

THE INFLATION MENACE AND THE MORAL LAW

The 1960 Melbourne Anglican Synod carried the following resolution, with minor amendments, by an overwhelming majority: "That whereas the current policy of 'controlled inflation' progressively robs large numbers of people of the value of heir various savings, and that whereas this policy bears heaviest upon pensioners, superannuated people and like sections of the community least capable of defending themselves economically; that this Synod considers inflation to be unjust, contrary to right order in society, and that the Federal and State Governments be informed of this resolution."

The motion was proposed by the Rev. Norman Hill, Vicar of St. Mark's, Fitzroy

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NOTES OF REV. N. HILL'S ADDRESS

Your Grace,

This motion not only challenges one of the most immoral and destructive policies being imposed by all Governments today, irrespective of their labels; it challenges the widely-held view that politics, economics and finance are outside the jurisdiction of the Christian Church. The claim that the policies of Government are no concern of the Christian Church, is simply the repudiation of any suggestion that the Moral Law applies to Governments as well as to individuals. If Governments can continue to operate in a moral vacuum, then how, where and when is the growing encroachment of Government policies upon the rights, liberties and personal responsibilities of the individual to end? A halt must be called somewhere or Caesar will soon demand all that belongs to God. Both history and common sense tell us that the counting of heads at elections, which have progressively become blatant contests in mass bribery, will not halt the growing demands of Caesar. The process of political voting has never created moral values, a fact which we Christians might ponder with considerable profit. My thesis is that the upholding of the Moral Law is primarily the concern of the Church, and that the Church has got to restore its position to the stage where it is true to say, as it once was, that Christianity is an effective part of the law in this still predominantly British community.

CHRISTIANITY AND CONSTITUTIONALISM

We are heirs to a unique heritage of constitutionalism which grew out of the climate of opinion created by the Christian Church in England. Every Christian in the English speaking world should know that English Common Law was directly influenced by Canon Law.

To those who may be asking what has Canon Law, Common Law or constitutionalism generally got to do

with this motion concerning inflation, I point out that constitutionalism rooted in Christianity has to do with individual rights and justice for all. Inflation is an insidious attack upon both rights and justice. As it robs individuals of the value of their various forms of savings, it is completely immoral. To put it bluntly, inflation is theft. And it steals from those least able to take any effective steps to protect the value of the money they have honestly acquired. It has deprived tens of thousands of our elderly citizens of that ease and tranquility they had planned that their life savings would provide for them in the eventide of their lives, and has forced many of them to return to work. Although steps have been taken to try to protect the active clergy against inflation, what of the tragic plight of our retired clergy? Their plight has been discussed sympathetically in recent years, but as inflation continues their economic position must continue to deteriorate. The position of the various pensioners in the community is a national disgrace and a challenge to all who call themselves Christians. I speak with deep feeling on this question of the pitiful plight of the pensioners because I have many of them in my Parish and know that every increase in the price level is literally a question of life or death for some of them.

“CONTROLLED INFLATION” AND PROGRESS

When our so called learned economists discuss the question of whether the rate of inflation is controlled at one per cent. or two per cent. per annum, they are in fact saying that they are only interested in controlling the rate of robbery, not of stopping it. Even one per cent. increase per annum, which today is apparently regarded as quite an achievement, has a devastating effect upon the pensioner struggling to keep himself alive on the pittance he receives from the Government. But this fact appears either “inflation”, or they callously regard the theft from savings,

to have been overlooked by the advocates of "controlled fixed and low incomes as part of the price to be paid for what they like to call progress. One of our leading economists, knighted for his so called public services, made a brilliant contribution to this question not so long ago when he urged that the term inflation be removed from the language and replaced with the term expansion. This is a classic example of what George Orwell described as double speak. But truth is not altered by describing it in different words, and if progress means sacrificing those sections of the community least able to protect the value of their earnings and savings, then it is about time the nature of this much vaunted progress was examined a little more closely in the light of fundamental moral principles.

VIOLETING THE MORAL LAW

We can, of course, ignore the Moral Law in relationship to politics and economics because we have free will. But sooner or later the price must be paid for violating the Moral Law. The immoral policy of inflation is not only robbing numerous individuals; it is having disastrous social consequences. How many young couples are forced to keep postponing the joy of children while they both work because they find that the steady increase in prices not only reduces the value of their savings but makes it difficult for them to buy their block of land and build their home upon it? There is no doubt that the fantastic prices being asked for building blocks is related to the rapid increase in feverish speculation by a growing number of people who thus seek to try to protect the value of their money. This feverish speculation furthers a feeling of general instability in the community and has a dangerous psychological impact. It certainly helps further the general marked moral decline so obvious today.

Unfortunately, we clergy are having our immediate attention so strongly focussed upon effects that we tend to ignore or overlook basic causes. Many of the problems of young people can be traced back to the fact that since an early age both parents have been forced to work. I know that in some cases it can be argued that pure greed is the motive for both parents working, but my experience is that the great majority of women are forced out of their homes because of financial causes. Before the war it was very rare in this country to find middle class women going out of the home to work. But today there has been a social revolution because of inflation. Inflation has always been a revolutionary policy, leading ultimately to more and more totalitarianism. It was inflation in Germany in the twenties which destroyed the middle class, demoralised the whole community and paved the way for Hitler. The historians tell us inflation was one of the major features of the collapse of the Roman Empire. History is repeating itself simply because there is the same violation of rightness.

THE NATURAL LAW OF TRUE COST OF PRODUCTION

This Synod is not the proper place for the presentation of an economic treatise, for, as I see it, the true role of the Church is not to concern itself with techniques in any secular sphere, but to confine itself to stating objectives that are moral. But may I briefly draw attention to the fact that there is an ascertainable natural law of true cost in production which is distinct from what is termed financial cost. By virtue of my training as an engineer before joining the Ministry, I have some first-hand knowledge of this matter and readily appreciate the frustration of producers of all kinds, but particularly production engineers, when politicians, economists and other theoreticians

cians, including sometimes I regret to say, members of the clergy, continue their monotonous chorus about working harder, producing more, and thus reducing prices. If there is one field of human endeavour in which we can readily see that the discovery and application of God's truths can provide us with greater material abundance and greater freedom, it is in the modern production system. Every new technological improvement is the result of discovering more about natural laws. It is the discovery and use of these natural laws — God's laws, not man's — which enables a modern factory to produce an increasing volume of goods with a reduction in the amount of human energy exerted; which enables the farmer to grow a hundred grains of wheat where he could previously only grow one. Measured in terms of production per man hours worked — that is the only natural law of cost — production has become increasingly more efficient. Producers have done exactly what the theorists have urged. But the progressive reduction in the real cost of production has not made it possible for prices to be reduced to reflect this truth. It is clear then, that the Government's financial rules violate the natural law and that the Government must not be permitted to continue to blame the unfortunate victim of its policies for the continued rise in prices. The Government should not resent Church interest in the moral aspects of the inflation problem, because the Prime Minister indicated, at least by inference, that the Church should have some views, when he invited representatives of the Church to be present at the first conference he held on inflation. But that was at a time when he apparently believed that he really could fulfil the 1949 election promise "to put the shilling back into the pound". Since then we have all been conditioned to accept inflation as something inevitable, at the best to be only "controlled".

INFLATION NOT INEVITABLE

I challenge this doctrine of inevitability. Theft, even if described in economic jargon, is not inevitable. It can be stopped if a strong stand on a moral basis is made. It is up to Governments to find the appropriate ways and means of implementing moral objectives. It is the duty and responsibility of the Church to deal with the objectives only. There is nothing new about what I am asking this Synod to do. The mediaeval Churchmen were very concerned and very active about this very question of prices. They may not have been very successful in devising practical methods for implementing what they aptly termed the Just Price, but they did at least recognise that honesty and justice in a money economy necessitate a price system which does not rob the individual of the value of his money. Modern inflation is the ancient evil of coin-clipping in a new form. Coin-clipping was rightly regarded by Church leaders as one of the worst of crimes and those found guilty of this practise deserving of the hardest punishment. I might add here that there was also a time when the Church was courageous enough to express some definite views concerning the morality of usury.

It is time that the Church recovered some of its lost courage on these great social issues. I desire to express the opinion, based upon considerable personal investigation, that if the Christian Church really wishes to have any impact upon that large number of people who either no longer take it seriously, or who regard it merely with the type of sentiment often displayed towards nice, elderly, but innocuous aunts, then the Church must clearly restate in modern terms the old truths concerning the true nature of authority, power and freedom, and persistently uphold those truths, not in vague, general terms, but in relationship to specific issues such as inflation. Failure to

Speak out clearly and strongly on this and similar issues only helps convince an increasing number of people that the Church has nothing worthwhile to say on the great issues concerning power and its abuse.

A NEW MAGNA CARTA REQUIRED

May I conclude by observing that one of the great landmarks of our British and Christian history is Magna Carta, a document bearing witness to the fact that over 700 years ago the great Stephen Langton and his fellow Churchmen were able to play a decisive role in insisting that there was a Moral Law which even Kings must obey. The over-riding intention of Magna Carta was to establish every individual in his rights. Today we need a new Magna Carta to restore the many rights lost since the first Magna Carta. The Church can make a start by publicly condemning immoral Governmental policies such as inflation. As I have pointed out, and no honest, intelligent person can deny it, inflation, whether "controlled" or "uncontrolled", is a form of subtle theft. If we really believe in the Commandment, "Thou shalt not steal", then let us insist that Governments must obey it as individuals. The methods used by the Government — the techniques — are not our concern. We do not tell the police how to go about their business of protecting individuals against the violation of their property or other rights. We are, I repeat, concerned with moral objectives only. Right order in society is impossible while official theft is condoned. I therefore urge that this motion be carried in order that the not forsaken its traditional role as the great supporter of justice for all based upon Christian principles.