

"All that is necessary
for the triumph of
evil is that good
men do nothing . . ."
— EDMUND BURKE.



THE NEW TIMES

SURVEY

THE AUSTRALIAN

LEAGUE OF RIGHTS

Vol. 24 No. 09

Registered Australia Post - Publication PP343214 / 00016

September 2023

CONTENTS

The Breakdown of the Employment System by Major C.H. Douglas	1
Australia's Therapeutic State - Sin and Syndrome in the NDIS by William Waite	6
What Would Orwell Think About Our Submarines? by William Waite	7

THE BREAKDOWN OF THE EMPLOYMENT SYSTEM by Major C.H. Douglas

A speech delivered by Major C. H. Douglas in Newcastle under the auspices of the Commercial Staffs' Association on January 31, 1923. Reprinted from "Credit Power" of February, 1923.

There is not one person in a hundred who, if offered a stable income of, say, £500 a year, would not accept it in preference to an offer of employment at the same pay. That is to say, the cry for employment is an artificial cry - what the unemployed mean is that they want purchasing power, which we usually refer to as money.

A continuous supply of money is associated inseparably, in the minds of the vast majority of the population, with employment.

It is my opinion that no solution of the present profoundly disquieting situation, which pervades the whole world, will ever be reached until a sufficiently influential body of opinion can be brought to examine this relationship, not as a moral relationship, but as a practical device for carrying on the world's business, to be rejected or retained only as it serves that end.

In other words, employment is not an objective of a co-operative production system - it is an incident, a bye-product.

Yet the Labour Party, in criticising the proposals put forward by me for the Mining Industry, say that "*whether sound or not, the scheme is fundamentally opposed to the principles for which the Labour Party stands because its advantages are achieved without freeing themselves (the Labour Party) from the tribute payable to the other shareholders.*"

The whole question of the soundness of this attitude turns on its workability. The unemployment problem can be solved tomorrow, exactly as it has been solved in Germany, where there is no unemployment.

If you insist on being provided with work, I feel sure you will be accommodated. But you must not complain if the solution raises up exactly the same problems as exist there, because the fundamental fact, the fact on which the whole situation turns, is that if you set the whole of the available labour to work on the available real capital (tools, land, etc.), you will have an output with which nothing but organised destruction, in the shape of war, can cope.

Mr Bonar Law said in so many words, to the recent Labour deputation on the subject of unemployment, that the situation was due to our financial policy. He was right. He also defended that policy. In that, he pronounced the doom of his Government.

Now, I want to make it clear, if I can, that Mr Bonar Law, and, let us say, Mr Ramsay MacDonald, do not really differ in essentials at all. They are merely exponents of two sides of the same problem, and for that reason there is no hope for us in either of them. Mr Bonar Law, who understands orthodox finance, represents those who, on the whole, are most afraid of the problems which are arising in Germany. Mr Ramsay MacDonald, who doesn't understand any sort of finance, ostensibly represents those who are most afraid of the problems which are affecting all those who lack money, which is the salient characteristic of the deflationist policy.

Neither of them, I think, either sees the problem as a whole, or is prepared to deal with it as a whole. That is the defect of our system.

Shortly, the characteristics of inflation are: enormous increase in production, fantastic rises in prices, speculation, submergence of the professional and so-called cultured classes, centralisation of economic power, and industrial serfdom. Saving becomes impossible.

There is little unemployment, at any rate for a time; but if you are unemployed, you starve immediately. Your immense output cannot be internally absorbed, for reasons with which we shall deal presently; and the urgent

necessity of markets means certain war, sooner or later, and the greater the inflation the sooner the war must come.

In the meantime, however, you become more capable of the immense output which war demands; and your centralised industrialists, who do not expect to line the trenches, regard the prospect with complacency.

The characteristics of deflation are familiar. Somewhat lower prices, lower standard of living, industrial stagnation and unemployment, bankruptcies, grinding taxation, and class cleavage, are some of them. They are all related; and it is probably not by accident that such emphasis is placed on one of them alone, as though it stood by itself - I mean, unemployment.

And it must be borne in mind that when we speak of an unemployment problem, we are much too apt to consider only statistics, official or otherwise, in regard to those persons who are totally unemployed, and to omit or give wholly insufficient weight to the much more important consideration of general under-employment or employment in connection with production of the most dubious utility.

To put the matter another way: the real significance of unemployment is not to be gauged by any figures based on the mere counting of heads; it can only be gauged by a careful estimate of the production of the nation at the present time, as compared with the production of the nation in, say, 1918 - 1919 - a period in which 75 per cent, of the available population was withdrawn from productive activity.

It is by no means without significance in this connection that "*Kemp's Mercantile Gazette*" states that the bankruptcy during 1922 amounted to 5,109, an increase of 1,361, or 27 per cent., over the preceding year.

That is to say, the productive system is admittedly in the hands of people who say, quite openly, that its first objective is employment. They claim, and probably with justice, that, by natural selection, they are the most competent people to run the system so that it will attain its objective, and it is quite incontestable that they have failed, and will continue to fail, under a deflationist policy.

On the other hand, a general resort to inflation, of the ordinary kind, means the end of civilisation.

Now, failure in any matter of common interest is a legitimate target for criticism, and there is a storm of criticism on this subject at the present time; and, as might be expected, and again with reason, this criticism is loudest from those who are most vitally affected by the failure.

But the point to be grasped is that the criticism, either directly or by implication, almost invariably attacks the capacity of those in superior executive positions within the present system, and any constructive suggestions from such sources really amount to a replacement of the

present executives by some device - either by election or otherwise - from the ranks of the critics, in favour of more able executors, who, it is assumed, would be able to make the system work.

I am not here in any way to defend those persons who are referred to as "*captains of industry*" in many cases they are men of quite extraordinarily narrow abilities, but I have, for my own part, no doubt whatever that any attempt to replace them *en masse* is quite unpracticable.

If you could imagine any of the orthodox socialistic schemes to come into operation in this country - which I am quite sure they never will - it is a matter of almost mathematical certainty that within five years you would see about 75 per cent, of the same persons filling what would be, in essence, the same executive positions under a different official title.

If you accept these statements as being a fair presentation of the situation, you will agree that only one conclusion can be drawn from them, and that is, that it passes the wit and the capacity of human beings to obtain generally satisfactory results from the existing financial system, and that no mere change in persons could be expected to produce an acceptable result.

If, therefore, we refuse to be content with the present situation, and are not prepared to be labelled as, for instance, the Labour Party has been labelled, "*an organised complaint*" it is absolutely essential to understand what is the vital defect in the system which produces these results, and having understood it to make constructive suggestions for its modification.

It is to be hoped that it is clear that the vast majority of people only regard employment as a means to an end, and that end is the attainment of a sufficient supply of goods and services; that, at any rate, an enormous step forward would be made if this desire for goods and services were met, even if the alleged demand for employment remain for the moment unsatisfied. Is this a practicable proposition?

I have no doubt whatever that it is wholly practicable. I do not propose to numb you with a mass of statistics on production - such statistics are easily available to people who like that sort of thing - I do, however, ask you to take it from me that one-tenth of the available labour, working short hours but with the whole of its attention directed solely to the objective of the most efficient production, could supply all the general demands of the population of this country, either by direct production, or by exchange of proper methods for the production of other countries, in respect of articles which cannot reasonably be produced at home; in other words, production, as a problem, has been solved long ago.

There is not a single country where western methods of production are in operation, in which there is any technical productive problem at all, either agricultural or otherwise; and the problem we have to solve is a problem of distribution.

Organised distribution, whether it be the allotment of seats in a theatre, in a railway train, or of benefit in a dividend-bearing commercial undertaking, is nearly always in some form or other a matter of tickets, and it is reasonable to conclude that if this is so, and our problem is one of unsatisfactory distribution, the first direction in which to turn our attention should be to the working of the ticket system.

The generalised ticket system, under which modern distribution is carried out, we call money, and it is in connection with the money system that we may expect to find what we are looking for.

In short, there exists in the world today a producing system which has an immense latent and undrawn on capacity to deliver goods (of which unemployment is only the most obvious indication), and there is, on the other hand, an immense body of unsatisfied consumers; while standing between and outside both, and run with an objective entirely separate from the interests of either production or consumption, is a money system, that is to say, a banking and financial system.

In order to grasp the reality of this statement, it is necessary to be clear as to the origin of what passes for money, and to understand the remarkable powers which are vested in the banking system and the financier.

Consider first, legal tender, which, in this country, consists of gold, silver, and copper coinage, and Treasury Notes, to the approximate value of, say, £400,000,000. It may be noticed, in passing, that this money has only value by the consent of the community of individuals we call the nation; that is to say, by their willingness to accept it in return for goods and services. It is not noticeable, however, that fresh creations of legal tender (which can only have value by popular consent) are divided amongst the population as, and when, such legal tender is created.

Leaving that issue for a moment, it will at once be obvious, from a superficial examination of the accounts of the banks, that there is a good deal more money in the country than there is legal tender. The deposits of the "Big Five" banks and their affiliations alone represent about £2,000,000,000, and overdrafts and bills discounted represent about £1,000,000,000 more. For practical purposes, all this money is homogeneous - the average individual would draw no vital distinction between ten pounds in his pocket-book and ten pounds in his current account with one of the great banks.

But it must also be obvious, on a little consideration, that something curious must have happened to enable, say, £400,000,000 of legal tender to become at least £3,000,000,000 of money, because, as far as can be seen on a cursory examination of the phenomenon, however much £400,000,000 changes hands in the course of trade, it still remains £400,000,000.

Something curious does happen - it is the creation

of new money, which ranks equally with legal tender as purchasing power, by banks and financial institutions.

One method by which this result is brought about will serve as an example of the remainder. Imagine a new bank to be started - its so-called capital is immaterial. Ten depositors each deposit £100 in Treasury Notes with this bank. Its liabilities to the public are now £1,000. These ten depositors have business with each other, and find it more convenient in many cases to write notes (cheques) to the banker, instructing him to adjust their several accounts in accordance with these business transactions, rather than to draw out cash and pay it over personally.

After a little while, the banker notes that only about 10 per cent. of his business is done in cash (it is really only .7 of 1 per cent.), the rest being merely book-keeping. At this point Depositor No. 10, who is a manufacturer, receives a large order for his product. Before he can deliver, he realises that he will have to pay out, in wages, salaries, and other expenses, considerably more "money" than he has at command. In this difficulty he consults his banker, who, having in mind the situation just outlined, agrees to allow him to draw from his account not merely his own £100, but an "overdraft" of £100, making £200 in all, in consideration of repayment in, say, three months, of £102.

This overdraft of £100 is a credit to the account of Depositor No. 10, who can now draw £200. The banker's liabilities to the public are now £1,100: none of the original depositors have had their credits of £100 each reduced by the transaction, nor were they consulted in regard to it; and it is absolutely correct to say that £100 of new money has been created by a stroke of the banker's pen.

At this point it must be realised, firstly, how complete and irresponsible is the control of the banker over the situation. His grant of the loan, if made, is entirely *ex gratia*; there is no appeal from it; two of the indispensable parties in the transaction, the consumer and the other nine depositors, are never heard in the matter at all; and the reasons operative in guiding the decision are not the same as those of any other party in the case. If, collectively, the banks refuse the loan, both the producer and consumer are helpless. It is nearly irrelevant to the difficulty which arises out of this situation that bankers may be, and in many cases are, persons of great ability and probity.

Secondly, it should be noted that the situation in which the financier finds himself is not one of his own making, and only exists by general consent. At the moment the public ceases to back him with its credit, which is the commodity in which he deals, his power goes.

For instance, at the time at which this is written (September), Messrs. Krupps at Essen, are issuing their own currency in denominations up to 500 marks. It is

obvious that a concern which can issue its own currency and get it accepted does not need to go to a bank for money. Absolutely the only qualification necessary to its acceptance is that it shall be effective in exchange for goods and services; which involves, amongst other things, considerations of price.

As the situation stands at present, the banker is in a unique position. He is probably the only known instance of the possibility of lending something without parting with anything, and making a profit on the transaction, obtaining in the first instance his commodity free.

But it is necessary to follow the transaction a little further. Depositor No. 10, having, happily, obtained his overdraft, pays it out to his employees in wages and salaries. These wages and salaries, together with the banker's interest, all go into costs. All costs go into the price the public pays for its goods, and consequently, when Depositor No. 10 repays his banker with £102 obtained from the public in exchange for his goods, and the banker, after placing £2, created by himself, to his profit and loss account, sets the £100 received against the phantom credit previously created, and cancels both of them, there is £100 worth more of goods in the world which are immobilised - of which no one, not even the banker, except potentially, has the money equivalent. The position thus created is remarkable.

Eventually, the manufacturer must look to the public, the consumer, for his demand, and the only form of demand he can recognise is a demand backed by money (called, for short, effective demand). Since the consumer, who originates the demand, never has sufficient money to back his demand, every "order" has to start with the banker (whose objective is not that of the consumer), percolate through the industrial system, and months or years afterwards reach the consumer, who should have initiated it, in a form which, by common consent, is unsatisfactory.

If this process has been thoroughly grasped, and it is admittedly not very easy to grasp, it will be seen that just as the manufacturer only receives a loan from the bank, which has to be repaid, so also does the workman, who is paid by this manufacturer, only receive a loan in the form of wages, which loan is repaid by him in the form of prices, and yet this loan, while cancelled in the books of the bank, is not cancelled in general prices; that is to say, the workman's cost of living today is quite inevitably added to his cost of living tomorrow.

I have no hesitation in saying that this situation I have attempted to outline to you is absolutely the core of the world crisis through which we are passing. To condense the situation into a paragraph, what the population of the world wants, and is determined to get, is a sufficiency of goods and services; there is no lack of these goods and services, either actual or potential, but they cannot be obtained except through the agency of money, of which there is a lack.

This lack of money is, in no sense, natural, in the sense of being unavoidable, but is wholly artificial, and is the result of a deliberate policy in the operation of the money system, although that policy may not perhaps be wholly conscious.

No solution of the myriad of apparently unconnected social, industrial, and sociological problems can be found, unless we can bring ourselves to realise that 95 per cent. of so called crime is committed with the object of acquiring money, whether it be through the cocaine traffic or the abuse of public confidence in such cases as the failure of the City Equitable Insurance Company; that the cry for employment has no realistic basis other than an acceptance of the assumption that money can, or should only, be distributed through the agency of employment; and that, owing to its scarcity, the possession of money, in the sense of a claim on goods, confers upon its possessor the power to arrange the lives of others.

If you accept the foregoing statement as to the inadequate supply of money together with the explanation of the source out of which money is created (and you have only got to understand these statements to be in the position of being obliged to accept them), it is a short step to the realisation of, at any rate, the general principles along which the solution of the difficulty must be found.

In the first place, we have to realise that there exists, and is being exercised for anti-social purposes, a monopoly of the ticket supply, without which distribution cannot be carried on.

That monopoly has to be broken. How it is to be broken is a very serious problem, a problem which has got to be faced and solved, or the civilisation with which we are acquainted will shortly cease to exist.

Having broken that monopoly, we have to make such arrangements as will automatically prevent its re-establishment. Such arrangements cannot possibly be allowed to depend on a mere question of personnel. Fortunately, this requirement, which at first sight seems difficult of satisfaction, is, I think, interlocked with the second great objective to which we have to address ourselves, and that is, the adjustment of the rate of issue of the tickets or money to correspond with the rate of production of goods, so that there shall be a continuous relation between tickets and articles, and that there shall be neither an undue quantity of tickets, nor, as is at present, a lack of them.

You will remember that we ascertained that prices were too high in relation to purchasing power. It would seem, at first sight, that we could either issue more purchasing power or arbitrarily reduce prices, but the matter is not quite so simple as that.

If, having broken the banking monopoly of credit, we simply proceeded to give everyone large overdrafts, it is fairly well understood by now that all we should

do would be to create a feverish boom in production, accompanied by a spectacular rise in prices. That, of course, is exactly what is happening in Germany today. If, on the other hand, by means of a rigid government control, we arbitrarily reduced prices, it is equally obvious that we should strangle production, cause widespread bankruptcy, and probably arrest our sales of commodities; but if we are in a position to say to the manufacturers and retailers, "*we will assist you to sell to the public at lower prices than you can sell without our assistance,*" we produce a series of results which, I think you will agree on examination, are remarkable.

In the first place, we benefit the public, as individuals, by lowering prices, and thus enable them at once to get goods and services which, we agree, they demand and intend to have; but even without going any further, it will be seen that we also benefit the trader to whom we extend this assistance because, as he is enabled to undersell any competitor not so assisted, his turnover increases, and thus his business from every point of view, flourishes and expands.

For the moment, at any rate, we solve the alleged problem of unemployment, because the immediate effect of this increased flow of business is to stimulate employment. These advantages alone are so outstanding that it would seem that we have only to be clear as to the existence of a source from which such assistance can be made, to have the necessary justification for action along these lines.

We have such a source, and that source is the same source from which the banker, now, for his own purposes, creates additional purchasing power through the medium of overdrafts, bills discounted, etc. We apply a portion of the created credit to the reduction of prices, and a portion to the creation of purchasing power through the distribution of dividends on Communal Credit Bonds - in fact, given the control of the mechanism of credit, we can make the material conditions of this country exactly what we wish.

The most grotesque objections have been raised to issues of credit in the manner I have just briefly outlined; in fact, it is a remarkable thing that large numbers of persons, who cannot honestly be suspected of direct connection with the banking system, seem feverishly anxious to ridicule it.

The first objection raised is that it would raise prices, a really remarkable statement in view of the fact that the suggested use of credit is absolutely contingent on a fall of prices. If cornered in regard to this objection, these persons say that it would result in a queue of the type familiar during the latter years of the first world war. The answer to this is, of course, that again the suggested credit issue is contingent on the ascertained fact that potential production is always in excess of consumption. It will usually be found that when the quasi-practical objections have thus been disposed of, the objector

discloses his real position, which is what he calls a moral objection, that he hates the very idea that anyone should be comfortable in this world without being made very uncomfortable in the process.

Some years ago I had the experience of discussing these proposals with Mr and Mrs. Sydney Webb, and, after disposing, one after the other, of the objections raised to the feasibility of the scheme, I was met with an objection with which, I confess, I found myself wholly unable to deal, and I recognise that objection in the Labour Party report on the Douglas proposals.

The words in which it was made to me are worth putting on record.

They were: "*I don't care whether the scheme is sound or not; I don't like its object.*"

That is a clear-cut issue: it is an issue which goes right down to the bed rock of human philosophy. It claims that human nature is essentially vile, and can only be kept within bounds by being kept so busy that it has no time to get into mischief.

I have no doubt whatever that this philosophy is at the root both of the present economic system and of all the socialistic schemes of nationalised economic and social administration which have culminated in the Russian Soviet Republic.

The connection between a section of American (Wall Street) finance and the Russian Revolution is clear and indisputable.

For those who are interested in the subject, I would recommend a perusal of the series of articles reprinted from the "Dearborn Independent," by Mr Henry Ford, of motor-car fame, under the title of "*The International Jew.*"

The financial power which enabled Japan to vanquish Russia was exactly the same as that which wrecked the Russian Empire and protracted the first world war from 1915, when it otherwise would have been finished, to 1918, at the cost of millions of lives.

It is, of course, obvious that 98 per cent. of the persons who are made the tools of this philosophy and the policy which proceeds from it, are more or less innocent victims of something which they wholly misunderstand, but the awful gravity of the situation is not reduced by this fact.

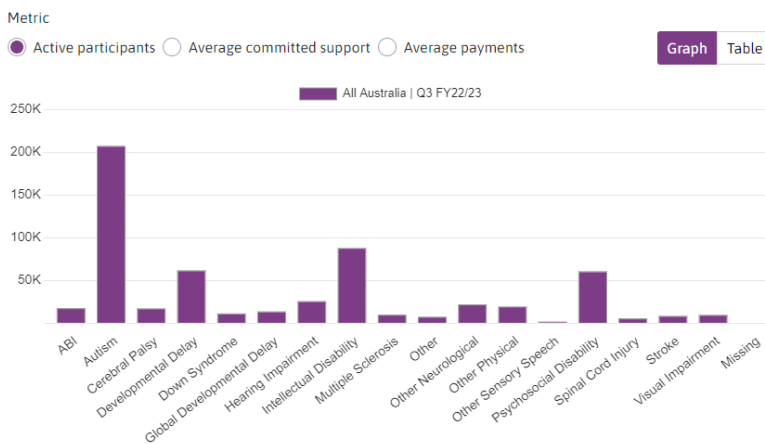
I would commend, therefore, to you a most serious consideration of this issue, whether you wish the economic system to be made the vehicle for an unseen government, over which you have no control, which you did not elect, and which you cannot remove so long as you accept its premises; or whether, on the other hand, you are determined to free the forces of modern science, so that your needs for goods and services may be met with increasing facility and decreasing effort, thus, in turn, permitting humanity to expend its energy on altogether higher planes of effort than those involved in the mere provision of the means of subsistence. ***

AUSTRALIA'S THERAPEUTIC STATE - SIN AND SYNDROME IN THE NDIS by William Waite

The National Disability Insurance Scheme (NDIS) commenced 1 July 2013 and reached full national roll-out in 2020. As of June this year there were 610,502 participants receiving financial support for a range of disabilities. This is 49 percent larger than original predictions. Support packages have also increased in price and scope leading to budget blowouts which now threaten the sustainability of the Scheme. The NDIS now costs taxpayers more than \$35 billion dollars a year and was on its way to \$100 billion before the government imposed an 8% growth target. ¹

To give you some idea of the types of disabilities supported by the NDIS the chart below provides the number of active participants by primary disability:

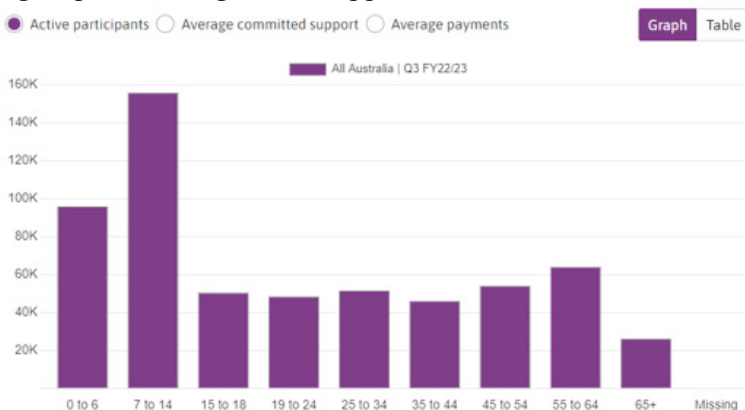
Source: <https://data.ndis.gov.au/explore-data>



More urgent though than the cost of the Scheme is the extraordinary number of young people identified as having disabilities on the NDIS. As of June this year 313,476 participants aged 18 years and under had an NDIS package, more than half of total participants. Of these, 75 per cent were diagnosed with autism or developmental delay with these two conditions accounting for about a third of the total cost.

The most common disabilities covered by the NDIS are autism, intellectual disability, psychosocial disability and developmental delay. Also, 11 per cent of boys and 5 per cent of girls between the ages of five and seven have an NDIS package. ²

The chart below clearly shows the prevalence of age groups receiving NDIS support:



What is going on?

Thomas Szasz's book from the 1960s, *The Myth of Mental Illness*, helps us explain the situation: Everything I read, observed and learned supported my adolescent impression that the behaviors we call "mental illnesses" and to which we attach the hundreds of derogatory labels in our lexicon of lunacy are not medical diseases. They are the products of the medicalization of disturbing or disturbed behaviors – that is, *of the observer's construction and definition of the behavior of the persons he observes as medically disabled individuals needing medical treatment.* ³

The fundamental cause of this plague of autism and other "mental diseases" in the young has more to do with a preference for medicalising dysfunctional behaviour than any real outbreak of medical illness. In a discussion paper from *The Actuaries Institute* on providing better support for children with Autism, author Maathun Ranjan writes that "the NDIS was envisioned and legislated based on a social model of disability but has been implemented using a medical model." ⁴

The result is inflated diagnosis rates. According to Professor of Autism Andrew Whitehouse, "It is without question that clinical behaviour has become biased towards making certain levels of an autism diagnosis (more severe) in order to provide families a better chance at receiving the support they need through the NDIS." ⁵

The situation highlights the elasticity of mental health diagnoses.

Aside from the financial supports there are other reasons why a parent might seek a diagnosis. Finding the cause of disturbing behaviour in a medical explanation absolves both the parent and child of responsibility, handing it over to a third party – an expert, clinician or school. It is a way of defining a very real problem which delivers everyone from the need for self-reflection and judgement, even when the well being of our children is at stake. And who is the therapist to argue with repeat business?

It is not my intention to minimise or deny the suffering of families struggling to understand and correct the disturbing behaviour of their children. The NDIS numbers represent a very real problem. Parents are not consulting pediatricians and counselors because there is nothing wrong. What I take issue with is that when parents naturally consult the experts to understand what is happening with their children, they are sent down the path of defining and treating the behaviour as though it were a medical problem, when it is very likely nothing of the sort.

Szasz would describe the cause of disturbing behaviour more in terms of what he calls "problems

in living.” Nobody doubts that a litany of risk factors ubiquitous in our society including family breakdown, poor nutrition, lack of sleep, excessive screen time, isolation, exposure to stylised violence and pornography, lack of meaning, direction and discipline all contribute to the sorts of problems which would qualify a person in the current regime for a diagnosis of mental illness. Knowing this, is it reasonable to confine ourselves to the language of mental illness to describe our problems?

For instance, on the *Evidence for Psychosocial Disability Form*⁶ the clinician must provide descriptions of difficulties the patient experiences in the domains of social interaction, self-care, self-management, communication, learning and mobility. Within each of these domains details of impairments are asked for in areas of life such as making and keeping friends, interacting with the community, completing daily tasks, hygiene etc. There are more than twenty of these prompts. A kid who plays games all day, is neglected by his parents and lives on junk food will be dysfunctional in most if not all areas, so would likely qualify for the NDIS. Does not common sense says it is misdirection to define the problem as a psychosocial disability?

In a presentation entitled *Self-Deception in Psychopathology* Jordan Peterson says:

Human health is a matter of moral action perhaps more than it is a matter of anything else, and I think the reason that we don't want to admit to that or even discuss it generally is because I don't think people want to think of their own lives in that manner, because it would burden them with too much responsibility. So I think all the coverage, the pseudo-scientific, objective claptrap that characterises much of our diagnostic strategizing is a form of sin of omission.⁷

WHAT WOULD ORWELL THINK ABOUT OUR SUBMARINES? by William Waite

Considering the cost of the submarine program it would be reasonable enough to inquire into their purpose. The build program extends a long way into the future with the first second-hand subs to be bought in the 2030s, and the final three to be finished sometime in the 2060s. There will also be billions of dollars spent upgrading port facilities. All going well, by the end of the project, we'll have between 11 and 13 boats. Over the next 30 years the program is expected to cost the Australian taxpayer 368 billion dollars with the building process expected to create 20,000 new jobs in Australia.

In addition to any subconscious Freudian motivations the submarines are supposed to function as a countermeasure to the emergence of China as the dominant super-power in the region. It should be recognised that the very possession of these submarines, justified in these terms, deepens a commitment to military involvement as a response to Chinese or American aggression. Given the social,

There are important political and economic dimensions in play which deserve attention. The extent to which we surrender responsibility for our own condition is the extent to which we grow the therapeutic state. Ground lost to this technocratic machine is difficult to recover. The latest Intergenerational Report predicts that of the five areas of spending growth over the next forty years, three of them, aged care, health and the NDIS, are in the 'care economy.'⁸

The chilling message is that the government fully intends to look after you.

Furthermore, Australia's economy is seriously asymmetrical, with more than 90% of people working in service industries.⁹

No reversal of this situation is seriously considered anywhere. We can expect to see a precipitous rise in care services fueled by government stimulus and a care industry fully aware that diagnosis and therapy is what is required to keep the good times rolling. The government has positioned itself to soak up labour disrupted by the integration of digital technology to grow a care bureaucracy just as fast as people can be labelled disabled. All of this will help mask the accelerated breakdown of the employment system and expand social welfare dependency under the cover of 'our most vulnerable.'

It's a formula for a zombie nation. I don't want to lecture, but I really don't like the outlook for a society that comes increasingly under the sway of the health technocrat elevated to riches and power by making the world in their own narrow image. The answer was put simply by Michael Collins just before his death, "When we make ourselves fit we shall be free."¹⁰ ***

political and economic volatility in both countries it can hardly be described as a move toward domestic security.

The dangers of international tensions aside, Australia's submarine program reminds me of *chapter III: War is Peace* from Emmanuel Goldstein's, *The Theory and Practice of Oligarchical Collectivism*, in Orwell's 1984.

According to the fictional Goldstein the problem faced by the ruling party in the mid twentieth century was "how to keep the wheels of industry turning without increasing the real wealth of the world. Goods must be produced, but they must not be distributed. And in practice the only way of achieving this was by continuous warfare."

One thing that can be safely said about submarines is that consumers do not buy them. The heaviest industry and most advanced technology will be employed in their construction, and 20,000 people put to the grindstone, but in all that nothing will be produced to improve anybody's day-to-day existence. This according to Goldstein is the

point:

The primary aim of modern warfare (in accordance with the principles of *doublethink*, this aim is simultaneously recognized and not recognized by the directing brains of the Inner Party) is to use up the product of the machine without raising the standard of living.

Assuming the program stays on budget these submarines will cost every Australian \$460 per year for the next 30 years. That's nearly \$2000 a year for a family of four over the life of the program. Aside from being a tribute to America's military industrial complex, it is difficult *not* to see submarine building as a deliberate diversion of purchasing power from the distribution of material abundance at home. Goldstein continues:

Even when weapons of war are not actually destroyed, their manufacture is still a convenient way of expending labour power without producing anything that can be consumed. A Floating Fortress, for example, has locked up in it the labour that would build several hundred cargo-ships. Ultimately it is scrapped as obsolete, never having brought any material benefit to anybody, and with further enormous labours another Floating Fortress is built.

Perpetuation of the myth of scarcity is a priority of the ruling elite. The abundance made unavoidable by industrial techniques must not be made available to relieve the sense of insecurity and dearth that is the constant worry of the masses.

For if leisure and security were enjoyed by all alike, the great mass of human beings who are normally stupefied by poverty would become literate and would learn to think for themselves; and when once they had done this, they would sooner or later realise that the privileged minority had no function, and they would sweep it away.

There is a consistent purpose that links such contrivances as submarines, monetary policy and wind turbines. That is, they are all designed to funnel the money and initiative of the community into the coffers of a privileged minority. This is the pattern, we must learn to see it. ***

Comment by M. Oliver Heydorn:

Another excellent article, Will!

You quote Orwell's 1984 in the following terms: "According to the fictional Goldstein the problem faced by the ruling party in the mid twentieth century was 'how to keep the wheels of industry turning without increasing the real wealth of the world. Goods must be produced, but they must not be distributed. And in practice the only way of achieving this was by continuous warfare.'

This is, of course, true, but interestingly and ironically enough, (additional) goods, like submarines, must be produced but not distributed (to consumers) so that the corresponding incomes that are released in

their production can be utilized in the present to help buy the concurrent stream of regular consumer goods and services for which insufficient income was released to consumers in the course of their production. In other words, it's a gap-filling exercise.

The same time/energy and resources used to make the submarines and/or to eventually pay for them via taxes could have been used to a) produce more consumer goods and services if there is a lack of certain items (more homes perhaps would be a very good thing in Australia at the moment - but please make them externally and internally beautiful!) or b) could have been conserved and the benefit of not needing to work distributed instead as increased leisure for the population (provided that some other means of buying the surplus consumer goods and services, such as a National Dividend, could be introduced.)

One final note: Orwell was clearly influenced by CH Douglas and I believe there are references to this fact from Orwell himself in some of his correspondence, etc. It would be worthwhile to explore that connection further from various points of view, including our attempts to put DSC back on the table for public discussion. Indeed, I have often wondered whether Emmanuel Goldstein was not inspired by the figure of Douglas himself.

References

***Australia's Therapeutic State - Sin and Syndrome in the NDIS* by William Waite**

- 1 Lunn, S. 3.9.23. *NDIS creating winners and losers among children with autism, says Institute*. Retrieved from: <https://www.theaustralian.com.au/nation/ndis-creating-winners-and-losers-among-children-with-autism-says-institute/news-story/e1aca6cea0d01a5ec89ce9241d3d9e16> retrieved 17.9.23.
- 2 Editorial. 5.9.23. *Autism Services need Overhaul*. Retrieved from: <https://www.theaustralian.com.au/commentary/editorials/autism-services-need-overhaul/news-story/d8fce65427c51f817e4faf741695b40f>. Retrieved 17.09.23
- 3 Szasz, T. 1974. *The Myth of Mental Illness*. HarperCollins, New York.
- 4 Lowe, A., Ranjan, M. June 2023. *Providing better support for children with autism and development delay*, Retrieved from: <https://lnkd.in/gPewdzRS> The Actuaries Institute.
- 5 Ibid. 2.
- 6 *Mental Health and the NDIS*. Current May 2022. Retrieved from: <https://www.ndis.gov.au/understanding/how-ndis-works/mental-health-and-ndis>. Retrieved 17.9.23
- 7 Peterson, J. 2012. *Dr. Jordan Peterson - Self-Deception in Psychopathology*. Retrieved from: <https://www.youtube.com/watch?v=pxJzWcwRd0>. Retrieved: 17.9.23
- 8 *Intergenerational Report 2023*. 2023. Retrieved from: <https://treasury.gov.au/sites/default/files/2023-08/p2023-435150.pdf>. Retrieved: 17.9.23.
- 9 Ibid.
- 10 Quoted in: Mackay, J. 1996. *Michael Collins, A Life*. Mainstream Publishing Company, Edinburgh.

NewTimes Survey is printed and authorised by Arnis J. Luks
13 Carsten Court, Happy Valley, SA.
Telephone: 08 8322 8923 eMail: heritagebooks@alor.org