A WEEKLY COMMENTARY

ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

The price of Freedom is eternal vigilance –

Print Post Publication Number 381667 00258

Vol.40, No.17 May 7th, 2004

THOUGHT FOR THE WEEK: *"It was a true instinct which led Shakespeare to glorify the murderers of Caesar, for in the absence of the medieval empire, not merely British, but European art might have had a more felicitous, because more natural, development than it enjoyed. In truth, the artistic went deeper than either the political or religious revolt. It was a protest not so much against this or that effete doctrine, as against imperialism in principle, against finality in the realm of the ideal."*

– L.A. Waddell in ***"The Phoenician Origin of Britons, Scots & Anglo-Saxons"***

MARK LATHAM AND ALL THAT READING by Betty Luks:

Journalist Janet Albrechtsen, ***The Australian***, 28/4/04, has taken Mark Latham to task for his slick policy-headline-grabbing: "Latham stutters over reading revolution".

"If we read three storybooks a night to our infant children," says Mark, "by the age of five they'll be able to read." And as he is inspired by the children's story-writer, Mem Fox, who is a passionate advocate of the whole language approach to reading, Albrechtsen insists Latham's slick literacy policy shows little interest in the hard yakka of policy detail.

Why is this so? Mark Latham, insists the journalist, by publicly promoting Mem Fox's works, is promoting a failed teaching method supported more by ideology than evidence. Thirty years of research should have settled the 'reading wars' because all the evidence points one way: to phonics. Albrechtsen is saying: The science of phonics is the proven method of successfully teaching children to read and write.

Phonics and the Phoenicians: Phonics leads us back to ancient times– through the Phoenicians back to the land of Sumer and to the 'mother' language of the European nations.

Early Sumerian writing was pictographic, that is, pictures were drawn for words. As life became more complex and people needed to express more ideas, an ideographic writing system developed in which symbols stood for words, for both things and ideas. In many cases, the symbols bore no relationship to the things which they represented.

The Phoenicians, a branch of the earlier Sumerians, are credited with the development of the written *phonetic* language. About 2000BC, it was discovered the *spoken* word consisted of a series of separately uttered sounds. Eventually, a written symbol was devised to represent each speech sound. This marvellous invention enabled people to write down any word they could say, by recording the speech sounds in their correct sequence.

Further development provided us with a two-way operation. Once we knew the symbols, we could work out the written word by translating each part into its correct speech sound.

The English language with only 26 *letters* to represent the 44 *basic sounds* of the language consists of hundreds of thousands of words. English is therefore an *alphabetic* language.

An example of a modern ideographic language is Chinese. 'Whole language' reading might be fine for a written ideographic language such as Chinese but not suitable for English.

Mark Latham needs to be reminded of this by the Mums and Dads who send their children to government schools. Take up feather, ink and parchment, or stylus and clay – today!

For further reading: *"Spelling Made Easy"* by Barbara Dykes & Constance Thomas.

THE PAPACY AND USURY by Peter Lock – taken from the journal of the Economic Reform Association, May-June 2004.

"In 1891, Pope Leo XIII issued his much acclaimed Encyclical *Rerum Novarum* known as The Workers' Charter. Early in the latter, Leo XIII refers to a sequence of situations responsible for social problems and their injustices.

He concludes, "Hence by degrees it has come to pass that workingmen have been surrendered, isolated and helpless, to the hard-heartedness of employers and the greed of unchecked competition. The mischief has been increased by rapacious usury which, although more than once condemned by the Church, is nevertheless, under a different guise, but with the like injustice, still practised by covetous and grasping men."

There are two short paragraphs of Pope Pius XI in his Encyclical Letter *Quadragesimo Anno* in May 1931, commemorating the fortieth anniversary of Pope Leo XIII's much-acclaimed Encyclical *Rerum Novarum* which are among the most quoted of Papal statements pertinent to social injustice.

"In the first place then, it is patent that in our days not alone is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few, and that those few are frequently not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasure. This power becomes particularly irresistible when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying, so to speak, the lifeblood to the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will."

In Nature there is neither debt nor usury – deceptive misuse of 'interest': This last sentence becomes alarmingly real and meaningful when it is considered that Pope Leo XIII was the last pope ever to mention and condemn usury. Over one hundred years have passed since then and no other Pope, nor Pontifical Commission has dared breathe one single word against the will of the global usurers. Indeed the word *usury* no longer has a place in the considerations and determinations of Canon Law.

The evolution of Christian Church teaching on usury has witnessed a development from intolerant condemnation to tolerant justification. To make a profit from lending to someone in real need was always considered reprehensible. In Nature, there is no precedent for either debt or usury. Money which was exacted purely for a loan as such, always being deemed contrary to Nature, began to be viewed in a new light.

Changed economic considerations preferred the use or rather the deceptive misuse of the word *interest* in the place of the more objectionable *usury*, which now became permissible provided it followed statutory regulations and did not become excessive.

***'Interest'* belonged to sacred realm or court of justice:** It is instructive to examine a little more closely the historical evolution of the word *interest*. In ancient Roman law, when one party defaulted on a contract, the other could exact over and above the actual agreement of the contract, a form of compensation based on the difference between the position of the creditor, before and after, the situation caused by the debtor's default. This difference was termed in Latin, *id quod interest*, from the verb *interesse* which meant, to be between, and could be reckoned according to the actual loss which had occurred.

Justice demanded that this *interest* of creditor be taken into account. In its original meaning, *interest* did not belong to the sphere of borrowing but to the sacred realm or court of justice.

Through a debtor's default, a creditor might have missed out on a possible profit, but profit-losing was not classified as *interest* because one could not be said to lose that which one never ever had. The only concern of *interest* was with an actual gain ceasing (lucrum cessans) or with a damage emerging (damnum emergens) and not some mere hypothetical eventuality. Receiving *interest* was an honest seeking of real equity. The creditor lent freely but the debtor was obliged by law to compensate the creditor for any costs involved in defaulting on the contract. *Id quod interest* was purely a matter of justice.

***Usury* a sin now 'rationalised':** As generally understood by theologians in past centuries, usury was the sin of exacting money purely for a loan of money. The creditor aimed for a real gain, to get more money, over and above the loan, for nothing, from the borrower. In time canonists rationalised usury and misappropriated the *interest* of Roman justice to cover up the malice and injustice of the prevailing financial system's usurious interest.

Clerical casuistry and a most lucrative means of power and control: The tools of ecclesiastical casuistry were a well-seasoned array of semantic distinctions, like the right to an object and the right to its use and usufruct, intrinsic and extrinsic titles, gain ceasing and damage emerging...

Does the sanction of an uncivil Civil Law or corrupt custom make what is intrinsically an injustice, become now legitimate and acceptable even though it is contrary to Natural Law?

No one denies that in modern economic systems money has taken on new aspects or rather been given different functions from what its own true nature would determine. Speculators make it into a commodity with which to gamble. The directors of banks and financial institutions use it, particularly in its scarcity-function, as a most lucrative means of self-aggrandizement and control and power over their fellow human beings. As catalytic finance-capital in any industry, money can become virtually productive by making virgin real wealth more productive through human enterprise, but there are limits to the growth of agriculture and of industry beyond which the economy trespasses to its own destruction.

A sorry sort of licit case can be made out by churchmen to justify the charging of interest by the wealthy *haves-of-this-world* on investments and loans of already existing legal tender money made to this world's *have-nots*.

No amount of clerical casuistry however can justify the charge of more than a simple service fee for bank-created credit. On almost costless invented make-believe wealth or credit money, virtually created out of nothing, any rate of interest at all is more than grossly immoderate. This diabolical usury enslaves the entire human race and is the greatest social injustice and fraud in the history of commercial and marketplace activity.

Contemporary Moral Theology found badly wanting: In the past, the decisions of traditional Moral Theology concerning the charging of interest on loan contracts between individuals, weregenerally in respect of real coin-money which had some intrinsic value. As stated above, modern economic monetary systems have taken on completely new forms which involve the rest of the community in the payment of the debtors' interest. This new solidarity perspective and the implications of exponential growth are neither understood nor considered by ecclesiastical authorities today. Contemporary Moral Theology has yet to pass judgment on these issues and give an authoritative answer to the basic question arising from marketplace activity. How can anyone conceive and claim an extrinsic title to interest on money loaned, from gain ceasing or damage emerging, when the loaned money itself has come costlessly into existence from nothing? There are other considerations, far more cogent still, which can be directed against the specious arguments of the inadequately informed Canonists of the past...

Institution of Vatican Bank: With the institution of its own Vatican Bank, the Roman Papacy has now made financial speculation and usurious moneymaking (and losing) its own sin. This situation is understandable in the light of events last Century. The Lateran Treaty which Benito Mussolini's Government concluded with the Vatican in 1929 gave the Roman Catholic Church a wide range of benefits, not the least being that Italy undertook to pay the Holy See the sum of 750 million lire and to hand over at the same time Consolidated 5% State Bonds to the bearer for the nominal value of one billion lire. A Special Administration was set up by Pope Pius XI – and a layman, Bernardino Nogara, appointed its head. The latter accepted the office only on condition that any investments he chose to make would be untrammeled by religious considerations and that he would be free to invest Vatican funds anywhere. Almost overnight, the Vatican became a Capitalist enterprise engaging in Stock Exchange, futures and currency speculation. Self-interest produced a complete reversal of the Church's teaching with regard to money lending.

Great moral, social and economic issues neither understood nor answered: One final glimmer of a quickly extinguished light appeared in the Encyclical Letter *Populorum Progressio* of Pope Paul VI in March 1967, "This unbridled liberalism paves the way for a particular type of tyranny, rightly condemned by Our Predecessor Pius XI for it results in the 'international imperialism of money'. Such improper manipulations of economic forces can never be condemned enough: let it be said once again that economics is supposed to be in the service of man."

Is less than ten lines in a century enough? Though he condemns any misuse of the monetary system, it is clearly evident from what follows later in the Encyclical that the real moral, social and economic issues of the great social questions are neither understood nor answered.

A similar comment applies to the subsequent Encyclicals of Pope John Paul II. The reader searches in vain for an echo of any condemnation of international finance or the imperialism of money.

It was understood by those who knew the mind of the tragically too-well-informed Paul I, that he would dare to breathe against the will of those who have fraudulently usurped the function of supplying the lifeblood to the entire economic body. Their hopes or fears, like the life of this most lovable and much respected would-be reformer were very quickly and quite mysteriously cut short. After barely one month in office, he was found dead in bed. He died alone, agony written on his face. His body was straight away embalmed, an autopsy refused."

"ON TARGET" is printed and published by The Australian League of Rights, 145 Russell St., Melbourne.
Postal Address: GPO Box 1052, Melbourne, 3001. Telephone: (03) 9650 9749, Fax: (03) 9650 9368.
Subscription $40.00 p.a.