

NATION STATE

The purpose of the *Mars Initiative* is to extract from the Western world a nation of people who understand the concepts of *LOGOS Cosmotheism* and are willing to adhere to them. From the ruins of the West will be built a new civilization, with a new ethic based on a rational perception of the Cosmos. Since rationality implies a higher degree of cerebral finesse than the exercise of mythical and mystical belief, the migrants to that new nation will be self-selected for this quality. The act of acceptance will sift from the general mass those who can rationally contemplate the greater implications of their existence. Like any civilization, its foundation will be in religion. The hope of *LOGOS Cosmotheism* is to extract from that race which has been most progressive in the arts of civilization a nation in service of the Cosmos. If its followers adhere to its tenets loyally, their destiny to become the leaders and vanguard of humanity is inescapable.

After acknowledging this purpose our attention must turn to the type of nation the *Mars Initiative* would create. A reflection on world history suggests that its government cannot be limited to addressing what have been the normal concerns of government, namely: to maintain peace, provide laws with enforcement for the protection of individuals and regulation of commerce, to provide services, and aid for the economically distressed. A government limited to these functions alone has no control over the ultimate destiny of the society it encompasses, that is, over the more basic, human forces propelling civilization.

The modern world has been thoroughly indoctrinated with the notion that Church and State should be separate, but all civilizations have begun and grown in periods when the temple was virtually inseparable from rule. It is the divorcement of social ideology from the common affairs of life that undermines the structural strength of society, ultimately ending in its collapse. Opposition to religion in modern politics is owing to religions being of traditional, mythological form, whose doctrines were obtained by divine revelation. Of course it would be absurd, and dangerous, to have any such religion embraced by government, or any government embraced by such religion, because all were forged in ignorant and credulous periods and have continued to reflect that genesis. When belief cannot be supported by reason it must be supported by coercion. This would less likely apply to a rational philosophy, presentable on better grounds than narrow and subjective dogma.

Apart from how rational a philosophy may be, the fear of combining Church and State is also due to the nature of moral law: it is authoritative. The Church is not prone to formulate policies on the basis of popular concern, nor does the Vatican Council of Cardinals pick a pope by popular vote among the world's population of Roman Catholics. The Ten Commandments were not determined by voting. It cannot be otherwise with moral philosophy, for although people choose the doctrine they are to accept, doctrine itself is either revealed by the divine or promulgated by examination and understanding, and cannot be subject to public whim. We cannot have moral principles determined by voting and forever expect those principles to be moral. By the Law of Regression they would degenerate. Laws derived from doctrine are therefore authoritative, and so must be the organization that imposes them. It may be thought in the modern world that the Church ultimately does follow the mores of its community, as in the case of the Church of England's 1992 change of policy to allow women to be ordained priestesses, or the liberalization of Communion for divorced and remarried Catholics in Germany although such marriage is strictly forbidden by Scripture (Matt. 19: 9). Examples like these only demonstrate the conflict of Church policies with reason in an enlightened age, and are exactly the kind of examples which show the need of rationality in social philosophy.

Moral philosophy gives structure to society, and to cast responsibility for its implementation to the vagaries of public conscience is to submit a nation to the same threat of social decadence that has brought all past civilizations to dust. The issue revolves on the nature of the two major types of law required for any society: regulative and imperative, where the regulative is usually derived from the imperative. Regulative law is the type we associate with democratic assemblies, arrived at by voting, and includes laws governing such matters as commerce and licensing. The distinction between the two types of law can be seen in the game of baseball:

Every baseball player knows that with three strikes the batter is 'out'. There may be differences of opinion between the players on whether a particular pitch constituted a strike, or on any play, so for a smoother game an umpire is selected. The umpire applies the rules but does not make them, neither do the players. The umpire is a *regulative* authority, and owing to that function it would be wise if each team had a voice in his/her selection, the selection made on the basis of knowledge of the game and impartiality to

each side. This need for control over regulators by participants is inherent in the nature of regulative authority. But every player submits to the rules, without questioning them or devising new rules before each game, to decide, say, if a batter should be allowed four strikes instead of three. The rules themselves have been laid down by custom, and because those rules must be followed to have the game of baseball, on which there is no voting, the authority of custom regarding the players is something more than just regulative. Of course, the players could pick another game to play, like soccer, but once they choose they must submit to the rules. If a player does not submit and breaks those rules, he/she acts *immorally*.

Imperative laws have differed remarkably between societies, and in every case they have been so ingrained in the public conscience that a society without them was thought impossible or intolerable. To show how plastic human approval is, consider: Tolerance toward drugs may be reversed in different societies, where use may have total social acceptance in one culture but cause imprisonment in another. Foods eaten in some countries are considered disgusting in others. Some primitive cultures have thought little of cannibalism. Most societies in the world have been patriarchal, but on the Caribbean isle, Isla de Mujeres, the rule of women is felt entirely natural. There are polygamous as well as monogamous societies, where usually it is men who have several wives, but polyandrous societies also exist where it is women who have several husbands. Some nations practice arranged marriages, a practice thought in the West to be a severe restriction on personal choice. There are twenty nations in Africa where parents insist on female 'circumcision' of their young daughters. Moral law has the strength to even bend our instinctual natures, as in the equating of sex with immorality in monotheistic cultures, which is quite different from the more relaxed attitude toward sex among non-Christian or non-Moslem peoples. Kama Sutra was an East Indian religious doctrine of extensive sex, that left such graphic carvings that Mahatma Gandhi wanted its temples destroyed. Our Western condemnation of homosexuality would have been out of place in ancient Greece. In ancient Chaldea the temple was a place of business and prostitution. Gladiatorial combats were common in Roman times, but would not be tolerated today as a civilized form of entertainment. That two societies could have such different moral views on the fate of individuals shows that even sentiments about life and death are not embedded in our human make up. We could think of the uproar in the modern world if crucifixion were employed as a means of capital punishment, yet in the ancient world it was, and thousands died in that gruesome manner. Pre-Columbian Meso Americans practiced human sacrifice en masse. Suicide has long been honorable in Japan, as it was in the ancient world, but felt tragic in Western countries. Regardless of the high caliber of philosophical thought in the Greco-Roman world, not one philosopher of that time condemned slavery. They could not because ancient society was based on it; the Roman Empire was a slave empire, and again we see the inconsistency of moral standards in the public conscience, which can vary from acceptance in one society to outrage in another. In an era before automatic engines were invented economic pressures to maintain slavery were considerable, but eventually proved no match against the moral demands of the early Church. Even so, the practice took ages to die out, and the pressures were always present, evidenced by the American South. Confederate armies fought as hard to preserve the southern "way of life" as Union armies fought to destroy it. The problem with the Soviet Union was in its government attempting to be both an imperative and a regulative body: besides devising regulative law, the same as government in any country, those policies were framed within Marxist-Leninism, and the practice of that economic system was elevated to moral status. Here we see the danger of both imperative and regulative power in the same hands, but nonetheless demonstrates how moral authority differs between societies, and although it is esteemed right, just and natural by the people of each society, it is learned, not chosen. Such is the nature of social philosophy and religion; where it is accepted its teachings become internalized to the degree that perceptions are molded and people are motivated from within rather than by decree or legislation. Where this is not the case, we have the modern West. Morally ambiguous problems today facing the West involve abortion, capital punishment, euthanasia and gambling, which remain largely unresolved. These questions cannot be satisfactorily answered in modern society because there is no real authority outside the Church to appeal to, and when an appeal is made to that authority the reply is premised on dogmatic narrowness that cannot hold respect. The most heated controversies are generated over these concerns when legislated upon in democratic assemblies, and laws passed are generally unsatisfactory, sometimes temporary, because moral problems cannot be resolved by majorities, belonging as they do under imperative law. When the authority of that law breaks down, society is thrown into confusion.

Therefore evident is that any social enterprise, from a game of baseball to the total collective of society as a whole, proceeds from a set of rules that may be unstated, upon which there is no voting, and which are imposed either by nature, custom, economics or by an institution, but imposed in a way that they

are internalized by the individual. Regulative law controls action, imperative law controls thought. People can refuse to accept these rules, but once accepted all authority over them is surrendered. If an institution imposes them by indoctrination, that institution is authoritative. Society, like all creative endeavors, requires structure for its endurance, and it is this adherence to rules that gives such structure, regardless of the freedoms exercised by people. If a major responsibility of government is to be the continuation of society, it must have a means of such imperative rule making, and like any philosophical institution the means employed must also be authoritative. Care, however, should be taken not to confuse absolutism with totalitarianism. The Soviet Union under the Communist Party was totalitarian, being in total control of Soviet society, whereas the Catholic Church is absolutist on matters of moral belief, yet Catholic countries, such as France, can obviously be free and democratic. It is in this latter sense that absolutism is advocated, which is not a contradiction to the need and desire of democracy in the everyday ruling of nations. If a major purpose of enlightened government is to have society endure and progress, it must obviously encourage democracy. At the same time it cannot ignore the lesson of history that social ideology and its institutions are of vital importance to a growing society, which in turn leads to a realization for the need of imperative authority. The conclusion is paradoxical, but there is no escaping it.

Acknowledging the dual nature required of government, we can speculate on the structure of that organization, which must divide along regulative and imperative law. Even under an absolutist government, in devising and executing domestic social and economic policies, and in enforcing the laws of its legislature, a democratic regime would operate, but the natural question is: if a new civilization is to evolve, a natural expectation is that its ideological institutions would represent progress in human thought, and what institutions in the modern West could be embryonic in giving moral direction? Traditionally this has been the Church, but for a rational philosophy we might acknowledge the institutions that are already recognized as the apex of rational thought, the universities. Not only are they seats of learning, they are also seats of *expertise* that today influences state policies in multitudinous ways, and universities also influence the minds of a nation's brightest youth, meaning that they are *already* seats of imperative authority. To extend that authority to ethics is not excessively speculative. If the educational system became a totally integrated system from beginning years to the highest awards of university, nation-wide, a system would be in place to solicit the type of life purpose allegiance characterizing civilization. The result would be a nation dedicated not to fantasies of the mind, nor to business or sport or the various pleasures of a decadent culture. Nor would it be a nation devoted to Man in the humanist sense, but instead to the flowering of human potential. Its education system would be the originator of imperative law, decreed from what might be termed an Imperative Council composed of the most gifted minds the nation has to offer, *selected*, not elected, through the ranks of the education system. Instead of decrees from mystical notions of infallibility derived from heaven, the decrees of an Imperative Council would be propounded with mathematical assurance.

Thus would be in place the two branches of national rule: democratic assemblies representing regulative authority where would reside actual power and control, and an Imperative Council providing ideological directorship, to achieve in national government the balance between order and chaos required for a dynamic society. Since the nondemocratic character of an Imperative Council makes it controversial, an examination of what some of its measures might entail is in order. It must always be born in mind, however, that imperative law does not imply a forceful means of implementing it; rather it should carry the meaning of *expertise* and *reasonableness*, since the function of an Imperative Council must be persuasion, and this through rational argument with its presentation in the education systems. Such persuasion should not be taken lightly in its ability to mold society. It was solely through moral persuasion and teaching that a single, frail priest, Jose Maria Arizmendiarieta, instigated the world's largest and most successful co-operative complex in the Basque provinces of Spain, and this without ever participating directly in that development personally. The feminist movement in America has generally raised the level of consciousness for the need of equality between the sexes, even to the point of changing the English language¹. Nothing would seem more fundamental to a nation than its national character, yet the opinions of Americans and Canadians have been molded in schools and media to accept 'multiculturalism' as *de facto* national policy. No election or referendum has ever been held in the United States or Canada on a policy so inimical to the integrity of white nations, yet accepted it has been, and this through the machinery of persuasion. Let not the critics of an Imperative Council argue that present society is free from the reins

¹ As in changing 'man' from words like 'chairman' to 'chairperson' in spite of 'woman' ending with the suffix.

of imperative control.

The authority of an Imperative Council need extend only to the education systems which is sufficient to direct society along enlightened paths. Not only would a cosmic comprehension be infused into every student, lessons learned from old mistakes from the decay of our present West would ensure that those mistakes are not repeated. Not the least case where this directive would apply is to socioeconomic ideologies. We are led to believe that democracy goes hand in hand with capitalism, but we have to wonder how democratic and people oriented a system is where the wealthy can legally escape their share of taxes, where there is a flight of capital to foreign lands because of rising wages at home, where there is an importation of competitive cheap labor instead of home workers reaping the full benefits of a long labor development, where mass unemployment can occur, where government policies are bent by industrial interests, where health has been threatened because of hurried research, where lives are lost from known design defects, where the citizen is considered little more than a consuming animal, to be manipulated. Most unethical is that large corporations make decisions which affect the total economy of the state, and those decisions are made on the basis of self interest, not on the basis of what is best for the total welfare. How much is to be produced and the prices on goods, whether investment into new industry should be undertaken, how much investment should be spent on automation, the extent of the labor force employed - all are decisions from which the worker and citizen is excluded. The stark truth is that private capitalism is incompatible with democracy. The worker-consumer ultimately has no control over his/her own welfare.

The problem of capitalism is in the inevitability of the system to concentrate. In a competitive system where all competitors are equal, none enjoying a favorite position in the market place, there will nonetheless be disturbances that will cause windfalls for at least one competitor, because of superior foresight, resourcefulness, or simply luck on his/her part. These more fortunate entrepreneurs will then have a chance to expand their businesses at the cost of other firms, as in the competitive struggle size is a definite advantage. When one or a few producers supply a large portion of the market, economies of scale from mass production can be realized with reduced costs, making higher profit possible. Profit breeds profit; where the small firm must seek financing from banks and pay interest, the large firm can finance itself internally. Profit allows industrial research and patents that are inaccessible to small firms in the same market. With costly advertising, that small producers cannot afford, the large firm can capture more of its market. Some new products require heavy capital expense for production that only large firms can afford. With diversification, as in the case of conglomerates, i.e., corporations that produce a range of unrelated products, losses in one industry can be offset by gains in another, giving more security to the large firm.

An alternative system to corporate capitalism may be evolving in the form of worker co-operatives, which when undertaken have usually proven successful so the movement cannot be considered merely idealistic or utopian. The development is not confined to any one country, being found in Canada, Italy, France, England and Russia, in the majority of cases the worker management having taken over failing businesses. In the United States, worker ownership has most noticeably been in the form of stock ownership plans (ESOPs), in which a company either makes tax deductible contributions of new issues of its stock to a trust fund for its employees, or cash is used to buy existing shares.

Regardless of the system that replaces private capitalism, it is clear that an Imperative Council cannot remain aloof from practiced economic philosophy although it would take no part in the actual affairs of the state. A particular example of its directorship will serve to demonstrate. A major defect of modern capitalism is business cycles, the boom-and-bust roller coaster economy that has growth for a few years then unemployment and bankruptcies the following years. There are two causes. One is a natural cycle that once started in a mechanized economy runs its course until markets are satisfied and there is lessened demand. Eventually this cycle would smooth itself out if the economy were not disturbed by the more damaging and artificial cycle caused by the dichotomy between the real production economy and money economy. Eventual "heating" occurs, when interest rates must rise to suppress inflation. This divergence is a manifestation of the fractional reserve system evolved from seventeenth century English goldsmiths, who would loan more notes on gold deposits to their customers than they could cover by the actual amount of gold in their vaults. The deficiency of the system has long been recognized, unfortunately by people who have exaggerated its "usury" properties which has only served to cast the issue in an ideological light and discourage serious consideration of reform.

The criticism most commonly voiced is that banks create money "out of thin air," meaning that loans can be made far in excess of the deposits that form their reserves. Given a deposit of \$1,000 and a reserve ratio of 5%, banks will eventually create \$19,000. Of the \$1,000 deposit, 5% or \$50 is kept on

reserve and \$950 is loaned, which is new money because the system now has \$1,950. The \$950 deposited in another account forms the basis of another loan, so again 5% or \$47.5 is kept on reserve and \$902.50 is loaned. Continuing in this way down to the last dollar, $\$950.00 + \$902.50 + \dots$ will total \$19,000. Thus it is the system, the banks plus the public, that generates new money, and it is cancelled when loans are repaid. The system is fraudulent in the sense that interest is paid on new money. Interest on existing money is as ethical as rent paid on the loan of a machine, but interest on new money is interest paid on something that did not formerly exist, that was created solely for the purpose of debt.

Governments have three methods of financing: taxes, inflation and borrowing. When a government wants to raise funds by the latter method it sells bonds on the Open Market. The general public is strictly small fry in Open Market Operations; most government bonds are bought by large corporations, insurance companies and the commercial banks. By government borrowing the taxpayer therefore not only pays the principal for a highway, bridge or whatever, he/she also pays an interest cost. Since most government funding today is by this method, the taxpayer is paying interest to the banks and large corporations for just about everything derived from government, with taxes going mainly to 'service' the public debt. In this sense a country pays interest on its own money. The social cost is the transfer of funds from wage earners, through taxes, to wealthy holders of capital.

In any system of money borrowing the aggregate community must pay more back to creditors, in the form of principal plus interest, than was originally borrowed. In other words, the aggregate community must pay more back than it originally received, which is an impossibility unless more money is created. In a natural money system, when funding dries up, financing becomes more expensive with a rise in interest rates, but the reserve ratio system by-passes this handicap with manipulations of the prime rate. Thus, money is kept pumping into the system, which works up to the point of full employment. After that, no matter how much money the system has, no more goods and services can be produced because workers to produce more are not available. There is then more money than goods, workers want wage hikes, governments then allow interest rates to rise, borrowing stops, bankruptcies and foreclosures ensue and the banks make a haul. At zero unemployment businesses offer increased wages to attract workers from other businesses, so we first see an increase in wages before prices, but anyone who has ever worked for a wage knows that wage demands follow price increases; it is not the case that wage demands are the driving cause of inflation. Full employment 'cost push' inflation would not exist if higher than full employment demand were not in the economy.

The way the system attempts to work in reality is to postpone the inevitable, by having just a little expansion to allow borrowing and money creation to be balanced by debt payment and money cancellation, with workers moving between expanding industries. This never quite works because the money supply wants to shrink faster than expand due to the imbalance between creation and cancellation caused by interest. This would mean deflation, but the aggregate system *must* keep borrowing in a foolish effort to pay off old debts, so it must always have an infusion of new money, at an increasing rate, which means borrowing and debt up to and beyond full employment with the results noted above.

There is an alternative to the system of money creation through borrowing and that is simply by requiring that banks have 100% reserves and becoming pure investors of public funds. Money would then be created by government expenditure and loans to banks for private capital. The business community is adverse to this prospect because it smacks of socialism with the loss of lucrative loans to government, plus the bug-a-boo of it being inflationary. That these supposed drawbacks are mere propaganda nonsense is evident from the fact that the system would still operate with the profit motive and free enterprise in a market economy. Inflation cannot be a problem with increased production regardless of whether new money is borrowed into existence or legislated into existence without an interest cost. The best cure for inflation is production.

We have several examples in capitalist history where a system of money creation by direct government expenditure was used, one being the island of Guernsey off the coast of Normandy, France. Before this system was attempted in 1817, the island was impoverished and losing population. The town council issued the island's own notes instead of going into debt to banks. Further issues were made which resulted in a dramatic change in the island's standard of living. The first issues were on roads and a public market with care taken to later remove the notes by rent and taxes, so no inflation occurred along with no public debt. The island still enjoys the system to this day. In 1861 President Abraham Lincoln authorized the printing of Treasury notes, which became known as "Greenbacks," to pay for the North's cost of the American Civil War. The total issue was \$449,338,902, spent directly by government to become legal tender for all debts, public and private. In 1863 the National Banking Act was enacted that retired

Greenbacks from circulation.

An example like the above on money creation gives an idea of the social issues that would face an Imperative Council and its method of directing the general course of society by infusion of its edicts into the public conscience through the education and information systems. The alternative to such an Imperative Council is all the manifestations of social dissipation characterizing decadence. Certainly the described council would offer a different scenario from the 'new world order' currently fashionable with our Western plutocracy. First, we have recognized that people must be given an ethical belief system if society is to continue growing, and that such belief must be rationally based. The new world order proposed by present government makes no provisions for any ethical system whatever. Second, we recognize the value of a racial nationhood and the need to strengthen the concept. This is opposite the direction taken today under leading parties in all Western countries, who espouse nothing more than the "multicultural" concept of decadent world orders of the past. Third, there is recognition of the need to democratize national economic systems so that all citizens can share in their nation's wealth, without the growth of concentrated economic power. Western economic systems are permeated with concentrated economic power, a disease that can only grow as private capitalism continues to flourish. Fourth, we have recognition of the need for one of the highest bodies of national government to be composed of genius selected through the learning institutions of the nation, to have virtual control over the nation's destiny which cannot be left to the merely ambitious.

Concerning the present course of the Western world, the worse choice of governmental form our civilization could possibly make is to simply acquiesce to the natural course of history, for that choice is by default the most direct path to dictatorship, to Caesarism. *The whole purpose of an Imperative Council is to implement policies against the Law of Regression, which democracy is powerless against.* Without absolute authority behind those policies, they would never be implemented. Having abandoned all regulative power, the actual power wielded by an Imperative Council would be minimal, but crucial because through it people can be taught ethical values higher than those stemming from their base appetite. Without such a seat of imperative law, the values of society must eventually deteriorate, being subject the same as everything else to the Law of Regression. Ironically, it is precisely *without* that source of ultimate power that a nation becomes vulnerable to the dictates of totalitarian control, because once a civilization matures, if its philosophical base is not well established, the inexorable march of history is toward abusive rule and social decline. It is this prospect which the Western world definitely faces, and should not be forgotten by those who demur over the absolutist nature of imperative law.