

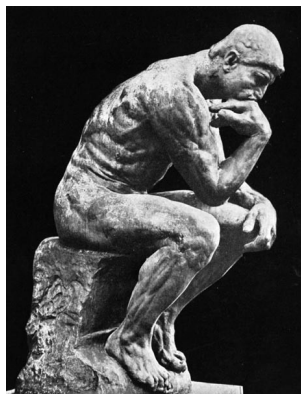
# TIMELESS PRINCIPLES – PART 1



Eric Butler (approx. 1984)

## PHILOSOPHY

When people see or hear the word philosophy, it causes some apprehension because they think – well now this is going to be very dry – they conjure up a picture of one of those bearded professors, who speak in serious tones and very abstract language which no-one can understand – sometimes I suspect they can't understand themselves.



So please be at ease as we look at this word which is absolutely vital to an understanding of what we are going to discuss. The word is derived from the Greek, in the sense I am going to use it, because I would not get any marks at all in a philosophy course at a university. But in the sense I am going to use it, it is the search for wisdom or the search for truth, or to use a laymen's term it is simply - **what is your point of view?**

Now at this stage we find those people who say – *well look please don't burden me with all of that, I'm just a practical sort of man and all this highfalutin nonsense about philosophy and ideas and points of view, that's quite beyond me.*

Well I think we ought to see how important it is. Some years ago a very distinguished British Ambassador by the name of Sir David Kelly had served in Moscow for many years and was a recognised authority on that totalitarian system we generally call Communism. And one of the British popular newspapers asked Sir David Kelly to do a series

of articles, *but please Sir David don't lets have any of that philosophy stuff. See we've got just popular style readers. We just want to hear about Communism.*



Well Sir David Kelly said – *how can you discuss Communism if you don't discuss the philosophy of Communism* and when you look at that you find, for example the Communist



mind is rather different to our mind in their approach to what is called 'truth'. We won't go into it except to say in essence that the Marxists teaches *there is only one reality, that is matter, there is nothing beyond matter*, Well you might say – well that's not very illuminating because we've had a lot of philosophies of materialism but the great contribution for the Communists, the Marxists, say was the contribution from Karl Marx the discoverer of a great law and it's called,

by that rather large mouthful, **The Law of Dialectics**. The essence of which is that matter is constantly in motion and the whole of development takes place through violence. *There is no other way to have development except through violence.* Now if you grasped how the Communist mind thinks, then you begin to understand why they act as they do. You begin to understand that for example, it's no use saying to a Communist or a very dedicated Communist – *look you're telling lies* – because he'll return to you and say – *look, what I am saying today furthers Marxism much better than saying the*



*opposite yesterday. So what is true today might contradict what was said yesterday, that's nothing to do with what I am about.*

It is no good saying to a Communist and postulating – *look, you murder people, millions of them*, because they just simply regard human beings as higher animals and the Communists are the highest animals of all. And if you are an elite and you are a higher animal well then if you've got to, as they put it, remove some of your fellow animals, that's what they call a social necessity.



Now that's the importance of philosophy. I recall a story of the old farmer discussing this

and he said he was a practical man too and that business about philosophy had nothing to do with him. But I said, yes, I said, *we've all got a philosophy*, so I put this to him.



*Supposing your tractor broke down and you knew your neighbour next door had a brand new tractor, he wasn't home, why not go and help yourself to his new tractor?* Oh no, he said, I couldn't do that. *Why you couldn't do that?* He was a bit puzzled why I should put that question. Well, he said, *that would be stealing.* Well I said,

*what's wrong with that?* He was even more staggered. He said, *that's wrong.* Well I said, *what's wrong with stealing?* And after a bit of puzzling exchange I said – *you see sir,*



*you do have a philosophy, you've got a point of view. Your point of view concerning property is one you've been brought up with, you respect your neighbour's property, that's your philosophy.* Or you could take it

even further, a more extreme case, so farmer Joe Smith he didn't like his neighbour at all, in fact, you'd have to say he hated him. And you say to him, *well look you've got a good double barreled shotgun why not just go down and remove your problem.* He threw his arms up in horror.



**I couldn't do that.** Why not? **Well**

**that's murder.** Yeah but what's wrong with that? So we eventually get down to it. You see, even he believes, much as he disliked his neighbour, he had basic fundamental rights which he derived from God. His life was on lease from God, he had no right to take it even though he disliked that man. You see he had a philosophy too.



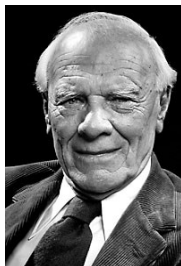
Now most of our points of view are inculcated into us. As we grow up its part of our culture and so it is absolutely important we be quite clear about it, and ringing down through the ages still comes that tremendous question. What is truth? **What is truth?** You all recall the gentleman who asked that, washed his hands, it was a bit too hard for him. But that's the central question – **what is truth?** Christ said he was the truth. He is the way. But there's more to it than that. **What is truth?**



Now as we come to ask this question and answer it, the first thing we've got to do is make up our minds between two points of view and here I would suggest to you, from a Christian point of view at least, the individual who's perhaps the most difficult is that person we call the liberal, the small 'l' liberal. The small 'l' liberal in the main is quite a decent sort of a fellow, but he's quite convinced there's no such thing as absolutes in the sense I'm going to start to talk about them, he constantly talks about what ought to be, how things ought to be and because they ought to be and he can think it up in his mind, that's how in fact he believes he can make it.



I think one of the most important little essays you can read at this time if you haven't read it is this one by **Malcolm Muggeridge**, The Great Liberal Death Wish, a brilliant liberal essay by one of the masters of the English language and it goes right to the core of this problem, the cleavage between the point of view of those who say – *because man in his own mind can think up what ought to be and*



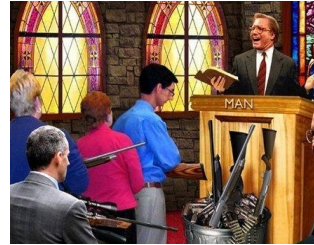
*he's got something called reason and logic therefore he can make it be that.* Because the other point of view which I am going to put to you very simply, **the rules of this universe transcend human thinking.** And just from a common



sense point of view, apart from any other, the sensible thing to do is to discover what those rules are and then obey the rules. Now the plight of the world today as a result of the liberal mind, constantly saying, *well because we've got something called intelligence and much else we can conjure up a world as it ought*

to be. The liberal in the main is the supporter of utopias and then of course, we've got to go on from there as we look at these words and I am the first to agree there are difficulties in discussing these matters and perhaps at question time you will take up some of these points.

People get so taken up with what we call **the word**, and I regret to say that I think many Christians are like this, such concentration on the word we overlook the fact that a **word** is a **symbol** and in reality what we are concerned is with the truth behind the symbol and many people get hooked on the word. And that's one of the reasons we get diverted, so the term utopia sounds nice to many people or some may say, well look. he's a great idealist.



You might think about this. It's been said that the ideal is the enemy of the real, because the ideal is what the human mind conjures up as what the human mind thinks ought to be. He is the utopianist. This of course raises other questions. The nature of evil itself, because the word **evil** to many people, conjures up things that are nasty, unpleasant. The most dangerous evil in the world is presented in a very pleasant shape. Many of its advocates are very pleasant people as people.



You've all met that person down at your local community level, who we call the **do-gooder**. Now the do-gooder only wants to do good to you whether you want it done to you or not. And then the next step is very logical, **so I can do this good to you, I only want enough power, in other words we are going to use it, for your betterment.** And



we're going to see in a few minutes, that has far reaching consequences, in fact explosive. So this question of words you can see is important as we come back and ask this question – **what is truth?**



So Muggeridge's great liberal death wish puts this very clearly. In essence it is between those who accept proper authority and those who don't accept proper authority.

Now the word authority today is one that, again because of propaganda, conjures up a picture in the minds of many people as something repressive and restrictive and reactionary, and I have just been lecturing and meeting up with bunches of manipulated kids that are crying their heads off about fascisms, or freedom, or rights and so on without understanding what they're talking about, The problem is. They have rejected authority.

I couldn't even play marbles without accepting authority. The authority of the rules and we all had to agree to accept the rules. We all had to agree that we'd be penalised if we broke the rules. **Authority.** And as Muggidge puts it, the ultimate authority of course is God and once we reject the authority of God we don't have freedom, we have anarchy. These are matters you've got to think about and as true

Christians you've got to equip yourself to be able to argue these points. That if you don't have an orderly society, then there can be no freedom at all.

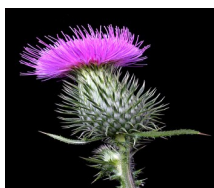


Even down to elementary matters like driving on the road, if we all said, *well look I find those road laws very repressive, we ought to drive where we like,* well of course you wouldn't have freedom at all, you'd have even greater carnage than you've got now.

So we come back to that beautiful statement – in whose service is perfect freedom? It's through service to the ultimate authority of God and God's laws that we obtain freedom. So you see this thing called philosophy is important isn't it? That's the starting point. What men believe governs what they do and please, may I stress, you've got to get it completely correct because we were



told you don't get figs from thistles. you get thistles from thistles. That being the case how can you get true policies



from untrue philosophy? I well recall many years ago as a member of the Melbourne Anglican Senate I put up a notion which caused a great sensation, that the Senate should go on record as stressing that the philosophy of Christianity, the undergirding philosophy and that of Marxism or Communism, were completely incompatible and therefore we should proceed from that basis and equip ourselves to

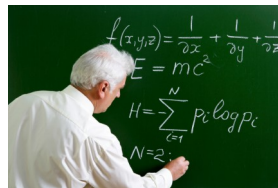


defeat in what was completely evil. And I'm sorry to tell you in the great debate that took place, we found that at least half the clergy felt that you could if you couldn't get figs from thistles perhaps you might get half figs, You see, there was some good in Communism. Now that's still the confusion today.

The philosophy of Communism is completely, and I merely state that, against that of Christianity. Now what is the undergirding philosophy, the point of view, about the Christian Revelation? It's very simple to me. Christ did not come to save systems. He insisted they were all to serve the individual. He didn't say anything about saving nations, saving groups. The whole thrust was on the individual. Every individual counted. Every individual was a unique person, unlike every other person. That to me is one of the most amazing things in the world if you'll



think about it. Everyone is different and that of course raised another controversial question about equality. A lady at my meeting last Monday night, who I'm quite sure believes she was a Christian, was quite outraged when I said I didn't believe in equality. The real meaning of the equality is no quality at all. We're all reduced to the one dead level. There's only one sphere of human activity where I know where you can claim complete pure equality, and that's in the field of pure mathematics.



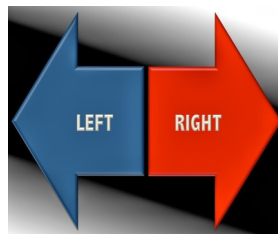
There's not one of you here today who is equal to anyone else. You're all different and



Christ's message was to the differences, that we were unique and everyone could come to know the Father through the Son. Each individual is to be governed and judged as an individual.

That is why this dreadful talk about group responsibilities is so evil. It's only individuals can be held responsible. Now that's got awesome responsibilities attached to it as we'll see. Right down to how you use your vote, will be coming back to that, but on the other hand what a tremendous concept that each one of us can come to know God, love God and serve God, and our uniqueness can be developed if we've got that concept. But we've got to create the right social and economic and other structures so that can be done. I think we can leave that. Got any questions we can come back but that's the starting point. **What is truth?**

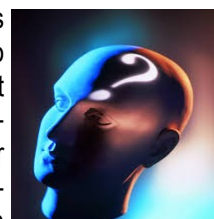
Now the whole of history can be written around basically two points of view concerning what I'm now going to do



discuss called **power**. There's only two and you've got to make up your mind what is your philosophy about that? Now you've got the point of view which says if we can only concentrate power sufficiently into the hands of an elite of some sort, they in their great wisdom can solve all the problems of mankind. They can in fact, create a perfect society. The other point of view is that the only safe place for power is decentralised power right



back to the individual. Now at this stage many people say to me – *well aren't you getting a little ahead of yourself Mr. Butler? before we discuss power, don't you think we should discuss freedom?* We can't discuss freedom without power. If you have no power to make any decisions about anything you have no freedom. Freedom is dependent upon what power or what sovereignty or what self government you possess. If you don't have that, you have no freedom. You can't make any decisions about anything. This is the fundamental question we must



get quite clear. Now historically of course, the Christian approach is quite simple and it goes back to that incident, the temptation on



the mount of the wilderness. Now the temptation there, in the gospel of St Matthew gives you the best description of it, where Christ was taken up on that high mountain and shown the whole world, and there was the temptation. The temptation was with complete world power, you could remake the world, that was the

way to the new world, and Christ rejected it. And Christ said, in essence, the only place of power was with the individual, the Kingdom of God was within each individual. We've forgotten that to a great extent, but over 2,000 years of Christian endeavor, there's been an attempt, particularly in the English speaking world, to implement that teaching.



**Magna Carter.** We've forgotten the message of Magna Carter. It concerned this thing called power. There were the two points of view. We had Caesar in the shape of King John. We had the barons, and I would put it to you, much more representative of our political

party hacks who are representing anybody except themselves. But the other group at Magna Carter are generally overlooked and they



were the spokesman for the Church headed by the great Archbishop Stephen Langdon, and who do they claim to speak for? They claim to speak on the authority of God and in essence they said to Caesar, *now listen Caesar*, as of course Christ said, we need Caesar, but not too much of him. We've got to, in an orderly society, have government, but we don't want so much Caesar there's nothing left to render

unto God. **"There is a higher law"** said the Bishops *"and you Caesar must obey that higher law along with everybody else"*. And that is why Magna Carter, which of course is not taught these days, some kids even think it might be an obscure race horse if you mention it, they've never heard about it. One of the most tremendous documents, a great Christian document, restating what regrettably today we've forgotten. What I'm putting to you, we'd better start to relearn. **Power and authority.** We had to accept the authority of God all flowed from there. Caesar in his correct place, the division of power. The individual had fundamental rights which he didn't obtain from the state.



Many people tell me, we have a nice sounding constitution, it lays down all the rights of the individual and you ask, *well where do you get those rights from?* From the state. Well, what the state grants, the state can take away. But as you all know God's rights, God's freedoms that are given to us

are quite free. A completely different type of authority.

Now over history we can see how this works out. We come to the test. There is tremendous wisdom in the New Testament, tremendous wisdom, and if we just look at it. **By their fruits**, not by what they say. not by what they promise. What are their fruits? If the fruits are bitter, well then the philosophy's wrong. As I say, if you're

getting thistles, you've obviously growing thistles, you're not growing figs. That is the acid test and it's most important we keep, to use colloquialism, our eye on the ball as we come to look at this a little further.

Now throughout history there are two policies from the two philosophies. Let's look at the one where you centralise power. Now, this produces something which has been summarised in a law. You've probably all heard it. The great law concerning power. Enunciated by the great



Christian, historian and philosopher **Lord Acton.** And I might just remind you as I remind my Roman Catholic friends. this statement was made in a letter to his friend Lord Crichton when he was, as a devout Catholic, objecting to the doctrine of infallibility concerning the Pope. This law, as Acton says, applies to everybody. And the law was – **All power tends to corrupt. Absolute power corrupts absolutely.** Now that law, tested over history, is just as absolute as the law of gravity.

You can if you're a liberal minded person say, well look



I don't like that law. It ought not to be like that and you've got freedom to fight if you like. Like the individual he can keep jumping over the cliff if he likes and say, *well look, I just reject this law of gravity*, well he'll find every time he jumps, he'll hit the ground. And as the great GK Ches-

terton said, very witty, most poets seem to have a greater insight, **"the man that jumps over the cliff, not only violates the law of gravity, but he demonstrates the truth of it."** Do you know that's what we're doing today in our civilisation? The plight of the world is demonstrating the truth of God's universe. We're demonstrating it every day. It's just a question of when we wake up and say it's rather silly to keep on jumping over the cliff, but some people are not very bright, particularly those who are convinced, well perhaps we just haven't got enough power yet. If we only had a bit more. So, as Acton said, they become corrupted. And he said, that applies to everybody and I don't care who he is.

It's rather interesting you know if you talk to politicians, particularly party politicians, I generally find when they are



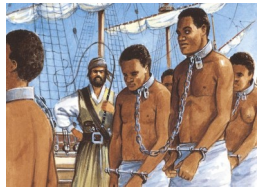
in opposition they agree with this law and they'll tell you, *yes, of course it's true, yes that bunch have been in office far too long, they're quite corrupted but if only we had the power, think of the good we could do with it.* But

it applies to all of us. It applies to all of us and I could give you some quite devastating examples of individuals who set out with this liberal view, just wanted a little bit of power, going to do good with it, and the further they went the more corrupt they became.

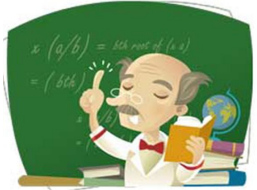
Now there's one aspect to this corruption that's generally overlooked. Many people can see that it corrupts the person that is using the power. As more and more arrogant, self-willed, full of his own importance, becomes God. But there's another aspect. It corrupts those over whom the power is used. You see, if you are governed by someone else you don't make any decisions yourself, you then are being corrupted. I hope I don't upset anyone. The traditional objection to drunkenness has not been on health grounds because, we do a lot more dangerous things to our bodies with some of the rubbish we eat than consuming alcohol. The traditional objection was the drunkard surrenders control of himself, control of purpose, that's what we're doing today.



If we keep surrendering our lives to Caesar, Big Brother, or someone else, you're being corrupted. Until eventually you may even reach that dreadful state and that must be the most dreadful of all is the slave can come to love his chains. What a dreadful level that must be. So the law of power and corruption is an absolute. It's as absolute as the law of gravity and any other laws you care to define. Yes it takes awhile to work out. That is why the question of history is so important. Real history.



A little story of the lecturer full of his own importance, real liberal, rejected all authority, on the blackboard was going to prove to the students the law of gravity was nonsense, that fellow that discovered it, you know the apple fell on his head and all those people, they...that's a lot of nonsense, I'm going to prove it. And then he said, much to their astonishment, I'm going to now demonstrate. So up he went onto the fiftieth floor, the students were all waiting and he jumped off. And as he went past the fortieth floor he waved to them all – see, he said, quite alright – and he was at that point. But he wasn't a couple of minutes later.



You've all heard of the statement of the mills of God grind slowly, but they do grind. So sometimes it's like if you violate how you should treat your body it may take awhile before it catches up with you but eventually it does but it takes time. That is why these tremendous principles, truths, have got to be discussed in a time context and that is why the Church should be a body of authority on such matters. One of the reasons it should never have located for example the field of education to Caesar. That's one of the results for abdication everywhere. These are questions we've got to give a lot of thought to. So you can take either course. Centralised power with all the corruption, more and more



compulsion, more and more tyrannical government until eventually you get complete dissatisfaction or the other policy rooted in the other philosophy that's the individual accounts therefore we build from there. Caesar exists to serve the individual.

I'M FROM THE GOVERNMENT, I'M HERE TO HELP



Institutions exist to serve the individual. The group exists to serve the individual.

And now we associate not under compulsion but under the great Christian law of love. That's not one of those silly sentimental things like you read in all these novels today. It is a brilliant truth. It works. It works when you apply it. Any group that's come together through voluntary association because the individuals are attracted towards achieving something they couldn't get on their own. That is a tremendous success. There's harmony. The other policy produces disaster. Now just one final point on this, because it's associated with our contemporary world where instead of having...using words as they can put it to get a just relationship between the mind and things, we now throw words at people like slogans. You're a fascist, you're a Nazi, you're an extremist, you're a racist. These are all slogans. This obscures reality but as I said, you don't change reality by putting different words on it.

Love one another

Many years ago in America back in the great depression of the thirties there was a famous fellow called Huey Long. he was assassinated.. I merely give it this because as a young man I was most struck by this. He long predicted when the day would come when America would go under fascism, but he said they won't call it fascism, they'll call it democracy.



Let me give you another analogy of what I'm trying to get across. In my part of the world where we have a few fox problems at lambing time we use Strychnine, the poison, and the form in which we obtain it is pinkish powder. It rather looks like icing sugar. Now supposing you put that in the bottle and you label it icing sugar, it looked liked icing sugar, but I can assure you if you had a teaspoon of it the label would not help you one bit. You don't change reality by putting a different label on it. Many people were astonished after the Second World War in East Germany when large numbers of Nazi officials became Communist officials.



Many people were astonished after the Second World War in East Germany when large numbers of Nazi officials became Communist officials.





There was no difference. All they had to do was change the label. The reality was just the same. They were motivated by the same philosophy.

The fascists in Italy. Mussolini was a Marxist. That's important, that you don't change reality but putting a different label on it. It's the reality itself we've got to look at and therefore to conclude this little part of the lecture. I don't care what the label you put on government. the more it centralises power the greater the corruption. The more you take from the individual that which belongs to God, the more you corrupt him the more you produce the satisfaction in society. It takes a while sometimes to work out.



Some of you would recall the great battles about the British entry into the common market. Again all the idealists but behind them were the

hardnosed people. The idealists said, this is a marvelous vision. It should work. It ought to work. Look at the coming togetherness and all the rest. There were those who said, as I was one of them I recall, who said that, *look you can't get figs from thistles. The end result must be disastrous.* If you had a vote in Britain today 80% would say we've had enough to it. It's taken them 80 years to realise



you don't get figs from thistles. They turned their back on their own traditions, the undergirding philosophy of Christianity which gave rise to their political system and much else and I would direct your attention on this question, it's most important, a little book called Foundations of Liberty by Cannon Arthur Fellows who examines this historically from a Christian viewpoint. Christians may I stress must concern themselves with real history. If we don't know how we've come to where we are, if we don't



know of the great successes we've achieved, then how do we know where we're going? What have we got to offer the next generation that are so tormented at the moment of where they're going? Cut off from their roots. This is absolutely essential for those of you who are going to play any effective role in the battle that's taking place in the world today.

Well now if we can see this the next point is very simple. The real argument for what we call democracy is the decentralisation of power where individuals freely are making decisions about their own affairs, and to take it from that the realities of the world are such that we have discovered principles. These truths, which as I said, transcend human thinking and when we apply them they work and it's amazing how often we do work without realising we are working.

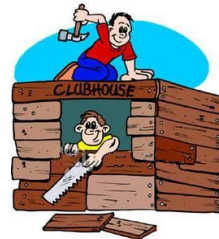


Now let's take a little simple analogy, let's imagine we're a marooned group of people on one of those idyllic pacific islands and we're all living happily ever afterwards. After a while we decide, well apart from eat-

ing and drinking and all of the things that go with the material things of life, we'd like to do other things, we'd like to play some games. So we decide, well now what could we play? We're different sexes, different ages, so someone says – *what about golf?* I remember we used to play golf. Alright. Now the important thing is, before we can play golf we've got to do something, we've got to form a golf club. You see we've got to form an association so we as individuals can get what we call the increment of association. You see that's another part of the truths of this universe. So the next thing we do is we decide, alright we are going to form a golf club so we can play golf. Then the next thing is we've got to have something called a constitution. A constitution can be either written or unwritten, but it lays down the rules and we all agree to subscribe to the rules. How we are going to elect the committee and how you are going to run the club and so on.



So we elect the committee and then, taking our minds ahead we decide, alright we've got to get the facilities for playing golf, clear down the bushes. You put down the little putting



greens and the little hole, which I generally find is far too small myself, and then you have got a social side, you've gotta have a golf club house and when it's all ready we can all then go and play golf. Now please note there's no nonsense that all golfers are equal, because I can assure you that they are definitely unequal. But note the beauty of the association inside a framework of principle. Each individual can play the



game in accordance with these attributes or these interests, if you think you're a budding Gary Player you can go down and put in all the time you like, or if you're just a housewife who'd like a social afternoon with the rest of the girls or if you're a businessman who

just wants to chat over a business deal - you can all play. Everybody's satisfied. Now of course the game itself has got some rules, in fact I think there's only seven words – **the ball shall be played where it lays** – I'll tell you those seven words have caused a lot of trouble for a lot of people. You see...and then on top of that there's something called an ethic. It used to apply to cricket but cricket like everything else has been reduced to a lower level. We talk about that's not cricket, that's the spirit, sportsmanship. The Anglo-Saxon used to pride himself on that once. So in the case of golf, if the ball is in the rough when you're opponents not looking you don't give it a little kick. And if everyone plays within that we all get satisfaction. The good player, the bad

player, the different player. It works. That is the type of association which reflects reality, serves the individual.

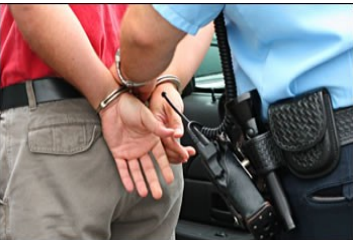
Well now, let's imagine one day a group of **officials** have taken one of those special courses they have in universities where they study something called **sociology** and there they're convinced this game of golf is very reactionary, it's really quite bad for people, in fact it's been proved in the higher scientific circles it produces traumas, you've heard of all those things sociologists preach, you know about parents who smack their children, all these dreadful things, and really it's your duty now with our higher knowledge to go back and stop that game immediately. In fact to tell them it's been proved conclusively that baseball is far superior, it does a lot things for everybody. Can you imagine if the group come back and said, *now with this higher knowledge we know what's good for you? So it's golf out and baseball in.*



Well I suppose the first reaction would be, well let's have a look at the Constitution, what's the special provision in the constitution to call an urgent meeting and vote these idiots out? Well supposing it's difficult to vote them out. The other thing you could do, if you've got freedom of choice, you just pick up your golf clubs and you say, *well cheerio*, and all the members leave the club and the club no longer serves them, so there is no longer necessity for a club. Now if you can transport yourselves from there to a society like is emerging today, we've all got to play the equivalent of baseball. It's hard to change the committee, because the committee has all the guns, you've got to stay and play baseball or the equivalent. whether you want to or not. And people who are compelled to do things they don't want to do, don't do it very well.



Now if you'll grasp those correct principles of association we can now come to the final stage of this lecture where what we call our society is only a complex association. Where over history individuals have learned how to come together to achieve in association what they couldn't get as individuals. It's fascinating you know, to study the growth of civilisation. You go back first to the simple tribes. They had to keep shifting with the animals, you'll recall in Biblical and other stories, to where the food was.



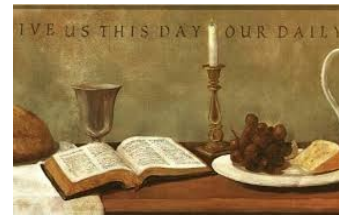
But then in the Middle East, the Nile Valley a great discovery was made. Crops could be grown in the one place. Grown because it was discovered that God's universe is an



abundant universe. Have you ever thought about the Lord's Prayer where we are asked 'Give us this day our daily bread' surely Christ didn't ask us to pray for our daily bread or the equivalent, the material things of life, if the Father hadn't provided an abundance. He has. It's not a mean miserable world. It's a world overflowing, not only with God's love but his abundance. And they discovered it and as they discovered in the abundance, and again let us make this comment – the discovery of truth because it's important to remember because there is another God being elevated by the Liberals and the Marxists called **science**. What science has done?

Ladies and gentleman, science is merely the discovery of what was and is. Man doesn't create. Man discovers. That gives a new relevance to that saying. *Know the truth and the truth shall make you free.* And the more truth we discover the greater we can explain the physical basis of freedom. It's fascinating you know that even the terms we use can be misleading such as the generation of electricity, as if we've created something. All we've done is change that which has already existed. But we've discovered truth and so as we discovered more and more truth the old question of poverty was slowly but surely shifted. More free time was available so the individual could spiritualise himself, the arts, the crafts, all started to flourish which gives a new dimension to God's universe, doesn't it .

The whole subject of what is the true purpose of the production system. **Does it exist to serve the individual?** Or as the Communists say – **to control the individual?** Well the question's got to have an answer. It's got to have an answer to what is called unemployment. It is a curse or is it a manifestation of discovering so many of God's truths that fewer people in the production system provide an abundance for all. Doesn't that mean then under proper conditions every individual is God's child, has got a right to live with dignity and God's made it available. And it all comes back to understanding these principles. So then we reach the stage with a developed society, first of all we've got economics. We've discovered that private property is linked with that philosophy of decentralised power. The ownership of something is essential for each individual to develop himself, even if it's his own little



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cottage which he can paint in his own way, decorate in his own way, it may be very humble, but it belongs to that little family and through it, they develop themselves. You see, the test of any concept is does it work again? That's often overlooked.



The first Communist in the economic sense in the North American continent were the Plymouth pilgrims. Do you know they tried economic Communism, and they nearly came to complete disaster in spite of the fact they were God fearing and Christian but human nature is such, for a man that had no family said *why should I*

*work as hard as that character there who's got eight children.* They nearly came to disaster and they had to then go back to a system of private property, with each individual personally responsible for that which he was going to operate. Then they started to flourish. It doesn't matter what the property may be. It's not property as such which corrupts, it's the misuse of it.



**Private property.** If we accept what works, the consumer has got to control it. Well we have something called the money vote. We'll be having a look at that. **Money is a vote.**

Now there's no argument, the free enterprise system of economics has provided access to God's abundance on a scale that just dwarfs the imagination. The bread of life aspect's been solved. But we



were told, man does not live by bread alone, he's got to have more than bread, alright. So he's got to have freedom but before he can do that in society he's a social animal, he's

got to live together, like our golf club so he's got to have government. That's all government is, the equivalent of the golf club committee. Then you've gotta have a constitution to govern it



because the reality of history has taught us that governments, once they get a little power, want more power. So the Christian's got to have a view on this. And our Christian forebears did have those views because they were taught. They

needed Caesar but not too much of him. It's rather interesting, that in the English world, we built up that Trinitarian concept of



government. That to me is fascinating. The House of Commons, the Lower House, then an Upper House to check, divide the power and originally, the House of Lords was both Lords Temporal and Lords Spiritual. And you may be

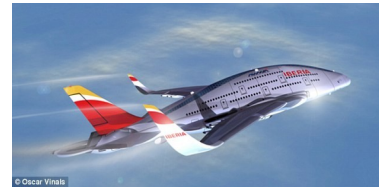
amazed to know this that up until 1917 Christianity was accepted as part of the unwritten constitution of England. It was then abolished as part of the new enlightenment. And on top of that

we've got that other part of our constitutional system called The Constitutional Monarchy, and again it's a great tragedy that few can put forward a case for the retention of monarchy, the Christian background and the role it should play in the type of government that's Christian. Along with that, governments should be responsible for defence, but governments should be confined to merely, as



with the golf club, overseeing the rules governing the club and maintain with the maximum freedom for individuals inside the club to get on with the game of life.

So over here that's where the real game of life is played. The third division, the cultural, the spiritual. That's where the great advances have been. You see all true progress is moral progress. **All true progress is moral progress.** It



doesn't tell us much to say we've invented a plane now that cuts four hours off flying from here to New York. The question is, what do we do with the four hours we've saved? That's the question?

Do we spiritualise our lives more with this free time, or do we merely have the free time to put us to do some more material activity under control of someone who's got the power to do it? Service to one another through the boy scouts, girl guides, all this is where the real progress of man's taken place. Look at the subject for example of the arts. Isn't this



where all the real progress has been made coming from individuals? Can anybody imagine a government department writing the plays of Shakespeare? or perhaps the great paintings of Michelangelo? These are all the flowering of individuals. Spirituality pouring out. And the tragedy is that there's so much of it today that still potential it's crushed.



Even sport itself is reduced to the level of paid gladiators. You've all seen this and to conclude then ladies and gentleman, if we had a truly Christian society, that is one that reflects

truth, that is the philosophy of truth, decentralised power, it would be one in which economics and politics would be kept to their true place, which is to serve the individual so that in that third aspect of his affairs he can get on with the real game of life motivated by that Christian teaching of love.

**To have that vision requires not a mechanical detailed blueprint of how you are all going to live, but a tremendous hope and a tremendous adventure.**



# TIMELESS PRINCIPLES – PART 2



**ECONOMICS** by Jeremy Lee

Some people really don't know how to produce anything, so they don't have much credit. Others have great capacity. So let's forget about financial credit and look at real credit and I put to you – real credit = productive capacity. That's the capacity of those people to produce the things that they want, and that is made up of a number of different things which I've listed under various headings as you can see. The first thing is before any group of people, before any nation can produce anything, they've gotta have something to start with. You couldn't go right out into the middle of space and start producing things because all you've got around you is space. So I've listed the simplest most basic things

**EARTH**, the source of food, it transforms seeds into life, plants, in fact it's really the bed of all production if you like.

**AIR that we breathe**, without air of course we couldn't live.

**WATER**, which again is absolutely essential to life.

**MINERALS** that we shape into the various tools that we use and

**SOLAR ENERGY** in a wider sense than just sunbeams. Sunbeams is the start, but sunbeams are then locked into various types of energy, for example, petroleum or coal, all of which really is trapped sunbeams. We call it solar energy, locked into fossil fuels, just trapped in there and then mankind can use it.

And you look at that list first of all and you would have to ask the question, how much of that was created by man. Quite obviously

none of it. Who created it then? Well Christians don't even have to think about that. They know very well this was created by God and was given to man. Now this sounds absolutely trite doesn't it? Most people know that. Little children would know this and yet do you know that once you've accepted that you have taken a giant stride away from every type of economic teaching in any university in the world at the present time because every university teaches that labour produces all wealth. We have what is called the Labour Theory of Value which is taken as a divine principle in the Law of Economics. Labour produces all wealth? Well how much of that was produced by labour? None of it. It was produced and created by

God and given to man for nothing. We didn't have to pay hard purchase to get that. We didn't have to go and sign a contract. We were given a huge area of wealth for nothing which strikes a second deadly blow at economics taught around the world which is that you never get anything for nothing. Well we started off pretty well. God gave us a vast area of capital, physical capital,

to his children and said, this is for you. You are to take dominion over that. You'd better use it, use it properly, husband it, that's where we get the word husbandry from, and for a long time man lived in an environment that had all these things that God had given us and we didn't really know how to use it.

So our economic systems were the most primitive things.



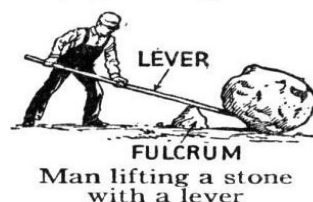
You can read it in the Old Testament. Simple tribes that just herded cattle on hillsides. You can still see many nations in the world that live at that level of economy. Sustenance.

Sometimes they eat berries out of the forest, shoot an animal, there whole economic system, there productive system is a terrific struggle just to extract life out of what God has given us. But you see, inherent in what God had given us is also this thing which we've developed in the previous lecture that if you discover truth it makes life better for you.



And man began to discover ways to use this beautiful capital that God had given us. He discovered something called a wheel. He didn't really invent it. He merely discovered a natural law that was there. Wheels

turn, they're round, you can shift things with them, you can even ride on them and as soon as he discovered that wheel his real credit grew a little bit. He discovered something



called a lever. You can get a lever and put it over a fulcrum and you can get on the end and you can shift the weight you couldn't shift with your muscles. Now he didn't actually create the

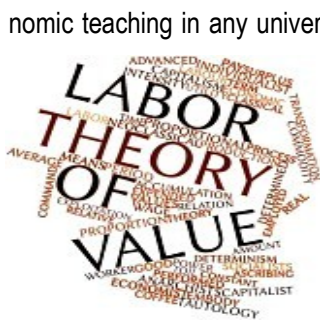
lever, he simply discovered that by putting two things together he'd stumbled on part of God's law and it made things easier and he began to bank this knowledge of how to use the environment into his mind and then to pass it on to his children. You see, once the wheel had been discovered we didn't have to keep discovering it every generation, fathers told sons and sons had that knowledge for nothing.

So as God gave people something for nothing we in turn, having discovered how to use this, then passed it onto our children for nothing. We



had a mechanism to do this which we call our education system and the educational system is supposed to be a mechanism to keep passing on to those who come after

us what we have learned about the environment that God has given us. Not just in production but in every sphere of the human activity and this bank of knowledge that we've got we call our cultural heritage. The American's call it 'know-how' which perhaps is more graphic. You just keep



passing your know-how on and each generation gets that cultural heritage—something for nothing.

Now it's quite possible for a generation to come along which says – *this cultural heritage you know is just a waste of time, why bother to pick it up, why bother to learn it?* And you can have a bank of knowledge which has taken 1,000 years to build up, destroyed in one generation and what happens to that civilisation, they go right back to square one, and it might take them

another thousand years to build up the same cultural heritage that the previous civilisation might have had. You lose the whole thing just by disobedience or neglect or pride but provided you use the cultural heritage you have been given correctly, how do use what God has given us? Certainly in a productive sense it enables a number of great benefits or increments to come flowing through, and in a productive sense, every time we discover a way of making advances, doing things easier, learning how to use our environment, we can translate that into one of two fields.



Either we can continue to increase production or else as we've discovered a way to make it easier we can have more leisure, we can have our Sunday's off, we could even have Saturday afternoons off. And I would put it

to you again, right against everything that is taught that what we call the greatest progress, if we're gonna use that word, civilisation, comes out of leisure and not out of work. We're only challenging a few sacred cows no doubt. People say – leisure instead of work! Well you can test it. Go and have a look at societies that have no leisure at all.



They're the most brutalised type of societies that you'll ever find. You can think of a number of examples. I spent nearly all my life in Africa and you can see many people there who have no leisure. I can think of one tribe in the

Kalahari Desert. They'd be the hardest working people on earth.



Their economic system simply evolves around getting up as the sun comes up, going off hunting, perhaps going 30 or 40 miles, if they're very lucky they find an animal, shoot it, drag it back home, absolutely exhausted, put it in a cooking pot, eat it and that gives them the strength the

next day to get up and do the same thing. And if you don't do it you go hungry. They are absolutely on a treadmill if you like, just to keep going and there is a society without any music, without any art, without any history, without any dreamtime, without any culture, without pictures and they could be like that for another

1,000 years until they simply discover one little new facet about God's creation which might break them out. Perhaps just a new weapon to shoot that animal, I don't know. Perhaps the fact that you can plant seeds in the ground and make it grow into food. The Socialist mentality says ... *full employment for everybody seven days a week, including wives.* One of the most remarkable things that people come back from a trip through those places and they say



*11 o'clock at night you see old women running concrete machines and sweeping the streets – that's a brutalised society.*

But as against that go back into periods in our own history as we developed a very dim understanding of how to use our environment in a Christian way and one of the most interesting periods is right back in the 1200's, the same period that produced

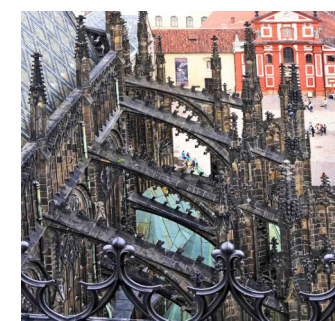


Magna Carter, when although they'd never heard of motor cars and TVs and all the gadgets that clutter up our society today, for what they needed they had a good productive system.

Their food, their clothing, their shelter, their simple needs and the result of this was that the average family in England, and not only England but really right through parts of Europe, between 1200 and 1300 were working 16 weeks of the year. Sixteen weeks of the year and here we are arguing about a 35 hour week as though the end of the world had come. The Church which was very strong decreed 150 holidays a year. One hundred and fifty holidays a year. They were called Holy Days. That's where the word came from. And there was a special saint for each day and you go through the old Church calendars and look at the Saint's Days, you'd have a job remembering how many there were. And on those days you didn't work!



Well what on earth did people do with 150 holidays a year? Did they all go down to the pub and get blind drunk or on drugs or get on motorbikes and go screeching round the streets or... They translated that enormous leisure period into the greatest explosion of culture, they spiritualised their lives that we've probably ever seen. In a period of 97 years they build 48 of the most beautiful cathedrals



that mankind has ever seen and they were built in spare time as a leisure activity and you go into cathedrals like Westminster Abbey or Canterbury Cathedral, Exeter, Wells,

right up and down the length and land of Britain. You walk into buildings that are out of this world. Six or seven hundred feet long, three hundred feet tall and the thing that hits you is the almost excruciating amount of detail and care and love that went into building this. Minute carvings all done with simple hand tools. The first one that was ever built was Notre dame Cathedral in France. They



had 2,500 volunteers working on that cathedral every day for 80 years...how's that! And you come outside and you see scratched into the old stonework 'To the greater glory of God'. There were no strikes, no overtime, no union officials, none of the nonsense that we've got today. People just got together after the food and the house-



keeping and the living side of life is concerned and say – what are we gonna do? Let's build the most beautiful thing we can do, up on the hill there and away they'd go for 80 years. It wasn't only in the field of the Church – their cottages; many of them are standing today. When you built a home there you didn't build it for 60 years you built it for 800. Little cottages right up and down Britain. Those marvellous villages. Guild halls where they used



to hold their civic functions. Their markets. Nearly everybody played a musical instrument; you were an absolute nong if you didn't play something or other. Terrific amount of drama. There was really no barrier between the Church and the state. If you had a great problem in your village you took it into the Church and people used to sit around in the Church and discuss philosophical questions and political questions and how should we run the nation and that's how Magna Carter really was a Christian document. It was the product really of the Church even though it applied to the state. And people call that period Merry England. Merry England. There's a nice ring about that. And it flowed through to the 1400's and the 1500's and it began to throw up individuals who had a tremendous personal development of genius which comes out of a type of field that is nurtured in a certain type of way. People like Shakespeare and Bacon, the father of deductive science, and then gradually men lost the vision.



The next great discovery under heading three there, was something called the Division of Labour. Now up until that time everything had been done on the very simple cottage industry basis. One man was a thatcher. He thatched roofs on cottages. One man was a man who put shoes on horses. One man was a clothier and made coats. Everything was done on an individual simple cottage industry basis. One man was the baker who made homemade loaves. One man might make nails for building and they had very primitive nails and he used to sit

down in his village with a little forge in front of him and he'd draw bars of iron into the right length with a hammer



and a forge and then he'd put a point on one end and a flat head on the other end and working under that system day after day he might produce 50 nails a day. And then he discovered if you sat four people down in a line and each

person took part of the process. One, he did the iron, the next one put the points on, the next man put the flat heads on, the next man packed them into their little rush baskets, that without any extra effort production now increased to 150 nails per person instead of 50. There was a new extra bonus that came without effort simply by discovering correct principles.

And that was the forerunner of huge industrial lines that really have taken it too far today. We might see a car going right through a factory and each person does one



thing. You just spend your life putting a bolt on or a steering wheel on or painting it or whatever. And because that endless belt is so long and there are so many things coming off it they all being to look exactly the same. I think the first

one that really hit the world was Henry Ford and his Model T car, I think a million came off an endless belt back in



1920. So many of them that Henry Ford coined that famous phrase "if you wanted a Model T Ford, you could have any colour you wanted so long as it was black". But really if you think about it, that discovery

should have knocked that 16 weeks of the year down to 13 weeks of the year or perhaps 12.

And then all of a sudden man discovered the most incredible thing of all, the strange thing called the machine, and here was the means, this strange thing, whether it was a steam engine or electricity or a one horse power motor or whatever. Of translating solar energy straight into production without human muscles being involved at all. This one horse power motor would do the work of ten men with wages, sweat, blood, tears, toil, tardiness for a few pence a week. Can you just imagine standing in the industrial revolution as the first machines that mankind had ever known came into existence and looking forward



into the future and trying to dream what society is going to come out of this. Is the day actually coming in the future when we're gonna have men walking round a paddock behind a horse



and a plough we're actually gonna have a machine that plants the wheat and harvests it. People would have said – that's mad, don't be ridiculous. I saw the figures for the USA the other day; if they got all their wheat harvesters into one paddock they could harvest the whole state of Iowa, which is 56,000 square miles, in a fraction under 24 hours. Staggering.



Is the day coming when man no longer has to crawl down a hole in a ground with a pick and a shovel on his back and a bag with a lamplight to hack out a few minerals, put it in his bag and crawl his way up to the surface, we're going to have machines mining our minerals for us. We're going to bring into Australia, this is an awful thought, three machines that are so big that each machine wouldn't even sit on a football pitch. Now we're gonna have three of those gulping away 24 hours a day.



And then the most incredible question of all is - are they coming when man no longer really has to



work. We need fewer and fewer people to produce the things that are needed. That we're moving into an age when that dreadful punishment of the Garden of Eden, by the sweat of your brow, a punishment from God, is going to be lifted off the backs of man. And that terrified the world that thought. And instead of facing up to what was happening when you think about it the machine did the very opposite.



The first machines that were built and served liberating people were actually put into the cotton mills of Lancashire and as the machines came in one side of the factory the door at the other end opened and people just got the sack, they weren't needed, and they stumbled out into a

new world.

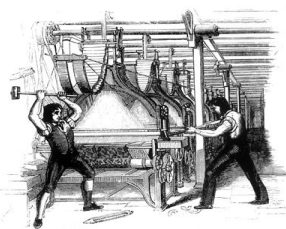
A new world where production was increasing and more people were starving cause they hadn't got jobs. What we're talking



about now, this huge unemployment, we've been smothering up for 200 years you know. It's not something new. It's just gotten more and more intense but it started then. The production of Britain rose and the starvation of Britain increased. Isn't it ridiculous? And workers scratched their heads and said – what's the answer? The answer is – let's get rid of the machine.

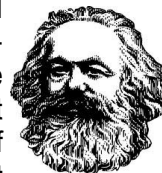
So they had gangs that went round Britain in the dead of night

with huge jackhammers, broke into the factories and tried to smash the machines to pieces. The luddites. They couldn't hold it up, it was coming in so fast, there was an avalanche of technology.

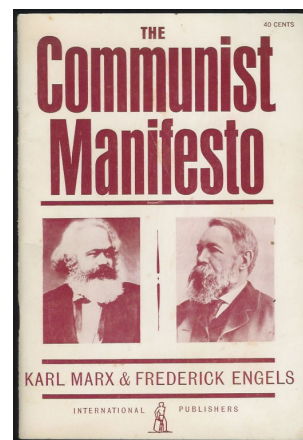


But the next development was much more frightening. There was a little man called Karl Marx sitting in Britain, that's

where he was, in the middle of that industrial revolution, writing a book in



the British Museum called the Communist Manifesto.



If you look at that book it was written as a response to this new development and he says it was not the machine that was to blame. It was ownership of the machine and if we could produce a new scientific world where we got rid of all private property how could one man exploit his brother? So let us build a revolutionary machine that will sweep the world and all the institutions that have shaped that previous world including the Christian Church. It's gotta be broken by violence on the

scrap heap of history and the new scientific age of equality put in its place.



And you know if you're starving and you've got your kids working down sloshing through the mines underground as they were in that industrial revolution, little kids of seven and eight down thousands of feet in the darkness, or your wives were working 16 hours a day

for the price of bread, you know you'll listen to anything and that movement has now taken a third of the world, more than that, but it provides the thinking, the teaching, the learning in our part of the world. At every university broadly the economic teaching we're getting is one variety or another of Marxism. Sometimes consciously, sometimes quite unconsciously.



But what was the Christian answer? The Christian said to those who are sloshing through the water – this world is a vale of tears, we're not meant to enjoy ourselves in there. Just think about the world to come. It's a bit tough to accept that if your kids are starving.

And so we just blundered on economically trying to fit into our economic system two totally impossible things. One said – more and more and more technology, the second said – full employment for everybody and he who shall now work neither shall he eat. The Christian was divided on this question himself.

And if you're gonna try and run an economic system with those two totally impossible things in it, you've only one question to answer – what are you gonna do with all the production?



And you have to shape a certain type of economic system to keep the thing going and that is an economic system that produces more and more and more whether it is required or not. So we launched a technological attack on God's environment which was really not husbandry at all. It was now destruction. We began to try and keep going by producing more and more and more. You look at technological societies that have played this game harder and longer than any other and you see the most destructive. Communism is destructive but look at



Capitalism. Look at the United States. It had to make economic units that produced more to survive. So in the space of 20 years they shifted 16 million little farmers off the soil because they were told – now your farms are no longer producing enough, you've gotta



produce more to keep going. America was built around the Homestead Act which was a Christian concept – just a little bit of property for each family. That was gone. So you amalgamated farms together and then you amalgamated those together again and finally you produce something called an agribusiness which was run more like a government department



then a farm and you had on huge great tracks of land people with white coats walking around and you had a department of chooks and you had a department of cabbages and a department of cows and the whole thing's crashing now because you can't run farms like that and the little farm is coming back – but what a way to learn!

And what happened to 16 million people just heaved out of one social economic environment and dumped down in another? Where did they go? They still had to live, they still had to have this thing called a job, so they went to the big cities. And the big

cities, instead of being nice places as they used to be,



became awful. And in came a man with a ball on the end of a chain and he began to knock down the little suburban homes and up in their places went high rise flats and you began to pack people into

those like chooks into a chook pen and we're doing this all over Sydney and Melbourne



as though it's progress. What a way to bring up kids! You can't keep a puppy, you can't keep a kitten, most of them you can't even keep a budgerigar. I heard of one not so long ago in Canada they built – they forgot to put

stairways in it. All they had were electric lifts and if the power went off or you had a power strike you were just



trapped in your rat hole like a rat in a rat trap. The power went off in one area for three days. So they had a helicopter flapping up and down outside this building trying to throw sausages in

through the window. The ones we have in Melbourne or Sydney we have four or five social workers attached to each building simply cause of the breakdown of the family in those conditions.

It wasn't terribly long ago we had the Minister for Housing in the Soviet Union as a privileged guest over one block of flats in Melbourne. He said it was better than anything they had in Russia and the very day he went round some poor wretched woman threw herself off the top of one building and committed suicide, they've had a number – she said – I can't take it any longer.

Now if somehow you can survive living in an environment like that you come out down into the ant heap down below and from Monday to Friday there's a huge race trying to



get this thing called a job. And away they go into industry if you're lucky enough to have a job in industry and in industry there's only one problem – how do we get rid of this mountain of stuff that

we're producing? We've got machines now which at the touch of a button can produce in minutes what it took days to produce a few years ago. So we begin to devise totally destructive ways of shifting it. First thing is, exporting. Export it. Export or die. And the whole world is caught up in exports. Except for one group – the Communists. They say – you send all your exports to us. We don't want to export back at you. We'll just live off your Western

production. We've fed them, we've clothed them, we've armed them, we've put their factories in place and now we shiver in front



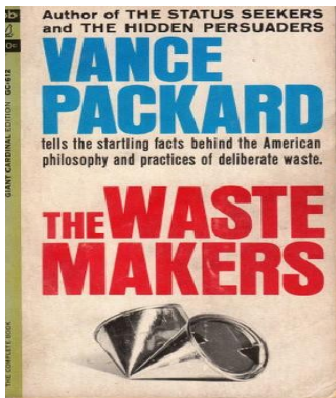
of the armies and navies which we've built for them. Do you know that four-fifths of the ships in the Soviet Navy, which straddles the whole world, has turbines and diesels manufactured in the west?

Well exports can only take us so far so the next question is – force your own people to consume more. So we devised the most brilliant brainwashing technique in the world called advertising. Instead of being a service telling you what's available it's now a pressure to make people conform and it hits you every five minutes out of your television. We take it now for granted but just sit and listen to it one day. It's brilliant you know. Something washes whiter than white – now what does that mean when you think about it?



Or, go and live in Marlborough country and you see great bronzed heroes riding horses across the boundless plains, I think half of them have lung cancer, probably, the other half are being amalgamated and moved off. And then you see if that doesn't serve the purpose, and it did for awhile, we developed one further technique – the only way we can keep our society

going is to start making things that will break down quicker and quicker – I don't know if you've noticed this. It is a science taught at university now! It's not just haphazard and if you want to get a



picture of this get a book called *The Waste Makers* by Vance Patriot, he's a socialist, his conclusion is wrong but his description of the problem is 100%. He just went through one industry after another in the United States and painted a picture of what was happening.

bank manager, they had a board meeting and they said, let's look



One I can think of – tyres on cars. There was a little firm absolutely broke, desperate, didn't know how to survive, trying to appease the bank manager, they had a board meeting and they said, let's look at the tyres. The tyres were lasting 20,000 miles on the average car. Let's make a whole new batch that only last 10,000 miles – so they did and the dreadful thing is it solved their problem. They sold more tyres you see. Bigger profits, black figures instead of red figures, everybody smiling, more jobs and

in that microcosm is how we're running the Western world. And so America or Canada today the main feature are huge areas of slag heaps of motorcars, washing machines, microwave ovens, fridges – nothing's ever repaired – piled sometimes covering tens of

thousands of acres four or five deep and so long as we keep building those perhaps we can keep the thing going. And so now we're finally getting factories where you



don't have people working – I saw a picture of one the other day, the factory was so big you couldn't see the end of it, it was just bank after bank after bank

of machines producing shirts. And you went into the office and there on a board was a program set up all



computerised and you could work out how many shirts, how many colours, how many sizes, how many button holes, how many buttons,

whether it was short-sleeves or long-sleeves and you just press those buttons and you went round two hours



later to the other end of the factory and you just picked up what you wanted, all in boxes, all with plastic covers, so

many of each, and there wasn't one person working in that factory. It even swept the floor itself.

To show how far we've gone there was a seminar not very long ago on where we're gonna take the industrial



society held in Florida. They had politicians and economists, because this is apolitical problem just as much, we

have now great armies of unemployed who are becoming revolutionary. What are we gonna do and we had a paper given at that



seminar quite seriously which suggested the space program might give man a new breathing space, not for the advantage of getting a man on the moon but here is an unlimited export market out into space. Where you

keep everybody fully employed, in factories producing the things we need, put them in rockets, put a match to it, blast it out and as this genius said, it has one major advantage – nobody's going to import back at you! And they all pulled their notebooks out and made a note – good thinking!

And in order to keep this momentum going America, which a few years ago they though had inexhaustible raw materials is now running out! It's gouging out into Canada, it's gouging out into the Middle East and Africa,



it's gouging out into Australia and it's taking bigger and bigger mountains of minerals and putting them in giant super tankers which go faster than ever consuming more fuel in the process across the ocean, feed it into this economic system so you can keep

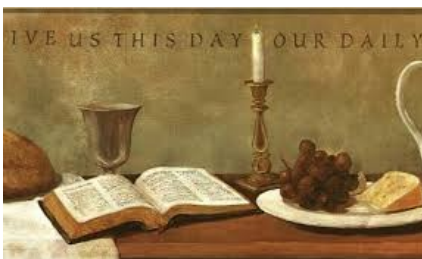
everybody fully employed producing more things that will break down quicker and quicker so you can put them on rubbish heaps or send them out into the atmosphere so you can keep everybody fully employed and we've reached the end of the road. And look what we've done to God's heritage, to the stuff that he gave us for nothing, to provide us our daily bread.

And then we as Christians send our kids off into the educational



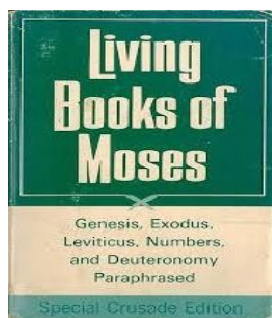
system which from the age of five and six onwards is doing assignments on pollution, destruction of the environment, what we're doing to our rivers, our creek beds, what we're doing to people,

what we're doing to streets and the message coming through to those kids is – that kiddies is Capitalism or Western Christian civilisation. We can't have freedom any longer. And because kids want something to believe in and are idealistic we wonder why they come out of those educational systems and stream off into radical movements and if that isn't good enough they go off into Eastern cults or drug problems in desperation in a world that is literally tearing their environment them apart and now tearing them apart. What's the Christian answer? And you go still to the Churches and the Churches say – well this world is a vale of tears you know, it's not our job to provide answers in that field.



And yet it's God's environment. Give us this day our daily bread. He's given us the means to produce our daily bread and look what we're doing with it and yet

somewhere in the seed of this frightful destruction is also the seed of a greater of abundance and freedom and love than ever before in mankind's history if we get back on the way he's given us life more abundant. And if we can discover the way to utilise this so that it returned to the individual freedom what a world it could be, but we're not going to discover it through economic systems pouring out of Flinders University. It's got to come through individuals rediscovering the way that God wants us to live. God has economic answers. He's got answers for our economic system, our money system, our political system, our tax system, the way we use the environment and we dare not turn away and shut our eyes and say this is nothing to do with us. We are responsible. We do have to have



an answer. What is the answer? There's a key in this you know. And the key is this – every time man discovers a means of creating more and producing more, not creating more but producing more, of the things that are needed, so we have mountains now round the world, with less effort than ever before, are the costs of production going up or are they going down? And surely you'd have to



argue they're going down. The costs of the man who spent a whole day walking round the paddock to get one acre of wheat in are ten times as great as the ten minutes we take to do that acre today.

What we should be getting as a result right through the progress of human history as we've discovered the right sequence of laws is a cost structure that is gradually coming down the whole time.

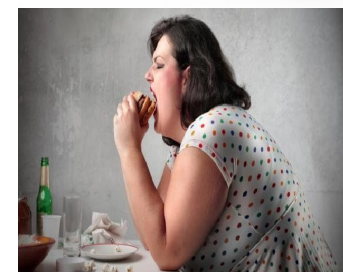


Well at the end of the wall to get a motorcar off an endless belt took 1,100 man hours – that's 1,100 men working for an hour – the Holden, the Commodore now comes off in a fraction under 20 man hours. It's the same material but it's a fraction of the human effort, should that Holden be more expensive or cheaper? Cheaper! .

Now I just ask you to consider what sort of environment would Australia be if we just got one thing through without any new laws, new governments or anything else, all of a sudden the Australia that we're living in you began to find prices dropping, not our returns nor incomes but cost coming down, our taxes, our electricity, the food that we buy, the essentials that we need gradually coming down.



For a very short while I think we'd glut ourselves. This happened when they took sweet rationing off in Britain at the end of the war. They took it off and everybody bought Mars Bars until they were sick of them. I think it took about a month and then they discovered in the second month they were eating less Mars Bars then they were even



when rationing was on, it was a funny thing, people got straight again. So there's going to be that for awhile, but then what would happen to people? And I put it to you that a number of things would happen – that little farm would be able to stay there, instead of a new phrase ringing



through the country – get big or get out, which every farmer dreads and fears, there might even be a new slogan – why not get a little bit smaller? The corner store would come



back. Wives who genuinely wanted to, there would be no force, could drop out of the workforce, many, they don't do it today, and be with their kids. Husbands might genuinely take two or three months holiday each year – you could afford to do it. There was a time we used to do this in Australia but a community up in Queensland not



long ago, the whole district took three months off to build a hall, wouldn't dare never have thought to do that today. Parents could communicate with kids. People could retire earlier which would open up new opportunities for those who



wanted to get into the workforce who at the moment are totally denied. There's no path through for them. Homes would become available to young people who want to get married. We'd have time to speak to each other. We're running most of the time now. And sit down and have those community



things we used to do, not just in the Church but the 101 other ways we used to live. Go round and look at the Australia of the 1920s and look how many things were done simply, not by government hand outs, but by people getting together and building the local hall or making a tennis court or doing those

sort of things. Why then is it not being done? There's a little story that illustrates this. It's the story of a man who was washed up on an island, he was the only survivor, the ship had gone down and in the middle of this island there was some coconut trees and his one chance of life was to get some coconut down. So in the morning, got up to the top eventually, hooked an



arm around and knocked down a coconut, plop, slid down the tree, got down to the bottom and ate that coconut and that gave him the strength the next day to repeat the process. And so he had a little cycle going on the island. Every day his production was a coconut. Every day his consumption was a coconut. If you wanted to work out cost of production you'd



have to say it was one coconut over one coconut wasn't it? Say if this is a bit too complicated. Then one day, he learnt



the knack, he was getting a bit fitter, climbed up that tree, hooked his arm round and down came four coconuts, slid down the tree and now he was faced with a bewildering array of choices – either he could be an absolute pig and eat four or else he could have three days off. But what was the cost of production now? Surely it was one coconut

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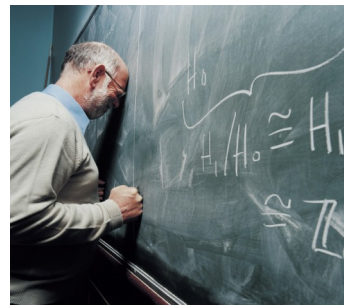
over four? It's quarter of what it had been before. Every time we discover a new way of using some of God's creation beneficially things should be getting easier and not more difficult.

I tell you that story because I saw this school run by Eric up in Toowoomba a few years ago and we had three economists from the Darling Downs Institute of Advanced Education in the audience. And they finished when they got to that



story. So they went right down the back of the hall and they sat at a little table with pencil and paper – one coconut over four – and when the school finished one came up and said to Eric, I'll never forget it, they said – **where's the trick?**

there must be a catch, it's one of these trick questions.



But Eric answered – **honestly if that's right and you can't work it out, that blows your every university economic theory sky-high.**

**Well I'll tell you God's creation does blow every man made economic theory sky high. So we've got to discover this because locked into this destruction is the very small seed of a breakthrough into a society you can hardly imagine.**

End of Lecture 2



## TIMELESS PRINCIPLES – PART 3



Eric Butler

### The Money Trick

Large numbers of our young people feel our society is not going anywhere and have got no answers and they've gotta believe in something and they've gotta belong to something. They've taken off into these various cults. Now perhaps you may be a bit shocked when I say that really we belong, I'm speaking generally now, to the most dangerous cult of all. We



all accept it. It's called the "Money Cult"...the **Money Cult**. Now we were warned a long time ago about the Money Cult, the danger of the Money Cult. You've gotta make a choice between serving God and mammoth.

Now God is represented in the real world, the tremendous productive capacity, the enormous manifestation of life, but we're not thinking in those terms at all. All the debates and the arguments that take place are not about whether we can produce enough food, whether we can find enough building materials in Australia to build homes, whether we've got the skills to do it, or whether we've got the technology – no that's not what we're discussing at all. We discuss mammon. We keep on talking about mammon. **Is there enough money, or some financial problem?** So what we've got to do is stop worshipping mammon. Now to grasp this it is essential that we look at some basic facts. I well recall the last time I ran this school, we had an elderly gentlemen who had been brought up in a certain way of life, he had to agree with all the facts but then came that tremendous difficulty – what you're saying now is, because we don't require everybody in the production system, that in fact we'll have to devise some way of distributing God's gifts without what's normally called work. And he said – *I find that impossible to get my mind around.* Because he genuinely did believe that



we all ought to work at something. *Now the logical end result of that is that we'll all have to be compelled to do something* and there you get back to that of the first lecture, which is whether you do believe in voluntary associations starting with individuals or whether you believe

someone's got to set himself up and compel you to do what he thinks is good for you. You've got to make up your mind. But no one can dispute the facts. And so we're now going to look at some more facts.

I have suggested we do live in a **Money Culture**. I'll even go so far to say we've got something called **Black Magic**, or I suppose more appropriate to call it **Red Magic** as a feature of this cult is the tremendous debt, private and public. We've also got the Witch Doctors. The Witch Doctors are mainly what we call the economic experts. A lot of jokes told about economic experts including the one that is in response to the claim by someone that you can't take any notice to the experts, we've had them for the last 50 years and there doesn't seem to be any consistency about them. Well I disagree with that completely and I want to

just say my long experience is these Witch Doctors are consistently right, they're consistently right about being



wrong. They have been consistently wrong for 50 years consistently. Based again on that test **by their fruits you shall know them**. Surely 50 years going back that far is a fair period to test any group of

people and the end result is what you see today. So they're what I call the Witch Doctors.

Now if you go to Africa the **Witch Doctors** say that the poor simple benighted African believes they've got powers that



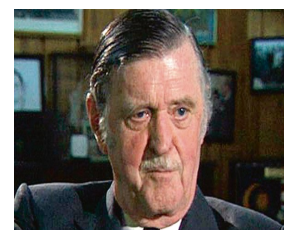
they don't have, they've got a system of mumbo jumbo and that sounds so learned that people say well it must be very deep beyond my understanding and all you do is fall down and you worship whatever

outcome some of this mumbo jumbo. We're bombarded with that. It starts back in the universities which always reminds me of a friend of mine who was studying Economics at Melbourne University and he went back some years later and was looking at exam papers and he said – *I see nothing's changed – oh yes, the same old questions – but they've got different answers now.* And you could have quite a hilarious time if you liked just going through some of the so-called questions and the answers. But let's look at some examples of the mumbo jumbo.



So you pick up the newspaper and you may be a brave soul and you turn to the financial pages. And one recently I read the headline said that ... **the liquidity of the banking system is extremely tight**. Now you might ponder on that. What does that exactly mean? Well the word **liquidity** obviously

suggests some sort of liquids. Could it be water in the bank vaults or perhaps they're going back on the old rum ration they had in the early days. But then you try and get your mind around that. Well now how can the liquid be tight? Unless you refer it someone that's had too much of it and we used to describe drunks as **tight**. So you are convinced perhaps this is a pretty deep, dark subject and you quickly



turn over to the sporting pages or whatever else interests you. Or for example, if we're told that our financial resources are very **strained** at the moment, in fact they're so strained that Mr Killen, our Minister of Defence says *we've gotta cut back very*

*seriously on defence. We can't build as many boats for patrolling as we used to.*

Now if you were a realist, that's what I'd call being Christ Oriented to Truth, you would ask the obvious – *goodness me, are we short of building materials, are we short of skilled engineers to build the boats? Is there a shortage of food to feed the people that are going to build the boats?* But when you asked that question, you get the obvious answer, the real answer, *oh no, we've got an abundance of that but it was a shortage of money and our financial resources are strained.* How could our financial resources be strained when we're going to look at finance and see that it's not a resource at all?

Now we can easily prove that, irrespective of what you may call a financial resource, paper money, coins or even if you think that we're still on the gold standard. Suppose you find yourself in the



position where you were told you had \$10,000 worth of these financial resources, and you might think – *well gee I've made it.* But supposing we put you out in the Simpson Desert, no water, no food, no shelter, nothing, but with \$10,000 of

this tremendous **wealth**. The question now is the real one – how long would you survive? You would discover something called the discipline of truth which would teach you in two days, that no matter what form it takes, money is not wealth, it is a claim to wealth and if there's no wealth to claim it's completely useless. That's what you'd learn. In other words you'd be stripped free of the mumbo jumbo and away from the **Witch Doctors** influence and that is why this question has got to be faced.



Now we've all grown up in what's called the **Money Culture** and from a very early age we're being taught this mumbo jumbo and we repeat it and believe it, in many cases without even thinking about it. But what I'm asking you today is to think about it, even though it may be a painful process, and I assure you, I'm sympathetic to those that do find breaking

from something you've believed or taken for granted all your life. That's only natural.

During the Great Depression I saw an example of exactly what I'm saying to you. At a meeting that was dealing with finance we saw this elderly gentleman outside the hall looking very distressed. In fact so distressed someone said – *we better get the doctor.* He said – *no, it's alright, I'll be right in a minute.* And when he recovered his composure we discovered he was a bank manager and out it came. He said – *you know when you've been doing something all your life without understanding what you're actually doing it does come as a terrible shock to discover that in fact I had the power under the system to create, as we're going to explain in a few minutes, to create money, I never knew that.* He was quite shaken, quite upset. Now let's look at it a little more closely. **Money** is part of man's history. We can go back as far as we can, right back to the Babylonian civilisation and there, some people who understood the art of controlling other people by persuading them that they were making available something of great benefit to the others, called money, in different forms, but always with one proviso and that's the key to an understanding, always as a debt. Never any credits. Not like God that makes tremendous credits available – always as a



debt. And if you will study the collapse of the Babylonian civilisation or the Roman civilisation, it's important to grasp there were three basic features of that disintegrating civilisation –

1, The tremendous burden of debt.



2. That in turn resulted in crushing taxation which broke the back of the middle class, stripped the rural community of its sturdy peasants, and then produced

3. Monetary inflation, the most insidious type of policy to undermine stability you can imagine. And that's why Rome went down.

Rome found no answer to that. It wasn't the superiority of the barbarians outside; it was simply the rot and collapse from inside. So here we are today, and a major feature of this world situation is **debt**, debt on a scale so astronomical it's almost impossible now for the mind to encompass it. **Debt** on such a scale it can't be met, but it gives tremendous power to those that control debt.

This takes you into the realm of international politics and if we don't understand this we don't understand anything about the world in which we live. Not the real world. This deep dark mystery of finance prevents people from seeing the real world. So let's look at it from a historical point of view from the beginning of mans history, he's devised some means whereby he can exchange goods and services.

Interestingly, the word pecuniary is one you might think about, it's one that's still use in the financial documents. **Pecuniary** is derived from *pecus*, the Latin, meaning cattle, because at one time cattle was used as the basis for all wealth which was obvious enough because from cattle you got the milk from which you made the butter, the cheese, you also got the meat, the hides, the clothing and so on. Cattle was treated as real wealth, in fact in some parts of the world they're still used as wealth, in some primitive societies.



Now the next step was very logical. Bill Smith found it a bit arduous to drive six head of cattle up to the corn merchant every time he wanted some bags of corn so he hit on the idea of cutting from some of the hides of his killed animals leather discs and putting his stamp on it and offering them to the corn merchant. Saying – *you know my credit's good.*

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**Credit, from "credo" = I believe.** You know I can at anytime meet any demand. And you know if you think about it, anything



which people will accept in exchange for their goods and service is money, but you've all gotta believe in it. So if you travel abroad, it's no good producing these dollar bills and asking them to accept them up in Japan. You might get some rude rebuts, some have even rudely said to me –

*they look like jam tin covers.* I assure them that we can use them here anyhow. No, we've all got different pieces of paper, but you've all gotta believe in them. If you don't believe in them, they're of no use. Now I've had the greatest difficulty in the United Kingdom, some of you may have had this experience, Bank of Northern Island notes are legal currency in all parts of the United Kingdom. It's extremely difficult I found, just going from Northern Island to Wales, to get those Irish notes accepted in some Welsh centres, because they don't see them there a great deal.

If you can see the funny aspect of the great train robbery, you see Mr. Biggs and co, really they grabbed a lot of notes, those bits of paper called the bank notes, they were all being sent back to London,



and what were they going to do with them there? Well the Bank of England was gonna put them in an incinerator and Mr Biggs and co thought that was rather a backwards policy, they thought if they grabbed them and redistributed them that that would be a much better policy. But the tragedy is they didn't like the Scottish notes and they threw those away, they didn't think they'd be too acceptable where they were going to do business. So every bank forger know this so if he makes a \$5 bill for all I know, because I am no expert, that may be a forged dollar bill but so long as anybody will accept it, it operates as money. But if someone says – *oh that's a forgery.* If you are the last chap that accepts it, bad luck, you've had it.

So then we go back to our man that's creating leather coins. A tremendous advance. It made it easier to trade in commerce, now please note, the man who owned the wealth, he was also issuing tickets against it. He wasn't borrowing it, they were his.



You go on from there to the next stage when of course rare metals like gold and silver were also used as money. The next development was those interesting people called the **goldsmiths** because they had the biggest vaults. So if you had four bars of gold, you didn't want to have them round because apparently even then, the socialist spirit was abroad in the land, there's people wanting to share with you. So you went and deposited them with Mr. Goldsmith and all Mr Goldsmith did was take a bit of parchment paper and gave you a receipt. He wrote out *received from Eric Butler – 4 bars of gold,* and the date, and I had his bit of paper and that bit of paper is the forerunner



of these, because it wasn't long that I discovered, well what was

every time I wanted to do business, going back to the goldsmith, give him his receipt, get my four bars of gold



out, or give it to Joe Blow and he did the same. I said to Joe Blow – *here's one of Goldsmith's receipts.* and he looked at it and he believed, okay that's fine, and he used it. So that was another tremendous advance.



Now the next step was obvious. One day one goldsmith noticed that only a small percentage of demands were made on those

receipts at any one time, and it was a period of expanding economies. People were wanting to buy. Why not create more of those bits of paper than he actually had in gold bars? And he discovered it was about a ratio of 10 to 1. So long as he didn't overdo it, he was unlikely to get caught. So away he went now creating bits of paper, receipts, and now said – *also because I'm loaning this to you, I gotta charge you interest.* And you say – *well what an incredible racket that was.* You call it what you like but it was part of the evolution of money, and did you know that right up until the First World War, to show you what people can believe, the power of black magic, the overwhelming majority of people believed that those bits of paper were backed by gold. Some of you may be note collectors, you know the old Bank of England notes before the First World War had on them – **pay the bearer**



**upon demand one golden sovereign.** Now people would not want to be carrying gold sovereigns around in their pockets – much better to carry these

notes around. Everybody was convinced that those notes were backed by what's called wealth, gold, until the outbreak of the First World War. Well, whether the Germans started the rumour or not, it doesn't matter, but suddenly the idea spread that there was gonna be what's called a **'run on the banks'**, so everybody went in and said, *thank you very much, here's your receipts back, we'd like the real stuff* and the Bank of England paid out, you know, safe as the Bank of England. They paid out for a few days and then had to close their doors because they'd issued ten times more receipts than they had sovereigns.



Well you can't have that sort of a crisis in the middle of a war so the British government declared a type of moratorium, said – *don't panic friends.* They got hold of a very good designer

who did some very fancy work, Bradbury and Son's, the note printers, and got the plates made and away they went running the printing presses, they were called the famous **Bradbury's Flimsey's** and they ran them off in millions, distributed them around the banks and the bank said – *alright, you can all come in and bring those other bits of paper and we'll give you another bit.* And it says on here it's **backed by the whole nation, underwritten**

by the government, and people who have never seen them in their lives before – *thank you very much*, and they handed one bit



of paper over and got another bit of paper. And you may well say – *I never learnt that bit of history when I went to school*. That is right. Lots of bits of history you never learnt at school.

perhaps the basic reason for the American colonists revolting against the British government, wasn't that nice little story about the Boston Tea Party. It had to do with the fact that the American colonists had decided that, instead of borrowing their money from the Bank of England they'd create their own, and they did.. The result was, they had much prosperity in the 13 colonies while the mother country was in poverty, and those that control in these matters, the bankers said – *that's no jolly good, that's got to be stopped*. In the real history Benjamin Franklin understood this and went to England and explained it all to the people there. This is part of how much of history has blotted out. So you see, money is really any-



thing which people accept in exchange for their goods and services. Proper money is a tremendously convenient system.

In the same way that it's only a sophisticated ticket system, like running a railway. Now it's no use having a railway system if you haven't got some method of allocating the seats, we use tickets.



Now I think you'd agree it would be an amazing state of affairs if for example at the local railway station there was the train, there's the real wealth, the real credit, Jeremy Lee explained to you, all there, and out comes the station master and said – *well we've just consulted our Witch Doctor*, he wouldn't say that but *our economic adviser*, and he says *we're short of tickets, sorry friends, all come back in a couple of months by which time we hope things will improve* and away the train goes, half empty. You've never seen that happen. Train organisations issue enough tickets for the number of seats and if they're well run they don't sell four tickets for the one seat so you've got four people trying to get into the one seat. One ticket – one seat. And at the end of the journey, if they're well run, you hand your ticket in and it's destroyed. A tremendous system of tickets. But please, note, the railway organisation doesn't get a private printer



to print the ticket and allow the private printer to say – *well look the tickets belong to us and we're only going to loan them to you and charge you 14.5% interest*. The railway organisation says – *because we're backing this the tickets belong to us, we'll pay you for doing the job*. That's all money is, it's a sophisticated ticket system. And to suggest that our real world's governed by the manipulation of tickets is simply a surrender to mammon. To say that you can't do something because of a shortage of money is



rather like saying, *we can't publish this book, we haven't got enough numbers to number the pages in a book*. In other words, money should be the servant.

Let's look at the realities of the modern system. So first of all we've got these bits of paper, and it's amazing when you talk about hits to some people, particularly these smart people – *oh yes, they look very superior, almost pat you on the head, son – you're one of those funny money people*. You know you believe in printing press money. You've heard it all. Well I'm amazed always when I hear this because I just wonder then if these are not run off on printing presses where do they come from? Do they suggest every Monday morning that at the Reserve Bank they go around and they're growing on trees and they just pluck a number off?



**Of course they're run off printing presses.** They've got to be produced somehow.



So these are produced in different denominations without going into the techniques in too much detail by under the Reserve Bank. We also have the Mint and it turns out these pieces of metal here you call coins and many people believe that's all the money we've got. Well you can check the figures for yourself. This is an interesting exercise. Take it up with your politician that's the man you pay, he's your servant, and ask him what is the total amount of these notes and coins and then what's the total amount of money in the circulation in this country at the moment? And you'll find this is only a small fraction of the total amount of money we use, a very small fraction. It's called the cash. The great bulk of money, over 95% is created, not by running printing presses or at the mint, it's produced in a much simpler manner, it's produced by the creation of what we call financial credit. To come right to the point, what we have today is a banking system which creates the bulk of our money in the simple process of creating what's calling credit, against what? Against that real credit which Jeremy Lee has discussed. So now we come to the most, staggering fact of all, for many people, although why they should be staggered when your common sense should indicate the truth apart



**RESERVE BANK OF AUSTRALIA**



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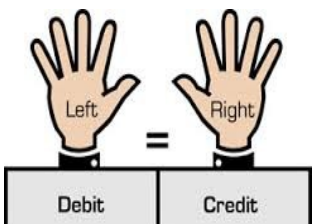
from all the books you can look at, no one disputes it any longer, they just don't talk about it, hoping you won't talk about it, is that the bulk of this money is made available by the simple process of writing figures in books. They don't even write them anymore because we have computers now. Which means that whether



it's A. Smith or A. Government, obtains a loan from the banking system, that loan is automatically an expansion of our money supply. So if I go along to my banker and I've got the real credit, that's the productive capacity, I've got some

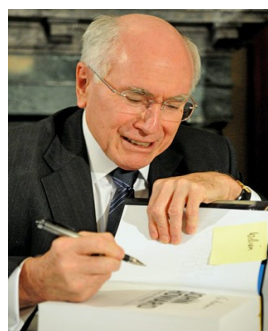


real assets and I say, well look, I've got an overdraft I'd like to lift from \$5,000 to \$10,000. Alright if he agrees, all he does is write in the bank documents Eric D Butler, limit \$10,000 – and he



gives me, or I am permitted, to buy one of these books here, you've all seen them, it's called a cheque book, and now I can go out and do some building. I want to buy some timber and some iron and all the rest and it all comes the first order to \$873.10, So all I do is write that exact amount there, and I sign my name there, and I just whip that bit of paper out and I give him that cheque. And that's just as good as these notes. Just as good as these notes, if he accepts the cheque. So he deposits my cheque in his bank account and his bank account sends it back to mine bank, and all they do is shuffle the exact amount from one side of the ledger to the other, and I can continue to write cheques up to the amount that I'm allowed to.

Now the person who believes the Witch Doctor says – well I find this flabbergasting because I was just listening to our Treasurer



John Howard and he said on television, you know what's said on television seems to be much more important than if it's said anywhere else, I saw him say this – the real reason we're short of money at the moment, and we've got to put the interest rate up but not enough people are depositing any money, you see if they don't deposit any money we can't lend it.

Now I want to challenge any member of this audience I've been putting this right around the world to any person who can show me a bank statement that's been reduced by even one cent so that someone else can be loaned some money and I want to tell you this, if I got my bank statement and I saw, there's a debit of \$500 and I don't recall writing a cheque for that. First thing, probably get onto the wife, she might have had a shopping spree, no, and I went down to the bank and said – listen John, what's the meaning of this? And he said – Oh don't worry, Joe Blow was in



and he wanted to borrow \$500 so I just took \$500 from your account to loan him. That never happens. You've never heard of it happening. It's an insult to common sense to suggest it does happen. And yet

every day, you hear that nonsense. Pure undiluted black magic. The rate of creating this sort of money is governed by a some formula, which takes you right back to those in the Reserve Bank and they decide.

Don't say look if it's just as simple as this, I went to see my local bank manager and a good friend of mine and I only wanted to borrow a couple of thousand and he said - I'm

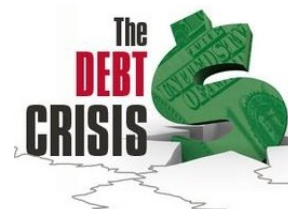


terribly sorry Eric, you know liquidity's very tight at the moment. Or if he did lend it to you, he said – I'm terribly sorry, interest rates are now up to 14.5%, but don't blame him, he's only administering a policy that's fixed elsewhere. It is fixed

by the Reserve Bank and the Reserve Bank fixes this in accordance with some of the theories they've got.

But the fact I want to get across to you is the volume of money coming out of this system is governed by the Reserve Bank. Not only are they creating it, and as you repay your loan, if you're one of the lucky ones, like that railway ticket, it's cancelled out of existence. Now as a system it's tremendously efficient. It is bookkeeping. You've got records there and theoretically as we produce goods and service, like the train service, and use it and consume it and if we're destroying the tickets it should be perfect.

**But there's one thing we all observed.** The system can only keep working by creating more debt. The debt gets bigger and bigger. The interest bills get higher and higher and the reason for this is to be discovered by



having a quick look at how we're trying to work out finance system and, as Jeremy Lee explained, so long as you keep on insisting that you can't get access to any sort of money unless you're engaged in

something called 'work', no matter how useless it may be, then the mathematics of this situation explain are beyond argument.

First of all, there's the banking system. Now that's the only source of money, apart from that small amount that comes out of the Treasury and from the note department of the government bank. **That's the only source.** I know people talk loosely about how they're making money. Well you

look like a very honest audience to me and I'm quite sure there's not one of you making money, and take my advice, don't think of starting because if you get caught you'll get



30 years with no remissions at all. You can murder your mother-in-law, and as long as you've got a good lawyer and can plead you're in a psychiatric state, you'd probably get out in ten years but you cannot

make money, that's a very serious crime. So you don't make money, you get money from somewhere else, or he in turn's got it from someone else, but ultimately it all comes from there, there's no other source.

So without going any further it is surely elementary, if out of that banking system for any given period, make it very simple, \$1,000 comes, and then you are told there's a charge on that called interest, the next obvious question is, where do you get the interest from? It hasn't been distributed to you. Well at that stage you're told, *well don't worry about that, just borrow some more so you can keep on trying to keep up.*



On that one principle alone, that one factor alone, you've got to keep going deeper and deeper into debt. That's simple maths. Not unless you've discovered something I've been looking for all around the world, perhaps some of you have, if so please put your hand up quickly. *Have any one of you discovered anyone that you can borrow yourself out of debt...has anybody discovered that?* I've never discovered anybody that could borrow himself



out of debt. The amazing thing is that apparently governments think they can do that. It is mathematically impossible. Well that's part of the mythology, part of the **black magic.**

Industry mainly operates on credits borrowed from the system. Industry does two things – it employs, as long as it's not completely automated, it distributes some wages, salaries and hopefully dividends. It also has a stream of goods being produced and it's got prices on them. Now it's elementary, you don't need to be an economic genius, don't get baffled by this. I've even had a couple of politicians sit down and go through this and they admit they could follow this, so you'll have no difficulty at all. Now it's elementary that if that industry is going to remain in business, then into those prices, it's gotta have, at the very minimum, all wages and all salaries hasn't it. Isn't it true it's also



got to pay that interest, that's also got to go into prices? Now isn't it also true it has a few other costs such as depreciation and some reserves put aside? Then there's the other little problem you might look at. Look at wages.

The wage earner doesn't get all his wages because business today is an unpaid tax collector and its gotta put its hand into



your wages before you get it and take some out. That being the case, then at the marketplace, it's elementary that total wages are far less than total prices and the immediate reaction is, *well if that's right Mr Butler, there*

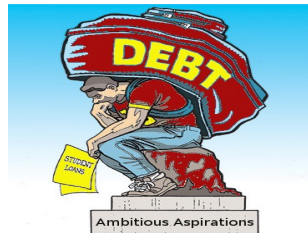
*must be an unsold pile of goods which you can't dispose of.* And it would be, if it weren't for a number of other things that are done. At this stage we're told, *well, in order to try and shift the mountain of goods, why not mortgage your future under something called hire-purchase?* So while your bank manager may say up this end

of the counter – *we can't help you sir, but if you just go down there there's a company down there that would be very delighted to help you and you'll find the interest rates are much higher.* So now you can mortgage your future wages so you can go and get that washing machine which is in the shop, it's been produced, you can see it, and take it home.

So hire-purchase debt has become a major factor of any modern society. In other words, we've got to keep borrowing against the future to try and keep the system operating and hire-purchase debt gets higher and higher and higher. You can take the



figures, they become astronomical. So that helps to shift a little bit of that production but then there's still production that's got to be shifted. At that stage governments have something called deficit budgets.



Most people don't understand deficit budgets, they're very simple. A government

brings down a budget and then works out, these genius' in Canberra, that we're going to have  $x$  amount of income but we're going to spend  $x+2$ , the 2 being the deficit. Where



### A LOOK at the BUDGET

does the deficit come from? It's created in the same way all money is created, on the authority of the Reserve Bank, what's that credit against? Against your assets. Well you may say – *when do we get some credits against our assets?*

**You don't .. All you get is debt .. All the time.** So they write that up as debt, and the government spends it, and that helps to try and keep the economy rolling a little further. So they resort to all the other tactics, including the one by Jeremy Lee, but we've still got a surplus we can't dispose of it, now what do we do? Well we export it. Well now we're having great difficulty exporting it to people like ourselves, the British, or the Americans, cause we're all trying to do the same thing and there's only one part of the world we can export it to and that's to the Socialist countries, because you see, they've got real shortages. But you say – but look, how are they going to pay us? Ladies and gentlemen they don't pay you at all.

See it was pointed out a long time ago by a man called Lenin who boasted - *the time will come when the decadent*



*capitalists, unable to solve their own internal problems, unable to work out an answer, all they' will do is be competing one with the other to send their surplus production to us.* Thus, he said,

*becoming deaf mutes.* And one of the less informed comrades, Lennon was informed, he understood the game, he said – but comrade Lenin, as they won't want too much



back, how are we going to sort of pay for it? And Lenin gave that cynical reply – *they'll also provide us with the credits. they will provide the rope with which we will hang them.* So here we are in Australia, you'll all recall, two and a half years ago our Prime Minister (I'm just giving this an instance how we're all geared to this), he said we were faced with the greatest threat to



world peace since the end of the Second World War and the Soviet went into Afghanistan. In the two years and four months since then Australian export to the Soviet Union has quadrupled. Massive economic blood transfusions from the west to keep the Soviet system afloat which in turn generates an international crisis. Who provides all the credits? The same people that got the monopoly of creating it. The great international banking houses. So in essence you see we're all working for them. The communists are working for them. We're all



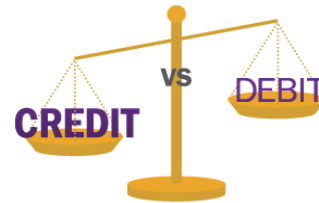
working for them. Because we're told the only way you can keep this system going is by going into more and more debt and that means more and more controls. Inevitable inflation. That is why you can predict with absolute certainty no one can stop inflation while you do this and that is why these communist trade unions, they understand, they don't believe a word of what we're told. Let's have a strike and put wages up. That'll benefit the worker. The first thing that employer has gotta do is to the banking system and borrow some more at the providing rate of



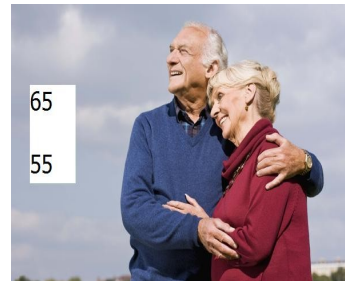
interest to pay the wages but that puts the wage earner into a new tax bracket. So all you do is feed the taxation monster. And that leaves industry in a worse position than ever. It's gotta try and recover by putting prices up still further. The communist understands this. He knows you're going to wreck our society if you continue deming it. Now those are the basic facts of how the system's working. All you gotta do is understand the mechanism to understand it's a matter of arithmetic if you go on doing this, what's must happen. And that's why, for example, those of us been running these schools have been able to predict this accurately and say no one can really deal with inflation or any of the problems under that rule. Well the question is obviously ... well what are we going to do? Well there's a number of things you can do.

But you must first free your mind from the mesmerism of finance and see it's just bookkeeping and grasp that truth that God's universe is tremendously rich, and that in fact we should be getting some sort of a dividend out of our inheritance, then it's just simply a matter of what is the most realistic way to start distributing it?

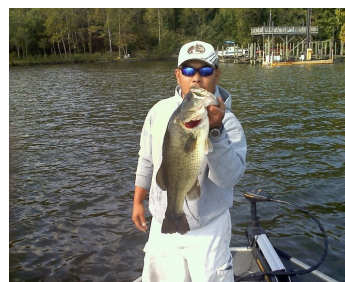
So I just put a couple of suggestions to you. For example, if a government promoting a deficit budget can sell, we say \$1,000 million against us, as a **debt**, why can't it write \$1,000 million for a bit of **credit** against what I'm talking about? And why not distribute that credit along these lines? Supposing we said – alright, instead of talking about a shorter working week we talked about the shorter working



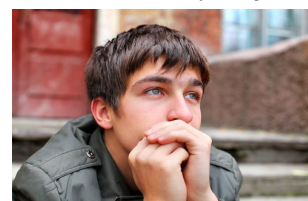
life. So we reduce the retiring age from 65 for a start, perhaps we come back, back to 55. And those who want to



leave the workforce at that stage, well first of all they've made a lifetime of their contribution to expanding the real credit of the country, they're fairly matured people, if they're not mature at 55 they're not going to start to smarten up after that too much, they're fairly responsible so therefore they could move into a situation with more free time and security without, as Jeremy Lee suggested, spending it up at the pub, they're more likely to be more interested in running the boy scouts or doing all the sort of



jobs that have gotta be done. Or they might just take up carpentry, or they might even go fishing. That would be much more constructive than what a lot of people are doing at the moment. They would become free people with enough years left to spiritualise their lives. As Jeremy Lee said, to grow old gracefully. Because physically we know as a society we can do that. Or, you could do a number of other things. All our returned servicemen, many others, pensions could be paid out of the credits instead of writing up debts. All against that enormous productive capacity we've got. If we keep that in mind all the time, we know as a society we can afford to do it, easily afford to do it. That would enable our young people to be brought into the workforce and might.



I just say expressing a personal opinion, I would make it compulsory for young people to take a job, I'd cut off all welfare, off because they need the discipline so that they also can see they've gotta make their contribution, but always knowing as they

improve the real credit. Perhaps the retirement age could be progressively reduced so everyone's got an incentive. Now you can think up a number of other ideas that could be done. The interest rates could be dropped because we know that then you'd be issuing credit simply on the true basis, what's it costing to do it? What a dramatic impact that would have.



So there's no problem there once you get your mind around it. But then comes the real difficulty. How are we going to get this done and who's going to do it?



*Are you suggesting we form a new political party?* That's exactly the wrong way. All that amounts to is dividing the community up a little further and some groups saying – *well look if we only had the power we'd be different to all those other people.*

No, this is not going to be changed until such time as enough people back here in the community stop worshipping money and say – *look, we are Christians,*



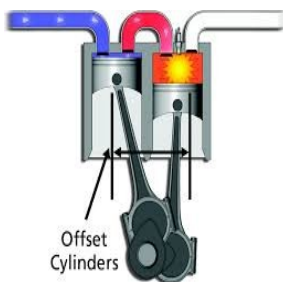
*God's abundance is there,* It is absolute blasphemy to say it cannot be distributed or that we go on doing what we're doing now. And I must say, to put a personal view, I regard the way in which we're treating that tremendous gift from God as absolute blasphemy.

I cannot believe that's how God intended us to use our heritage and this is a challenge isn't it to Christians and it raised the question – the role of the Christian in this. Because the Christian's gotta give the leadership. Surely only the Christian's going to insist as a society we've gotta stop worshipping Mammon and start worshipping God, but he's got to equip himself. Please, he doesn't have to be an expert. All he's got to understand are basic principles.



Take a motorcar, now I'm no automotive engineer, but I do understand the basic principles, the principles, I know for example you put water in the radiator; you don't put water in the petrol tank. I know that a motorcar has got a system which

after the petrol has been injected into the cylinders it's ignited, or whatever terminology, by an electric spark. I understand all of that and the wheels go round and I know how to handle the wheel. I know enough to know if something starts to go wrong I can take it an expert and say – *Joe, fix it.* And I know enough about principles to know that if he says he can't fix it, there's always someone else who can fix it.

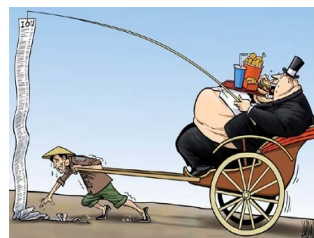


Now that means we've got to get a new relationship towards our politicians who in turn have a lot of experts. Now the first thing we've gotta do is get those experts where they should be on tap, not on top where they've been for too long.



In other words, we've gotta say to them – look we know that this society of ours can operate much more satisfactorily.

We know that finance is a manmade system, it can be changed, and we're telling you we want much better results than we're getting and if you don't know how to get them well you better move on and make way for someone else who will undertake the job. That's where we've gotta start. We've gotta produce a new sort of a

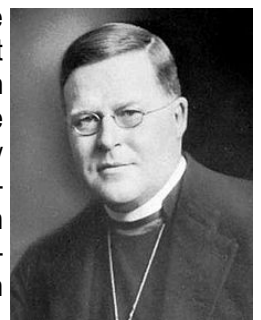


movement of people who first freed themselves from mental bondage, to financial tyranny that no longer worships figures and are bamboozled by statistics. Who don't get confused by the difference

between a pound of butter and a shadow...they know the pound of butter is the important thing, not the shadow.

So you can see it's really a question of us changing completely our approach and the Christians are ones that've gotta pave the way and I'd like to conclude by saying it's a great tragedy in this area that over 2,000 years of Christian history there have been some outstanding Christians who have given leaves on this. There was a time when usury was contended as a very serious mortal sin in fact, those caught at it or the equivalent of were put in the stocks.

Up until the First World War there were a number of churchman that did speak out, **Dr Temple**, Arch Bishop of Canterbury, since the Second World War we've had only one report which was commissioned by the Congregation Church of Scotland, produced a tremendous document, *Money: A Christian View*. A tremendous document.



You'd have thought all the churches would have taken that document up and had it discussed and taught to the congregations?.

**No, they didn't want to hear about it then  
and it seems, they don't want to hear now  
and that's why we are  
where we are ... today.**