



## "Law"

Those who have read or seen *Love's Labor's Lost* will recall that a central theme in the play is the futility of any attempt to deal with reality on the basis of *a priori* suppositions, or arbitrary "rules". The King of Navarre, hoping to make his court "a little academe" by applying a regime of asceticism, requires several of his courtiers to subscribe with him to various "oaths"--one of which is to avoid female company for three years. The oath, or law, is no sooner ratified than an embassy of ladies arrives, making nonsense of the King's rules, and revealing that legislation as a method of dealing with reality implies a static view that does not accommodate the infinite possibilities inherent in a dynamic universe. Significantly, the "swearers"--who have signified their intentions in words--rationalize their forswearing by more words, by sophisticated use of language. Thus, Shakespeare shows that this kind of "legislative" approach to reality not only ignores the nature of things, but distorts the means of communication.

In view of the antiquity of this observation (indeed, the character whose rigid preconceptions render him impotent to deal with what is before his eyes has long figured in comedy), then, it is strange that "law" should nevertheless be still so widely and readily accepted as the answer to all problems. (By "law", be it noted, I mean arbitrary regulation, not principles of reality, or "natural laws".) "Law" is no longer regarded as a guarantee of rights; rather, it is considered a way of getting things done--a system of work orders. When it is discovered that the "law" cannot accommodate the variety of individual instances, more laws must be passed to deal with the exceptions; meanwhile, the only way that life can proceed is through the ingenuity of lawyers--persons trained to search for loopholes in the letter of the law, to wrangle not over the real possibilities in a situation, but over how words can be used to rationalize those possibilities.

Take, for example, the activities of the Anti-Inflation Board, which is supposed to be enforcing regulations. One of these--that price rises are justified by increased costs--is an admission that a strict percentage limit, the same for all cases, is unrealistic. But, aside from that, every time a new contract is agreed upon, the board is confronted with an "exception"--until the exceptions make folly of the rule. This is especially true in cases like that involving Denison Mines, where *both* parties to the agreement want to violate the rules--in each case, for more or less realistic reasons, or, at least, for reasons ("financial") marginally closer to reality (for example, the need to feed a family) than the regulations themselves. "Laws" that can only be broken or ignored make a mockery of the concept of law itself.

At the same time, laws designed as work orders to outline and prescribe people's associations rather than as guarantees of their right to associate freely and responsively threaten to obviate the "creative" potential of varied and dynamic association, as C.H. Douglas has observed in reference to another of Shakespeare's plays: "Justice, the Law of Shylock, is the perfect demonstration of the unsuitability of the legal process to anything but a purely static condition. In order to make the world suitable for the Reign of Law, the relationship of every individual to the Law must be similar, which, in the last resort, means that all individuals must be similar. . . . The Law, in fact, is a process of standardisation . . .". The proliferation of "law"--prescriptions of what someone with "the Card-index mind" thinks people should be--can have only one of two results: the submergence of the individual in the well-regulated group, or the exposure of legalism for the brittle confine it is by the emergent personality.

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## Our Policy

SEED aspires to fulfil 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.



## Another Inapt Adjective

The concept-distortion method which has been termed "the Technique of the Essential Adjective" — and which consists of attaching to a noun an adjective describing an attribute essential to the noun, thereby conjuring up the impression of other impossible varieties of it — has been widely used in the attacks upon so-called "institutional religion".

The list of meanings of "institution" provided in the *Oxford Shorter English Dictionary* includes the following: "establishment"; "giving of form or order to a thing"; "established law, custom, usage, practice... in the political or social life of a people". The word carries the connotations of permanence and regulation. It is bound up with real things, with practical applications.

The judgment that religion is all right, but that "institutional religion" has failed compels us to identify categories of religion which have no established embodiments. Alas, we can have no experience of such religion. A religion is totally meaningless apart from its effects—what it induces its adherents to do. We are nothing apart from our expression. The only means of expression we can possibly have is through the substance of our universe. What has no incarnation in this substance is void—and the creation of institutions is incarnation. So, in a sense it would be true to say that Christianity would be pure if it were not institutional: it would be purely non-existent.

In other words, "religion" is by its very nature institutional; and the quest for a non-institutional religion is a pipe dream. However, by convincing people that it is a sound and feasible goal, unscrupulous persons can strip them of institutional protection. Our legal system is an institution; it is also an incarnation of religion. The same can be said of our social practices, our economic relations, and so on. If we "de-institutionalize" religion, we render it non-operative. We abolish all established rules and systems, leaving ourselves no guides through life—except, perhaps, passing emotional whims. We put ourselves in the position of having possibly to believe that, while robbery was reprehensible yesterday, it is acceptable today—or that, while robbery at gunpoint is bad, through commercial gouging it is a civic virtue.

(continued p. 7)

## Antilanguage, Jabbernink, and the Reverse Technique

In this continuation of an article begun last month, Dr. Dobbs concludes his discussion of the role of "antilanguage" and "jabbernink" in the campaign to effect British entry into the Common Market, and turns his attention to "the reverse technique"--which might be described as the device of confounding opposites in order to invert meaning and foster confusion, an instance of which is the associating of labels traditionally connoting a certain philosophy and policy with precisely the opposite set of beliefs and objectives.

Only those who have not grasped the purpose and nature of antilanguage would suppose that the confidence-tricksters might have been 'put out' by a course of events which was the extreme opposite of what they had said (if we suppose it to have been language). Events have no impact on politics now, except as matter for verbal manipulation, and in this sense the use of antilanguage in Stage 1 was fully confirmed. As soon as Britain was 'in' the Common Market, the jabbernink was switched over to the technique known as 'inertia selling', which, incidentally, Parliament had shortly before made illegal, on the ordinary commercial scale--being, no doubt, intolerant of competition. "We're in now-- we're committed-- we've signed all those documents. We can't get out now-- it would be disastrous! disastrous I tell you!-- inflation, unemployment, revolution, Communist take-over!-- we must hang on to Europe-- It's too late now to turn to anyone else-- the Commonwealth doesn't want us-- the U.S.A. has lost interest in us unless we are part of a greater Power-- we can't turn the clock back-- we must stay in now and make the best of it!" This line was visibly and pitifully effective upon precisely the target at which ordinary, foot-in-the-door inertia selling is commonly directed, namely, the suburban housewife, who is primarily concerned about the security of her home and family. But an even more effective tactic was the clever and twisted use made of the Communist scare, by identifying, with centrally-directed Communist collusion throughout the country, the opposition to the Common Market with Left-Wing Extremism.

### The Reverse Technique

Throughout the campaign 'the reverse technique' was consistently used, not only in words, but in the 'images'

projected onto the public. Thus, it was the *Conservative* Party which took the lead, first in denigrating and alienating the Commonwealth, and then in handing the country over to foreign rule from Brussels, exploiting as its 'cover' its traditional 'image' of the Party of patriotism and Empire, and holding its meetings with a huge union jack behind the platform. The *Liberals* were even more fanatically pro-Europe, as a 'cover' for which they had a special new line in 'intimate' politics, aiming at government closer to the people! But the most astonishing thing of all was to see notorious international socialists and communists of the *Left*, obeying their orders to scare all the moderates off anti-Marketism by ramping round the country, roaring out patriotic phrases with immense gusto, just as if they meant them! Of course, as soon as the Referendum was over, the 'patriotism' went out like a light, ready for the next 'image' to be projected. But an important side effect of this was that a small, but highly significant number of patriotic Tories were sufficiently 'taken in' to vote Labour at the Election which preceded the Referendum, thus giving the country a Labour Government which is introducing advanced socialism with a marginal majority.

It is quite certain that, if the Parties had been honest Parties; if the Conservatives, for instance, had defended the nation's sovereignty with the same patriotic language, uttered sincerely, that was used as tongue-in-the-cheek antilanguage by the Socialists, who should have been preaching pro-Market Internationalism (as some of them were) the country would have rallied as it did to Churchill's words in 1940, socialism, for the time being at any rate, would have been swamped in a surge of national determination, the big trades unions would have found themselves confronted with a formidable and

united public opinion which they would not have dared to have attacked as they did with a series of torturing withdrawals of essential services, and the whole country would have been in a happier position than it is now, as well as remaining an independent nation, free to tackle its own problems in its own way. All that was needed was an honest lead to bring out those qualities in the British character which could then, and still could, save the nation from its present demoralisation; but it is quite certain that that lead will not be given, or if given, will be suppressed or distorted, for politics has now reached a stage when it cannot tolerate honesty in high places, lest it should bring down the whole pack of reversed cards in a heap.

In other matters too, 'the reverse technique' is now standard practice. The treatment of Africa is an extreme example: 'majority rule' for Africans is the antilanguage for one-party rule or military dictatorship, preferably accompanied by massacre and assassinations; while denunciation in extreme antilanguage as an unspeakable tyranny and World Menace is reserved for the two countries which have committed the 'crimes' of internal peace and stability, and especially for Rhodesia where racial relationships have been singularly relaxed until disturbed by external interference. While 'majority rule' is demanded in Rhodesia to bring this to an end-- under the slogan 'anti-racism'-- in Northern Ireland the troops are sent in to prevent majority rule, which had managed that province in relative peace for the past forty years, and was in serious danger of getting on friendly terms of co-operation with the Republic of Ireland, when the present Lord O'Neill was Head of the Stormont Government. It was to prevent this that the I.R.A. started its murder and mutilation campaign for the great cause of Uniting Ireland in Peace and Brotherhood, much the same jabberink, in fact, as the great cause of the 'freedom fighters' who invade Rhodesia and murder or mutilate at least twenty African civilians for one white one, in the name of African freedom. Both the Rhodesians, black and white, and the Loyalists of Ulster, have shown themselves to be quite capable of dealing with this criminal activity, if allowed to do so; but they have not yet fully realized that, in the context of Arnold Toynbee's explanation of 45 years ago, the terms 'British', 'African', 'Canadian', etc., mean 'anti-British', 'anti-African', 'anti-Canadian', etc., in the mouths of 'our statesmen and pub-

licists', whose 'loyalty', if any, is now to super-national powers, and to the 'ideal' of world domination.

This used to be too hard to accept, for ordinary people who use language to communicate, but it has now become too blatant to deny, if one looks at the deeds and compares them with the words. The conflict in Ulster, for instance, is not between Catholics and Protestants as such, as the 'media' consistently depict it; it is between Loyalists and Republicans, i.e., between loyal citizens of the United Kingdom and Irish Republicans who wish to conquer the Province on behalf of the Republic of Ireland by a combined political and terrorist campaign. The Queen has far more loyal Catholic subjects than disloyal ones, but to be a Catholic Loyalist in Ulster is to be a leading target for murder by the I.R.A. In this conflict, successive 'British' Governments of both major Parties have thrown their weight against the Loyal, in attempting to force them to share power with the Disloyal, although this involves a complete departure from the conventions of majority rule, so insistently demanded for Rhodesia. They have also insisted that openly anti-British Irish Republicans should have equal rights with loyal citizens in the U.K., including the right of electing to the Westminster Parliament. This is, of course, an effective way of undermining loyalty and national morale.

As for 'Africa for the Africans'-- just as a patriotic Tory image was the best 'cover' for betraying the nation to foreign rule, so a black-skinned African 'freedom-fighter', demanding the African way of life, provides the best 'cover' for a far more ruthless 'whitemanisation' of the native African than would be tolerated from a 'white' government, including the crushing out of tribal democracy (from which, it seems, we might well learn much) and the substitution of the worst features of European politics, economics, and Big Business monopolies or socialist ideology. It is to be noticed that, when, recently, the Transkei quietly and peaceably achieved independence in South Africa, the universal screams of rage against that country continued unabated; but when, some years ago, the Ibo people of Nigeria wanted their own independence in a State of Biafra, they had to be bloodily crushed and forced back under a military dictatorship, with weaponry and support supplied by 'Britain' and Russia. So much for 'African independence' and 'anti-racism'! But then there was an important oil-field in 'Biafra'. Also we

note that 'Britain' has recognised the MPLA in Angola, after its conquest with Cuban troops and heavy Russian equipment, on the grounds that it is now 'in effective control' of the country, but refuses recognition to what it calls 'the Smith Regime' in Rhodesia, which has been in peaceful and highly effective control, by peaceful continuity with its previous effective control when a British colony, for the past ten years. At the same time 'Britain', according to the 'media', 'welcomes' the closing of the Rhodesian frontier by Marxist Mozambique, and the imposition of stricter economic sanctions against Rhodesia's mainly black population, while recognising that Mozambique may need 'aid' in carrying this out. Yet even still, the British traveller to Rhodesia finds that he is in a British and Christian country, with British loyalties and connections, and that the so-called 'rebellion' signalled by UDI was not against Britain, but against Anti-Britain.

### 'La Trahison des Clercs'

This disease of the language is now world-wide, but seems to be particularly virulent in the English-speaking countries. For 'Britain' may be read 'Canada', 'Australia', 'U.S.A.', and probably every other country which claims to be governed by public discussion and the majority vote. Possibly the English language, so rich in alternative meanings, may lend itself especially to inversion and political ambiguity. But anti-language merely reflects the underlying policy, which is that of the betrayal of trust, of the credit, or belief, in the particular 'profession' of the betrayer; i.e., that which he 'professes'. This has now spread beyond parliamentary or local politics to infect the whole working life of the country.

The slogan 'Service not Profit', which is allegedly the 'deal' of the Socialist State, has now been fully applied in Britain, in reverse, by massive strikes by the Unions, in the 'public sector' of the economy, depriving the public of essential services such as coal, electricity, transport, garbage collection, ambulances, fire services, postage, even nursing and medical treatment, in pursuit of claims for more money. Public faith is being lost in the learned professions because of the reversal of their proper functions from serving people to serving Governments and other powerful monopolies, by exploiting their prestige and knowledge of the technical jargon to overcome ordinary people's common sense

and resistance to obviously objectionable things or measures. Thus, it was the professional architects who foisted those anti-human blocks of high-rise flats upon us; it was professionally trained economists who maintained that the way to stop a galloping price-inflation was to pile on taxation, especially in the form of Value Added Tax, imposing a cost-increase at every stage in production; it is the medical and 'health' professions generally, who have been trying steadily for over twenty years to add fluoride, a common economic poison and already widespread pollutant, to the public water supply so as to force everyone, however unwillingly, to increase their intake of it; it is the professional teachers and educationists who have been robbing children of some of the basic tools of thought, of figuring and of language, such as the multiplication table and the alphabet, of precise speech and writing and much of their cultural heritage, while forcing 'sex' and other adult functions prematurely upon them; it is professional theologians who have been confusing and destroying the faith of many with brain-twisting anti-language such as 'Death of God'. Alas! one could go on indefinitely, giving examples of this modern form of *La Trahison des Clercs*. There is a saying that nations, like fish, go rotten first in the head; and another, that the fate of the World depends upon the outcome of the struggle between the brains that can be bought, and those which cannot be bought. There is no doubt that clever men and women are more than usually susceptible to bribery, or the careerist sort. And the subtle use of anti-language is an exceptionally marketable commodity, in a world in which it is a major weapon for the centralisation of power.

### Truth and Cynicism

The writer is unhappily aware that the users of anti-language have an effective routine for dealing with such attempts as this to dehypnotise their victims. Those who unscrupulously and cynically admit among themselves that they are "denying with their lips (to the public) what they are doing with their hands" will always accuse anyone who draws public attention to it of unscrupulous cynicism and pessimism about human nature; and, moreover, those who innocently accept the denials as given in good faith, will be inclined to agree with them. No one likes to admit that he has been deceived, especially where his ideals have been involved. As my

dear friend Colin Hurry, now departed, put it in one of his pungent rhymes:

It's nearly in the bag, boys; it's nearly in the bag.  
The loftier the sentiments, the lovelier the swag.  
A high ideal  
Has such appeal—  
One bomb, one world, one flag—  
AND it's nearly in the bag, boys; it's nearly in the bag.

Was he a cynic too? I have never known anyone more full of the milk of human kindness, as well as of knowledge of the motives and methods of politics in London, where he was consulted by innumerable people who wanted an honest glimpse of the truth, even if they proposed to ignore it.

If the present world predicament can be attributed to the honest efforts of good and honest men to deal with reality, then indeed is there need for pessimism, for if that is the nature of things, our situation is hopeless. It is this deep despair which our rulers and their agents are constantly trying to impress upon us, when they attribute all our ills to 'forces beyond our control'. We cannot help, they say, your money buying less every day, as it is unfortunately due to world inflation; just as you cannot find a job owing to the world recession. Sorry you were beaten up and crippled by thugs—it's just part of the general increase in criminal violence! And your marriage has broken down? Too bad! You are a victim of the increased divorce rate. It is indeed bad luck that your little girl has been caught by the rising graph of venereal disease among school-children; but it may help you to know that these things are happening everywhere, so it is really nobody's fault, as they are due to World Trends and Forces. Until we have a World Government which can deal with them on a World Scale, there is very little we can do about it except work for that Great Day.

This is an expression of the new synthetic world religion, which is being encouraged to serve the interests of the greed for world power. It revives the old belief that man is the puppet of Fate or Destiny, or the arbitrary gods, now unified and identified with the mystical collective Lump of Humanity. Nevertheless, this Unity is to be achieved through dualistic conflict in which 'We'—that constantly reiterated 'We' of the sociologists and planners and politicians—the 'open conspirators' who 'deny with our lips', etc., are destined, by reason of 'our' superior knowledge and intellect, to conquer and rule the rest of humanity for their

own good. Since knowledge is power, man, by reason of his enlarged brain, is the Supreme Power of the Universe (or at least of the Solar System) and the cleverest and most powerful men must become the Supreme Power over mankind. Anything which serves this end, therefore, is deemed 'good' and justified, including the use of antilanguage and 'the reverse technique', which, indeed, is a natural expression of dialectical materialism, with its belief in the creative power of the conflict of opposites. All this is completely incompatible with the Christian, Trinitarian conception of the Ultimate Reality, and of the free and responsible man, striving towards God by his own choice of good rather than of evil.

Hope came into the world only with this latter conception; and the one thing with which this monstrous unitary plan cannot cope is the unpredictable initiative which may burst out anywhere from free and responsible men striving towards God. But an essential part of their freedom is freedom from the hypnotic power of antilanguage and mass-jabbernik, which first requires that these be recognised, which in turn is difficult without words with which to identify them; and hence this preliminary attempt to provide these verbal weapons of defence.

Perhaps it may be the poets who will save us; and I conclude with Colin Hurry again:

Can no one stir up England? Can none with tongue and pen  
Shake up and wake up England and rouse the English men?  
Till with a shout of "England" above the wordy din  
They drive right out of England the enemy within.

It was no cynic who wrote that.

C.G.D.

Much discussion of money involves a heavy overlay of priestly incantations. Some of this is deliberate. Those who talk of money and teach about it and make their living by it gain prestige, esteem and pecuniary return, as does a doctor or a witch doctor, from cultivating the belief that they are in privileged association with the occult—that they have insights that are nowise available to the ordinary person. Though professionally rewarding and personally profitable, this too is a well-established form of fraud. There is nothing about money that cannot be understood by the person of reasonable curiosity, diligence and intelligence. .... The study of money, above all other fields in economics, is the one in which complexity is used to disguise truth or to evade truth, not to reveal it.

John K. Galbraith, *Money: Whence It Came, Where It Went* (1975), 4-5

## Money and Mayflies

Reference has been made in previous issues of this journal to the fact that the perception of relationships as static in a world characterized by motion and change is a habit not only unwise, but perilous. This kind of perception results when the mind attempts to operate without due regard for its environment— or to reason in the absence of observation. It is a rather easy rut to fall into, since having always to face up to the judgment of facts beyond one's control is a regimen requiring much patience and humility.

Zeno "proved" through logic that, if a tortoise was given a head start in a race against Achilles, the latter could never catch up—a conclusion which seemed incontrovertible in the terms in which the argument was framed, but which violently contradicted observed fact. Similarly, the knowledge that death is the lot of every man who is born could lead to the "logical" conclusion that one effect completely cancels the other, and that the figure for total population could never change. Once more, however, the deduction does not conform to our experience: if the number of births in an average period exceeds the number of deaths, population is known to increase.

Motion (which is inseparable from a concept of time) always raises questions about rates. Change of related entities at unequal rates creates disequilibria; and, where problems arise in our affairs, we are prudent to seek their roots—and hence their solutions—in this perspective. Applying static assumptions to dynamic relationships is always quite unsatisfactory.

## The Flow of Money

In no domain is this proposition better exemplified than in that of finance. The illusion of 'fixedness' exercises a hypnotic effect in popular notions about the nature of money. If they are pressed to explain their beliefs about the matter, many persons (perhaps the majority) will assert that money "just is"—that

*(continued p. 8)*

*("Adjective", continued from p. 2)*

Religion is no religion if it is not embodied in institutions. The crucial matter is not to eliminate institutions, but to make sure that these are consistent with our religion, and that our religion is realistic.

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.

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("Money", continued from p. 7)

the manufacturer gets it from his clients, that the consumer gets it from his employer, that the bank gets it from the saver and lends it to manufacturers and consumers, and so on. However, the intrusion of facts upon this conception reveals its inadequacies, for *unless money has some power of spontaneous generation, it must enter into the system of transfers at some point.* After all, as in the case of population, the aggregate money supply is known to be variable. If money is "just there", how could the money supply be, say, 20 per cent greater this year than last? It is a safe bet that most people have a better idea of where the additional people come from than where the additional money comes from.

Some unusually straightforward comments on this matter appear in an article written in 1970 by Boris Pesek of the University of Wisconsin-Milwaukee which has recently come to our attention.<sup>1</sup> Referring to the conception that money exists in the form of a "stock" continually being shifted around as a consequence of economic activity, without being altered in the process, the author states:—

I submit that this view of bank money as a stock is analytically misleading ... and empirically false. Were all money a stock, it should be possible to abolish all producers of money after some desired stock is reached and to re-channel the resources used by the (former) suppliers to other uses. While this would be at least conceptually possible in the case of the "currency department," it would be clearly impossible in the case of the "banking department." By its very nature, bank money is constantly sliding into the abyss of non-existence, either as it is returned to the banks for conversion into currency or as rentals (or "loans") of it expire. .... If bank money is a stock, it is not comparable to a stock of Rembrandt paintings but rather to a river, constantly renewed in the mountains and constantly disappearing down the valley, with the banker controlling the sluice.

(It should be noted that "bank money" is far and away the largest category of money in the economy.)

Professor Pesek then provides statistics on the longevity of the average unit of bank credit in the United States. His figures will undoubtedly prove unsettling to anyone convinced of the solid and lasting qualities of money. The bits of paper in whose acquisition we spend most of our lives have, in so far as their endurance is concerned, more in common with mayflies than with foundations stones.

### The Longevity of Bank Credit

Indeed, his research has led him to the discovery that, "In the United States, the average life span of a dollar of demand deposits is less than six days, and it seems to be getting shorter every year." He furnishes a table showing that, between 1965 and 1969, the average period from creation to extinction of money loaned by a sampling of 233 banks declined steadily from 7.9 to 5.6 days. Considering these data, he poses the question of the "most fruitful approach of handling, analytically, bank deposit money."

One approach would be to view each \$1 of bank deposits as a highly perishable product, with an average life span of less than six days, which the banker must constantly regenerate to keep his business in profitable existence and lend verisimilitude to the notion that all money is a stock.

... the continuing existence of bank money requires continuing activity of the banker without which the ever-changing stock—or, rather, the flow—of bank money would be destroyed in short order.

R.E.K.

(To be continued)

<sup>1</sup>"Bank's Supply Function and the Equilibrium Quantity of Money," *Canadian Journal of Economics*, III, no. 3 (August 1970), 357-85.

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