Psycho-history

"Pyramidology" is no doubt a less popular pastime today than it was fifty years ago (I take the date from the publication of The Great Pyramid: Its Construction, Symbolism and Chronology, by one "Discipulus"), but it perhaps merits recollection. This 'science' (as its devotees would have it) rests upon the observation that the very structure of the pyramid of Cheops contains exact predictions of future world events: thus, in the narrow space of one ante-chamber are prophesied the start of World War I, the Armistice and subsequent peace conference, the Irish civil war, and the Depression. The point of interest in all this is the effect it has on human will and actions, which has been epitomized as follows: "if the people who designed and built the pyramids five thousand years ago knew there would be a war in A.D. 1914, then obviously nothing could be done to stop it, and our political efforts are, and always have been, a waste of time."

An updated and somewhat more sophisticated version of this sort of thing has emerged in the 'evolving' science of psycho-history — "a technique of mixing psychology with mathematics to predict in a detailed sequence future events by statistical probability". It — like — pyramidology — is based on a purely deterministic premise, namely, "that a community consisting of hundreds of millions of people will behave in accordance with known psychological and biological laws". The obvious analogue is the probability picture for describing the location of electrons: the probable position of an electron can be predicted statistically, even though its precise location at any time cannot. Obviously, the analogy does not hold if human beings are allowed to have (unlike electrons) the faculties of consciousness and intention. Therefore, psycho-history "works" only if people are mindless.

Again, the implications of this are interesting. In the first place, it is quite clearly in the interests of the psycho-historian to reduce the number of "variables" if his science is to become exact. Since mathematics (as a system of generalization) cannot accurately predict the eccentricities of the unique individual, the individual must go. The statistical description of persons and the pervasiveness of behaviorist assumptions (for example, in education) are techniques for increasing the predictability of human actions. At the same time, of course, if people can be persuaded that future events are pre-established by mathematical probability (purveyed as scientific certainty), then political action — the essence of which is choice — to alter events will be paralyzed.

Psycho-history admits that it cannot anticipate the aberrant individual. Adrian Berry, in an article in The Daily Telegraph (February 23, 1970) cites the example of Hitler. (Notice that he does not mention positively remarkable persons — say, Leonardo da Vinci, or Shakespeare.) But, he consoles himself and the reader, psycho-history can survive the outstanding personality: "Thus, a psycho-historian might say, even if Hitler had won the war, the state of the world in 2500 would have been essentially the same as if he had been defeated". Which suggests either that it is absurd to resist tyranny — or, that the policy which Hitler represented was in fact victorious, regardless of the fate of its more hysterical tools.

In any case, the assumptions of psycho-history lead to the conclusion that the sooner persons can be reduced to the random (but predictable) condition of electrons — determined exclusively by physical laws — the better. For whom, is not specified.
Our Policy

SEED aspires to fulfill a unique role transcending the functions of other magazines and journals. Our purpose is neither to propagandize in the sense of promoting some fixed point of view or body of thought nor merely to comment on current events. Our partisanship does not extend beyond two considerations. Firstly, we believe that reality does exist; it is not a matter of opinion and will assert its authority over all opinions that contradict it. All sanctions reside in reality; opinion has none. Secondly, we believe in the desirability of extending human freedom. Genuine freedom is contingent upon our comprehension of reality, since to the extent that men disregard reality, they court personal and social disaster.

In other words, far from conforming to the modern view that value judgments are to be avoided, SEED will intentionally consist of a succession of value judgments, which will constitute the principal criterion of its success. Man cannot approach truth without rigorous formation of value judgments and perfecting of definitions. Discovery and refinement of the correct principles for human action and association will be the focus of our attention within the field of reality. If we carry our investigation of the nature of reality far enough, we shall illuminate the way to the formulation of sound policy.

We have no delusions about the facility of the course on which we are embarking. It is possibly the most difficult course open to us. However, its value should be proportional to the efforts it requires. If the distractions to intelligence and will which characterize contemporary society are, as we believe them to be, fundamentally unsatisfying, we are confident that some seekers of truth will involve themselves in the experiment that SEED represents. Such persons are the only ones capable of responding to such an experiment.

We approach our undertaking in the spirit of making an offering that will call forth latent creative capacities. If the ideas that SEED disseminates have validity and settle in good soil, they will grow. Moreover, their growth will be progressive and cumulative. SEED will serve as a medium permitting the cross-fertilization of adventurous intellects, thereby diminishing the effects of the entropic phenomenon that paralyzes development by compelling men to struggle to find truths that they have lost sight of and had to rediscover repeatedly during the past.

If our project is conducted correctly, it will at the least generate a new conceptual vigour among a segment of the community and perhaps even result in the formation of new men.

(continued p. 7)
Crisis Psychology

A prevalent feature of current informed opinion is a great deal of educated guessing about "the coming crisis". That such a crisis is imminent (or upon us) we do not doubt. However, much of what is said tends either to convince us that there is nothing to be done or to persuade us to approve policies that are themselves dangerous. The latter appears to be the effect of Alvin Toffler's new book, The Eco-Spasm Report.

At the risk of seeming to be "out of date", one feels that some comment should be made on The Eco-Spasm Report, a book published in March by the author of Future Shock, Alvin Toffler. The author, who apparently regards 'speed' as the essential ingredient in any undertaking, claims that his book was written "at high speed", is, indeed, an example of "accelerative publishing": in terms of Toffler's own time-sense, then, The Eco-Spasm Report is probably already obsolete. Nevertheless, since it epitomizes the propaganda of a policy dangerously at work in the world today, the book deserves notice.

The Coming Crisis

Toffler's thesis—hardly an original one—is that the world is on the brink of "the general crisis of industrialism—a crisis that transcends the differences between capitalism and Soviet-style communism, a crisis that is simultaneously tearing up our energy base, our value systems, our family structures, our institutions, our communicative modes, our sense of space and time, our epistemology as well as our economy" (3). He argues that economic forces have run out of control and that what he calls an "eco-spasm" is imminent: this will be characterized in the economic realm by a combination of "super-inflation" and generalized depression, to each of which Toffler devotes a chapter containing an imaginative construction of an appropriate "scenario".

Many of the author's identifications of symptoms are palpably just and demand serious consideration. He points out, for example, that some "individual corporations are larger than the countries in which they operate"—a fact that should remind us of Lenin's observation that when industrial monopoly becomes exclusive enough, the effect is "socialization of industry". Again, Toffler's assertion that the "malfunctions and dislocations" (especially strikes) which routinely afflict large segments of the economy are "a premonitory symptom of breakdown" should be heeded.

Or, again, his comment on hyperinflation in Weimar Germany as an expression of policy is significant. It did not, he says, "just happen by accident. It was deliberately engineered by a government more interested in crushing the left wing than in preserving economic stability..." (42). Whether this was the real objective of that inflation is debatable: what is important is the fact that inflation is the result of conscious decision. Unfortunately, Toffler does not extrapolate from this example to the current situation: our inflation, he implies, is not the result of a deliberate policy, but of factors that are outside human design or control.

Misrepresentation

This last point is typical of a pernicious aspect of The Eco-Spasm Report: it puts forth truths (or, more often, half-truths) from which contradictory or dangerous inferences are drawn. Aside from this, however, the book contains a number of statements of "fact" which are misleading, if not false. For example, Toffler maintains that the current crisis arises from real economic shortages: this flies in the face of instances like the extension of credit by Canada to the Soviet Union to enable the former to dispose of wheat surpluses, and the destruction of imported eggs by British producers who want to keep domestic prices up. The crisis is at least as much financial as it is economic. Another example of Toffler's misinformation is his identification of inflation with the "velocity of circulation" of money (32). Money 'circulates' only at the rate that it meets costs; thus, the 'velocity of circulation' does not involve an expansion of "the number of dollars in a society" relative to "the products or services available for sale". Accelerating consumption is merely a symptom or consequence of the underlying cause of inflation. By identifying a result as a cause, Toffler (who, indeed, seems rather vague about the whole question) diverts attention from the real causes of the economic crisis.
It is nevertheless true that Toffler's general description of the situation has much validity: "The eco-spasm or spasmodic economy describes an economy careening on the brink of disaster, awaiting only the random convergence of certain critical events that have not occurred simultaneously—so far" (51). Whether this is still a "controlled crisis" or whether the momentum of events has outstripped the competence of those who use disaster or simlated disaster as a technique of policy to restrain them is not clear. But the reality of the crisis is clear. And, in his suggestions for dealing with the "eco-spasm", Toffler reveals himself to be in the tradition of those who use crisis as an excuse or justification for the centralization of power—reminiscent of the old dictum of PEP in Britain: "Only in war or under threat of war will the British people accept large-scale planning". Let us look at Toffler's proposals individually.

'Transnationalism'

The first of these ("Strategy One") is "re-stabilize the global economy by controlling those crucial economic forces now out of control" (74). This strategy relates to a reiterated point in Toffler's earlier work, namely, that the crisis is international, and therefore outside the competence of any individual country to deal with: "if the eco-spasm analysis does anything, it reveals the pitiful, humbling incapacity of national or international institutions, and their politicians, to deal with new economic forces that transcend national boundaries" (74-5). Toffler's solution is to enlarge the sphere of incompetence. In order to cope with international banks and multinational corporations, he argues that "transnational control mechanisms" are necessary: "Politicians of individual nations will continually deny to the public that they are 'surrendering sovereignty.' But they will be compelled to do just that by the force of the new economics" (76). The most obvious recent example of this "strategy" is the coercion by which Britain was "induced" to merge her destiny with the EEC. Toffler's logic is interesting: multinational forces are causing many problems; therefore, what we need is more multinationalism—"a World Association for Control of Transnational Systems". Again, the old question arises: Who will control the custodians?

"Strategy Two" is a variation on "Strategy One": "Build super-industrial stabilizers to replace or supplement those that are now obsolete" (78). One of these stabilizers would be the use of tax incentives: "Instead of awarding indiscriminate tax credits for corporate investment, why not target these specifically for investments in new, ecologically sound, socially valuable technologies?" (79) Presumably, some central committee should be allowed sole authority in determining and enforcing what is "socially valuable". Another of Toffler's proposed stabilizers underlines his dedication to the principle of the centralization of power:

Such accumulations [stockpiles of production] in the private sector could be supplemented by direct government reserves. We could, moreover, create government-owned or joint public-private stand-by facilities for emergency production of essential materials. One can imagine such facilities also set up transnationally—owned by consortiums of governments and providing essential backup in case of economic or other emergency" (81).

Multinational corporations?

Full Employment

"Strategy Three" is at least as old as the pyramids (remember that Toffler is supposed to be providing "startling new insights" and questioning obsolete economic assumptions): "Develop...industrialize...employment policies" (83). As much as the most hide-bound union shop steward or doctrinaire socialist, Toffler accepts without question the nonsensical idea that full employment (rather than being a cause of economic tension and a technique of political control) is the legitimate objective of economic and social planning. Assuming that full employment is the criterion for economic success, the author can come up with no more significant a suggestion than that we "We" (whomever "we" are) should "design selective re-employment policies that continue our conversion to a service-oriented society" (84):

New institutions of various kinds can be invented to provide urgently needed services. These can be private (part of a regulated profit sector) or government or non-profit—or imaginative fusions of these. The important issues are not ideological, public versus private; the important issues are how to get the job done and how to provide work in the process (85-6).

The last sentence is crucial: it reveals not that the issues are not ideological, but that Toffler has already made his own ideological choice. He goes on: "it is imperative that we quickly create public employment programs" (87); "The Centers [public employment centers]..." (continued p. 6)
On the Sufficiency of Money

A lively area of current controversy concerns the amount of money in circulation. That debate on the subject will intensify is unpredictable when accelerating price inflation is being widely blamed on excessive spending power in the hands of the public.

A growing number of exponents of the so-called "monetarist" school of economics have warned that continued expansion of the money supply at rates approximating those of the past few years must lead to economic disaster—and much empirical evidence appears to support their arguments. From these quarters have issued proposals for strict regulation of future increments (fixing them at a few percentage points per year, tying them to the rate of increase of the Gross National Product, and so on). As such recommendations are frequently accompanied by declarations about "taking our medicine" after "living beyond our means", and the like, they warrant the utmost prudence on the part of all whose lives they would affect.

The Elusive Enough

Of course, the fundamental question on which all this discussion really turns is, "How much money is enough?" This, logically, is the first matter to be resolved. Yet no precise criteria of monetary sufficiency can be elicited from the persons now charged with the responsibility of managing the money supply.

The statute governing the Bank of Canada states only that the Bank should "regulate credit and currency in the best interests of the nation;" what this means is apparently left to the imaginations of the Bank executive. Indeed, the more deeply one probes, the more compelling becomes the impression that the supposedly hard-minded realists of the financial world base their actions on instinct, if not fabulous, considerations.

Monetary policy is treated as though it were an inerently blurred field, and its spokesmen complain about the difficulty of making "fine adjustments" with "blunt instruments". Rather than being an automatic function of real economic activities, it seems to consist primarily of reactions to variations in chronic problems; and its administrators appear to regard themselves more as diplomats and seers than as technicians.

The vagueness surrounding the issue of what constitutes a proper supply of money at any given moment is especially strange when considered in light of the nature of money. Not only is it intrinsically bound up with measurement, but its relationships to various economic processes are absolutely specific. Where one would expect to find razor precision, however, one encounters impenetrable haze. In a world which excels in the art of measurement, the situation is anomalous. A competent engineer has no difficulty ascertaining the thickness of concrete necessary to support a given structure or the quantity of water that must be accumulated behind a dam to generate a stated amount of electrical power. The contrast with the tentative and muddling pronouncements we are accustomed to hear from monetary "experts" is disquieting, to say the least.

The Basis of Policy

To discuss the problem of the sufficiency of money without ever defining the criterion of "enough" demonstrates either folly or dishonesty. No realistic monetary policy can be formulated in the absence of such a definition. And this possibly explains the experts' prevarication: a realistic policy might leave less scope for centralized control than they desire to maintain.

So, to return to the question we have already posed: "How much money is enough?" The answer is simple—namely, "that quantity which achieves the purpose for which money has been devised." Of course, the usefulness of this response depends upon the correctness of our understanding of the purpose of money.

It may be stated as an axiom that money exists to facilitate economic functions—i.e., production, distribution and consumption. The money question should be (though it is not now) purely ancillary to such real economic considerations as how much can be produced and how much is sought for consumption.

Furthermore, production is not autonomous in its justification. The prospect of consumption is the only reason for production.

Unfortunately, the preceding principles do not enable us actually to draw any practical conclusions about what would constitute a proper money supply. For this we
must work our way back to the even more elemental issue of who should determine what is to be produced. If it will be agreed that the whole purpose of men is growth towards knowledge of what constitutes good (which implies personal possession of the widest freedom to make choices) the conclusion is inescapable that, in the economic domain, the power to control the program of production should be dispersed throughout a consummate comprising the entire population.

The Unmentionable Equivalents

The principle which should govern the issuing of money emerges readily from the groundwork we have laid and may be stated as follows: the money supply should be adjusted so that at any time the aggregate prices of goods for sale is equivalent to the total amount of money (or, better, "total buying power") of the population. Any deficiency of buying power should be made up by a distribution of new credit directly to the members of the community, and any excess should be taxed back and cancelled. However, the question of excess would not arise during periods of normal economic activity.

Of course, since money distributed to consumers which is taken away through increased prices is not buying power at all, the establishment of a balance between prices and incomes necessarily involves some form of regulation of prices. This could take the simple and flexible form of a specified maximum percentage of gross profit on turnover, which, as the basis of many price calculations already, has proven perfectly practical.

Having grasped that keeping prices and incomes equal is logically the most basic task of monetary management, one may wonder why the fact has not been recognized and acted upon before now. The reason is that the persons who derive the greatest advantages from the present monetary system have no interest in extending the comparative power of the consumer. The financier shuns admitting the proposition that the consumer has a direct claim upon a portion of the credit he creates; and the manufacturer (particularly the larger variety) prefers to set his own program of production and then persuade the public to buy through advertising.

Thus, it is not, as may be thought, any problem of technical incapacity that prevents some monetary management, but rather opposition from above to its natural consequences. More consideration of the task of finance from the standpoint of ensuring that what is produced can be consumed is taboo among those currently directing financial policy.

R.E.K.

("Psychology", continued from p. 4) would then fund those proposed projects that seemed likely to provide the most jobs, and the most service, for the least money" (87). We have heard all this before: it represents the sanctification of the employment system as a means of directing human initiative and controlling human purpose.

‘Democracy’

As if to mitigate the obvious centralizing tendencies of his first three proposals, Toffler offers two final strategies that make a "democratic" appeal. "Strategy Four" is "Super-industrialize national economic policy-making" (92). What this means, specifically, is difficult to determine. Toffler says that "Eco-spasms vastly strengthens the case for decentralized economic policy" (93). How this is to be reconciled with international economic control, government-stocking of resources, and centralized administration of employment policy is a puzzle—suggesting that Toffler has thrown this in not because he has anything useful to say about it but because it sounds good. His summation of the question is (from his point of view) comfortably vague:

It [the heterogeneity of the economy] can only be handled by decentralized economic intervention, locally, regionally, and sectorially determined by democratic means, and with the national [supra-national?] government serving only to sort out the glaring contradictions [1] and to allocate certain resources (95).

"Decentralized economic intervention...by democratic means" of course begs the question "What are democratic means?"

Toffler attempts to answer this question by "Strategy Five" ("Accelerate the move toward anticipatory democracy"), and is, characteristically, unoriginal. A few examples of his ideas will illustrate what I mean. He suggests that industry might be democratized by giving "workers, through their unions, some participation in corporate policy-making" (96). This is the old technique of neutralizing the autonomy of the individual by convincing him that he is part of a group (admittedly only a "unit" in the collectivity) which can choose one

(continued p. 6)
in achievement is a fool's goal; but, if he tries to disseminate his idea by talking gibberish, it will have no impact. Only by framing his arguments well can he have any effect—and in this case his actions betray the falsity of his words.

Indeed, it seems that as soon as anything is rendered incarnate it poses a potential menace to evil, since, in order to have become real, it must have partaken in some way of Good; and these aspects may be brought out and even—through a kind of process of redemption—become predominant. In this manner the shuddiest and most repugnant of things can be transformed into allies of truth and freedom.

Perhaps an illustration will assist in conveying the meaning of the phrase 'process of redemption'. A few weeks ago, I happened to see on television a scene from a Hollywood film made in the early 1950's. Now, it is arguable that television exerts for the most part a harmful influence on society; and certainly the film in question was of low quality in every respect. The overall theme was the adverse effects on personality of a situation in which debt has become the principal means of access to the material requirements of life.

A striking incident occurred at one point in the scene when the father of the particular family under study lamented, apparently on the edge of distraction, that he had become enslaved for twenty years to come to the responsibility of paying for his new, comfortable suburban home. The situation was, clearly, about as bad as could be conceived.

The effect of the scene on the first audiences to see it could not compare with the effect today. One is jolted by the realization that financial circumstances deemed intolerable twenty years ago would be accepted today with gratefulness. An initially tawdry and trivial work has leapt from the past with a shattering demonstration of economic ground lost and an unanswerable indictment of the lies of politicians and others whose purpose is to convince us that, regardless of occasional setbacks, conditions are steadily improving.

Little wonder that the agents of evil are ran ragged trying to re-write history and camouflage all current facts in a kaleidoscope of transitory impressions: they are under constant threat of attack by every real thing in creation.

R.E.K.

To Those Who Share Our Concern

The publication of SEED is an enterprise which we feel is of cardinal importance to the revitalization of our culture. This endeavour represents the concern of a few individuals sensible of their responsibility to reverse, where possible, what they perceive to be the deterioration of the ideological and practical bases of this culture, and prepared to make personal sacrifices in the accomplishment of this objective.

However, our success can only be in proportion to our resources, which—particularly in their financial aspect—are quite limited. We are determined to proceed, even within those limitations. But we would like to do more.

Therefore, if you respond to the challenge that SEED has set for itself and would like to contribute to our venture, we invite your donations.

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of its members to represent it in another group where the individual representative will again be a minority of one. All this (the principle underlying "majority rule") is supposed to 'increase' democracy, that is, give the individual more control over policy. In fact, it merely dilutes or submerges his policy in that of the vague slough of the "majority". Toffler does not discuss any of the techniques of effective democracy—such as personal sanctions and contracting-out mechanisms. Rather, he relies on government ('democratically' elected, of course) intervention and mass movements: "This build-up of support for increased government attention to the future is also occurring in the legislative branch itself as part of moves to strengthen the Congress in its dealing with the White House," he says (98), and goes on to endorse the idea of the Five-Year Plan (99); later, he asserts: "What will be needed are grass-roots organizations with massive public participation whose mandate is to help (and watch) the planners. Electronic polling, referenda, television 'gaming,' random sampling, Delphi surveys, and the appointment of 'planning juries'—citizens chosen by lot to sit and work with the planners for specified periods—may have to be tried" (101-2). This sort of thing is already part of popular assessment: Toffler's suggestions are merely sophistications of the delusion epitomized in "ballot-box democracy". They are, in fact, toys to distract people's attention from the issues involved in effective democracy—the criterion of which is the power of persons to determine their own policy.

All the implications of Toffler's analysis are, in fact, anti-democratic: taking a crisis that is very real, and elaborating it not as the result of policy but of impersonal economic trends, he makes recommendations for alleviating it that can lead only to the centralization of power—not only nationally, but (as the author repeatedly emphasizes) internationally. In many ways—notably, in its self-contradiction, and its style (its title is reminiscent of that of a trendy film—like The Maltese Falcon or The Ipcress File)—The Eco-Scam Report is a naive, silly, and exploitative book. If it were only that, it could be ignored. But it is also a dangerous book: playing upon people's insecurities about a real and frightening situation, and adopting the apparent veracity of up-beat prose ("reportorial form"), the book can only serve to foster psychological acquiescence in the policy of monopoly.

D.R.K.

3 According to a U.S. Senate Finance Committee study, that compared sales to GNP, based on 1970 statistics General Motors was bigger than South Africa, Ford than Austria, Exxon than Denmark, ITT than Portugal or Peru (12).
4 Toffler points to Canada's Local Initiatives Program as an example of what might be done (87-8). Note what is involved in such a program: the government, using its powers of coercive taxation, confiscates the effective demand of individuals, and uses that tax money to foster only those programs of which it approves.

"By the end of the 18th century the world debt had increased by 466 per cent., and by the end of the 19th century the world debt, public and private, had increased by 12,000 per cent...."

C.H. Douglas, "Money and the Price System"