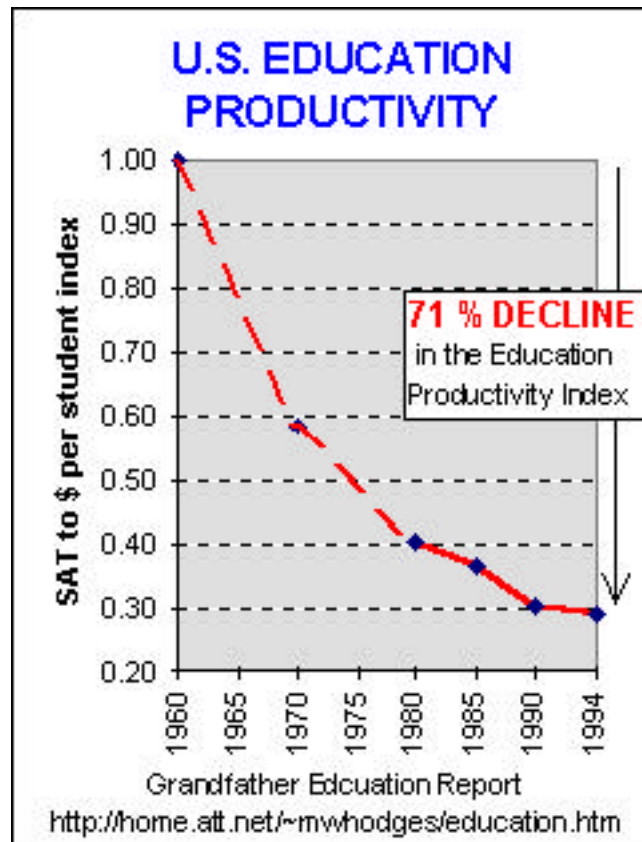
These effects are more easily visualized on the following charts:

⁵² Hazel Henderson, *ibid*



With both parents working full time soon the children were undersupervised, and underparented. The consequences of which are today all too obvious to everyone. One effect has been a major deterioration of the educational process.

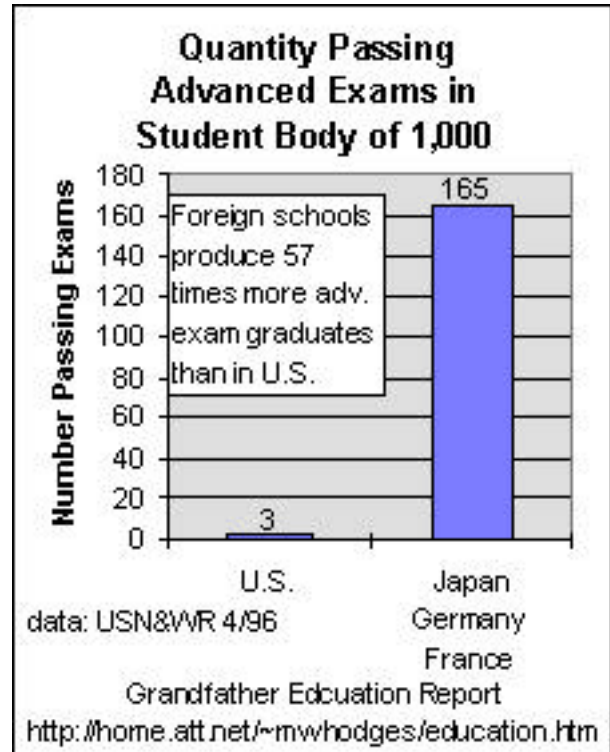
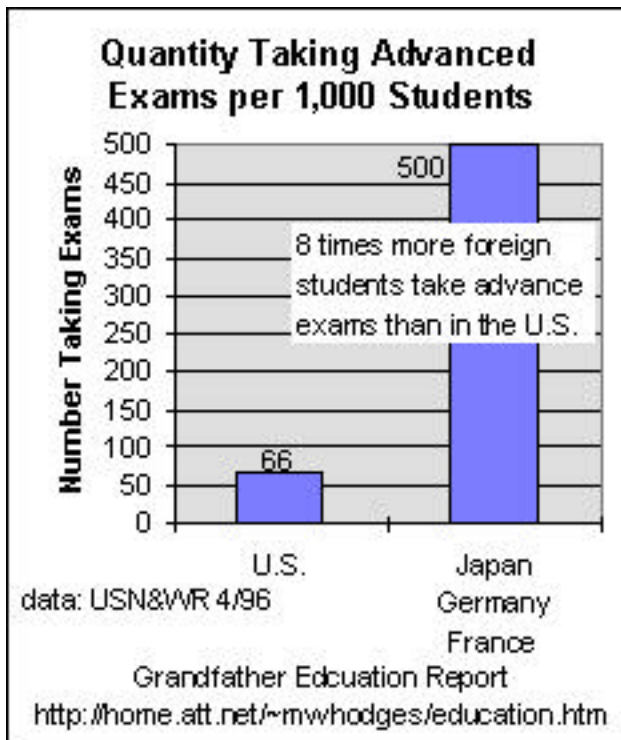
“The chart that follows, shows a 71% decline over the past 35 years of the U.S. education productivity index. This was caused by declining quality output, coupled with huge increases in **(inflation-adjusted)** spending per student — compared to our past and to foreign competitors. It is apparent improved quality does not equate to more money thrown at the current system.



“Last year the Washington Post ran an article from Nobel Laureate Milton Friedman: “our school quality is the worse in 35 years.” Our President recently called for volunteers to teach children to read (despite the fact today’s student-teacher ratio is 33% lower than before and the student population has not changed much since then). The government education system has failed many kids. The above productivity index chart stops at 1994 because the SAT was revised in 1995 concerning content and scoring”

“But, we know negative performance continues from such indicators as 1997 results of the international exam competition (we came in near last), and colleges report a decline in quality of freshman and an explosion of remedial course costs to teach basics not learned in high school, reaching 60% of freshmen in California and 70% in Florida.”⁵³

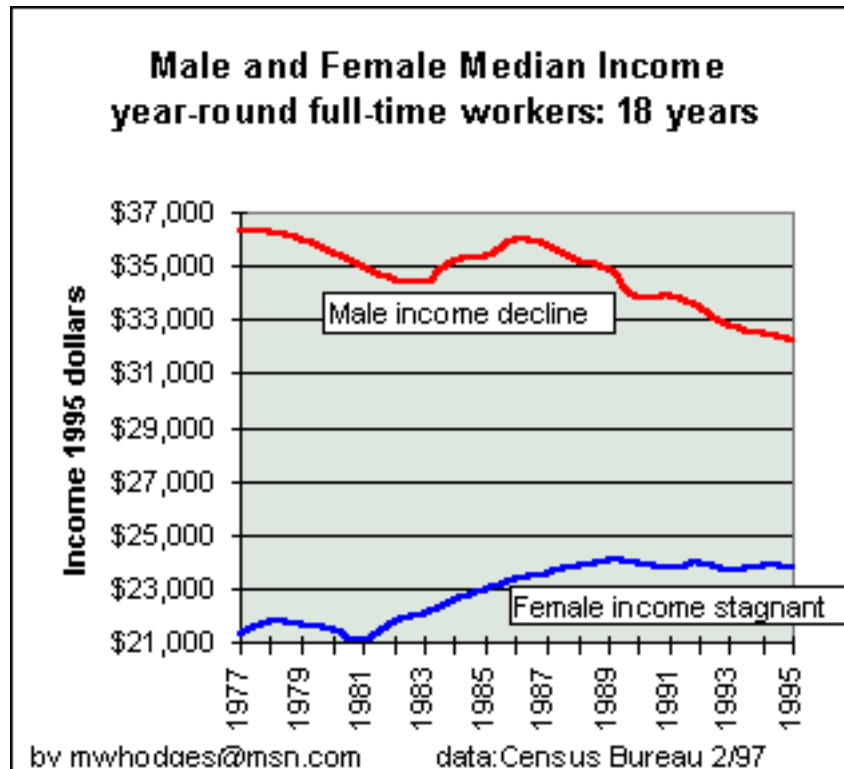
⁵³ Michael Hodges, The Educational Report, GRANDFATHER ECONOMIC REPORT, 1997 Internet Reference: <http://home.att.net/~mwhodges/hodges.htm/>



Despite our spending more and more on education American children learn and understand less and less. You may have heard that recently the SAT scores of graduating High School Seniors is going back up. This is another government sleight of hand. In 1995, the government simply dumbed down the SAT tests in order to create the false to fact appearance that our schools are now improving.

Time-binding is always progressive. Those born later have the advantage of learning from those born earlier. But if both parents are always at work, and our children are raised by each other with a high diet of MTV and commercial television, then they can not benefit from the knowledge of their parents.

This next chart shows that despite the enormous price paid by families to gain two incomes. Despite the hard work of both parents, the strategy was at best only a holding action as family income began further decline and the cost of living continued to rise.



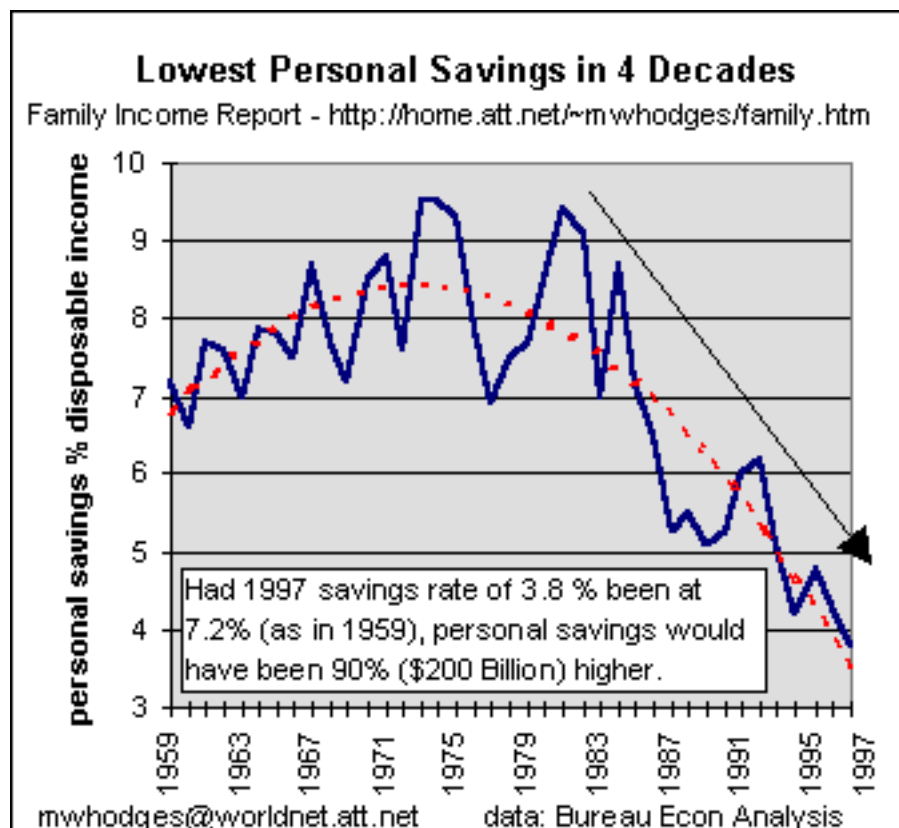
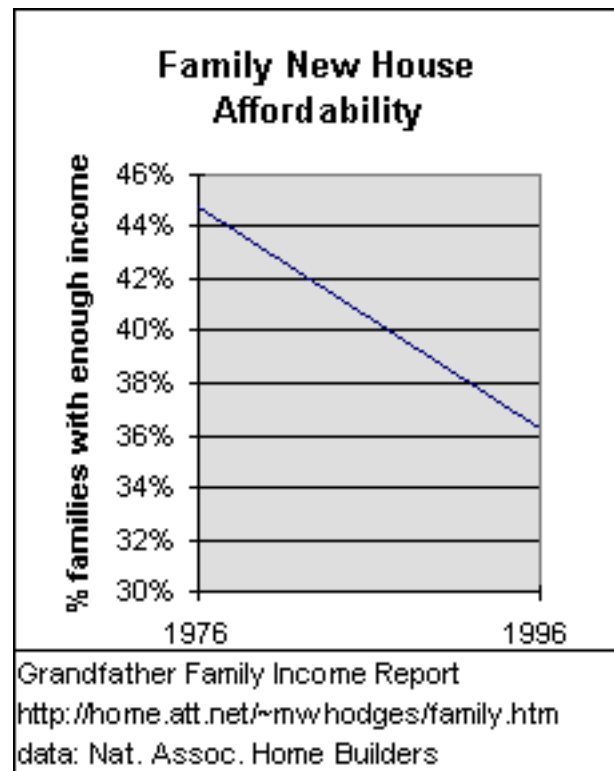
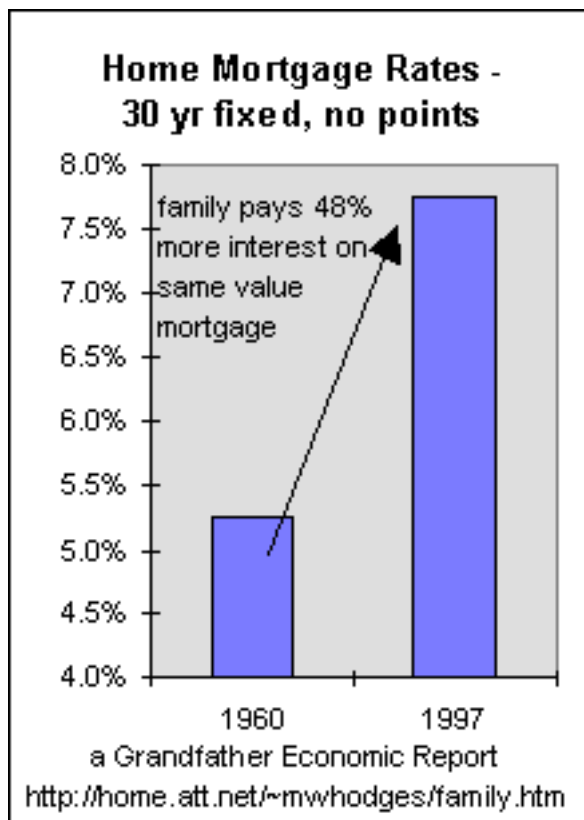
Something is seriously wrong here.

As the earning ability of the American family is now being overwhelmed even with two or more workers in every family. Our Government's only response is to spend even more of our nation's wealth.

In its attempt to solve these problems. It is spending more than it takes in as taxes, and accumulating an ever larger outstanding debt. However our problems cannot be solved by neutral government no matter how much it spends. And, these actions are now threatening the very viability of our nation.

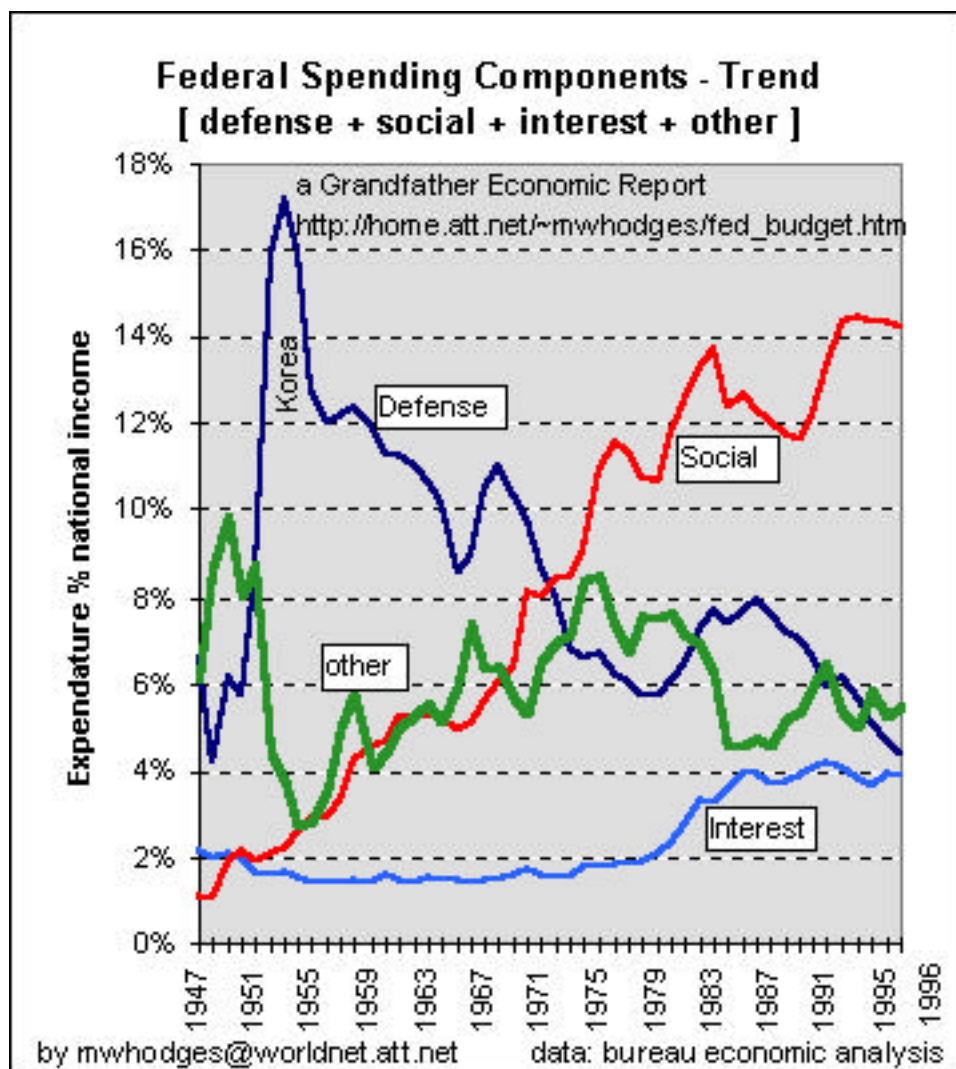
As our government takes more and more wealth out of the hands of its citizens in an attempt to better serve the people, the consequences continue to accumulate.

The next three charts demonstrate some of the effects of these consequences on the quality of life for all working americans.



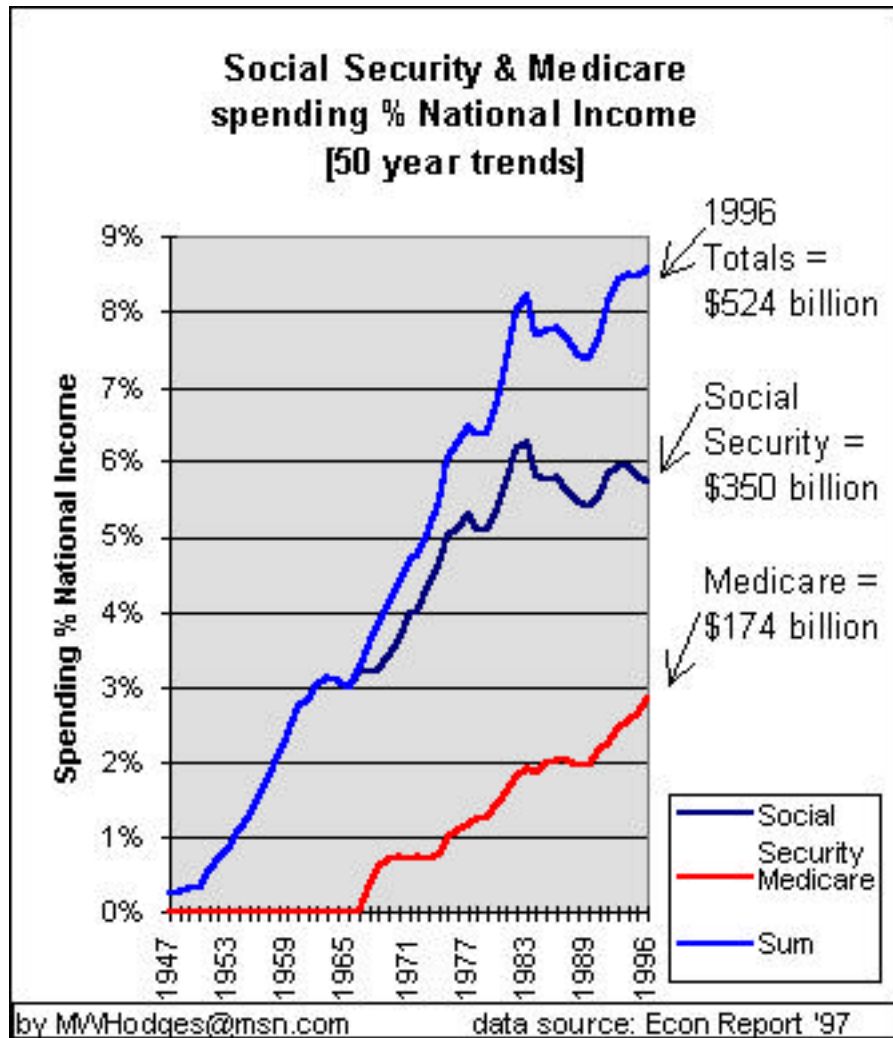
Expanding social spending

Despite the fact that the American Taxpayer is barely surviving and to even larger extent unprepared to deal with any increased problems in the future, the governments need for more money continues unabated. When the cold war with the U.S.S.R. ended in 1989, one result was a reduction in military expenditures. Many hoped that our government would finally be able to begin paying off our national debt. But, unfortunately this hasn't happened. In fact United States Government spending has actually increased due to enormous increases in social spending i.e. Social Security and Medicare.



“In 1995, social programs pushed government spending to \$1.519 Trillion. In the

year 2002, the government is planning to spend \$1868 Billion — nearly \$2 Trillion.”⁵⁴



How did we get here?

Stephen Pollan⁵⁵ explains:

“Prior to the Civil War and the industrialization of America, there was no such thing as retirement. Older people remained a vital part of agrarian society, offering insight and advice born of their experience. Wisdom more than compensated for any lessening of physical prowess. But that wisdom didn’t count for much on the industrial assembly line. You didn’t need insight to be a cog in a

⁵⁴ **Thomas H. Smith**, Total Federal Expenditures, *The National Debt*, 1997, Internet Reference: <http://www.nationaldebt.com/>

⁵⁵ **Stephen M. Pollan & Mark Levine**, *DIE BROKE*, HarperCollins Publishers, New York, 1997

wheel — all you needed was a strong back.

“That attitude naturally led to ageism. America was an aging country at the turn of the century (as it is now). These folks were considered a drain on the nation’s growth and a cause of the newly discovered malady, unemployment. (The word wasn’t coined until 1887.) In 1905, William Osler, one of the nation’s most respected physicians, gave a much-heralded speech urging that everyone over sixty stop working so that younger people could take their jobs. He even cited a “charming” novel by Anthony Trollope (*The Fixed Period*) in which men of that age retired to a college for a year’s contemplation . . . after which they were chloroformed. But since chloroforming an entire generation wasn’t practical, something had to be done to support these folks after they’d been put out to pasture. Enter the concept of pensions.

“Private pension plans caught on when the Taft administration began pushing them as a way to get rid of the old folks and therefore increase industrial efficiency. From 1910 to 1920 more than twenty plans were created each year. Then in 1920 changes were made in the tax law to make setting up pensions more advantageous for employers. From 1920 to 1930 about forty-five new plans were created each year. Still, only about 15 percent of American workers were covered by private pensions at the end of the decade, a time when the issue came to a head.

“In 1933 around thirteen million Americans — one quarter of the labor force--were unemployed. Crowds of unemployed young men have made politicians nervous ever since the French Revolution. With this perceived threat in mind, FDR and the New Dealers came up with the idea of a universal public pension. They called it Social Security. They had two big issues to deal with, however: Who should pay for it, and when should people become eligible?

“Remember, the idea was to get those masses of young men off the street and into jobs. That meant the system had to work from day one. Since you can’t tax people to pay for their own pensions once they’re out of work, the solution was to tax those who got the jobs. In other words, kids would be taxed to pay for their parents’ pensions. As long as there were lots more people working than collecting pensions, workers wouldn’t have to pay too much.

“That led back to the eligibility issue. Retirement had to be set at an age where there would be enough people around to actually open up jobs, but not so many

that it would bankrupt the system before it got started. The solution: sixty-five, a number Chancellor Otto von Bismarck of Germany first picked earlier in the century as the age when civil servants could collect a government pension. What was good enough for German bureaucrats and Bismarck was apparently good enough for Americans and FDR. At the time, the average American died at sixty-three. That meant most people wouldn't live long enough to collect, and those who did wouldn't collect for too long.

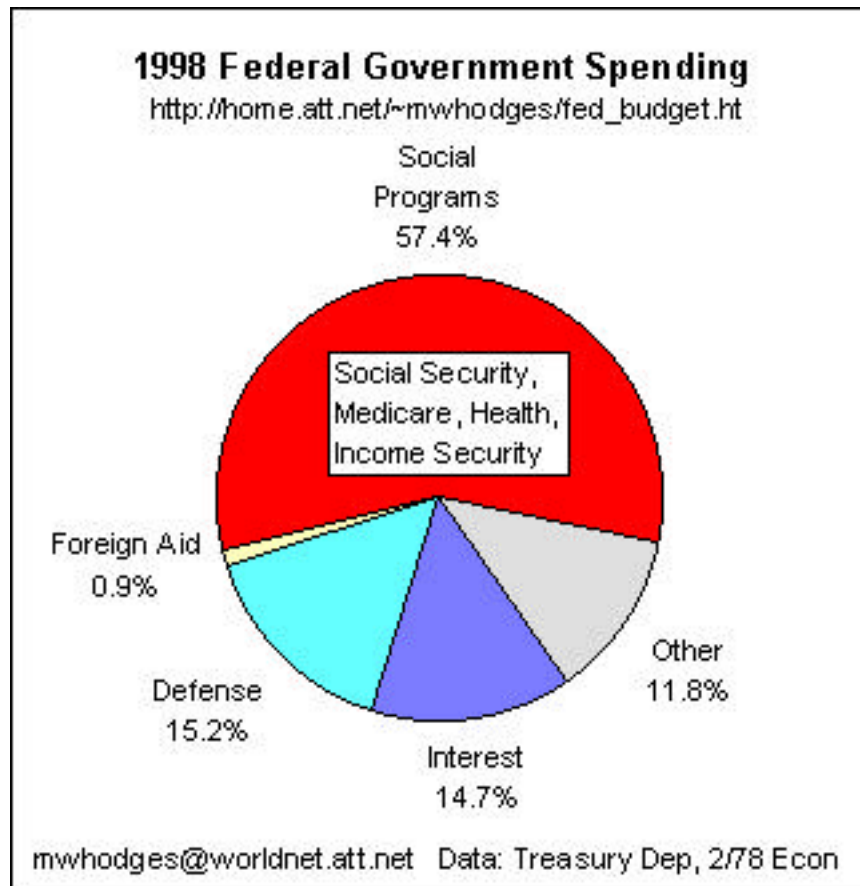
"Even though the Social Security Act of 1935 was the cornerstone of the nation's retirement obsession, it was still a pretty rickety structure. Benefits provided, at best, a subsistence lifestyle. The stereotypical image of a retiree from this first Social Security generation was a widow eating cat food. It would take another two decades for that image to change.

"During World War II most wages were frozen. In exchange for workplace peace, organized labor won wider pension coverage. It wasn't too tough a fight, since pensions were tax deductible and, as future obligations, they didn't show up on a company's books. Meanwhile, government was catching flak for letting Social Security recipients fall below the poverty line. Politicians boosted benefits, got kudos, and were reelected. Improving Social Security benefits became politically expedient. Coverage was extended to the husbands of women in the private sector, members of the armed forces, the self-employed, farmworkers, and even some government employees. Benefits were expanded to include disability and health insurance and welfare for the blind and disabled. And all these benefits were subjected to cost-of-living adjustments so they'd keep pace with inflation.

"The boom in private pensions and the increasing Social Security benefits were backed up by perhaps the greatest public relations campaign in history. Business, labor, government, and the financial services industry marketed the heck out of retirement. The recipe was laid out by H. G. Kenagy of Mutual Life Insurance at a 1952 meeting of the National Industrial Conference Board: fill company newsletters with stories of happily retired people, people who stuck with the company and hired the financial services industry. Just like in so many other religions, the church of retirement preached that stoicism was the road to paradise. Labor loyally at a job you may not be too fond of and you'll be rewarded in your golden years. Kenagy's formula transformed that image of the cat-food-eating widow into a tanned, healthy couple living in the Sunbelt, playing lots of golf. Retirement had become a lifestyle."⁵⁶

At what cost to the next generations?

Looking at the following chart of projected federal spending for 1998, we see that social programs will consume 57.4% of the annual budget. We further see that interest on the National debt will consume another 14.7%. nearly equal to our national defense spending.



Things have changed

Steve Pollan explains:

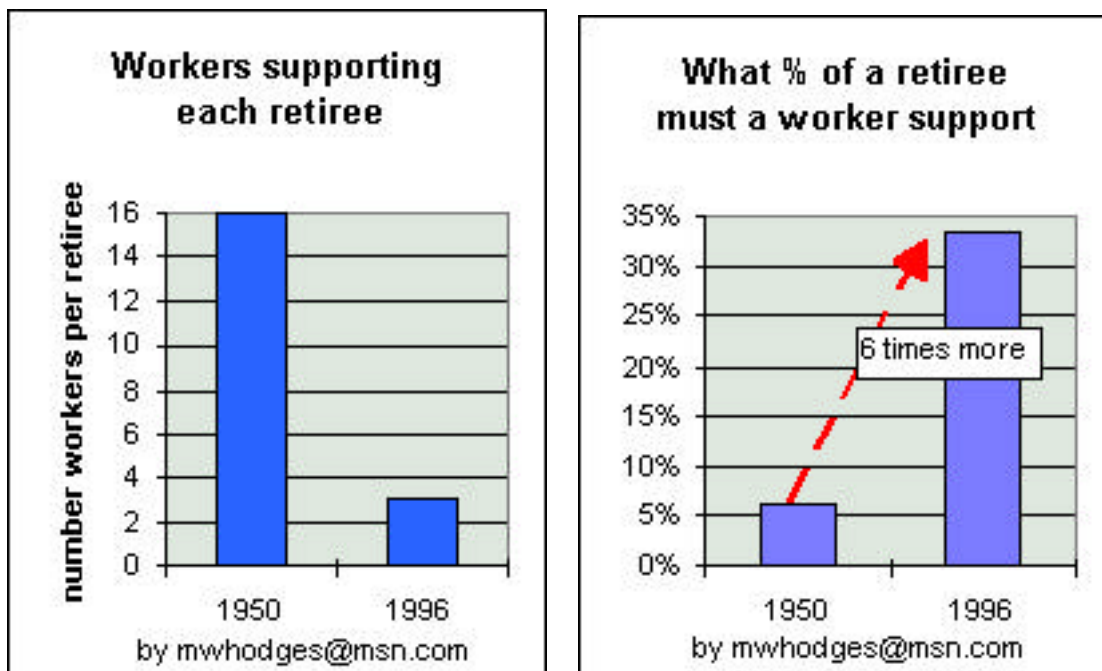
“You simply will not be able to receive the same kind of help from Uncle Sam that your parents are getting. When it was launched, each Social Security recipient had forty workers supporting him. Up until 1949, the maximum each of those workers was being asked to contribute was \$30 a year. Things have changed. Longevity has increased so there are more people than ever collecting benefits — benefits that have expanded dramatically. In 1993 each Social Security recipient

⁵⁶ Stephen M. Pollan & Mark Levine, *DIE BROKE*, HarperCollins Publishers, New York, 1997

had just three workers supporting him, and those workers were kicking in up to \$3,757 a year. Around one-third of American workers now pay more to Social Security than to the IRS. And baby boomers haven't even started to retire yet."⁵⁷

Again, Michael Hodges shows us the pictures:

"The following chart on the left shows, that in 1950, 16 workers shared the burden of supporting each retiree; in 1996 there were only 3 workers to carry each retiree. The following chart on the right shows, that in 1950, each worker supported 6% of one retiree (the first bar on the chart); but, the 1996 worker had to support 33% of one retiree — a SIX FOLD INCREASE IN LOAD per working individual."⁵⁸

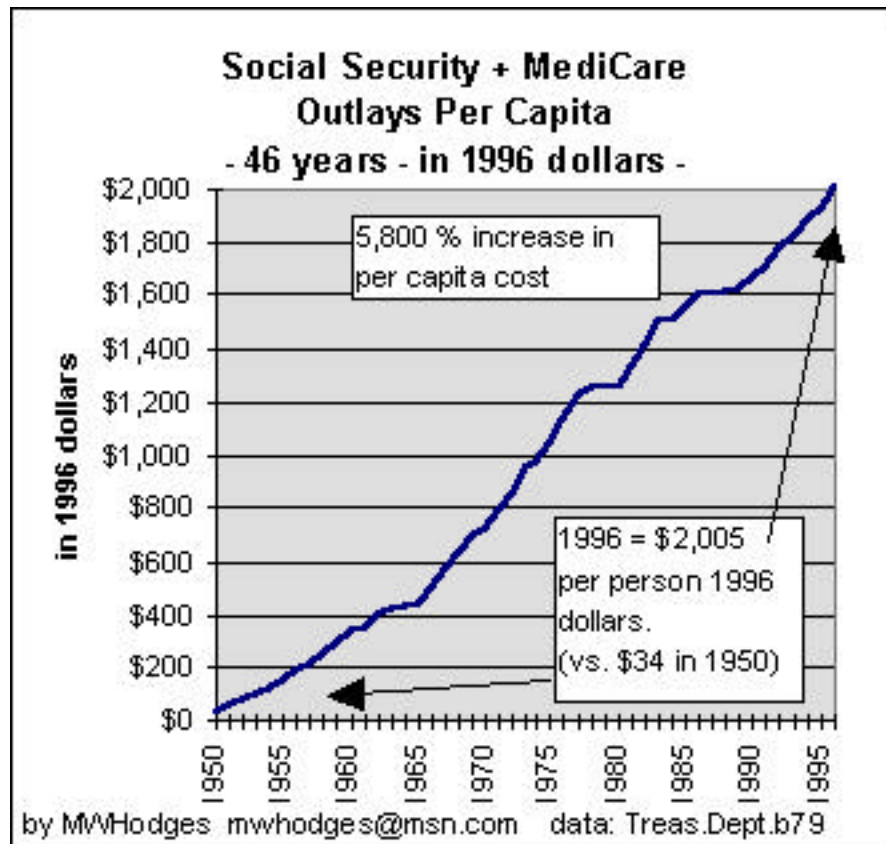


"The following chart shows the sum of social security and medicare in inflation-adjusted (1996) dollars. Per Capita outlays up 5,800%, in 1996 dollars. In 46 years inflation adjusted outlays for social security & medicare have risen from \$34 per man, woman and child to \$2,005 per person. That should help make it clear the impact of what today's workers are paying, compared to what today's seniors

⁵⁷ Stephen M. Pollan & Mark Levine, *ibid*

⁵⁸ Michael Hodges, Social Security and Medicare Report, *GRANDFATHER ECONOMIC REPORT*, 1997
Internet Reference: <http://home.att.net/~mwahodges/hodges.htm/>

paid during their working careers to support their parents and grandparents. Look at the chart for the late 1960s — where the curve accelerated upward at a faster pace — that was when Medicare was born.

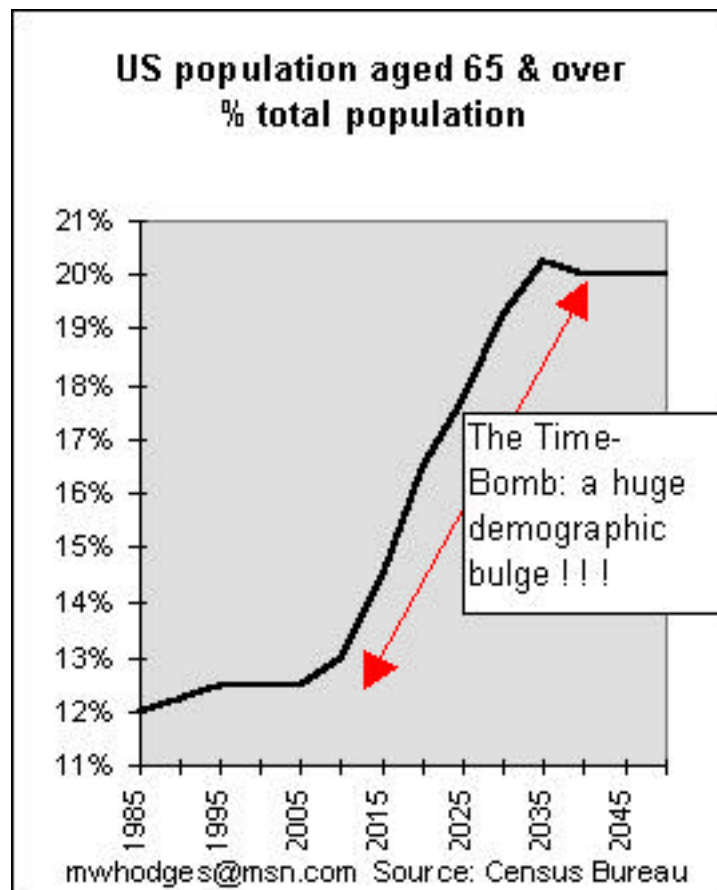


“Since 1970, while real median family incomes were stagnant to falling and mothers were sucked into the workforce trying to help make ends meet, real per capita outlays to support seniors rose \$1,309 per man, woman and child. (this figure would be even higher, if we subtracted the senior population from the calculation — as seniors are certainly not paying FICA taxes). For a family of 4, that is an increase of \$5,236 right out of their standard of living and saving potential for their own future since 1970. No wonder family savings rates are low, and their debt ratios are sky high. Further, families are paying to protect seniors from inflation, while families have no such protection for their own income.”⁵⁹

⁵⁹ Michael Hodges, Social Security and Medicare Report, 1997, *ibid*

Baby Boomers—Approaching Time-Bomb

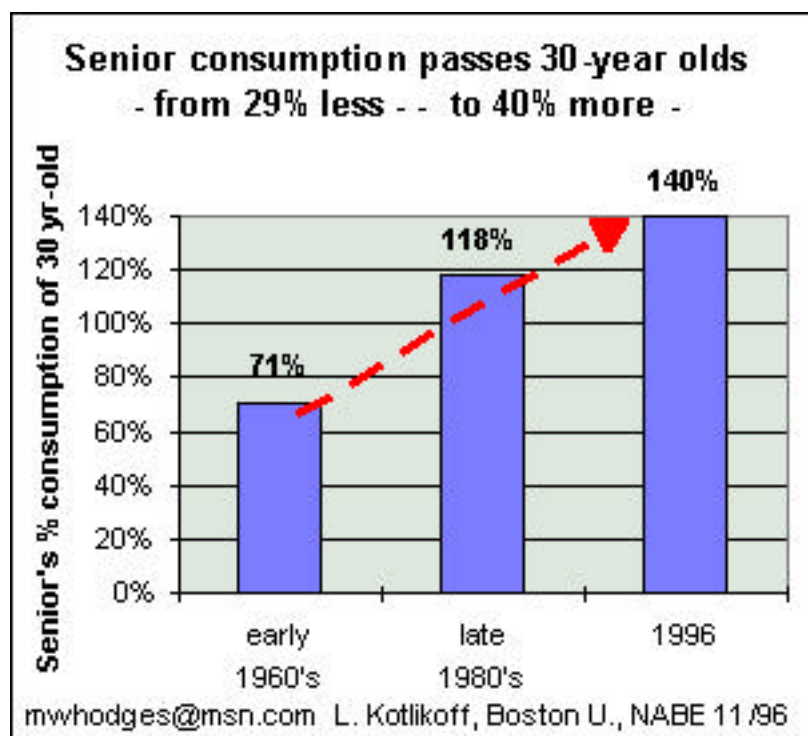
“The Economic Report to Congress of 2/98 shows that in 1997, despite general population growth, there were actually 344,000 fewer citizens under age 5 than 40 years ago (1957), yet there are now 19 million more aged 65 and over than then. What a burden those children now under 5 face for the next 60 years — unless we completely reconstruct government’s role in senior pensions and medical care. Were you born after 1945? If so, the following chart is for you.



“Note the rising trend line starting 2005. That steep slope means a higher and higher percentage of the total national population will be age 65 or older (from 12% of the total to 20% — a 70% increase) — meaning the pressure on workers during any part of that period may have even higher demands on their living standards to fund the explosion of the senior population, but not for their own — and there are not enough workers to even do it, without pushing them into poverty.

“Find your own retirement period on the chart. The higher up the curve, the greater the threat to meaningful benefits. And, if you are a working person during that rise, watch out. You can sense the tremendous approaching impact on your living standards, and on the economy, to pay for the rising part of this chart. There can be little doubt from this chart that social security as we know it is nearing DEATH.

“The following chart shows the change in consumptive spending ability of seniors compared to typical 30-year olds — for 3 time periods — 1960s, 1980s and 1996.



“In the 1960’s, the typical 70 year old consumed 71% of that consumed by the typical 30 year old. In the late 1980’s, this ratio jumped to 118% — and TODAY is close to 140% — meaning seniors have significantly gained over 30-year olds in the capacity to consume. The increase in absolute & relative consumption by the elderly results from receipt of more resources (Social Security, Medicare, etc) transferred from 30-year olds to seniors.

“As MIT Economist, Lester Thurow explains: “The elderly have a per capita income a WHOPPING 67% above that of the population as a whole. Looking at cash income alone in the 1960s, the average 70-year old was spending only 60% as

much as a 30-year old; today, that 70-year old is spending 20% more than the 30-year old.”⁶⁰

Off Budget—Hiding Overspending

From time to time, you may hear about programs that are “off-budget”, meaning that the United States Government categorizes them separately from other programs. Specifically, the law requires that the spending and revenues of two Federal programs, Social Security and the Postal Service, be excluded from the budget totals — that is, categorized as “off-budget”. These “off-budget” programs are not counted toward budget limits due to provisions in current law.

Our Government created Social Security as separate from the Federal Budget to protect it from general government spending. It had its own source of income that was to accumulate and create a “surplus” in the trust fund to provide for the future retirement of the American people.

Our federal government was to act as Trustee for the Social Security Trust. All the real wealth deposited in the Social Security Trust was to be protected and invested wisely so it could grow and be able to fund retirement benefits as Americans reached retirement age.

However, the government acting as Trustee loaned nearly all the real wealth paid into the trust by the taxpayers to itself. Our government gave the Trust in exchange for the real wealth it borrowed special issue Government Debt Instruments — these are internal, non-marketable IOUs which cannot be converted to cash for future pension pay-outs without selling even more debt to the public. In effect transferring all the real wealth to the Government in exchange for government paper IOUs. Our government then spent all the real wealth it borrowed. Since all spending financed through the Social Security Trust is “off-budget”. It does not appear as government deficits or contribute to the acknowledged National Debt. As Michael Hodges explains:

“What about the Trust Funds? Aren’t the taxes we pay for social security and medicare being placed in Trust funds and earning interest to pay for the future?”

“Already some \$1.5 Trillion dollars of surplus funds have been siphoned off from all trust funds, of which \$600+ Billion was siphoned out of the Social Security Trust Fund to support general government spending on non-pension things —

⁶⁰ Michael Hodges, Social Security and Medicare Report, 1997, *ibid*

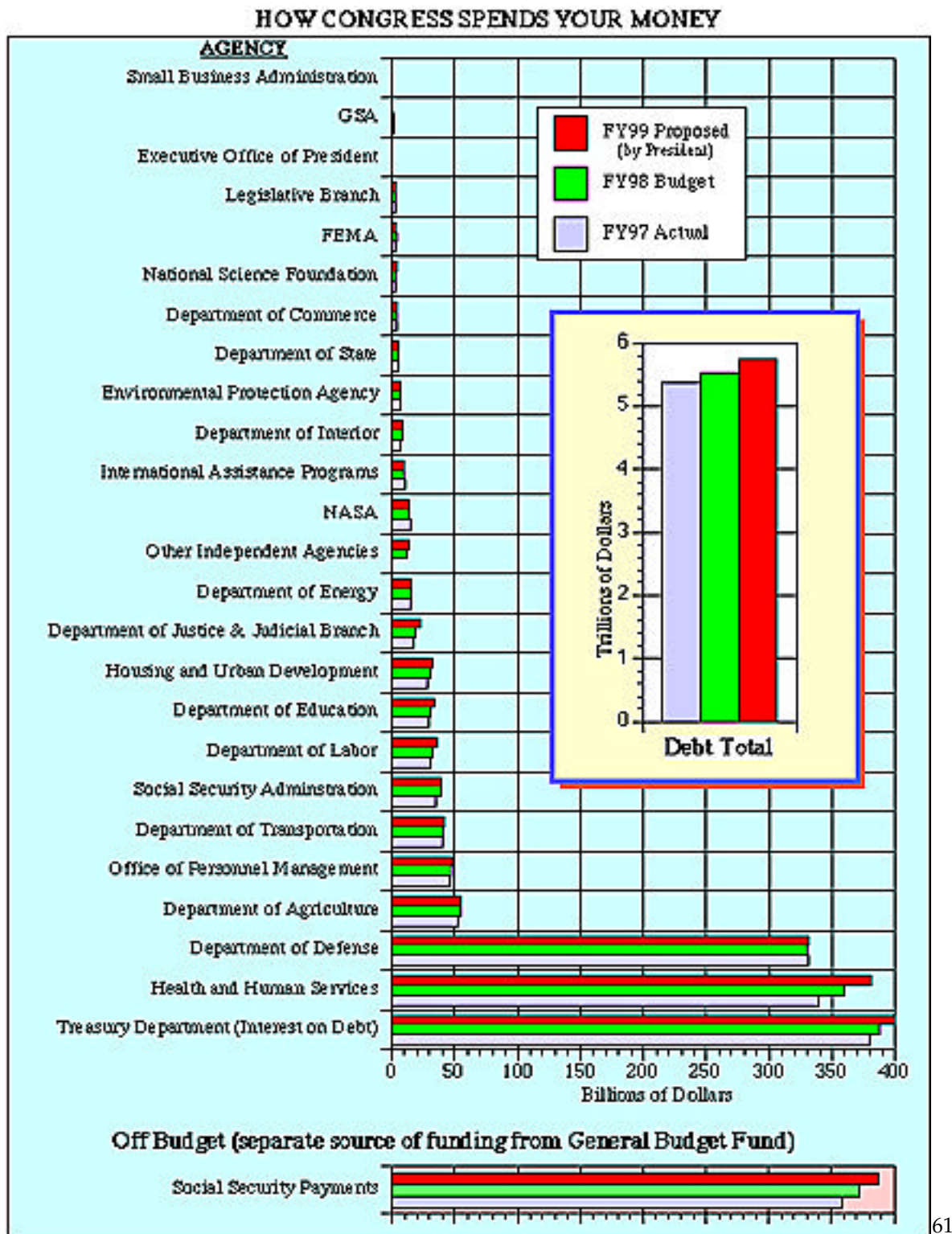
and **none of this has been counted in the budget deficit calculations.**

According to Social Security Administration information, an additional **\$2.5 Trillion will be siphoned from the Social Security Trust Fund by 2012.** Why do they tell us Social Security is in trouble in the future, while they continue to siphon off surpluses (for non-pension spending) that were paid in by workers to support their own pensions? Instead of marketable securities (like T-Bonds, etc.) in the trust fund to cover paid-in surplus funds there are internal, non-marketable IOUs (they call them ‘special issues’) — which cannot be converted to cash for future pension pay-outs without selling even more debt to the public. These surplus funds should never have been spent on non-pension activities of the government — and, such practice makes it easier for expansion of general government spending and hides such general spending from the budget deficit calculations. Politicians like that.

“As the federal government siphons off surpluses from all trust funds, it should be depositing in those trust funds not only marketable debt instruments (it does not, giving only non-marketable IOUs) but should also be paying into those trusts interest on those IOUs in the form of cash or debt instruments that could be redeemed on the open market (it does not, but gives more non-marketable IOUs for the interest, too). As of 1996 the federal government owed all trust funds about \$1.5 trillion, about \$600 billion of which was due the social security trust fund. According to other records, the federal government should have deposited \$103 billion in cash to those trusts (about \$35 billion to the social security trust), but did not. Therefore, the government books show for 1996 they paid out only \$241 billion in interest for total borrowing from others, but not the \$103 billion owed the trusts. Why not? Because they did not pay it. Why didn’t they pay it? Because they did not want to, and by giving the trust worthless, non-marketable IOUs they kept that out of what they called deficit spending. As a result, \$103 billion of the 1996 increase in federal debt is attributed to interest owed but not paid to the trust funds.

“Guess what? Some say those IOUs in the trust are obligations of the federal government; i.e. real debt. But, ask the Federal Reserve Banks if they book that as a debt obligation of the U.S. government. They do not even mention it in their figures for federal debt.

The following chart by Gene Simmons includes the “off-budget” spending that is usually invisible.



Michael Hodges continues:

“They have recently told us by 2001 there will be a \$14 billion budget surplus, but that year they budget to siphon-off another \$130 billion from the trust fund for general spending — meaning the true general government spending deficit that year is projected at a \$116 billion.”⁶²

Off Budget Spending

When our government announces surpluses in the federal budget for 1999 and 2000, it is without consideration of the hidden deficits that exist in the “off-budget” programs. Besides Social Security and the Postal Service, over the years, the United States Government has placed numerous other programs “off-budget”. Agencies like the Federal Financing Bank have quadrupled in size in the last six years. Federal loans and guaranteed loans now exceed \$100 billion, while borrowing by “federally sponsored enterprises” stands at \$300 billion. So while public attention is focused on the more responsible federal spending and deficit reduction in the official budget in the last few years, another hidden part of the federal government is simply continuing its deficit spending “off-budget”.

Remember, our government as of 1996, owed \$1.5 billion to “off-budget” trust funds. It owns another \$400 billion to other “off-budget” programs, and is scheduled to borrow an additional \$2.5 trillion from Social Security Trust by 2012. All of this is in addition to the acknowledged \$5.5 trillion dollar National Debt.

Unfunded Federal Benefit Liabilities

In addition to this “off-budget” slight of hand the Federal government has an even much greater future debt that is not acknowledged as National Debt. The Government is legally obligated to pay future benefits to Americans under the Social Security, Medicare, and Government Employee Retirement Acts. These benefits are mandatory entitlements guaranteed by law. These enormous future benefits liabilities are presently unfunded.

“Economist Martin Feldstein estimates the discounted-to-current-value liability of Social Security under current law at \$9 trillion — defining this as the present actuarial value of the Social Security benefits to which the current adult

⁶¹ **Gene Simmons**, National Debt Awareness Campaign, 1997, Internet Reference:
<http://www.federalbudget.com/>

⁶² **Michael Hodges**, Social Security and Medicare Report, 1997, *ibid*

than 65) minus the present actuarial value of the Social Security taxes that they will pay before reaching that age. Feldstein estimates it is increasing about \$500 billion annually. That \$9 trillion figure is the present value of future pay-outs less in-flowing FICA revenue — is nearly twice the size of all current federal debt, twice the size of all household debt, 1 1/2 times our entire economy's national income, and equivalent to \$38,000 per man, woman and child in America.

“David Gergan when interviewed on PBS in December 1996 reported that the unfunded contingent liabilities is estimated for social security at \$10 Trillion plus for \$7 Trillion for medicare — if current benefit levels are retained and projected forward.”⁶³

When the debt hidden “off-budget” — \$2 trillion, and the unfunded federal benefit liabilities — \$17 trillion are totaled. We discover a minimum of an **additional** \$19 trillion in federal government debt. If we add the \$1.1 trillion of state and local government debt, we get a new grand total of \$25,600,000,000,000.00⁺.

Neutral Government Bankruptcy—Not if, but when

To help Americans visualize the extent of the national debt, Thomas Smith created the following example in 1996:

“Most all of us Americans drive a car. We understand what it means to take a long trip. Some of us can average 500 or more miles a day, if necessary. That can be very trying, particularly, if we have a carload of young children with us. So let's say that if we drive about 65 miles-an-hour for about 8 hours a day, we can average 500 miles per day. If we are going across the country, five days of steady driving is quite tiring, but it can be done. Now let's take 5,225,000,000,000 dollar bills and lay them out end to end in a straight line, then get into your car and start driving 500 miles per day from the start of the first dollar bill to the last one. You will drive every day: no holidays, no vacations, no sick leave, etc., 500 miles each and every day. Do you know how long it will take to get from one end to the other? Take a guess! 2 weeks? A month? 6months? One year? Man, that's 182,500 miles! That's over 7 times around the world. Sorry, buddy, you are just getting started. A dollar bill is 6 and one-eighth inches long. Don't forget the one-eighth inch! 5 trillion of them is a lot of miles of driving.

⁶³ Michael Hodges, Social Security and Medicare Report, 1997, *ibid*

“Here’s the formula: 6.125 multiplied times 5,225,000,000,000 = total inches; divided by 12 = total feet; divided by 5280 = total miles; divided by 500 = total days; divided by 365 = total years of driving. How about 2768 years? In other words, if you started driving the day Christ was born, and drove every single day up until the end of 1996, you would still have another 772 years to go to the year 2768. But just think, six years from now, the year 2002, the government will have added another \$1.176 Trillion dollars of debt, extending your vacation trip by another 1058 years of driving — to the year 3826.

“Do you begin to comprehend the magnitude of our debt?”⁶⁴

Smith’s analogy was created to help us comprehend the acknowledged national debt in 1996 of \$5.2 trillion. In 1998, our more careful analysis reveals \$25.6 trillion in government debt. To comprehend this magnitude we would have to multiply Smith’s analogy by a factor of five.

Another way to visualize this is if the debt were divided between every living man, woman and child in American. Each individual’s share would be \$96,000.

At today’s price of \$300 per ounce, 25.6 trillion dollars in gold would weigh 355,555 tons. It is recorded that less than 100,000 tons of gold have been taken from the earth since recorded history began. The largest amount of Gold ever stored at Fort Knox — The United States Bullion Depository was 27,041 tons. The current amount of Gold stored there is 6,125 tons.

Most modern humans’ eyes glass over when confronted with these huge numbers. To help make this more meaningful, let us create an example as if a single family was in the same situation as the United States of America.

Imagine a family of four with an annual income of \$40,000. They spend every dime of their income, and still it’s not enough to make ends meet. The family has to borrow money every year to pay their bills. This “deficit spending” for been going on for many years and the family has now accumulated an outstanding unsecured debt of \$147,000. The interest on the debt for this year is \$6500. They can’t afford to pay the interest without borrowing an additional \$3,000, which of course brings their outstanding debt to \$150,000 for the next

⁶⁴ **Thomas H. Smith**, The National Debt, 1997, Internet Reference: <http://www.nationaldebt.com/>

year.

Even this is not enough, they discovered that Grandma has a Trust fund for her Grandchildrens' college expenses, so they talked her into letting them be the Trustees, then they borrowed all the money in the Trust nearly \$70,000, and left IOUs for the borrowed amount and IOUs for the interest that they should be paying on the loan from Grandma's Trust. They don't count this as real debt and don't tell their other creditors that they owe it. This is "off-budget". They also have promised to take care of some distant family relatives and signed legal contracts to accept financial responsibility for these individuals in the future. The estimated cost of these future liabilities is \$450,000. They don't count this a real debt either and don't tell their creditors that they are obligated.

Every year their debt goes up and every year they must borrow more more just to pay the interest. They cannot pay off the debt and prospects are they never will. Unless, they can continue to borrow money they are insolvent. If their creditors every demand payment of the outstanding debt they are bankrupt. When the grandchildren reach college age and the Trust is found empty, they are bankrupt. If their distant relatives present for economic support, they are bankrupt.

Now imagine that every family in America is in the same financial situation as this family. This is the true state of the Union 1999.

Now of course no bank in America would continue to loan money to this family, so they would be insolvent, and when the creditors demanded full payment of the loans, they would be bankrupt. And, if the authorities were made aware of the plundering of Grandma's Trust, the family would go to jail.

The United States of America is solvent only as long as it is **creditable**. If America's creditors ever demand payment of the ourstanding National debt, our government is bankrupt. Many experts predict that America is even now pushing the limits of its **credibility**. That any number of events could now occur that will lead to economic collapse of the nation. How long do we have? Economic experts vary in their predictions. Some say we are overdue even now. Thomas Smith has predicted collapse as early as 2005.

"I told you earlier that I would give you my date for the financial collapse of our economy. If we do not take serious measures to cut government spending AND to reduce the national DEBT, I have predicted for 4 years that the economy will

crash by 2005. I don't think we will be out of money by that date. I simply believe that on or before 2005 the financial giants of the world will lose confidence in the U.S. Congress's efforts to control our debt, and will start to dump U.S. Treasury Bonds. This will spill over into the stock market, and we will have a crash that will make 1929 look like a Sunday picnic. We do not have much time left."⁶⁵

The United States of America is bankrupt. Neutral organizationa and neutral government are failing. I honestly don't know how long we have, but I hope its more time than predicted by Thomas Smith.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

⁶⁵ Thomas H. Smith, *ibid*

Truth # 6 —

Present 6

Progress + warfare = human extinction.

“No man can regard the way of war as good. It has simply been our way. No man can evaluate the eternal contest of weapons as anything but the sheerest waste and the sheerest folly. It has been simply our only means of final arbitration”⁶⁶

Commitment to the adversary way —

We humans are a life form. We must avoid losing at all costs. Most of us embrace human neutrality to avoid losing. But, if our human neutrality fails to protect us from losing, then we will fight. We will fight to survive. We do not go quietly into that dark night. We will kill to remain alive.

We may As Time-binding has made human technology evermore powerful, it has made human warfare evermore dangerous. Our species has the deepest of commitments to the adversary way. We humans can choose to change our ways, but do so will require us to examine our past and to understand how we arrived at this crossroad. The human species evolved from the world of animals. Our mother was a space-binder and she embraced the adversary way. Robert Ardrey explains:

“Not in innocence, and not in Asia was mankind born. The home of our fathers was that African highland reaching north from the cape to the Lakes of the Nile. Here we came about slowly — slowly, ever so slowly — on a sky-swept Savannah glowing with menace.

“In neither bankruptcy nor bastardy did we face our long beginnings. Man’s line is legitimate. Our ancestry is firmly rooted in the animal world, and to its subtle, antique ways our hearts are yet pledged. Children of all animal kind, we inherited many a social nicety as well as the predator’s way. But most significant

⁶⁶ Robert Ardrey, African Genesis, 1961

of all our gifts, as things turned out, was the legacy bequeathed us by those killer apes, our immediate fore bearers. Even in the first long days of our beginnings we held in our hands the weapon, an instrument somewhat older than ourselves.

“What are the things that we know about man? We know above all that man is a portion of the natural world and that much of the human reality lies hidden in times past. We are an iceberg floating like a gleaming jewel down the cold blue waters of the Denmark Strait; most of our presence is submerged in sea. We are a moonlit temple in a Guatemala jungle; our foundations are the secret of darkness and old creepers. We are a thriving , scrambling, evolving city; but no one can find his way through our labrynth streets without awareness of the streets that have stood there before. And so for the moment let us excavate man.

“What stands above the surface? His mind, I suppose. The mind is the city whose streets we get lost in, the most recent construction on a very old site. After seventy million years of most gradual primate enlargement, the brain nearly tripled in size in a few hundred thousand years. Our city is spacious and not lacking in magnificence, but it was the problems of any boom-town. Let us dig.

“We are Cain’s children. The union of the enlarging brain and the carnivorous way produced man as a genetic possibility. The tightly packed weapons of the predator form the highest, final, and most immediate foundation on which we stand. How deep does it extend? A few million, five million, ten million? We do not know. But it is the material of our immediate foundation as it is the basic material of our city. And we have so far been unable to build without it.

“Man is a predator whose natural instinct is to kill with a weapon. The sudden addition of the enlarged brain to the equipment of an armed already successful predator animal created not only the human being but also the human predicament. But the final foundation on which we stand has a strange cement. We are badweather animals. The deposit was laid down in a time of stress. It is no mere rubble of carnage and cunning. City and foundation alike are compacted by a mortar of mysterious strength,” — **the mortar of time-binding —* “this mortar gives us the capacity to survive no matter what the storm. The quality of this mortar may hold future significance far exceeding that of the material that it binds. That choice is ours.

“But let us dig deeper. Layer upon layer of primate preparation lies buried beneath the predatory foundation. As the addition of a suddenly enlarged brain to the way of the hunting primate multiplied both the problems and the promise of the sum total, man, so the addition of carnivorous demands to the non-aggressive, vegetarian primate way multiplied the problems and the promise of the sum total, our ancestral primate.

“The primate had instincts demanding the maintenance and defense of territory: an attitude of perpetual hostility for the territorial neighbor; the formation of social bands as the principle means of survival for a physically vulnerable creature; an attitude of amity and loyalty for the social partner; and varying but universal systems of dominance to insure the efficiency of his social instrument and to promote the natural selection of the more fit from the less.

“We can only presume that when the necessities of the hunting life encountered the basic primate instincts, then all were intensified. Conflicts became lethal, territorial arguments minor wars. The social band as a hunting and defense unit became harsher in its codes whether of amity or enmity. The dominant became more dominant, the subordinate more disciplined. Overshadowing all other qualitative changes, however, was the coming of the aggressive imperative. The creature who had once killed only through circumstance killed now for a living.

“As we glimpsed in the predatory foundation of man’s nature the mysterious strength of the bad weather animal, we may see in the coming of the carnivorous way something new and immense and perhaps more significant than the killing necessity. The hunting primate was free. He was free of the forested prison; wherever game roamed the world was his. His hands were freed from the Earth or the bough; erect carriage opened new and unguessed opportunities for manual answers to ancient quadruped problems. His daily life was freed from the eternal munching; the capacity to digest high-calorie food meant a life more diverse than one endless meal-time. And his wits were freed. Behind him lay the forest orthodoxies. Ahead of him lay freedom of choice and invention as new imperative if the revolutionary creature were to meet the unpredictable challenges of a revolutionary way of life.” — ***Time-binding was born of space-binding** — “freedom” — as the human being means freedom — was the first gift of the predatory way. We may excavate man deeply ever more deeply as we dig down through pre-primate, pre-mammal and even pre-land live levels of

experience. We shall pass through the beginnings of sexual activity as a year-around affair and a consequent beginnings of the primate family. but all the other instincts will be there still deeper down; the instinct to dominate one's fellows, to defend what one deems one's own, to form societies, to mate, to eat and avoid being eaten. The record will grow dim and the outlines blurred. But even in the earliest deposits of our nature where death and the individual have their start, we shall find traces of animal nostalgia, of fear and dominance and order.

"Here is our heritage, so far as we know it today. Here is the excavated mound of our nature with Homo sapiens boom town on top. But whatever tall towers reason may fling against the storms and promises of the human future, their foundations must rest on the beds of our past for there is nowhere else to build.

"Cain's children have their problems. It is difficult to describe the invention of nuclear weapons as anything but the consummation of a species. Our history reveals the development and contest of superior weapons as Homo sapiens single universal, cultural pre-occupation. Peoples may perish, nation's dwindle, empires fall; one civilization may surrender its memories to another civilization's sands. But mankind as a whole, with an instinct as true as the meadowlark's song, has never in a single instance allowed local failure to impede the progress of the weapon; its most significant cultural endowment."⁶⁷

These words were written by Robert Ardrey in 1961 as a wake up call for humanity. I was fortunate to have had several conversations with Ardrey shortly before his death in 1980. He did not believe that humankind's commitment to the adversary way had to be permanent, nor necessarily mandate a death sentence for our species. He knew humankind was **more** than simply a predator. He also recognized human amity, loyalty, and social cooperation He knew that humanity was bound by "a mortar of mysterious strength — a mortar that gives us the capacity to survive no matter what the storm. The quality of this mortar may hold future significance far exceeding that of the material that it binds. That choice is ours." I felt this mortar he was referring to was what Korzybski had called Time-binding, although Ardrey was not familiar with the term.

In a recent correspondence with synergy scientist N. Arthur Coulter, Jr.⁶⁸, I was reminded of the **both-and** point of view. Coulter pointed out that we humans are omnivores, this

⁶⁷ Robert Ardrey, *African Genesis*, 1961

⁶⁸ N. Arthur Coulter, Jr., *Synergetics: An Adventure in Human Development*, Prentice-Hall, 1972

means that our bodies are not **either** carnivore **or** herbivore. But rather, our bodies are **both** carnivore **and** herbivore.

R. Buckminster Fuller also took a more balanced approach in his analysis of the present human condition. I believe he would have been in agreement with Coulter that humans behave **both** adversarially **and** cooperatively. Recall Fuller's words from "Legally Piggily":

"In my prehistory accounting I talk about the time when each ice age is engaging an enormous amount of the oceans' water, lowering the waterfront and bringing together the islands of Borneo, the Philippines, and others, all to become part of the Malay Peninsula. I also spoke of the ice cap pushing the furry animals southward until they were suddenly pushed into the land of the previous islands now formed into the new peninsula — into land they could never before reach. This is how animals like tigers got out to now reislanded places like Bali. Human being suddenly confronted with these wild animals learned how to cope, hunting some and taming others. In following the evolution of human power structures we are now particularly interested in the humans who found themselves confronted with a tidal wave of wild animals. **Those who were overwhelmed became aggressive hunters, and those who were not overwhelmed became peaceful domesticators of the animals.** Some of the most aggressive men mounted horses, moved faster than all others, and went out to seek the beasts.

"We have learned in the last decade from our behavioral science studies that aggression is a secondary behavior of humans — that when they get what they need, when they need it, and are not overwhelmed, they are spontaneously benevolent; it is only when they have relied on is no longer working. **There are two kinds of social behavior manifest today around the world — the benign and the aggressive.** It is probable that this dichotomy occurred in the human-versus-animal confrontation in the ice age time."⁶⁹

When we humans get overwhelmed we become aggressive. This too seems to be what Ardrey's meant when he wrote:

"No man can regard the way of war as good. It has simply been our way. No man can evaluate the eternal contest of weapons as anything but the sheerest waste and the sheerest folly. It has been simply our only means of **final** arbitration. Any man

⁶⁹ R. Buckminster Fuller, Critical Path, St. Martin's Press, New York, 1981

can suggest reasonable alternatives to the judgment of arms. But we are not creatures of reason except in our own eyes.”⁷⁰

We humans evolved from animal way — the adversary way. Our mother was a space-binder. When our survival is threatened, we will fight rather than die.

Ardrey focuses on humankind’s commitment to the adversary way because it is this commitment that now threatens our human survival, we are not threatened by our **equally valid** ability to act cooperatively.

Ardrey was criticized by many social scientists as looking only at the darkside, and overlooking the positive aspects of humanity. Coulter’s correspondence helped me realize that these critics of Ardrey’s focus are making the mistake of **either/or** thinking. If humankind is **either** a predator **or** a cooperator, then being a predator mandates the death sentence for our species. This possibility is so frightening and unacceptable, that many social scientists have spent great effort to deny the human commitment to the adversary way (see i.e. Ashley Montagu⁷¹).

In my final conversation with Ardrey shortly before his death, we discussed the future of humanity. Ardrey believed humankind could change, that we could transcend the adversary way and thus give ourselves the option to build a safe world. But, this could not happen unless **we faced the truth**. We could change only if we faced the truth of our deep commitment to the adversary way, then we could learn from our mistakes, and begin the repair our world.

Facing the truth

The evolution of the weapon is linked to the evolution of Time-binding. Humans create knowledge, when knowledge is imbedded in matter-energy is becomes a tool. **When tools are used to hurt others they become weapons.**

For most of our human history, our tools have been simple. For most of our human history our weapons have been equally as simple. With the explosion of Time-binding released by Institutional Neutrality, our tools have become evermore powerful, and so have our weapons.

⁷⁰ Robert Ardrey, *African Genesis*, 1961

⁷¹ Ashley Montagu, *Man and Aggression*, 1973

Evermore powerful weapons—Civil War

“The American Civil War (1861-65) was the first conflict in which the technology produced by the Industrial Revolution — railroads, the telegraph, rifled weapons, and armored ships—was used extensively. The doctrine of total war was introduced by the Union general William T. Sherman, who laid waste to the industrial and agricultural base that supported the armies of his Confederate opponents. It began on April 12, 1861, when Confederate General P. G. T. Beauregard opened fire on Fort Sumter in Charleston Harbor, South Carolina, and lasted until May 26, 1865, when the last Confederate army surrendered. The war took more than 600,000 lives, destroyed property valued at \$5 billion, brought freedom to 4 million black slaves, and opened wounds that have not yet completely healed more than 125 years later.”⁷²

Fifty years later—World War I

“World War I began on July 28, 1914, with the declaration of war by Austria-Hungary on Serbia, and hostilities between the Allied and Central Powers continued until the signing of the armistice on November 11, 1918, a period of 4 years, 3 months, and 14 days. The aggregate direct war costs of all the belligerents amounted to about \$186 billion. Casualties in the land forces amounted to more than 37 million; in addition, close to 10 million deaths among the civilian populations were caused indirectly by the war.”⁷³

One generation later—World War II

“A rough consensus has been reached on the total cost of the World War II. In terms of money spent, it has been put at more than \$1 trillion, which makes it more expensive than all other wars combined. The human cost, not including more than 5 million Jews killed in the Holocaust who were indirect victims of the war, is estimated to have been 55 million dead — 25 million of those military and 30 million civilian.

“The U.S. spent the most money on the war, an estimated \$341 billion. Germany was next, with \$272 billion; followed by the Soviet Union, \$192 billion; and then

⁷² Microsoft Encarta 97 Encyclopedia. Microsoft Corporation, 1993-96

⁷³ Encarta 97, *ibid*

Britain, \$120 billion; Italy, \$94 billion; and Japan, \$56 billion. Except for the U.S., however, and some of the less militarily active Allies, the money spent does not come close to being the war's true cost. The Soviet government has calculated that the USSR lost 30 percent of its national wealth, while Nazi exactions and looting were of incalculable amounts in the occupied countries. The full cost to Japan has been estimated at \$562 billion. In Germany, bombing and shelling had produced 4 billion cu m (5 billion cu yd) of rubble.

"The human cost of the war fell heaviest on the USSR, for which the official total, military and civilian, is given as more than 20 million killed. The Allied military and civilian losses were 44 million; those of the Axis, 11 million. The military deaths on both sides in Europe numbered 19 million and in the war against Japan, 6 million. The U.S., which had no significant civilian losses, sustained 292,131 battle deaths and 115,187 deaths from other causes. The highest numbers of deaths, military and civilian, were as follows: USSR more than 13,000,000 military and 7,000,000 civilian; China 3,500,000 and 10,000,000; Germany 3,500,000 and 3,800,000; Poland 120,000 and 5,300,000; Japan 1,700,000 and 380,000; Yugoslavia 300,000 and 1,300,000; Romania 200,000 and 465,000; France 250,000 and 360,000; British Empire and Commonwealth 452,000 and 60,000; Italy 330,000 and 80,000; Hungary 120,000 and 280,000; and Czechoslovakia 10,000 and 330,000.

"Perhaps the most significant casualty over the long term was the world balance of power. Britain, France, Germany, and Japan ceased to be great powers in the traditional military sense, leaving only two, the United States and the Soviet Union.

"Near the end of World War II, on August 6 and 9, 1945, the United States government exploded a new weapon, the atomic bomb, over the cities of Hiroshima and Nagasaki in Japan. A departure from conventional explosives, the bombs used the nuclear power stored in the atomic structure of matter, rather than chemical reactions, to produce a devastating explosion. The blast destroyed more than 10 sq km (4 sq mi) of the city, completely destroying 68 percent of Hiroshima's buildings, another 24 percent were damaged. Nearly 130,000 people were killed; more than 60,000 were incinerated almost instantaneously in a tremendous fireball. In Nagasaki one-third of the city was destroyed and nearly 66,000 people were killed.⁷⁴

⁷⁴ Encarta 97, *ibid*

Five years later—Korean War

“Korean War, military struggle fought on the Korean Peninsula from June 1950 to July 1953. Begun as a war between South Korea (Republic of Korea) and North Korea (Democratic People’s Republic of Korea) after the North’s invasion of the South, the conflict swiftly developed into a limited international war involving the United States and 19 other nations. Periods of heavy fighting continued, however, both on the ground and in the air. U.S. troop strength remained at around 260,000. Forces from other UN nations stayed at about 35,000, while Republic of Korea (ROK) forces grew from some 280,000 to about 340,000. The Communist forces increased from approximately 500,000 to 865,000, and their armored strength grew from almost nothing to one North Korean and two Chinese armored divisions and one mechanized division, with an estimated 520 tanks. Air power played a key role in the war, which proved to be the first battlefield in history for supersonic jet aircraft. The Chinese had developed into a major air power. Half of their 1400 aircraft were Soviet-built MiG-15s, generally regarded by military experts as the finest jet aircraft in the world. Operating from bases in Manchuria and seldom venturing over UN lines, the MiG-15s, nevertheless, threatened UN air supremacy over so-called MiG Alley in northwest Korea. Not until the United States responded with a crash program that produced the formidable F-86 Sabres did UN forces have aircraft capable of challenging the MiG-15s on approximately equal terms. Large-scale air battles resulted ultimately in the loss of some 58 Sabres and 800 MiGs.

The Korean War was terminated after more than three years of conflict. The U.S. suffered 157,530 casualties; deaths from all causes totaled 33,629, of which 23,300 occurred in combat. South Korea sustained 1,312,836 military casualties, including 415,004 dead; casualties among other UN allies totaled 16,532, including 3094 dead. Estimated Communist casualties were 2 million. The economic and social damage to the Korean nation was incalculable.”⁷⁵

Six years later—Vietnam War

“Vietnam War, military struggle fought in Vietnam from 1959 to 1975. It began as a determined attempt by Communist guerrillas (the so-called Vietcong) in the South, backed by Communist North Vietnam, to overthrow the government of South Vietnam. The struggle widened into a war between South Vietnam and North Vietnam and ultimately into a limited international conflict. The United

⁷⁵ Encarta 97, *ibid*

States and some 40 other countries supported South Vietnam by supplying troops and munitions, and the USSR and the People's Republic of China furnished munitions to North Vietnam and the Vietcong. Before troop withdrawal, U.S. military strength in South Vietnam had peaked at over 541,000 in 1969. In the United States itself, as military involvement increased, the war issue increasingly became highly controversial. A peace movement developed and gathered momentum, organizing marches and moratoriums against the war in major U.S. cities. As a result of more than eight years of these methods of warfare, it is estimated that more than 2 million Vietnamese were killed, 3 million wounded, and hundreds of thousands of children orphaned. It has been estimated that about 12 million Indochinese people became refugees. Between April 1975 and July 1982, approximately 1,218,000 were resettled in more than 16 countries. About 500,000, the so-called boat people, tried to flee Vietnam by sea; according to rough estimates, 10 to 15 percent of these died, and those who survived the great hardships of their voyages were eventually faced with entry ceilings in the countries that agreed to accept them for resettlement.

"In the Vietnam War U.S. casualties rose to a total of 57,685 killed and about 153,303 wounded. At the time of the cease-fire agreement there were 587 U.S. military and civilian prisoners of war, all of whom were subsequently released. A current unofficial estimate puts the number of personnel still unaccounted for in the neighborhood of 2500.

"Less measurable but still significant costs were the social conflicts within the U.S. that were engendered by the war-the questioning of U.S. institutions by the American people and a sense of self-doubt.

"Over the last 50 years, nuclear weapons were developed that dwarfed the 1945 bombs in destructiveness, and major military powers stocked their arsenals with these arms. Yet during those years, nuclear weapons were never again used against human targets. The world learned to live in the shadow of these powerful weapons. In the process, the atomic bomb became a symbol of fear, achievement, and even amusement — a complex and contradictory presence, permanently tied to the fate of humanity."⁷⁶

Since the end of World War II, the threat of extinction of the human species through "sui-

⁷⁶ Encarta 97, *ibid*

genocide” has grown evermore likely. That danger explicitly was the result of two factors — 1) the general acceptance of Nuclear Weapons as appropriate in military-political actions, and 2) the rise of Communism as an apparent equal of Democracy in the struggle for the minds and hearts of Humanity.

With the recent breakdown of the U.S.S.R. as the leading proponent of Communism and the shift of the entire Eastern Block towards personal freedom and democracy, it would seem that the danger humanity has faced since the end of World War II is over or will soon be over. Former President Bush and President Yeltsin announced plans to decommission ~90% of the nuclear missiles currently deployed. This could leave each side with as few as 3000 weapons apiece. For decades those humans committed to reduction of the risk of war have focused their energy on elimination of nuclear weapons. Now some would have us believe that at long last we are safe. And while a 90% reduction in nuclear arms clearly would be a monumental accomplishment, it seems simplistic to this scientist that this change would in fact make our earth safe.

“The end of the Cold War in 1990 and the fall of the Union of Soviet Socialist Republics (USSR) in 1991 resulted in increased world peace and some security from the threat of nuclear war. The nuclear missiles of the United States and the former USSR, for example, are no longer targeted toward one another. Nonetheless, peace has ironically resulted in an increase in a new nuclear threat: the threat of nuclear proliferation.

“Military and political strategists distinguish between two types of nuclear weapons proliferation: vertical and horizontal. Vertical proliferation is the amassing of atomic weapons by established nuclear powers, as occurred during the 1960s when the United States and the USSR stockpiled thousands of nuclear arms. Horizontal proliferation describes the spread of nuclear weapons to conventionally armed nations, as occurred when India acquired the bomb in 1974.

“Since the 1970s, disarmament agreements between the United States and the USSR have reduced the threat of vertical proliferation. Horizontal proliferation, however, has become a pressing concern. Many nation-states with strained ties to the world community—such as North Korea, Iran, and Iraq—have attempted to build or buy atomic weapons, and many strategists fear that if these nations acquire nuclear arms, they may use them recklessly.

"The collapse of the USSR, while further reducing the threat of vertical proliferation, has increased the threat of horizontal proliferation. Strategists fear that an underground trade in leftover Soviet nuclear technology and weapons is developing in the former Soviet republics, a trade dangerous to world peace."⁷⁷

Nine Minutes to Midnight

"CHICAGO, JUNE 11, 1998 — The Bulletin of the Atomic Scientists has moved the minute hand of the "Doomsday Clock," its symbol of nuclear peril, five minutes closer to midnight.

"Yesterday it stood at 14 minutes to midnight. Today, it stands at nine.



"The Bulletin's Board of Directors moves the hand not only in response to the addition of two more states as declared nuclear powers, but also to dramatize the failure of world diplomacy in the nuclear sphere; the increased danger that the nonproliferation regime might ultimately collapse; and the fact that deep reductions in the numbers of nuclear weapons, which seemed possible at the start of the decade, have not been realized.

"The movement of the minute hand follows the unfortunate May tests of nuclear devices by India and Pakistan. The consequences of a possible nuclear exchange between India and Pakistan are unforeseeable. But if barriers to the use of nuclear weapons ever fail, the physical, economic, and psychological security of every person on the planet will be threatened.

⁷⁷ Encarta 97, *ibid*

“But the heightened sense of peril has roots that extend far beyond the Indian and Pakistani tests. The tests are a symptom of the failure of the international community to fully commit itself to control the spread of nuclear weapons — and to work toward substantial reductions in the numbers of these weapons.

“The superpowers have failed — long after the end of the East-West confrontation — to make deep and meaningful reductions in nuclear arms, or to stand down the roughly 7,000 nuclear warheads still on alert — weapons that could be fired with less than 15 minutes notice. The Bulletin clock now stands at nine minutes to midnight.”⁷⁸

Infinite Weapons

In the 1983 movie WARGAMES, NORAD’s computer — **Joshua** makes a discovery after playing out all possible outcomes for Global Thermonuclear War. His conclusion, “**A strange game, the only winning move is not to play.**”

Let us assume for the sake of this discussion that magically all nuclear weapons were suddenly nonexistent on planet Earth. Let us further assume that through some agent of sanity the very concept of nuclear weapons is so repugnant to humans as to make their re-creation unthinkable. Would we then be safe?

Again, I must answer, no we would not be safe. We humans can produce weapons without limit. Weapons of infinite destructive capacity. If these weapons are produced, sooner or later, such weapons will be used and sooner or later such use will destroy humankind.

Nuclear weapons are not the most dangerous weapons that humans can develop. Those of us who watched the recent example of high tech warfare demonstrated against Iraq in **Desert Storm** can have no illusion in regards to the enormous danger of high-tech warfare. Encarta documents:

“During the war the United States used dozens of new weapons that had been developed and acquired during the ten-year-old Reagan-Bush military buildup. More than 4000 bombing runs were flown by allied aircraft in the first week, and the pace continued for another four weeks before a ground invasion began. After

⁷⁸ **Doomsday Clock**, The Bulletin of the Atomic Scientists, Educational Foundation for Nuclear Science, Chicago, September/October 1998

only 100 hours, Bush halted the offensive. When it was all over 149 allied soldiers had been killed, and 513 had been wounded. Official estimates of Iraqi dead ranged from 8000 to 25,000, with unofficial estimates reaching 100,000 killed in action.”⁷⁹

We are Time-binders and the mark of human power is everywhere. When knowledge is incorporated into matter-energy, it becomes a tool. As Galambos explained:

“Humans develop evermore powerful knowledge and therefore evermore powerful tools. Since human knowledge can grow without limit, then tools themselves can be made without limit. When tools are used to harm other humans they are called weapons. Therefore humans can make limitless weapons.”⁸⁰

To Abolish War Itself

Arthur Coulter⁸¹ proposes in his article **Militarism: A Psychosocial Disease:**

“A commitment to prevent nuclear war and eliminate nuclear weapons necessarily implies a commitment to abolish war itself.”

I find myself in full agreement with Coulter. If humanity is to survive we must not only give up nuclear war, we must, in fact, give up war in any form to insure our mutual safety. Some would argue that elimination of Nuclear Weapons robs Coulter and I of a continuing basis for our commitment to the abolition of War itself. These “realists” argue that war without nuclear weapons is much safer, and in any event **the adversary way** is such a natural part of human nature and so deeply ingrained in the human psyche, that all attempts to achieve a warless culture are inherently naive and thus doomed to failure anyway.

Fortunately for the soul of humanity, it is these apparent “REALISTS” who hold the false belief. It is they who are naive in their belief that humanity and war must and always will be co-existing.

⁷⁹ Encarta, ibid

⁸⁰ **Andrew J. Galambos**, Volition201—Protection of Primary Property, Free Enterprise Institute, Los Angeles, Privately Published 1961-84

⁸¹ **N. Arthur Coulter**, Militarism: A Psychosocial Disease, Medicine and War, Vol. 8: 7-17, 1992

The continuation of the human species will require not only the elimination of nuclear weapons but the abolition of war itself.

Nuclear weapons are not the most dangerous of weapons. They represent only the state of the art for the twentieth century. God only knows what high tech weapons will be invented in the next century.

The problem we humans face therefore is not nuclear weapons, but weapons themselves. The survival of humanity will require that we give up war.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

Truth # 7

Present 7

We humans are in CRISIS.

I am a afraid for us. ... The times are very dangerous.

Today, we are all in danger of the judgement, a judgement not of God's making, but of our own. We have misjudged our own true identity. You and me, our wives and husbands, our children, our parents and grandparents, our brothers and sisters, friends and loved ones, all of us, each and everyone of us are in danger from our misjudgement of who we really are.

We have failed to perceive ourselves as Time-binders. The adversary way of the Space-binder is not for us, and neither is the neutral way of the Energy-binder.

It is true that we evolved from the world of space-binding, and there we mastered the adversary way. Our adversary past is legitimate. Our struggle there resulted in the emergence of our unique human intelligence — our Time-binding power. With our Time-binding intelligence and new human sensibilities, the adversary way became too harsh and painful for the human mind and spirit, and so we sought to escape.

We found a temporary haven in the neutral way of the energy-binders. We modified the neutral way for our own use. The apparently unlimited resources of the Earth, gave us a brief opportunity to escape from the losing way. Human Neutrality began in the 17th century with the emergence of the large markets. It was institutionalized in 1776, and then worked well for humankind for another 150 years.

We Americans have had the greatest benefit from those 150 years of neutrality, and so we are better off today than most humans living in the rest of the world. In fact, Neutrality has granted us Americans the highest standard of living in the world. As the following analogy explains:

“If we could shrink the Earth’s population to a village of precisely 100 people. With all existing human ratios remaining the same, it would look like this:

There would be 57 Asians, 21 Europeans, 14 from the Western Hemisphere (North and South) and 8 Africans.

51 would be female; 49 would be male

70 would be nonwhite; 30 white.

70 would be non-Christian; 30 Christian.

50% of the entire world’s wealth would be in the hands of only 6 people and all 6 would be citizens of the United States.

80 would live in substandard housing.

70 would be unable to read.

50 would suffer from malnutrition.

1 would be near death , 1 would be near birth

Only 1 would have a college education.

No one would own a computer”⁸²

⁸² **Anonymous**, Internet, found on 168 different pages, supposedly based on United Nations Demographic Data

A few are winning, but most are losing

Most living humans are losing and face great pain and suffering because of the present distribution of wealth. Let us examine the condition of Earth's six billion humans:

"The richest 20% of the world now have 85% of the world's income, while the poorest 20% share 1.4%. The gap between the rich and poor grows alarmingly larger each year. Globally between 13 and 18 million people die each year due to starvation or starvation-related causes. That is nearly as many people dying each day for lack of food as Americans who died in the entire Vietnam War. More than 800 million people are malnourished in the world and routinely go without enough food to live in optimal health."⁸³

And, the 20% of humanity controlling 85% of the Earth's wealth call that wealth their personal "property" and lose no sleep over the plight of their fellow humans. Remember, in a neutral world you are supposed to be "independent". If you are poor or hungry, it is your own fault. The winners in today's world are not bad people. They are playing the game according to the rules of neutrality. Most humans who plunder their brothers and sisters do so without knowledge of the synergic way. They are just trying to survive according to the rules as they understand them. If you had lived their lives you would behave as they do.

Most of the winners have been Americans. The United States has controlled the majority of the Earth's wealth in this century. Recall as recently as 1947, America was described as follows:

"The people of the United States, who occupy only 6 percent of the world's land area and who represent less than 7 per cent of the world's population, own:

- 85 per cent of the world's automobiles
- 60 per cent of the life insurance policies
- 54 per cent of the telephones
- 46 per cent of the electric power capacity
- 35 per cent of the world's railway mileage

⁸³ Medard Gabel, et al, What We Have and What We Want—Section 1: The World Problem State, World Game Institute, Philadelphia PA, 1997, <http://www.worldgame.org/wwwproject/what-b.html/>

30 per cent of the improved highways
92 per cent of the modern bathtubs

“Before the war, Americans consumed:

75 per cent of the worlds silk
60 per cent of the world’s rubber
50 per cent of the world’s coffee
40 per cent of the world’s salt.

This leads to the conclusion that the people of the United States are exactly nine times better off than the people in the rest of the world.”⁸⁴

But even here in America, there are rich Americans and poor Americans.

In the newspaper headlines for July 10, 1998, Neil Bennett, co-author of a study just released by the National Center for Children in Poverty at Columbia University stated:

“In 1996, 5.5 million children under 6 lived in poverty many more than in the early 1980s, when there were 4.4 million. In 1996, the official poverty line for a family of four was \$16,036 a year; for a three-person family, it was \$12,516. But the families of almost half the young children in poverty earned less than half that.”

In a related report Valdas Anelauskas wrote:

“During the last few decades child poverty became entrenched in America on a scale unprecedented in the postwar period and unmatched in the advanced world. The 20-year growth of the number of American children actually living in deep poverty is amazing. It climbed from 15.4 percent in 1974 to 20.8 percent in 1995. More than 14 million American children — the equivalent of a medium-sized country — are now despairingly poor. They live in families that lack the money to pay the rent for decent housing and put food on the table. Hundreds of thousands of American children are homeless today, and many more than that are hungry. This gives us an idea how “well” American society is treating its

⁸⁴ Henry Grady Weaver, The Mainspring of Human Progress, 1947

youngest members.

“The very fact that in one of the world’s richest countries 14.3 million of children live in abject misery says how “advanced” this society is... As a matter of fact, one out of every five children in the U.S. lives in destitution today. For children under six, the group most vulnerable to all the negative impacts of poverty, the rate is even higher: one in four.”⁸⁵

Today it is a common assumed by many Americans that the economic difficulties of modern life result from the so called welfare state. They believe that most of their tax dollars are spend to take care of the poor — who do nothing to “earn” their own living.

“Many Americans still believe that poor people don’t work or that those people who work are not poor, and that people who are poor just need to work. But the truth is that more than a third of poor children in America today live in working families where at least one parent works year-round, says the 1996 Kids Count Data Book, a compilation of statistics on the well-being of children released annually by the Annie E. Casey Foundation.

“In 1994, the United States had 5.6 million poor children living in families with incomes way below the official poverty line despite parents working full time 50 or more weeks that year. This was up from 3.4 million two decades earlier. The Baltimore-based foundation points out that children of the working poor is the fastest-growing segment of the nation’s children who live in severe poverty. Besides, a majority of all poor children under the age of six — 62 percent — lived in working families, contrary to the commonly-held belief that a parent’s job will keep children out of poverty. In the years since 1989, the number of youngest children living in these so-called working-poor families has jumped 30 percent. And we continue to see expanding millions of desperate American families who are unable to protect their kids from poverty. More and more children in the United States are growing up despairingly poor regardless of their parents’ work efforts.”⁸⁶

Apparently it is difficult to raise a family on what you make working at McDonald’s.

⁸⁵ **Valdas Anelauskas**, *America’s Child Poverty Scandal*, Metro Justice, NY, April 1998, http://www.ggw.org/metrojustice/April98/Child_Poverty.html/

⁸⁶ **Valdas Anelauskas**, *ibid*

Despite the so called “welfare state”, a careful analysis of how government spends our taxes dollars reveals that only a small portion — less than 12% is actually going to benefit America’s poor.

A much larger portion of our government spending — 45% of the federal budget goes to pay Social Security and Medicare benefits to retired Americans. However since these benefits far exceed the amounts that they paid in before their retirement, these Americans are in fact on welfare. But somehow, we never complain about Grandma and Grandpa.

Distribution of Wealth in America

The American government “owns” one third of the nation’s land and natural resources. Just 3% of the population owns 95% of the remaining land and natural resources.

While working Americans are concerned about their increasing tax burdens and where their tax dollars are being spent. Much of America’s wealth continues to be diverted invisibly to the Shareholders of the 1000 largest American corporations. These individuals do nothing to “earn” their livings either, but continue to quietly collect their **private welfare checks**.

Recall what Fuller told us:

“If we take the billions of dollars given in the 1930s to the great U.S.A. defense-industries corporations by the New Deal’s Reconstruction Finance Corporation ... if we take the hidden tax-deduction subsidies to do research, development, and advertising given to all these companies in pre-1942 dollars between 1933 and 1980 ... if we take the \$100 billion in foreign aid that paid for the overseas establishment of the great corporations ... if we take the \$155 billion of atomic know-how and development taken over by the oil companies ... and if we take the number of fine ounces of gold bullion taken out of America exclusively by the capitalist world’s banking system ... and if we take a reasonably low estimate of the unknown billions of dollars taken out of the U.S.A. by the CIA to operate exclusively on behalf of international capitalism without the knowledge or authority of the people of the U.S. of America’s quasi-democracy ... and if we multiply the sum of the foregoing figures by twenty-five, which is the amount to which our present U.S.A. dollars have been depreciated between the time of the appropriations and January 1, 1980, we come to a figure in the magnitude of **\$6 trillion that has been legally transferred from the U.S.A. people’s national**

capital account over to the capital ownership account of the stock-holders of the 1000 largest, transnational, exclusively American-flag-flying corporations.”⁸⁷

If we update that January 1980 \$6 trillion figure to reflect reality as of July 1998, we are looking at conservatively \$40 trillion. Forty trillion dollars removed from we the people.

If the shareholders of the 1000 largest, transnational, American-flag flying corporation returned that money to we the people, each man, woman, and child living today in America would be entitled to receive payment of \$150,000 dollars.

As Fuller explains these people are not bad. They do not even know they are plundering their fellow humans. They are just trying to survive using the adversary-neutral mechanisms available in today’s world.

The Minotaur and the Centaur

Myth is an early form of time-binding. Beliefs held during human’s early history were passed to descendants as myth — in the form of songs, odes, poems, tales, and legends.

The early Greeks wondered much about the “nature of man”. They wondered why man did the things he did. Man seemed to have enormous capacity for good, and yet enormous capacity for evil. This concerned the early Greeks much. They believed man was a mixture of good and evil. This human belief has been passed to us in the myths of the Minotaur and the Centaur.

The Minotaur was the result of the sexual union between a marvelously beautiful, radiant bull and the wife of King Minos of Crete. A carnivorous monster, the Minotaur was a mixture of beast and man. His head was that of the bull, his body that of a human. He was so violent and dangerous that he had to be confined in the labyrinth of Crete. This mixture of good and evil, of human and beast, was dominated by his baser side. His human intelligence was controlled and dominated by his animal nature. The myth tells us that the Minotaur was so aggressive and so evil that to appease him, King Minos regularly sacrificed Athenian youths and maidens to prevent him from destroying the city.

Now, in the myth of the Centaur we also see the representation of this mixture of good and evil, the mixture of human and beast. The Centaur is the result of the sexual union

⁸⁷ R. Buckminster Fuller, *Critical Path*, ibid

between the god Ixion and a group of mares. The Centaurs were half men and half animals. They had the upper body of a human and the lower body of a horse. The most famous of the Centaurs was Chiron. Chiron was noted to be the wisest of the wise, he was physician and teacher and was most noted for the tutorage of the Greek heroes Achilles and Jason. The Centaur represented a mixture of animal and human but one in which the animal nature was controlled and dominated by the human intelligence.

Human knowledge today, the result of millions of years of time-binding suggest that the Minotaur and the Centaur still exist today. We humans are the Centaurs and the Minotaurs. Sometimes our rational human intelligence dominates our more primitive animal nature. But far, far too often our animal nature controls and dominates our human intelligence. The presence of the Minotaur in our current civilization represents a paradox.

Paradox

Paradox is defined as a situation which is contrary to received opinion or expectation. One of the major powers of time-binding is the ability to predict. When time-binders make a prediction and the result is different, they are surprised. Paradox is when things are not as we would expect them to be.

The idea that best describes our present human condition is paradox. The major product of time-binding is knowledge. When humans act with knowledge they create the best of times. When humans act in ignorance, they create the worst of times. Paradox exists when humans act with knowledge and in ignorance — when they create the best of times and the worst of times.

It is the best of times

Today in the “free” world, we can teach infants to read, to do mathematics, and to play musical instruments. Our technical quality of life has never been higher. Television, Radios, Stereos, CDs, Personal Computers, Cellular Phones, Clothes Washers and Dryers, Dishwashers, Microwave Ovens — all are common place. Most families have one or more automobiles. We can heal most injuries. Replace damaged and aging organs. Cure most infections. Cure many cancers. We have put humans in Space and on the Moon. We can circle the Earth in hours. We can go anywhere under the sea.

Our knowledge and technology have never been greater. Our science, our human scope and abilities have never been more powerful.

It is the worst of times

Today, the United States of America the primary beneficiary of Institutional Neutrality and Time-binding is bankrupt. Neutrality was a welcome reprieve from the adversary world, but to work it requires unlimited resources. We have reached the end of unlimited resources and that means the return to world of scarcity. This change brings increased Indifference and Conflict.

Declining Quality of Life — All American citizens are experiencing declining quality of life. Declining compensation for all workers has forced both parents to work just to pay the bills, this force is deteriorating the nuclear family. Ever increasing percentages of families are unable to afford the cost of buying or maintaining a home. There are currently 50,000,000 Americans without health insurance. Ever increasing percentages of American youths are unable to afford college or higher education or anything more than the deteriorating public schools. American schools once the best in the world now graduate illiterate high school seniors. Many young adults are without goals or even an interest in the future. Growing numbers of teenagers are pregnant without husbands, drug and alcohol dependent, and victims of evergrowing teenage crime and suicide rates.

Homelessness has now become an institution found in every city and town in America. Large numbers of Americans live out their brief lives completely ignored. Every week, hundreds of children disappear from American streets in our cities and towns — many without notice.

And the rest of the world today is still dominated by Adversary Relationships. There things are even worse.

Human Conflict — Conflict and warfare are natural resultants of the adversary way and are not new to human life. What is new is that with human progress, the tools of warfare are growing evermore destructive and deadly.

“And, most alarming in a world as dangerous and well armed as ours, there are currently over 79 armed conflicts going on around the world, 65 of which are in the developing world. There have been over 123 million people killed in 149 wars since World War II.”⁸⁸

⁸⁸ UNICEF, *State of the World's Children 1996*, Oxford University Press, New York, 1996
<http://www.worldgame.org/wwwproject/what-b.html>

Today, there are 100,000+ weapons of mass destruction on our planet. These include nuclear, chemical, and biological warheads. These weapons are located in numerous nations including America, Russia, England, France, India, Egypt, Israel, Iraq, Iran, Pakistan, and who knows where else. For decades these weapons of mass destruction were tightly held by the super powers, but now with the breakup and breakdown of the Soviet Block, tens of thousands of these weapons are no longer well controlled. All too soon these weapons will fall in to the hands of terrorists. Some of these weapons are light enough to be carried by a single man inside a backpack, and yet are still capable of killing tens of thousands of humans.

Conventional warfare continues to flare in dozens of nations including Bosnia, Ireland, Iran, Iraq, El Salvador, Nicaragua, Angola, Chad, Ethiopia, Afghanistan, Lebanon, Vietnam, Cambodia, South Africa, the Philippines, and elsewhere and anywhere. These so called smaller conflicts are very deadly in themselves with widespread use of automatic weapons, mortars, artillery, mines, grenades, and plastic explosives. As Hazel Henderson explains:

“Of the eighty-two conflicts in the world between 1989 and 1992, all but three had been within nations. In these domestic wars, civilians were 90 percent of the casualties. By 1993, there were 18.2 million refugees and 24 million internally displaced people. By October 1994, these figures had increased to 23 million and 26 million, respectively. Meanwhile, the world’s debt trap persisted in most heavily indebted poor countries, which still owed \$230 billion at the end of 1993. Budget deficits in industrial countries grew; only Norway, one nation out of the twenty-nine members of the Organization for Economic Cooperation and Development, had a surplus in 1995.”⁸⁹

High tech conflict is now found on the streets of most cities and towns. Criminals and terrorists make use of cell phones, computers, automatic weapons and high explosives. Today no human — adult or child is safe from mechanized violence.

Human Indifference — Today hundreds of millions of adults and children throughout the world are suffering from abject poverty and starvation. Millions die from causes that could easily be prevented or eliminated, but nothing is done. Their bodies are often not even buried. We have enormous conflict, economic inequity, violence, illness,

⁸⁹ Hazel Henderson, *Building a Win-Win World*, Berrett-Koehler Publishers, San Francisco, 1996

starvation, suffering, and pain. As Medard Gabel explains:

“Our global problems may seem insurmountable, even inconceivable to some. Globally between 13 and 18 million people die each year due to starvation or starvation-related causes. That is nearly as many people dying each day as Americans who died in the entire Vietnam War. More than 800 million people are malnourished in the world and routinely go without enough food to live in optimal health. Despite monumental strides in medical science which have improved the longevity and quality of life for the average human, large segments of the world’s population continue to suffer from preventable diseases and lack access to even basic health care. For example:

- Some 20% of the world’s children go without basic immunization, most of whom live in remote and often impoverished areas where infection is more likely to lead to death.
- Over 9 million children die each year from preventable causes, most of them from dehydration, routine infections, or one of several major diseases for which vaccines are available.
- Some 500,000 women die in childbirth each year while over 3 million infants die from dehydrating diseases that could be eliminated through breast feeding or Oral Rehydration Therapy, a simple and cheap mixture of clean water, sugar and salts.
- Over 17 million people die each year from curable infectious and parasitic diseases such as diarrhea, malaria and tuberculosis.
- Over 500 million people are infected with tropical diseases such as malaria, sleeping sickness, river blindness, and schistosomiasis, all of which are now preventable.
- Over 18 million people are infected with the AIDS virus.
- More than a billion people lack access to any health care.
- There are 1.75 billion people without adequate drinking water.
- A billion people are without adequate housing, and 100 million are homeless.
- Nearly a billion people, mostly women, are illiterate, and about 130 million children at primary school age and 275 million at secondary level are not enrolled in school.
- There are over 53 million uprooted people or refugees in the world, 80% of which are women and children.

- There are over 110 million landmines scattered in 64 countries killing and maiming over 9,000 children, women and civilians of all ages each year, and over one million since 1975.

“The developing world is at least \$618 billion in debt to the developed world and the gap between the rich and poor grows alarmingly larger each year. The richest 20% of the world now have 85% of the world’s income, while the poorest 20% share 1.4%.”⁹⁰

Ecological Crisis — Acid Rain, Ozone Depletion, Water and Air Pollution, Toxic Buildup, Strip Mining, Deforestation, Erosion & Topsoil Depletion; Greenhouse Effect, Ice Age, Nuclear Winter, Asteroids threatening the Planet. Gabel continues:

“On top of these outrageous conditions are layered the alarming environmental problems confronting the world:

- Around the planet, 26 billion tons of topsoil are being eroded per year from the world’s farmland. That’s 3 million tons per hour.
- Deserts advance at a rate of nearly 15 million acres per year.
- 10 million acres of rain forest are destroyed annually.
- Over 200 million tons of waste are added to the atmosphere each year.
- Over six billion tons of carbon from fossil fuel burning were added to the atmosphere last year.
- There is a 6 million square mile hole in the ozone layer over Antarctica, and a 4.5 to 5% loss of ozone over the Northern Hemisphere.
- The planet has warmed at least 1° C in the last century, and given the annual carbon, CO₂, CFC, and methane transmissions into the atmosphere, it will rise another 2.5° to 5.5° in the coming century.
- There are over 31,000 hazardous waste sites in the US alone, while in Europe, Estonia, and Lithuania acid rain has damaged over 122.6 million acres of forest.
- There are over 130,000 tons of known nuclear waste in the world, some of which will remain poisonous to the planet for another 100,000 years.

⁹⁰ Medard Gabel, et al, *ibid*

“And, last but not least, keeping the pressure on humanity to produce as much as possible from the Earth-driving the juggernaut described above-is the world’s population which is increasing by about 90 million people each year, or about the population of all of Mexico.”⁹¹

Today, our human ignorance is creating conflict and indifference leveraged with the power of time-binding. This is the source of our human crisis. Conflict and indifference mixed with ever more powerful technology is resulting in a formula for human extinction. Ours is not a crisis of high technology, but of low humanology.

We, the People, — That’s us, you and me, and ~6,000,000,000 others as well. We are the real victims of the present adversary-neutral culture and our adversary-neutral governments. We the People is where the buck really stops in modern culture. It is we the People who will lose our lives and our childrens’ future in a high-technological war/accident made probable by massive high-technological weapon buildup and the continuing global dissemination of these weapons.

It is we the People who will lose our jobs, our businesses, our homes, and possessions in a global economic collapse made probable by continually increasing federal and trade deficits by our adversary-neutral governments.

It is we the People that have the least power of all the players, and paradoxically the most power. When we the People are united, we become the strongest force in human culture for change. But, presently we the People are in a state of confusion and disorganization. Presently, we the People are influenced heavily by the diverse rhetoric bombarded us from all directions, not to mention the powerful lobbying of the all the special interests. Presently, most of we the People are unaware of the relationship between our overwhelming problems and the adversary-neutral mechanisms that have dominated our human history. And so today we the People find ourselves helpless and ineffective.

Today we the People are embedded in **crisis**,and **paradox**, and we find ourselves facing the **end times**.

⁹¹ Medard Gabel, et al, *ibid*

Truth #8

Present 8

We humans must take action. We humans must change.

The truth is especially hard to believe if it requires that we take action — if it requires that we change. If humanity is to have a future, we must take action — we must change. If humanity is to have a future, we must believe the truth.

Examination of the human condition today reveals little to no existence of synergic relationships. The only games in town are adversary or neutral. If we humans are to transcend our adversary and neutral pasts, we must change.

I believe with change a co-Operative human species can solve our human crisis — a co-Operative humans species can solve our human problems — a co-Operative human species can make the world work for everyone.

But we must change. To prepare for that change we humans can learn much by studying all forms of life and how they are related. By studying the history and past developmental paths of other life forms, we can learn to understand our human predicament and plan a safe passage to our future — a safe passage through our human crisis.

If we are successful, we will discover that this is not the **end times**, but a time of transformation — in fact **a new beginning**.

Transformation is an invention of life. It is a strategy that enables a life form to adapt to difficult realities.

Caterpillar & Butterfly

Let us examine the evolution of butterfly. When the mature gravid female butterfly deposits her eggs on the underside of a very particular leaf, the life cycle begins for a new butterfly. When an egg hatches a new caterpillar finds itself confronted with a world of

green leaves and stems and only one purpose on its mind — to devour that tasty and delicious world.

The caterpillar begins its seemingly endless task of ingesting all the plant carbohydrate within its reach. It appears as an eating machine, devouring all the leaves in its path. As it does this it bulks up, acquiring the necessary mass to sustain what must come next. The entomologist knows the caterpillar will need its mass to fuel its transformation from caterpillar to pupa and finally into **butterflyhood**.

The entomologist also knows that the transformation will result in an organism much more effectively adapted for survival. Prior to the transformation the organism as caterpillar is limited to live out its life on a single plant all within the radius of fifteen feet.

After the transformation, the organism as butterfly can range thousands of miles traveling an entire continent. Transformation for the butterfly will result in enormous adaptability. However, the organism as caterpillar is oblivious to the power that awaits it. It spends its days at the mindless task of nonstop eating. The cells within the body of the caterpillar knowing even less.

As the time of transformation approaches, things begin to become more and more difficult for the caterpillar. The world of its birth once so rich with endless green leaves is now bare from the caterpillar's own non-stop feeding. The plant that was the caterpillar's whole world is now dying. The future seems bleak indeed.

Then things get even worse. A strange malady strikes the caterpillar. Its body begins to stiffen and slow. And soon the power to crawl is lost and with it even the chance to find a new plant. Then, the caterpillar's body becomes completely rigid and all power of movement is lost. To the cells within the body of the caterpillar it must certainly seem like the **end times**.

Of course the entomologist knows better. The cells within the caterpillar are not doomed. Once the transformation within the pupa is complete the cells will serve in new ways. Muscles that powered crawling on a single plant will now power flying over a continent.

The butterfly adapts to its environment much differently than the caterpillar. Future humans must adapt to their environments much differently than we do today.

I propose that the humans of today are like the cells within the caterpillar. That the present human crisis doesn't mean that we are at the end of human evolution, but instead that we are near our own transformation to a much more co-Operative and powerful form of humanity. I believe that most of our fellow humans living today are oblivious to the power that awaits them in the future. The purpose of this book is to inform the readers of the good news, and to provide a guide for safely navigating safe passage through our human crisis. If I am successful, the reader will discover that this is not the **end times** for the human species, but in fact a **new beginning**.

A New Beginning

Life discovered billions of years ago that the best method to escape the old ways, was to transcend them. To transcend means to change the rules. When you change the rules problems can become opportunities. To put away war, to put away conflict and indifference, we must change. We humans can change and United we can change our world.

Humans are Time-binders. Ours is the power to know and that knowledge grows without limits. If we remain in our childhood as a species, our conflict and indifference will continue injuring us until we eventually we produce such unlimited weapons that must by definition destroy us. If we are to enter our adulthood as a species we must put away childish things. We must put away the conflict of the adversary way. We must put away the indifference of the neutral way. And, we must put away not only nuclear weapons, but in fact we must put away all weapons. And then and only then will it truly be safe.

We do have the intelligence necessary to organize ourselves into a synergic community. If we kill our brother we can understand the effect on the community of man. Our actions are either responsible or irresponsible. We lost our innocence not with the bite of an apple in the Garden of Eden, but with a bite of our first kill on the African Savannah.

If we choose to act adversarially ours is not an act of innocence. We humans have choice — the ultimate choice — we can choose in time, space and energy.

We humans are part of a larger whole. We are a part of the community of humankind. Our time-binding power — the power to understand allows us to produce unlimited knowledge. If we use our knowledge to kill — if we use our knowledge the adversary way, we will produce unlimited weapons — we will produce unlimited death.

Looking Back

Recall from our earlier discussions, the Earth is believed to have formed four and one-half billion years ago. Life emerged ~3.4 billion years ago in our oceans in the form of simple plants — Energy-binders. About 700 million years ago, the first single celled animals — Space-binders emerged in the Earth's oceans to join the Energy-binders.

The land plants first appeared ~400 million years ago, and the first land animals arose from the freshwater fish about 360 million years ago. These amphibians and later reptiles would be joined by the first mammals 200 million years ago. Approximately 65 million years ago, the giant reptiles became extinct, as the mammals flourished.

Approximately 12 million years ago we see the emergence of first primitive apelike mammals. The first man-like apes are seen ~4 million years ago, and recognizable humanity begins with the emergence of the genus **Homo erectus** — the first ape-like men between 1.5 and 2 million years ago.

Between 300,000 and 200,000 years ago, Homo erectus evolved into Homo sapiens — primitive man. Time-binding must have been present at this time, but we have no documentation for it. Modern man — Homo sapiens sapiens first appears ~90,000 years ago. Time-binding is first documented with sculptures dated at over 30,000 years old. Wall paintings and engravings have been found in more than 200 caves, largely in Spain and France, dating from 25,000 to 10,000 years ago. Written mathematics and language are not documented until ~3500BC. This is finally proof of the existence of Time-binding and coincides with the beginning of human 'civilization'.

Gaining Some Perspective

Life has existed on Earth for ~3.4 billion years. If that time span were represented by a yearly calendar with the beginning of life occurring on January 1st, then humanity does not appear until one minute before midnight on December 31st.



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We humans were born of Space-binding, and the Space-binding way of Adversity has dominated our lives for most of our history. If we mark our beginning with *Homo erectus* then that is nearly 2,000,000 years of Adversity. If we mark our beginning with *Homo sapiens* then it is 250,000 years of Adversity. Even if we wait and mark the beginning with *Homo sapiens sapiens* it is still 90,000 years of Adversity.

The first neutral mechanisms — money and local markets will not be invented until 700BC. We won't see the creation of national markets until 1600AD, and the institutionalization of Neutrality will not occur until 1776. And even today in 1999, while Neutrality is strongly present in the Western free world, the rest of the world — the majority of humanity still lives in Adversity.

By facing up to the truth

If we humans are to survive as a species let alone as individuals, we must give up the adversary way, we must put away plunder, we must reclaim the land and natural resources for the common good of all humanity.

We must help those who are the present adversary-neutral “winners” — those who “win”

⁹² Grolier Multimedia Encyclopedia, 1997

by just making money — to see what's in it for them to give up the adversary-neutral mechanisms. Fortunately, there is something in it for them. Synergic mechanisms promise solutions to problems that cannot be solved in our present world no matter how powerful or rich you are.

We must put away our obsolete forms of government. They are tragically flawed with adversary-neutral mechanisms, and can not carry us safely into the future.

And, finally, we must put away war, crime, and punishment.

If we humans choose to use our knowledge to heal and help each other — if we use our knowledge in the synergic way, we can produce unlimited tools — we can produce unlimited wealth and prosperity for all humans on planet Earth. Then, we can choose the future we want for we are time-binders.