

A man was thinking and he wondered ...

why it is that the vast majority of individual men and women, who have ever lived, have lived their entire lives confused about what it is that they, in the depths of their soul, really and earnestly want. Without a clear idea of important personal goals there will also be widespread confusion as to how to live one's life to actually achieve the hoped for results.

Further, why is it that ...

our shared human existence, with all of its competing and conflicting philosophies, religions, ideologies, common opinions, and "ways of life" seem to be such that mass confusion, frustration, anger, and conflict are engendered? Unfortunately, all the above seems to leave too many of us as being forced to exist, and to make our "life" choices, on **an intellectually and spiritually famished road**; a road seemingly "without end, with too many signs, and no directions." \*

\* (The last portion of the above sentence, with some further reference in the book below, is loosely paraphrased and partially quoted from a deservedly famous line written by Ben Okri in his, *The Famished Road*.)

# **Life Charts**

By

**Job S. Friend**

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## **Attribution Page**

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To and for the Spiritual Israelites

## **Author's Preface**

### **God And Man Volume Three – Life Charts Edition Two – April, 2017**

Over many years of extensive reading, studying the Bible, living life, and thinking very hard, your author has pondered many things and had numerous directed thoughts. The purpose of this third volume of the *God And Man* series of books is to share the current results of that thinking process.

This third volume, consisting of one much larger book, helps people to examine what it is that they really want from life and further explains why it is that they most likely do not have it (hopefully your author is wrong on this last comment concerning you, dear reader). Human beings want a happy, healthy, and long life. Human beings do not just want life; we want an abundant life. Thinking a bit more deeply, it turns out that we each want to be considered as being one of the good guys and to be considered by others as being reasonable (rational, intelligent, and balanced). Further, most of us would like to be productive doing

something we actually enjoy and are good at. And we also want to spend this long and happy life with others who are also moral, reasonable, and productive. In short, most people want a happy, healthy, and long life and similar others to share it with – but they do not actually know what to do in order to achieve it.

However, while there is only one general path that leads to a happy and abundant life, it turns out that there are innumerable paths that lead to pain, suffering, and death. And most of the men and women who have ever lived travel or have traveled on one of those other paths. The human condition seems to require each of us to travel along a confusing, frustrating, many times hurtful, and seemingly endless road – a road with too many signs and no directions.

The main purpose of this book is to provide those directions – directions toward what men and women really want - a happy life. In other words, the main purpose of this book is to chart a path toward life; hence *Life Charts* is the subtitle of this *God And Man Volume Three*.

In order to provide those directions, Chapter One describes the context of the human situation – think, “You are here!” on a map.

Chapter Two helps examine what the actual goal is for most people. Surprisingly, there is usually not too much conflict regarding the ultimate goal of our existence – once such goal is thoughtfully considered. You can think of this chapter as the place you would like to end up, the place you would like to go to on a map.

Chapter Three helps explain the only personal means that will work. You can think of this chapter as how to go from where you are to your desired “destination” on the map.

Chapter Four explains what went wrong. How did mankind end up intellectually and morally confused and, in essence, enslaved to systems and ideologies that lead to death, not life? Chapter Four also contains the philosophical solution to the mind-body problem – something that has vexed thinkers for centuries.

Chapter Five explains how a nation that was to be special in the annals of mankind has failed both God and man so far. A nation that was supposed to light the way toward a happy life for all mankind did not do its job, with devastating consequences. This chapter also

contains what you could call the cultural means for helping develop healthy human beings.

Chapter Six rationally discusses *altruism*, with surprising results.

Chapter Seven discusses economic fallacies versus the rational thought necessary to properly understand the key principles pertaining to economics.

Chapter Eight ties in the solution to the mind-body problem with Chapter Seven pertaining to economics. It also helps explain how the logic of action (praxeology) helps in the development of human beings, not just in obtaining a higher physical standard of living.

Chapter Nine is a sidebar chapter devoted to explaining just how it is that both the Bible and the facts of science pertaining to human history can both be true. Further, it pushes back against the more belligerent of the natural scientists – the radical empiricists. It does so by making a point relative to these radical empiricists via the use of simple game theory. The Bible is endoxa (vetted wisdom) for mankind and can be shown to be in harmony with the current archeological record.

Chapter Ten has further discussion pertaining to how a human being can actually become happy – to achieve an abundant life. Chapter Ten also has some conclusions regarding God and man working together to achieve the long and happy life that each of us so urgently desires. The chapter also has a discussion pertaining to God being a master novelist who is creating character within his human characters (each of us). The volume basically concludes with God's characters being written into God's "**book of life.**"

Your author is well aware that no human being makes his or her way through the minefield of life unscathed. Your author certainly has not. In writing this book your author has read and then reread and studied over 23,000 pages of some of the best books ever written – obviously, this includes the Bible. (The reader can find many of those books listed in the Bibliography attached to the end of this book.) This generated over 3,300 pages of personal notes, which were then thoughtfully reconsidered. The ultimate result is this book. The history of mankind's intellectual, religious, legal, and economic arguments is so voluminous it really is beyond any one man to know it all.

Just learning the history of several of the various ideologies is incredibly time-consuming. And all of these competing ideologies and religions and philosophies and “isms” have created the seemingly endless road with too many signs and no directions (or conflicting directions).

Fortunately, there are some key “Life Chart” points that can help sort through this intellectual, moral, legal, and economic mess. These directional charted points can help a great deal because once one knows them, one can use them to see through and avoid those paths that lead to death. In other words, using a math analogy, if an “ism” anthropomorphically says, in essence, “Follow me:  $2 + 2 = 7$ ,” we can know not to follow it because it is false. It is one of the goals of this book to help provide some life-charting principles and bell-weather anchor points, as it were, to act as markers for us and others to keep in mind when making the decisions that propel us down the road we are traveling – a road we want to lead to a long and happy eternal life.

What could a Life Chart be? It could be any one or more of the following:

A symbolic metaphor, e.g., Life > Death

A sequence, for example:  
Values → Choices → Consequences

A list of key points

A highlighted sentence with a core principle

A summary sentence or paragraph

A choice dichotomy, e.g.: Choice One versus  
Choice Two, and then the logical consequences  
that must follow from each

Premises reasoned from - which could include a  
listing out of some of our past history in an  
effort to show us how we got to where we are

An excellent quote that helps anchor a point

The calling out and ridiculing of false  
dichotomies

A time horizon point, e.g., the calling out and  
explanation of the effect one's time horizon has  
on one's choices and the resulting consequences

Etc.

Because the subject matter is so broad it will neither surprise your author (nor disappoint him) when others have more to add to *Life Charts* at a later time. When your author writes "others" and "add to" he means, of course, moral, rational, and productive others writing in their own work, not actually editing this book. Your author, being only one man, fully expects to have others come later who will hopefully clarify any points needing further refinement. Your author also fully expects others to come along and add to *Life Charts* in those places where your author inadvertently, or for space or time considerations, left an uncharted gap.

It is your author's hope that other authors on other topics will adopt the idea of using charting metaphors as teaching beacons in their own works. To your author's knowledge (outside of computer programming and perhaps chemistry) the idea of charting "the directions" as an aid to a teaching narrative has not been done – at least not widely.

The reader might take notice that the overall volume is entitled, *God And Man*, which could seem a bit ostentatious. Your author is not a prophet speaking for God. This being said, every effort has been made to ensure that a

large number of scriptural supports have been used. In other words, your author's thinking is always double-checked, as best a limited man can do, with the Bible for consistency. It is up to the reader to determine if said scriptural supports were well used. And since your author is only one man, he is obviously not speaking for all of mankind. The title *God And Man* was purposely chosen because it forms the subject matter of the book.

The reader might take further notice that the subtitle of Volume One was *Divine Individualism*, which explains, in detail, the goal of life and the process and work before all of us to achieve it. Further, the subtitle of Volume Two is, *Why Your Life Is Hard*, which not surprisingly and for the most part explains why our lives have been so hard – why we are all traveling on a confusing and painful road that seems to lead to a certain death when we actually want to be on a wellcharted road that leads to an abundant life.

This second edition of Life Charts is substantially the same as the first edition with the main differences grouping into two broad categories. The first set of differences is primarily technical edits - mainly punctuation, formatting consistency changes, and the like.

The second set of differences is the addition of some additional Life Charts, quotes, and author comments in order to provide what your author thought was additional helpful material.

The reader can, and should, study the Bible for himself or herself. They should also ask God for guidance, read widely, and think hard to formulate their own judgment on these and other matters. All of these things being written, best wishes to all men and women of good will.

## **Introduction**

A road that has "... too many signs and no directions" tends to sum up this frustrating and painful human existence. Of course, various human leaders, including priests, kings, tribal leaders, philosophers, political leaders, etc., have attempted to provide their followers, or even mankind at large, insight into the correct path to travel forward on. But to what end? The terrible results speak for themselves. Religions and their followers don't just disagree; they actually war against each other, killing valuable men and women as a result. The same holds true for kings and their followers and for tribal leaders and their followers. Warlords have loyal followers. War is actually advocated as a path to life, instead of the obvious path toward death that it is. Philosophers have attempted to answer the questions of life, but for the most part, to no avail. All too often they fight incessantly (argue fiercely intellectually) amongst themselves. Political parties don't just disagree; they question the other side's motives and hate and demonize each other. The various "isms," all of the above have spawned, are no better. All of these philosophies, religions, tribal ideologies and "isms" are, in the final analysis,

arguing about the correct means to an improved situation for their followers or mankind in general.

Your author says they are arguing about the correct means because most men and women would like a happy and abundant and long life. It does not do anyone much good to follow an actual or intellectual warlord when "success" in following such a one leads to a hard, fearful, angry, and almost tortured existence of a few years, instead of a secure and abundant and long life.

What many men and women really want is sometimes unknown to even them – left unexamined as it were. One of the purposes of this book is to help individual men and women examine what it is that they really want. But the main purpose of this book is to show the actual context of our human situation, to provide some helpful insights about what the correct general goal should be for each of us, and to provide some of the missing directions alluded to above. In other words, to provide a charted course toward an abundant eternal life, i.e., **Life Charts** – a path with directions toward what human beings really want, but are evidently confused about. The information age

bombards each of us with a constant and almost crushing incoming stream of too much information, with no apparently easy way for the user to sift and use that information. Life is complex and forces numerous and unending choices upon us. How should we make those choices? What is it that each of us really wants (the goal) and how do we get there? What is the correct means toward our goal? It literally seems like we are each wandering, or perhaps even stuck, on a seemingly endless road "... with too many signs and no directions."

The cultures we are each born into, and the ideologies we inherit from them, are in conflict with each other. And so the followers of these ideologies conflict with each other. Most of these ideologies are left unexamined and so they live on. Once examined, it turns out that there are many paths to death, but only one path to life. And life is the goal. Hence, this book is entitled *Life Charts*.

In a prior book your author has written of the connections flowing from the values one holds to the choices one makes and to the consequences that ensue (*Values, Choices And Consequences*). This is true for individuals, for companies, for governments, and also for

religions. Of course, there are no company brains, or government brains, or religious brains, or any other group brains. Any decisions for those companies or collective entities come from a Chairman, or a President, or a religious leader, or a committee of individuals representing that particular collective entity. Only individuals have minds and only individuals think and choose. **The quality of the thinking determines the quality of the decisions and their ultimate consequences.** And those consequences are not just something for the evening news, or university white paper analysis, or government statistics. Those consequences affect real people's lives.

Accordingly, the quality of the thinking behind decisions is of paramount importance to mankind in general and to each of us personally. The world has come to the place where it is an intellectual and spiritual (ethical) train wreck. We have been following the wrong directions and need a path toward life - **Life Charts** as it were; hence, this book.

It is always your author's goal to provide a camera angle as to what is really happening and why. In the pages that follow I share with you my take on what I believe has really happened,

which is that there has been intellectual and spiritual warfare waged against both God and mankind. This warfare has had devastating results upon mankind. It, as wars always do, has led to pain, suffering, confusion, and death. As always, in regards to your author's take as to what has really happened and why, some of my reasons are Biblical, some are historical, and some are based on logical reasoning and life experiences.

As a housekeeping point, the scriptural references, herein, are from the King James Version, KJV, Modern King James Version, MKJV, or New Living Translation, NLT, unless denoted otherwise. And sometimes I will use the word, "God" collectively for the two Jehovahs, although the context of any scripture quoted would give the correct identification as to whether it meant the Father or the Son, Jesus Christ, or perhaps both of them. Any emphasis, in the scriptural or other quotations, is mine throughout this book. As a further housekeeping point your author will many times refer to the individual men and women comprising mankind as simply "man." Women, of course, are joint heirs of salvation. It is just easier to write the word "man," in the comprehensive sense, as the subject matter of

these three volumes is God and man. Having noted all these things, we can begin. I offer for your serious consideration and hopeful edification what I have learned below.

## **Chapter One**

### **We Are Here - The Context Of The Human Situation**

It is very difficult to get to where you want to go if you do not understand where you currently are. Directions, to the desired goal, require knowing your starting position. The first step is, "Where am I now?"

The super-majority of the individuals, who have ever lived, evidently did not understand the context of their situation. They did not know where they really were. This was further compounded by not having a clear picture of where they would like to go. Not knowing where you are and not really, clearly understanding where one would like to go makes it very difficult to travel to one's most beneficial destination. And it also opens up a multitude of problems, which the human race has experienced, as a whole. It should be

noted, early in this book, that when your author writes such things as "the human race" he is writing of the individuals who comprise the human race. Only individuals think and take action, experience joy, and feel pain. It is a grievous error to think otherwise, and the reader should bear this in mind when reading the rest of this book.

Because the individuals comprising the human race have, for the most part, been lost – confused about where they were and where they would like to go, this has enabled pseudo-leaders to emerge who have further compounded the problem. When the blind "lead" the blind, they both fall into the ditch.

" ... They are **blind leaders** of the blind. And if the blind lead the blind, both shall fall into the ditch." Matthew 15:14, MKJV

When your author writes "pseudo-leaders" he is trying to be factual, not unkind. Your author writes "pseudo-leader" because they are not actually leading the individuals who follow them to an abundant and happy life – even if they think they are. A pseudo-leader could have good intentions, but be lacking in understanding about where to go or how to get there. And

worse, a pseudo-leader could be someone who has a deceptive or otherwise vicious character; who is ignorant, perhaps even willfully; is envious; is angry; is hateful; is out of touch with reality, etc. In other words, a pseudo-leader could be intentionally using his followers while pretending to lead them in a good direction. A pseudo-leader, full of hate, could be hell-bent on a quest for vengeance, etc. In other words, they are not real leaders, where leading denotes progress toward a positive goal and result. This has happened a lot in human history. The results are before us.

To lead means to show others the way to a destination, but where to go? Important information about where to go and what is the goal of human life is the subject of the next chapter. For now, your author would like to offer the point that it is not real leadership to obtain followers and then influence them to follow in a direction that ends up causing pain, suffering, and death. **Death is the ultimate enemy.** Once you are dead you can no longer experience any of the joys of life and you can no longer value. You simply cease to exist. The Bible speaks about death being an enemy needing to be defeated and also about men

being enslaved to pseudo-leaders because they were afraid of death.

"The last enemy made to cease is death."  
1 Corinthians 15:26, MKJV

"and deliver those who through fear of death  
were all their lifetime subject to bondage."  
Hebrews 2:15, MKJV

Leadership should imply going in the right direction. The Hebrews 2:15 scripture, above, explains that many men follow pseudo-leaders, even to the point of being enslaved by them, because they are afraid of death. There is terrible irony in this because the pseudo-leaders are leading in the wrong direction – the direction that leads to pain, suffering, and death. The enslaved have not solved their what-to-do-in-this-life problem by deferring decisions to and obeying these pseudo-leaders. They have merely "kicked the can down the road" and end up dead anyway and suffering on the journey besides. There is no single word, that your author is aware of, denoting bad leadership – leadership in the wrong direction. And your author is not desirous to coin a brand new word to denote bad leadership. Ergo, your author has chosen to use the hyphenated phrase "pseudo-

leadership” as denoting some combination of blind (ignorant), malicious (vicious), envious, hateful, angry, or other bad leadership – leadership that leads to pain, suffering, and death.

Without the correct theory, facts look like unassembled jigsaw pieces. A 1,000-piece jigsaw puzzle looks intimidating when one opens the box and dumps the pieces onto a tabletop. For the sake of argument what if the jigsaw puzzle, one was trying to put together, had 100,000,000 pieces? Human history has many more facts than 1,000, or even 100,000,000. Without a correct theory one will neither understand:

- 1) human history,
- 2) the current context of the human situation,
- 3) nor what to do, going forward, to obtain an abundant and happy life.

Bad theory → bad decisions → bad results

The bad results are frustrated, confused, painful, broken lives with too much suffering, and then death.

Pseudo-leaders, the blind, are leading the blind to a certain death with much suffering along the way. It did not have to be that way.

**The average man and woman have given their obedience and energy to pseudo-leaders in the hopes of achieving**

**happiness.** It has not worked. Conflicts, wars, contentiousness, unease, stress, and other ongoing debilitating negatives have been the result. But this is supposed to be a positive book, a book charting the path to an abundant life. Ergo, ...

Back to the matter at hand ... what is the correct context of the human condition? What is our situation?

To understand the context of our human situation one must understand that science cannot give us all of the answers. Your author watched a television interview where Charlie Rose, on his interview show, interviewed Dr. Neil deGrasse Tyson, the host of *Cosmos: A Spacetime Odyssey* (another television show). Dr. Tyson has a doctorate in astrophysics from Columbia University and is the Director of the Hayden Planetarium in New York City. Ergo, he is not some quack pseudo-scientist with off-the-wall theories. During the portion of the

interview, that your author was able to see, Charlie Rose asked Dr. Tyson if there were some things that science could not yet explain. Dr. Tyson is an excellent communicator and answered as follows – to the best of your author’s recollection: 1) science does not know what happened before the big bang – in other words, what the actual origin of the universe is and 2) science cannot explain complex life and 3) science cannot explain human consciousness. And your author was struck by this intelligent scientist’s honest responses to some of the more important aspects of what leads up to human life as it is. Science does not really understand the origin of the universe, basically stopping at the big bang as an explanation. Science cannot explain complex life – which human beings are. And science cannot explain the human mind – which is one of the key attributes that makes us human.

Unlike many Enlightenment-era scientists, who were trying to figure out what God actually did in creating the universe and human beings, many modern scientists have rejected anything that cannot be proven empirically. This is especially true since the early 20<sup>th</sup> Century when logical positivism gained a foothold in academia.

Logical positivism holds as nonsense anything metaphysical, including religions. If a question cannot be empirically (in their mind scientifically) verified it is either nonsense or a tautology. A tautology is true but is basically saying the same thing twice in different words, e.g. a bachelor is an unmarried man. Logical positivists view tautologies as true, but not conveying any particularly useful information about the real world. This leaves science in the place where only empirically verifiable questions are worth pursuing and considered as scientific. But this approach, considered in light of Dr. Tyson's admission mentioned above, leaves human beings in the place where they lack the answers to life's more important questions. And since science cannot answer, or ever be expected to answer these important questions (for a variety of reasons), your author will attempt to provide some insight below. Without this insight, it is not possible to really understand the actual context of the human situation. In doing so, your author will utilize some information previously written in his book, *Intellectual Warfare: The Corruption Of Philosophy And Thought*, particularly the section in that book where your author wrote that God the Father and Jesus Christ, (the two Jehovahs) are the ultimate philosophers.

The two Jehovahs → philosophers

The Bible discloses that God the Father created both the universe and this earth and he did so through the being, the Word, who became Jesus Christ. And they created the earth to be inhabited by man.

"To Him who by wisdom made the heavens;  
for His mercy endures forever."  
Psalms 136:5, MKJV

"The LORD has founded the earth by wisdom;  
by understanding He has founded the heavens." Proverbs 3:19, MKJV

"For all things were created by Him [Jesus, see verse 13], the things in the heavens, and the things on the earth, the visible and the invisible, whether thrones or dominions or principalities or powers, all things were created through Him and for Him."  
Colossians 1:16, MKJV

"For so says the LORD the Creator of the heavens, He is God, forming the earth and making it; He makes it stand, not creating it

empty, **but forming it to be inhabited [by man].** I am the LORD, and there is no other.”  
Isaiah 45:18, MKJV

Your author believes the Bible discloses that two beings, at the present time, are God. They are the two Jehovahs. They are: 1) God the Father and 2) the Word who became Jesus Christ. Ergo, at this time, God the Father and Jesus Christ are the two Jehovahs.

“In the beginning was the Word, and the Word was with God, and the Word was God. He was in the beginning with God. All things came into being through Him, and without Him not even one thing came into being that has come into being. In Him was life, and the life was the light of men. ... And the Word became flesh, and tabernacled among us. And we beheld His glory, the glory as of the only begotten of the Father, full of grace and of truth. “ John 1:1-4, 14 MKJV

Any reference to a Holy Spirit is either: 1) a reference to one of the two Jehovahs, depending on context or 2) a reference to their essence and power. This happens throughout the Bible and one example is found in 2 Corinthians 3:17, which refers to Jesus Christ as the Holy Spirit:

"And the Lord [Jesus Christ] is that Spirit; and where the Spirit of the Lord is, there is liberty." 2 Corinthians 3:17, MKJV

And Acts 1:8, is one example of many, which refers to the spirit as power to help believers – in this case to witness about God and his plan for mankind. In this case the Holy Spirit is obviously the essence and power of God.

"But you shall receive power, the Holy Spirit coming upon you. And you shall be witnesses to Me both in Jerusalem and in all Judea, and in Samaria, and to the end of the earth."

Acts 1:8, MKJV

The nature of God, including how many beings there are, is a complicated topic and beyond the scope of this book. If the reader is interested in learning more about this topic, there is a free 20 lesson downloadable series entitled, *The Nature Of God* on the website: teachingthelaw.org. Each lesson is about 45 minutes in length and *The Nature of God* series covers this topic in depth by going throughout the entirety of the Bible. For now, and for our purposes, the Executive Summary is that there are two beings in the Godhead at the present time – 1) God the Father and 2) Jesus Christ.

They are the two Jehovahs and they created and own the universe. And God the Father is the Most High, the number one being in the universe, as Jesus Christ acknowledged in John 14:

“You have heard how I said to you, I go away and I am coming to you again. If you loved Me, you would rejoice because I said, I go to the Father, for My Father is greater than I.”  
John 14:28, MKJV

To create the universe, your author contends that the two Jehovahs first had to be philosophers. The word “philosophy” comes from Greek terminology meaning, in effect, “the love of wisdom.” More information on the two Jehovahs being master philosopher geniuses can be found in your author’s previous book, *Intellectual Warfare: The Corruption Of Philosophy And Thought*. Some of the following information is from that book.

Before the two Jehovahs created the heavens and the earth (Ephesians 3:9, Colossians 1:16 above) they had already met and solved almost innumerable challenges. Some might think the most intellectually demanding challenges would be what the laws

of physics would be and how they would function and what the result would be. How all of the forces of atomic physics and astronomy fit together is a mystery to man, not God. Some might believe molecular chemistry would have been the biggest challenge. Others might believe that biology and botany, both having to do with life, would be, by far, the hardest challenge. Creating life, from apparently nothing, sounds quite difficult to me. Getting more specific, the human anatomy with its intricate organ systems and chemistry seem to be mind-boggling in their complexity and interactions. The same holds true for plants and all of their intricate life systems. Going further, the complexity and functionality of the mind of man takes the complex to an even more "out there" level – as evidenced by the numerous philosophical and scientific debates concerning it. If a philosopher believed in God, he/she might consider the functioning of the mind of man as their biggest challenge to understand. And let's not forget about the laws of logic and mathematics and all of the other laws that govern the universe. All of these disciplines interact with each other. How do you invent one part of the universe without re-affecting the rest of the whole? The two Jehovahs are the great Master Philosopher geniuses who not only

figured all of these things out, they actually then proceeded to put them into practice by taking the action to create the entire universe. The laws the Master Philosophers created exist and govern the universe. Fortunately for us, they also created man in their image and likeness (Genesis 1:26) – which is, all things considered, a great honor.

Despite the formidable list of intellectual challenges listed above, your author believes that the single most important intellectual challenge facing the two Jehovahs was to determine a rational, objective ethical system by which they would live. And not only how they would live, but also how other created beings (guests in God's universe) would have to live if they wished to continue to be welcome in it. Your author realizes that some reading this might immediately object that the two Jehovahs just innately always do what is right – in other words what is right is just part of their nature and so they cannot act any other way. The problem with this explanation is that it makes the two Jehovahs almost robotic in their righteousness. It implies there is nothing for them to choose as right is sort of hard-wired into them. They just do right because there is nothing else they could do. When we look a

little bit farther down the line at created angels and created mankind, why would God not just hard-wire “right” into each of these groups of created and contingent beings? Problem solved. Every being in the universe just always does what is right. But, that is not what we see in the created order – not for angels and not for man. Both types of created beings have to choose to do right.

Choosing requires freedom of choice. Choosing also requires a standard of what is correct, what is, in fact, right. And how would such a standard of right, or correctness, be established? It could only be done both rationally and objectively. There must be rational and objective ethics for the two Jehovahs to establish a standard of right. This standard of right is what the angels and men will be held accountable to. This standard cannot be arbitrary. It has to be both rational and objective and angels and men have to be capable of living according to it. When men fail, as we all do, the two Jehovahs in their love can apply mercy. But they do not change the standard of right. They cannot, or it would no longer be a standard.

As for the two Jehovahs themselves, your author prefers to believe that they are so supremely intelligent and moral that they purposely determined this rational and objective standard of ethics and have consistently lived by it since - going backward in time farther than a human mind can even begin to contemplate. That it is now a part of their divine nature your author would have to concede. And perhaps your author's critics are, in fact, correct in that the two Jehovahs' divine nature makes it impossible for them to do wrong and maybe they just formulated their nature into rational and objective moral laws. It just seems more logical to me that they thought about how they would live and when they thought about it, it was clear there is only one way to an abundant life, but many and innumerable ways to go astray. And so whether the rational, objective ethical standards of the two Jehovahs were simply formulations of their innately right nature, or were consciously chosen by them eons ago to live by (and thus becoming their nature) - **the fact remains there are rational and objective ethical standards by which angels and men must live.** If angels and men choose to break these moral laws, which govern the universe, pain, suffering, confusion, and death will ensue - and so they have.

To your author the likely correct progression, that a necessarily limited human mind can understand, is that the two Jehovahs first formulated a rational, objective ethical system they committed themselves to live by. And only after that did they formulate all of the schools of thought necessary to create the universe and only then did they create the actual universe. In other words, the two Jehovahs were Philosophers with perfect integrity first, universe-creating Entrepreneurs second. Further, in additional human words, the two Jehovahs have completeness and perfect balance of all of the moral and intellectual virtues – a unity of virtues in their person, as it were. And all of the following are aspects of their divine wisdom:

Rational, objective ethics

Laws of the natural sciences, e.g., physics, chemistry, biology, botany, astronomy, etc.

Laws of logic

Laws of mathematics

The mind of man – human consciousness

Epistemology – how knowledge is established

Laws of the social sciences

Axiology – the philosophical study of value, ethical and aesthetical, the notion of worth

Etc. – the list could go on and on

The philosophers and scientists of The Enlightenment were at least partly about men using their minds in an attempt to understand what God did and how he did it. Unfortunately, we have moved far from this approach and it has only hurt mankind in general because there is a lot of God's wisdom to apprehend – if we will only make the effort.

**"God's purpose was to show his wisdom in all its rich variety to all the rulers and authorities in the heavenly realms. They will see this when Jews and Gentiles are joined together in his church. This was his plan from all eternity, and it has now been carried out through Christ Jesus our Lord."**

Ephesians 3:10, 11, NLT

The rational and objective ethics the two Jehovahs established, along with the other fields of truth of the universe, can be considered Truth in its entirety. The Bible makes it a point, in numerous places, to establish that God is merciful and there are numerous scriptures where truth and mercy appear in the same scripture. In fact, truth and mercy appear to be linked in a sense. For man, they almost have to be because all have sinned and fallen short of the glory of God (Romans 3:23) and the wages of sin is death (Romans 6:23), but God the Father is merciful and did NOT send Jesus Christ to this earth in order to condemn people (John 3:17). However, God cannot just change the standard of right because, as men, we do not perfectly live up to it. The standard of right (truth) remains and because the two Jehovahs are love (1 John 4:8), they add mercy. In the meantime men are to attempt to understand God's truth and to live up to it as best they can.

Philosophy provides the basis for all other intellectual disciplines and modes of living. This is because, classically speaking, ethics (how to live) is part of philosophy and so is epistemology (how knowledge is established). Also, ontology (the branch of metaphysics dealing with the nature of being, the law of

identity, cause and effect, etc.) is also part of philosophy, classically understood. In other words the existence and nature of the universe, man's place in it, the establishment of knowledge, and how to live are all part of philosophy.

The two Jehovahs are the two great philosopher geniuses who created the universe and the earth and man.

The two Jehovahs → entrepreneurs

The economic and legal concept of "**original appropriation**" means that the creator of something, e.g., a sculptor sculpting a sculpture establishes his ownership to that sculpture. Since the two Jehovahs created the entire universe they own it outright.

"Who has gone before Me that I should repay? All that is the heavens is Mine."  
Job 41:11, MKJV

"If I were hungry, I would not tell you, for the world is Mine, and the fullness of it."  
Psalms 50:12, MKJV

Ergo, as the creators of the universe and everything in it, including the earth, everything belongs to the two Jehovahs. They lawfully, rightly, and logically own it all. Human beings and angels are guests in their universe, and this is very similar to being guests at a friend's home that we enter into. We must abide by the house rules, in this case, the two Jehovahs' universal rules (or laws).

The two Jehovahs gave man a great honor by making us in their image and likeness. We evidently look like them and have the ability to think and the ability to make moral choices. Other animals do not. Angels have the opportunity to think and to make moral choices, but they do not look like God. And the angels were created to be ultimately lower than man in man's finished state. They were created to be servants to both God and man – see the Hebrews 1 and 2 scriptures quoted below.

"And God said, Let Us make man in Our image, after our likeness. And let them have dominion over the fish of the sea, and over the fowl of the heavens, and over the cattle, and over all the earth [not each other], and over all the creepers creeping on the earth. And God created man in His image; in the image of God

He created him. He created them male and female. And God blessed them. And God said to them, Be fruitful, and multiply and fill the earth, and subdue it. And have dominion over the fish of the sea and over the fowl of the heavens, and all animals that move upon the earth.

Genesis 1:26-28, MKJV

“But to which of the angels, did He [God the Father] say at any time, “Sit on My right hand until I make Your [Jesus Christ’s] enemies Your footstool?” Are they [the angels] not all ministering [serving] spirits, sent forth to minister for those [mankind] who shall be heirs of salvation?” Hebrews 1:13, 14, MKJV

“For He has not put in subjection to the angels the world to come, of which we speak. But one testified in a certain place, saying, “What is man, that You are mindful of him; or the son of man, that You visit him? **You have made him a little lower than the angels.** You crowned him with glory and honor and set him over the works of Your hands. You have subjected all things under his feet.”

Hebrews 2:5-8, MKJV

Man → made in the image and likeness of God

Man = begotten of God

Angels → created by God

Angels → NOT → in the image and likeness of God

Man has been chosen to be a special creation by the two Jehovahs. He has been given the honor of looking like God in physical appearance - to some extent, obviously. And, even more, he has been given the ability to think and make choices, i.e., to be moral and intelligent. Man, while being part of nature, is not just a part of nature. Man is a special creation. Your author will write much more on this in the next two chapters. Man's ultimate opportunity and destiny will also be explained much more in the next two chapters. Your author has previously written an important book on this subject entitled, *Divine Individualism*. For now, the important points are that God the Father and the Word (Jesus Christ) are the only Gods in the universe; they created the universe and everything in it – which means they rightfully own the universe; they also created angels to serve both them and man, man being their special creation; and they created the earth as a special dwelling place for man. And man, while

being part of nature, is to have dominion over the earth.

Then came a problem, which is that evidently about one-third of the created angels rebelled against the two Jehovahs and are in a state of war against them and against mankind. Your author has previously written an entire book explaining this in more detail entitled, *The Source Of Evil*. Some of the below information can be found in that book. This information helps one understand that there is an opposing team fighting against the two Jehovahs and their efforts to bless man with a quality eternal life. Satan the devil leads this opposing team.

The Creator God created angels before he created men made in his image. In fact, he created them before he created the earth (Job 38:4-7). The Bible does not directly state why Satan rebelled, although it is quite possible that Satan rebelled because he thought he was set in his position as perhaps the number three being in the universe - behind the God who is called the Most High and the God who became Jesus Christ (the two Jehovahs). When he found out that the two Jehovahs were instituting a new plan to create mankind in their image

(... Let us make man in our image, after our likeness ... Genesis 1:26), perhaps this set Satan off and he rebelled, thinking he was being slighted. This, to me, is as good a guess as any.

At any rate, Satan did rebel and perhaps his twisted thinking led him to the false conclusion that he could knock the two Jehovahs off of their throne and do a better job at running the universe than they could. We are experiencing the results of that age-old rebellion, including all of the suffering, frustration, and wasted lives because of it.

"And the great dragon was cast out, that old serpent, called the Devil, and Satan, which deceiveth the whole world: he was cast out into the earth, and his angels were cast out with him." Revelation 12:9, KJV

The above verse identifies the serpent in the Garden of Eden (Genesis 3) as none other than Satan, the devil.

"And he [Christ] said unto them, I beheld Satan as lightning fall from heaven."  
Luke 10:18, KJV

"How art thou fallen from heaven, O Lucifer,  
[the being now known as Satan] son of the  
morning! how art thou cut down to the ground,  
which didst weaken the nations! For thou hast  
said in thine heart, I will ascend into heaven, I  
will exalt my throne above the stars [angels] of  
God: I will sit also upon the mount of the  
congregation, in the sides of the north: I will  
ascend above the heights of the clouds; **I will**  
**be like the most High.** Yet thou shalt be  
brought down to hell, to the sides of the pit."  
Isaiah 14:12-15, KJV

The above verse shows some of the arrogant thinking of Satan. Satan thought he could rebel and mount a takeover of the universe and then run the universe the same as the Most High God (the Father), only better. Since the Most High God runs the universe he created, being "like the most High" is tantamount to a takeover, since only one being can be in charge of the universe. Satan thought it should be him, not the Most High God. Further, the above verse shows that Satan thought himself better than all the other angels. In other words, Satan thought himself better than all other angels and better qualified than the Most High God to run the universe. He had a wrong kind of pride as the below passage of scripture will illustrate.

"Moreover the word of the LORD came unto me, saying, Son of man, take up a lamentation upon the king of Tyrus [Satan], and say unto him, Thus saith the Lord GOD; Thou sealest up the sum, **full of wisdom**, and **perfect in beauty**. Thou hast been in Eden the garden of God; every precious stone was thy covering, the sardius, topaz, and the diamond, the beryl, the onyx, and the jasper, the sapphire, the emerald, and the carbuncle, and gold: the workmanship of thy tabrets and of thy pipes was prepared in thee in the day that thou wast created. Thou art the anointed cherub that covereth [Satan was evidently at God's throne and very familiar with God]; and I have set thee so: thou wast upon the holy mountain of God; thou hast walked up and down in the midst of the stones of fire [almost certainly a reference to interplanetary travel]. **Thou wast perfect in thy ways from the day that thou wast created, till iniquity was found in thee.** By the multitude of thy merchandise they have filled the midst of thee with violence, and thou hast sinned: therefore I will cast thee as profane out of the mountain of God [probably a reference to Satan no longer being part of the government of God]: and I will destroy thee, O covering cherub, from the midst of the stones of

fire. Thine heart was lifted up because of thy beauty, thou hast corrupted thy wisdom by reason of thy brightness: I will cast thee to the ground, I will lay thee before kings, that they may behold thee. Thou hast defiled thy sanctuaries by the multitude of thine iniquities, by the iniquity of thy traffick; therefore will I bring forth a fire from the midst of thee, it shall devour thee, and I will bring thee to ashes upon the earth in the sight of all them that behold thee. All they that know thee among the people shall be astonished at thee: thou shalt be a terror, and never shalt thou be any more.”  
Ezekiel 28:11-19, KJV

Satan was evidently an anointing cherub that covered. He was sometimes at God’s throne and had a high position in God’s government. But his wrong pride in his beauty, his wisdom, and his high angelic position caused him to believe he could do better than the Creator God at running the universe. Perhaps he felt slighted at the thought of mankind starting lower than the angels (Hebrews 2:7), but eventually rising above and actually judging the angels (1 Corinthians 6:3).

“For unto the angels **hath he not put in subjection the world to come** [when Satan

found this out this might have been what triggered his rebellion], whereof we speak. But one in a certain place testified [a quote from Psalm 8], saying, What is man, that thou art mindful of him? or the son of man, that thou visitest him? **Thou madest him a little lower than the angels** [for now]; thou crownedst him with glory and honour [at the future resurrection, 1 Corinthians 15], and didst set him over the works of thy hands [mankind's future job, or at least one of them]: Thou hast put all things in subjection under his feet [resurrected mankind will evidently help the two Jehovahs manage the universe]. For in that he put all in subjection under him, he left nothing that is not put under him. But now we see not yet all things put under him. But we see Jesus, who was made a little lower than the angels for the suffering of death, crowned with glory and honour; that he by the grace of God should taste death for every man.

For it became him, for whom are all things, and by whom are all things, **in bringing many sons unto glory**, to make the captain of their salvation perfect through sufferings. For both he that sanctifieth and they who are sanctified are all of one: for which cause he is not ashamed to call them brethren, ...

Forasmuch then as the children are partakers of flesh and blood, he also himself likewise took part of the same; **that through death he might destroy him that had the power of death, that is, the devil**; And deliver them who through fear of death were all their lifetime subject to bondage [and evil]. For verily he took not on him the nature of angels; but he took on him the seed of Abraham [the Word, aka Jesus Christ became flesh John 1:14]. Wherefore in all things it behoved him to be made like unto his brethren, that he might be a merciful and faithful high priest in things pertaining to God, to make reconciliation for the sins of the people. For in that he himself hath suffered being tempted, he is able to succour them that are tempted.”  
Hebrews 2:5-11, 14-18, KJV

The above scriptures tell a lot about Jesus Christ's saving sacrifice and resurrection and what God's plans for man are. And they are for us to help manage the universe, under God the Father and Jesus Christ, and man will ultimately be over the angels themselves. Satan did not like this. I personally believe his wisdom, beauty, high management position in the government of God, and familiarity with the two

Jehovahs, tainted his thinking (or lack thereof) toward believing he was, for all intents and purposes, the third Jehovah, and therefore entitled to keep this number three position for all eternity. In this regard Satan was a static thinker. Life was good, until the two Jehovahs wanted to go in a different direction, which was their prerogative. After all, they (not Satan) were the original appropriators of the universe, i.e., they created it and own everything in it and are forever entitled to manage it.

After mankind is resurrected and perfected (I Corinthians 15 and I Thessalonians 4), we will judge the angels.

"Know ye not that we shall judge angels? how much more things that pertain to this life?"  
1 Corinthians 6:3, KJV

So Satan goes from probably a de facto number three in the universe to someone who will be far lower than a resurrected mankind. To add further insult to injury, from Satan's point of view, man was graced with the privilege of being made in the image and likeness of the Creator God himself (Genesis 1:26). The angels were not. My guess is that Satan's familiarity with the two Jehovahs, along with his wrong

assumptions of their plans for the future, and this apparent coming future demotion, and the further insult of weak mortal men being made in God's image and likeness were too much for him to accept. So he rebelled. Satan viewed all of the above as chaos and he wanted to re-establish, or create order again out of this chaos. His way to do so was to attempt a coup. He wanted to overthrow the two Jehovahs and take over the control and management of the universe. Unfortunately, he sold this idiotic bill of goods to about one-third of the angels, who bought it.

"And there appeared another wonder in heaven; and behold a great red dragon [Satan], having seven heads and ten horns, and seven crowns upon his heads. And his tail drew the third part of the stars [angels] of heaven, and did cast them to the earth ... "  
Revelation 12:3, 4, KJV

Were the two Jehovahs surprised? I doubt it. They were probably more disappointed than surprised. There are two very interesting scriptures, in the book of Job, relative to God's view of his angels.

“Behold, he put no trust in his servants; and his angels he charged with folly:  
Job 4:18, KJV

“Why, God doesn’t even trust the angels!  
Even the heavens cannot be absolutely pure in  
his sight.” Job 15:15, NLT

I realize that the above two verses could be a depiction of God’s views toward only the fallen angels, the ones who helped Satan attempt his coup. In any case, the coup did not even come close to succeeding as the below scripture from the Good News Bible makes plain. In this scripture, Rahab, the sea monster, is a metaphor for Satan. The enemies referred to are Satan’s army of fallen angels.

“God’s anger is constant. **He crushed his enemies who helped Rahab, the sea monster, oppose him.**” Job 9:13 TEV (Good News Bible)

“Where wast thou [Job] when I laid the foundations of the earth? declare, if thou hast understanding. Who hath laid the measures thereof, if thou knowest? or who hath stretched the line upon it? Whereupon are the foundations thereof fastened? or who laid the

corner stone thereof; When the morning stars [the angels] sang together, and all the sons of God [again, the angels] shouted for joy?"

Job 38:4-7, KJV

Perhaps, per the above scripture, at the time the earth was created, the angels were all right with what God was doing. It was so far, so good. But something changed and Satan and one-third of the angels rebelled. Was it God creating man in his image and likeness? Was it God admonishing Satan to not be too proud of his wisdom and beauty? Did Satan's system of trafficking prompt a correction from God? The Bible does not explicitly say. What the Bible does say is there is an age-old war that has produced, and is producing, many casualties.

Satan, not God, is the source of evil (and those who follow Satan's value system).

Another important thing to understand about the context of the human situation is that human consciousness was designed and planned for by the two Jehovahs and given as a gift to mankind. What they did is to put a spirit in man that allowed for consciousness and thought. This, combined with freedom to choose, allows for man to make moral choices – to be moral. An unthinking, pre-programmed robot (android)

is not moral. It simply does what it is forced to do by its programming. A portion of the below paragraphs were taken from your author's previous book, *Intellectual Warfare: The Corruption Of Philosophy And Thought*.

"But a spirit is in man giving them perception, even the breath of the Almighty."  
Job 32:8, MKJV

"The burden of the word of the LORD for Israel, says the LORD, who stretches forth the heavens, and lays the foundation of the earth, and forms the spirit of man within him."  
Zechariah 12:1, MKJV

"So says Jehovah God, He who created the heavens and stretched them out, spreading out the earth and its offspring; He who gives breath to the people on it and spirit to those who walk in it." Isaiah 42:5, MKJV

"The spirit of man is the lamp of the LORD, searching all the inward parts of the belly."  
Proverbs 20:27, MKJV

"For who among men knows the things of a man except the spirit of man within him? So

also no one knows the things of God except the Spirit of God." 1 Corinthians 2:11, MKJV

the human brain + the spirit God gave to man =  
the human mind

For centuries men have pondered how it was possible for men to be conscious, not just of themselves and others, but also of reality, aka the universe. In the past there were intelligent men who actually speculated that some day doctors would find a hidden organ in the brain that would explain thought, or that the biological functioning of the brain will eventually be reduced to explainable chemical reactions which will ultimately be explainable via the laws of physics. This is known as scientism, or a form of reductionism. Not so. The Bible explains that the two Jehovahs gave mankind the gift of thought by placing a unique spirit within us. This unique spirit enabled thought and the consciousness/thought of man has a logical structure that corresponds with the logical structure of the universe, i.e., reality. The two Jehovahs did not play games with the mind of man and make the structure of thought different somehow from the logical structure of the universe. Man was created with both the

need and the ability to be able to think. This is a great gift from God and so thank you, God.

The reader can notice, from the two scriptures quoted from Isaiah and Zechariah above, that both the creation of the universe and the placing of a spirit in man, which enabled thought, are both included within the same verses. This is not an accident. It is the two Jehovahs confirming that there is no contradiction between the logical structure of reality and the logical structure of the human mind. There could not be a contradiction because man had to be able to think clearly/logically in order to fulfill his Creator's purpose for him. Man had to be able to think and to have freedom of choice in order to be moral. And man had to be able to think in order to live effectively and to have dominion on this earth. Without the ability to think there could be no accurate identification of things and abstraction of concepts. There could be no learning of cause and effect. And there could be no effective goal setting, no effective means selection, and no effective actions undertaken. A confused man, unable to think clearly, or to figure out what was really going on, would be at the complete mercy of his environment and man would be outcompeted by mere animals.

Thankfully, none of this is so. More on this will be explained in greater detail later in this book. It was mentioned here because it does form an important part of the understanding of the context of the human condition. Again, we have the ability to think and to make choices in order to be successful in our actions and to be moral.

Unfortunately, the opposing team, led by Satan the serpent (Revelation 12:9), struck early in the Garden of Eden. Adam and Eve sinned and they were thrown out of the Garden of Eden (Genesis 3). Life would no longer be so easy. Their choices were not moral and they brought themselves and the human race under the death penalty as a result.

"For since death is through man, the resurrection of the dead also is through a Man. For as in Adam all die, even so in Christ all will be made alive." 1 Corinthians 15:21, 22, MKJV

"for **all have sinned** and come short of the glory of God," Romans 3:23, MKJV

That Adam sinned and all mankind after him, with the exception of Jesus Christ, posed a real problem – which is that sin carries with it the death penalty. It turns out that **men are**

**contingent beings** – we can die. And, therefore, death is our enemy.

"For **the wages of sin is death**, but the gift of God is eternal life through Jesus Christ our Lord." Romans 6:23, MKJV

"Behold, all souls [lives] are Mine [God's]. As the soul of the father, also the soul of the son, they are Mine. **The soul that sins, it shall die.**" Ezekiel 18:4, MKJV

Man = a contingent being

And so we come to the close of this first chapter in a seemingly precarious position. The two Jehovahs, the great master-philosopher geniuses, created the universe, and specifically the earth to be inhabited. Whether they also created other planets to be inhabited is not revealed and so remains unknown at this time. Their special creation was man, given the honor of being made in the image and likeness of God, who was also given the special gift of a spirit in man that enabled consciousness and thought. And man was to use his ability to think and his freedom to choose to exercise responsible dominion over the earth and also to be moral. But Adam and Eve sinned and came under the

death penalty. So did all of their descendants, including you and me (other than Jesus Christ). Ergo, so far, it looks like Satan is ahead in the game – not that life is a game. Fortunately, looks can be deceiving. Satan and his team of amoral, un-empathetic monsters do not fully understand, nor did they ever, what the two Jehovahs were really doing.

“But we speak the wisdom [in essence, the philosophy] of God in a mystery, which God has hidden, predetermining it before the world for our glory; which none of the rulers of this world knew (for if they had known, they would not have crucified the Lord of glory). But as it is written, “Eye has not seen, nor ear heard,” nor has it entered into the heart of man, “the things which God has prepared for those who love Him.”” 1 Corinthians 2:7-9, MKJV

Nor does Satan fully understand how determined the two Jehovahs are to achieve their goal, which is the subject of the next chapter.

## **Chapter Two**

### **The General Goal**

Since the two Jehovahs went to the trouble to think out and create the entire universe they must be pretty serious about achieving something. They obviously have a goal in mind. What is their goal? The answer to that question forms the subject matter of this chapter.

If you think about it, all of us tend to economize our efforts. We do this in order to conserve scarce resources – our time, our labor, and the materials (things) we have to work with. Even if you are God, creating the entire universe seems extravagant – and certainly does not seem to fall into the “economizing your efforts” category. Creating the entire universe must have been necessary. Something very big is happening.

Before we get to the goal of the two Jehovahs it is important to lay down a few directional beacons, as it were. Please keep in mind that the “>” sign below is a metaphor. There is no fixed unit of measure that would enable us to quantify Life and Death and then to

do a mathematical comparison, where Life came out on top due to a greater numerical quantity. The  $>$  is a metaphor to help make a visual teaching point. And the " $\rightarrow$ " directional arrow is your author's attempt to help metaphorically show the flow of effects from prior causes, or to highlight key aspects of a reasoning sequence. The explanation will follow the Life Charts below:

Life  $>$  death

Abundant life  $>$  a bare or unfulfilled existence

Eternal life  $>$  a temporary physical life

Values  $\rightarrow$  choices  $\rightarrow$  consequences

Your values  $\rightarrow$  a chain reaction  $\rightarrow$  consequences

Some of the below explanation comes from two books your author has previously written entitled, *Divine Individualism* and *Values, Choices & Consequences*. Your author highly recommends *Divine Individualism* to be read, either before or after this *Life Charts* book. The main point of *Values, Choices & Consequences* is that the values you actually hold will determine the choices you make and then those choices

will have consequences that you and others must live with. Since this is the case **it is very important that each person consider what it is that they value**, as a chain reaction is going to be set off based on those values. That chain reaction will lead to either positive or negative consequences that are very real. When considering mankind as a whole, the importance of values magnifies exponentially. Because of this what is really needed, for mankind, is for the importance of values to skyrocket in each individual person's mind.

People's minds → Values ↑ (increase in importance)

One of the funniest and unfortunately truest statements your author has ever heard, while listening to a sermon, was this point-blank statement from a preacher friend of his: "Hell ... is *other people*." Your author burst out laughing, but then later thought about the trueness of the statement. My friend is unfortunately correct. Hell is *other people*. But, why is this true? The reason this is largely true is because most other people do not consider what it is that they value and the implications of holding to those values. Most people think in a very narrow range. They do not adequately

consider the results that will occur, to themselves and others, based on making choices from their value system. They do not think long-term, but short-term. They do not see the unseen, but very real effects that will come to pass in the long-term. And they do not see the effects their choices will engender toward other people. They live for the range of the moment, being happy with food, sex, and entertainment. And because they have never been taught the social science chain reaction sequence:

Values → Choices → Consequences,

they have not learned how important it is to consider just what it is that they value and what the likely effects of holding those values will be, over time, to both themselves and others. In other words, the consequences of the value-based choices affect: 1) the person choosing and 2) other men and women also made in God's image and likeness.

As a concrete example of a value, consider the shortened versions of both the eighth commandment, "thou shalt not steal," and the ninth commandment, "thou shalt bear false witness (do not lie)." A moment's thought will

reveal that the value behind both of these commandments is honesty. If a person is honest they will not steal and they will not lie. If they do not believe that honesty is a value to live by, then they will steal and lie at some point in their life. When they steal it will hurt others. When they get caught it will hurt themselves, as they will likely have to make restitution, go to jail, have a criminal record, etc., as the case may be - depending on the circumstances of the theft and the legal system of the society they live in. All these negative physical consequences almost pale into insignificance at the IMMEDIATE DAMAGE to the person's own character – whether they get caught or not. They will certainly get caught by the two Jehovahs as revealed by the below two scriptures (your author could have quoted dozens of scriptures to make this point, but refrained from so doing as it is obvious that no human being is going to fool the two Jehovahs):

“The LORD’s searchlight penetrates the human spirit, exposing every hidden motive.”  
Proverbs 20:27, NLT

“And I saw the dead, the small and the great, stand before God. And the books were opened, and another book was opened, which is

the Book of Life. And the dead were judged out of those things which were written in the books, according to their works."

Revelation 20:12, MKJV

Honesty as a value → do not steal

Honesty as a value → do not lie

Philosopher and novelist Ayn Rand wrote along the lines of value as being: that which one acts to obtain (because you value it), or acts to keep once one has obtained it. Most dictionary definitions are similar to what the Dictionary program on your author's Macbook contained: value = "the importance, worth, or usefulness of something"; values = "one's judgment of what is important in life," or "a person's principles or standards of behavior." All of the above are fine for our purposes. The equal sign "=" below, and in other places, is a metaphor – no mathematical quantity is being equated:

values = one's judgment of what is important  
in life ... OR

values = a person's principles or standards of  
behavior

As mentioned in Chapter One, most people do not consider the likely possibility that the two Jehovahs were philosophers first, even before they were creators and artists. They almost had to be as correct philosophy is the love and study of wisdom and has to do with establishing: 1) ethical standards to live by, 2) what constitutes knowledge, 3) the laws of logic, 4) the laws of identity and cause and effect, etc. There is no question, at least in your author's mind, that the two Jehovahs established objective ethical standards and then deliberately chose to live by those perfect standards, without deviation. **The objective ethics (values) comes first, if not timeline-wise, then in importance** - before the two Jehovahs formulated all of the natural scientific and mathematical laws and before they actually created the universe, the earth, and mankind. The two genius minds in the universe are very clear on the importance of values. Values are far more important than science and technology. Values are far more important than physical things – even the universe itself. The two Jehovahs can always make another universe, but their own character and their own minds are the most important things in existence, now or ever. Values and virtues come first. Everything else follows on from

there. The virtues will be the subject of the next chapter of this book.

As previously explained, the reason values come first is because they set off a social science chain reaction leading to consequences that effect everyone and everything. A natural scientist, skilled in chemistry, knows that under certain conditions, combining element B with element C (perhaps with a known catalyst) will generate, over a defined period of time, a chemical reaction of X. Other chemists can duplicate the X reaction. The results of most chemical reactions are already known. No knowledgeable chemist is surprised by the results. In this regard the natural sciences are ahead of the social sciences - but they don't have to be.

If people were taught and knew the social science chain reaction sequence: values → choices → consequences, and if they cared about their own lives and the lives of others, they would think about the values they hold. The values they actually hold are the starting point for the quality of life for all of us. The two Jehovahs are point-blank in telling mankind what value is the most important of all:

"I call Heaven and earth to record today against you. I have set before you life and death, blessing and cursing. Therefore, **choose life, so that both you and your seed may live,**" Deuteronomy 30:19, MKJV

Ergo, ... Life > death

Man = a contingent being

A contingent being ≠ eternal life inside of them

**Life is the primary value** because only the living can value – life becomes a standard of value, as it were. If you are dead and remain dead, your values, whatever they were, no longer matter because you no longer exist. In other words, life is also the primary value because man is a contingent being – the two Jehovahs do not have to grant eternal life to anyone. Life becomes the primary value and sets the context for the choice of everything else, including one's other values. One's other values are the principles and standards one lives by, and also what one considers important to attempt to attain, or to maintain once one has it. Ergo, choosing life also then involves, by necessity, also choosing an entire set of other

things necessary for life itself – **a package of other values**, as it were.

- Choosing life = life + the package of values that pertain to life

All men are men.

Man = Man

Physically speaking, choosing life also means acknowledging **liberty as a value** because in order to choose life you had to be free to choose. Because all men are men, everyone else also has to be free to choose - so other people's liberty, too, must be acknowledged and respected. Spiritually speaking, liberty is also necessary because the two Jehovahs do not want people-bots who have been programmed to always make the correct choice. A pre-programmed choice is not morality. If we were pre-programmed to choose, one way or another, then no one could take the credit for morality, or the blame for immorality. Spiritually speaking, we are free and free to choose, but we cannot use that liberty to do evil:

“And the Lord is that Spirit; and where the Spirit of the Lord is, there is liberty.”

## 2 Corinthians 3:17, MKJV

"For, brothers, you were called to liberty.  
Only do not use the liberty for an opening to the  
flesh [to do wrong], but by love serve one  
another." Galatians 5:13, MKJV

It is beyond the scope of this chapter of the book to discuss the subject matter of the individual rights of all men (life, liberty, and property), but because life is the ultimate value and life as a value entails a package of other follow-on values, your author will do a very brief summary here. A more complete discussion is provided later on in section 4.5.1 of this book. Each man needs to sustain his own life and therefore needs the liberty to both think and to take action to sustain their life. It does no man any good to only think about having something to eat. He also has to take the action of finding or producing something to eat or producing something that others value in trade so he can trade for something to eat. In short, each man also needs to obtain and use property in order to stay alive. And, at a minimum, each man owns himself – he has a property right in himself. This is at the physical level. The two Jehovahs are the original appropriators

(Creators), owner-operators of the universe and therefore own everything and everyone.

Life is the ultimate value. Liberty and property are necessary follow-on values for human life. But, is just barely staying alive in an unfulfilling life enough, or desirable? The reasonable answer is, "Of course not." Life as a standard of value sets the bar far higher than just surviving – it entails surviving and flourishing over time.

"The thief does not come except to steal and to kill and to destroy. I [Jesus Christ] have come so that they might have life, and that they might have it more abundantly."

John 10:10, MKJV

Abundant life > a bare or unfulfilled existence

What are some of the attributes of an abundant life? It should be noted that in attempting an answer below, your author is going for a listing of general attributes or characteristics of an abundant life. In other words, your author does not want an architect arguing with an orthopedic surgeon about which profession is more vocationally satisfying. That discussion and answer is a particular and

personal one, not a general answer for mankind.

### **A general listing of the characteristics**

**pertaining to an abundant life** is one that a reasonable member of mankind would want and accept for themselves and others. Of course, the below list implies a personal relationship with God the Father and Jesus Christ, the two Jehovahs, and the receipt of their Holy Spirit (more on this in the next chapter):

**Life** itself (obviously)

### **Happiness**

Being one of the good guys – being **a moral person** (more detail on the moral virtues is in the next chapter)

Being **a rational person** – intelligent and reasonable (more detail on the intellectual virtues is in the next chapter)

**Peace** – one's environment and one's inner emotional state

### **Health**

### **Family**

## **Friends**

**Being productive** at something one enjoys doing (more on this in the next chapter)

**Variety and Creativity** – not boredom

## **Time**

**Liberty** – freedom to choose (within the two Jehovahs' objective ethics)

**Property** – resources

Perhaps the above list could be added to, or refined. Any reasonable editing your author will not quibble with. The important thing is **there are certain general items necessary for, or pertaining to, an abundant life.** Any such general items are important because an abundant life is important. No one really wants a bare, meager, unfulfilled existence. And no one in his or her right mind wants the extreme of a painful, suffering, or tortured existence instead of an abundant life.

If there are any hard-nosed philosophers reading this, and there are many hard-nosed philosophers – who like to argue almost for the

sake of arguing - which item or items in the above list would you take out? And why would you take them out? Please explain to mankind why you would take one or more of them out. Your author is pushing back here against a secular philosophy profession that does more to tear down than it does to build up. Where is the wisdom in that?

Of the general characteristics of an abundant life listed above, which, if any, could safely be removed? Your author would argue ... none of them. Life is definitionally necessary for an abundant life. Happiness is certainly part of an abundant life. How can life be considered as abundant if it is unhappy? An abundant life would be a good life and how can one be considered to have a good life if one is not a good person, i.e., immoral? An abundant life would be intelligently lived, with reason guiding one's choices moving forward, so how could a lack of rationality or reasonableness enable a good life? It could not. If one were not at peace internally, in an unsettled state, life would not be good. And if war, not peace, was the unfortunate condition of one's environment, one would be experiencing the death and hurt of family and friends; the destruction of necessary-for-life property and resources; the emotional

angst of not knowing when the next catastrophic and destructive event would occur; the lack of sleep; worry; etc. There is no social theory of violence and an abundant life includes interacting with each other peacefully. Continuing, any lack of health would mean suffering and the inability to do the things one wanted to do in life. The lack of family and friends would mean loneliness on a permanent basis. The positive, warm, and joy-giving community of emotion would be lacking. There would be no one to share activities and achievements with. If one could not be productive at doing something one enjoyed then one would be constrained to do things that were either: 1) frustratingly unproductive and therefore time-wasting or 2) un-enjoyable even if successful. If there were a lack of variety, it would lead to monotony and boredom that are characteristics of a non-abundant existence, not an abundant life. Liberty to choose gives one dignity and self-esteem and enables one to be a moral being. Property and resources are necessary for life itself, and certainly much more so for an abundant life. And the lack of time means our life, of whatever quality, is running out. More on time immediately follows because it deserves its own discussion. In light of all of the preceding, your author rests his case. And

again, any reasonable and rational editing of the above, for good, is perfectly fine with your author.

Considering all of the above general characteristics of an abundant and good life, and noting that not even one of the elements could be removed without, perhaps, changing said abundant life into a non-abundant one; your author would like to make the following point:

There is a correct **Unity Of Values** that pertain to an abundant life. When your author lists the below Life Chart formula it should be understood that the words "**the correct**" precede Unity of Values. Our values should fit together, with each value being responsive to each other value.

Life + Unity of Values = An Abundant Life

The "unity of virtues" is a phrase that has been written of throughout the ages, mainly because it goes back, at a minimum, to ancient Greece. And your author will have much more to write about the unity of virtues in the next chapter. That said, to your author's knowledge, your author is not aware of any previous thinker or writer coining the phraseology "**unity of values**" and so he coined it himself. Later in

this book the need for the phrase, and the concepts pertaining to it, will be explained in more detail – which is to say your author needed such a phrase to help communicate what went wrong with the human experience and how things can turn around, once people choose different values to live by.

An abundant life sounds quite good. But, there is a big problem with the general characteristic “time” in the unity of values above. What good would it do a man or woman if they actually could somehow achieve an abundant life during their human existence? And very few have. For the sake of discussion, let us say that a man achieves an abundant physical life and that he lives to 75 years of age. He really enjoys his life, but then he dies. What then? What would his life really have meant? He lived. He lived well (abundantly). And then he died. The end. Not exactly a happy story when you consider the “the end” part, is it? The problem is, man is a contingent being. He does not have eternal life within himself. In fact, the two Jehovahs made man mortal on purpose.

“And as it is appointed to men once to die,  
but after this the judgment,”  
Hebrews 9:27, MKJV

Because man is a contingent being, life cannot be regarded as implicit, or simply as a given. It is only a given for, say, 70 or 80 years – a full physical life by average standards. And here we seem to have a very big problem. If this physical life is all there is then even the best of lives could be considered, “much ado about nothing.” Your author is not minimizing the importance of each person’s life to himself or herself, nor is your author minimizing the importance of the lives of previous great men and women. Your author will concede the importance of life to everyone else, which is why, to your author’s point, he can ask, “And then what?”

Fortunately, we can now start to explain the first parts of the goal of the two Jehovahs, which is to give the following to those members of the human race who acknowledge and cooperate with them:

Life + Abundant + Eternal =

**an abundant eternal life**

The goal of the two Jehovahs is to give an abundant eternal life to man. This goal will be elaborated further below to also include:

the perfecting of each of us as individuals,  
a great environment to live in, and  
the respect for each of us as individuals.

God the Father (the Father) has life in himself. And Jesus Christ, the Son, has life in himself, too.

"For as **the Father has life in Himself**, so He has given to the Son to have life within Himself, and has given Him authority to execute judgment also, because He is the Son of man. Do not marvel at this, for the hour is coming in which all who are in the graves shall hear His voice, and shall come forth, those who have done good to the resurrection of life, and those who have practiced evil to the resurrection of condemnation." John 5:26-29, MKJV

The source of life = The Father and Jesus Christ

Regarding the perfecting of us as individuals, there has been widespread confusion among

people, religions, tribes, and governments as to what God's work really is.

**"For we are His workmanship** [human beings as individuals], created in Christ Jesus to good works, which God has before ordained that we should walk in them." Ephesians 2:10, MKJV

The work of God → the human race

The process God is using → divine individualism

Your author has coined a phrase, which is "**divine individualism**," to explain what is really happening between God and man. And, as previously mentioned, he has written an entire lengthy book, *Divine Individualism*, explaining this process in more detail. Your author will now utilize portions of that book to begin to explain the perfecting of each of us and the great new environment the two Jehovahs will create for us. Hopefully the reader will make allowance for the fact (giving your author a break) that a few of the scriptures below have already been cited above. It just makes more sense, in your author's estimation, to utilize the flow of the explanation as previously written.

**Divine individualism starts with knowing who is divine.** And that is God the Father and Jesus Christ, aka God, aka the two Jehovahs (Psalm 110:1, John 1:1, 1 Peter 3:21-22, Titus 2:13, and numerous other places, e.g., Galatians 1:3 and all of the other numerous greetings contained in various epistles of the New Testament).

"In the beginning the Word [the being who became Jesus Christ] already existed. He was with God [the Father], and he was God. He was in the beginning with God. He created everything there is [Ephesians 3:9]. Nothing exists that he didn't make. Life itself was in him, and this life gives light to everyone. The light shines through the darkness, and the darkness can never extinguish it."

John 1:1-5, NLT

"So the Word became human and lived here on earth among us. He was full of unfailing love and faithfulness. And we have seen his glory, the glory of the only Son of the Father."

John 1:14, NLT

The two Jehovahs are the creators and owners of the universe (Genesis 1-2 and many other places). Just like a sculptor owns what he

creates, the two Jehovahs created everything and they own everything. They are the life-givers, the healers, and the Saviors of mankind. And, as a particular and special part of their creation, they created men in their image and likeness and gave them dominion over the earth (not each other). Men were placed into, in essence, a complex incubator called the earth.

### **The two Jehovahs created man's reality.**

"Then God said, "**Let us make people in our image, to be like ourselves.** They will be masters over all life - the fish in the sea, the birds in the sky, and all the livestock, wild animals, and small animals." So God created people in his own image; God patterned them after himself; male and female he created them. God blessed them and told them, "Multiply and fill the earth and subdue it. Be masters over the fish and birds and all the animals.""

Genesis 1:26-28, NLT

The two Jehovahs gave us a great honor in making us after their image and likeness as this shows there is intent on their part to do something special with man. Your author has previously written an entire book on this point entitled, *Honor*, and so will not belabor the point

here. Their scientific brilliance is on display in how they made man's intricate and complex physical anatomy – with all of the intricate and interacting systems. But they did far more. They went further by giving us a mind that can think. They did this by adding a spirit component to the human brain that differentiated us from animals in a very empowering way (Job 32:8, Job 38:36, Proverbs 20:27, 1 Corinthians 2:11, and Isaiah 42:5). Man is the rational animal because there is a non-physical component added to our physical brain, which then creates the human mind.

“But a spirit is in man giving them perception, even the breath of the Almighty.”  
Job 32:8, MKJV

**Man is quite literally a work of divine art.**

Further, the two Jehovahs structured the universe to have a logical structure and gave man's mind a logical structure so that there is no disconnect between the logical structure of the universe and the logical structure of the human mind. This enables man to be able to use reason to discover the laws of nature and to rationally ascertain objective ethical principles to live by. Man can identify things and learn cause

and effect. Man can experience things and use language to share valuable information between individuals and generations. In fact, God criticized mankind in general for not obeying him and also for not using their minds to do what is correct.

"For the wrath of God is revealed from Heaven against all ungodliness and unrighteousness of men, who hold the truth in unrighteousness [the New Living Translation has this as: "**who push the truth away from themselves**"], because the thing which may be known of God is clearly revealed within them, for God revealed it to them. For the unseen things of Him from the creation of the world are clearly seen, being realized by the things that are made, even His eternal power and Godhead, for them to be without excuse. Because, knowing God, they did not glorify Him as God, neither were thankful. But they became vain in their imaginations [the New Living Translation has this: "they began to think up foolish ideas of what God was like"], and their foolish heart was darkened. Professing to be wise [correct philosophers], they became fools [incorrect philosophers]" Romans 1:18-22, MKJV

We are different from the other animals because we were made to look like the two Jehovahs look (Revelation 1:13-15) – only physically speaking, of course. And we can think – which is unlike the other animals. We had to be able to think so that we can make choices and be responsible for them. The two Jehovahs do not only want us to look like them, they want us to come to the place where we also think and take action like them. In other words, character matters and we need to develop good character. (Your author has an entire book on this character creation process entitled, *Creating Characters With Character*.) To do so requires moral capacity, i.e., freedom to choose. The two Jehovahs made us free (2 Corinthians 3:17, Galatians 5:1, and other places). They had to give us minds and freedom so that we would have the moral capacity and space to choose. Pre-programmed people-bots are just not enough of a creative challenge to the two Jehovahs – and if they pre-programmed men, we would not be like them. They really risked a lot to give both men and angels freedom – with some losses incurred as a result. (Your author has a book devoted to this topic entitled, *The Source Of Evil*). Each man has to come to the place where they know what to value and each man has to have time and space

to develop the intellectual and moral virtues – to develop character and to bear fruit as it were [this is the subject of the next chapter of this book]. The two Jehovahs also intended that we cooperate peacefully with each other in order to develop spiritually, mentally, emotionally, and physically – in other words, they made us to also be what Aristotle would call, social animals.

Because there is social interaction among men there is a need for objective, ethical principles to live by. Using reason, man can learn the importance of respecting each other's individual natural rights to life, liberty, and property. Your author has an entire book devoted to justice and law entitled, *Why There Is No Justice: The Corruption Of Law*. This book has a lengthy explanation of the logic and reasons for natural rights, the purpose of law, the purpose of government, etc., and so your author will not belabor natural rights here. Suffice it to say that **there is no social theory of violence as violence ignores principles in favor of might makes right**. To initiate force or fraud against another human being is wrong, as is not honoring any contracts that were willingly entered into. Anyone who does so is not acting rationally, according to principle. At

the present time it could be said that they are not a person with a sound mind.

Continuing with the two Jehovahs and their plan, each man has sinned (Romans 3:23) and is currently under the death penalty (Romans 6:23, Ezekiel 18:4). Normally this would create a very serious and unsolvable legal problem as the execution of the guilty (all of us) would effectively put an end to the two Jehovahs' most important creation - mankind. **Not to be defeated, the two Jehovahs implanted a divine rescue plan.** The Word came to the earth as Jesus Christ (John 1:14) and gave his life as a sinless sacrifice for many (Hebrews 9:26, 10:12). Further, Jesus Christ not only died for our sins (for each human being's individual sins) he was also resurrected from being dead for three days (1 Corinthians 15:3-4, Matthew 12:40). Christ's death and resurrection literally created a bridge from death to life, for us, his characters.

The two Jehovahs used → Christ's perfect human life + sacrificial death + resurrection → to create a bridge from death to life → for us, their characters

"But the fact is that Christ has been raised from the dead. He has become the first of a great harvest of those who will be raised to life again. So you see, just as death came into the world through a man, Adam, now the resurrection from the dead has begun through another man, Christ. Everyone dies because all of us are related to Adam, the first man [because all men have sinned and are under the death penalty for so doing]. But all who are related to Christ, the other man, will be given new life. But there is an order to this resurrection: Christ was raised first; then when Christ comes back, all his people will be raised. After that the end will come, when he will turn the Kingdom over to God the Father, having put down all enemies of every kind. For Christ must reign until he humbles all his enemies beneath his feet. And the last enemy to be destroyed is death." 1 Corinthians 15:20-26, NLT

"But someone may ask, "How will the dead be raised? What kind of bodies will they have?" What a foolish question! When you put a seed into the ground, it doesn't grow into a plant unless it dies first. And what you put in the ground is not the plant that will grow, but only a dry little seed of wheat or whatever it is you are planting. Then God gives it a new body - just

the kind he wants it to have. A different kind of plant grows from each kind of seed. And just as there are different kinds of seeds and plants, so also there are different kinds of flesh - whether of humans, animals, birds, or fish. There are bodies in the heavens, and there are bodies on earth. The glory of the heavenly bodies is different from the beauty of the earthly bodies. The sun has one kind of glory, while the moon and stars each have another kind. And even the stars differ from each other in their beauty and brightness. It is the same way for the resurrection of the dead. Our earthly bodies, which die and decay, will be different when they are resurrected, for they will never die. Our bodies now disappoint us, but when they are raised, they will be full of glory. They are weak now, but when they are raised, they will be full of power. They are natural human bodies now, but when they are raised, they will be spiritual bodies. For just as there are natural bodies, so also there are spiritual bodies. The Scriptures tell us, "The first man, Adam, became a living person." But the last Adam - that is, Christ - is a life-giving Spirit. What came first was the natural body, then the spiritual body comes later. Adam, the first man, was made from the dust of the earth, while Christ, the second man, came from heaven. Every human being has an

earthly body just like Adam's, **but our heavenly bodies will be just like Christ's.**

Just as we are now like Adam, the man of the earth, **so we will someday be like Christ**, the man from heaven. What I am saying, dear brothers and sisters, is that flesh and blood cannot inherit the Kingdom of God. **These perishable bodies of ours are not able to live forever.**" 1 Corinthians 15:35-50, NLT

"But let me tell you a wonderful secret God has revealed to us. Not all of us will die, but we will all be transformed. It will happen in a moment, in the blinking of an eye, when the last trumpet is blown. For when the trumpet sounds, the Christians who have died will be raised with transformed bodies. And then we who are living will be transformed so that we will never die. For our perishable earthly bodies must be transformed into heavenly bodies that will never die. When this happens - when our perishable earthly bodies have been transformed into heavenly bodies that will never die - then at last the Scriptures will come true: "Death is swallowed up in victory. O death, where is your victory? O death, where is your sting?" For sin is the sting that results in death, and the law gives sin its power. How we thank God, who

gives us victory over sin and death through  
Jesus Christ our Lord!

So, my dear brothers and sisters, be strong and steady, always enthusiastic about the Lord's work, for you know that nothing you do for the Lord is ever useless." 1 Corinthians 15:51-58, NLT

"Beloved, now we are children of God, and it has not yet been revealed what we shall be. But we know that when He [Jesus Christ] shall be revealed, **we shall be like Him**, for we shall see Him as He is." 1 John 3:2, MKJV

"When I [David] look at Your heavens, the work of Your fingers, the moon and the stars which You have established; what is man that You are mindful of him, and the son of man, that You visit him? For You have made him a little lower than the angels [for now], and have crowned him with glory and honor. You made him rule over the works of Your hands; You have put all things under his feet: all sheep and oxen, yes, and the beasts of the field; the birds of the heavens, and the fish of the sea, and all that pass through the paths of the seas. O Jehovah, our Lord, how excellent is Your name in all the earth!" Psalms 8:3-9, MKJV

"God, who at many times and in many ways spoke in time past to the fathers by the prophets, has in these last days spoken to us by His Son, whom He has appointed heir of all things, by whom also He made the worlds, who being the shining splendor of His glory, and the express image of His essence, and upholding all things by the word of His power, having made purification of our sins, He sat down on the right of the Majesty on high,

being made so much better than the angels, as He has by inheritance obtained a more excellent name than they. For to which of the angels did He say at any time, "You are My Son, this day I have begotten Thee?" And again, "I will be to Him a Father, and He shall be to Me a Son?" And again, when He brings in the First-born into the world, He says, "And let all the angels of God worship Him." And of the angels He says, "Who makes His angels spirits and His ministers a flame of fire." But to the Son He says, "Your throne, O God, is forever and ever. A scepter of righteousness is the scepter of Your kingdom. You have loved righteousness and hated iniquity, therefore God, Your God, has anointed You with the oil of gladness above Your fellows." And, "You, Lord, have laid the

foundation of the earth in the beginning, and the heavens are the works of Your hands. They shall perish, but You will remain. And they shall all become old as a garment, and as a covering You shall fold them up, and they shall be changed. But You are the same, and Your years shall not fail." But to which of the angels, did He say at any time, "Sit on My right hand until I make Your enemies Your footstool?" Are they [the angels] not all ministering spirits, sent forth to minister for those who shall be heirs of salvation [those who participate with God the Father and Jesus Christ in their divine individualism process?]" Hebrews 1:1-14, MKJV

"Therefore we ought to give the more earnest heed to the things which we have heard, lest at any time we should let them slip. For if the word spoken by angels was steadfast, and if every transgression and disobedience received a just recompense of reward, how shall we escape if we neglect so great a salvation, which at the first began to be spoken by the Lord, and was confirmed unto us by those who heard Him; God also bearing them witness, both with signs and wonders, and with different kinds of miracles and gifts of the Holy Spirit, according to His own will?

For He has not put in subjection to the angels the world to come, of which we speak. But one testified in a certain place, saying, "What is man, that You are mindful of him; or the son of man, that You visit him? You have made him a little lower than the angels. You crowned him with glory and honor and set him over the works of Your hands [a reference to Psalm 8, quoted above]. You have subjected all things under his feet." For in order that He put all things under him, He did not leave anything not subjected. But now we do not see all things having been put under him. But we see Jesus, who was made a little lower than the angels for the suffering of death, crowned with glory and honor, that He by the grace of God should taste death for every son.

For it became Him, for whom are all things and by whom are all things, in bringing many sons into glory [**divine individualism**], to perfect the Captain of their salvation through sufferings. For both He who sanctifies and they who are sanctified are all of One, for which cause He is not ashamed to call them brothers, saying, "I will declare Your name to My brothers; in the midst of the assembly I will sing praise to You." And again, "I will put My trust in

Him." And again, "Behold Me and the children whom God has given Me."

Since then the children have partaken of flesh and blood, He also Himself likewise partook of the same; that through death He might destroy him who had the power of death (that is, the Devil), and deliver those who through fear of death were all their lifetime subject to bondage. For truly He did not take the nature of angels, but He took hold of the seed of Abraham. Therefore in all things it behoved him to be made like His brothers, that He might be a merciful and faithful high priest in things pertaining to God, to make propitiation for the sins of His people. For in that He Himself has suffered, having been tempted, He is able to rescue those who have been tempted."

Hebrews 2:1-18, MKJV

"Therefore, holy brothers, **called to be partakers of the heavenly calling** [divine individualism], consider the Apostle and High Priest of our profession, Christ Jesus, who was faithful to Him who appointed Him, ... "

Hebrews 3:1-2 MKJV

Jesus Christ = the High Priest

Men and women of God = the children of God

Men and women of God = the brother of Christ

**Divine individualism is the work of God.**

It says in Ephesians 2:10 “For we are his workmanship ... .” It is the process whereby men are created in God’s image and likeness and given the blessing of a mind. Not only do we have the honor of being made to look like the two Jehovahs (God), we have the further honor of being able to think and to take action on this earth. Through the process of living this life we learn lessons, including hard ones, and we also have some triumphs of achievement. As social creatures, meant for an eternal life, God gave us family and friends to share life with. We have to learn the principles behind getting along with each other, including forgiveness. And in this physical life we are to use the resources of the earth to learn how to manage. And we are to grow in grace and knowledge – grace and knowledge being both literal and also symbolic of the moral and intellectual virtues. We are to learn who and what to value and to obtain the virtues and to bear fruit from using those virtues. Because all men sin, they need a savior. One has been provided. His name is Jesus Christ. In very

simple terms, one can become a Christian by following the process of Acts 2 and Hebrews 6:

"Then Peter said to them, Repent [of your personal sins and also change from the wrong package of values to God's Unity of Values] and be baptized, every one of you, in the name of Jesus Christ to [receive] remission of [your] sins, and you shall receive the gift of the Holy Spirit. For the promise is to you and to your children, and to all those afar off, as many as the Lord our God shall call." Acts 2:38, 39, MKJV

Repent of: 1) your personal sins and also  
2) take the positive step of changing your value system to God's Unity of (Life-affirming) Values

"Therefore, having left the discourse of the beginning of Christ, let us go on to full growth, not laying again the foundation of repentance from dead works [the wrong package of values and choices stemming from them], and of faith toward God, of the baptisms, of doctrine, and of laying on of hands, and of resurrection of the dead, and of eternal judgment." Hebrews 6:1, 2, MKJV

After we are forgiven for our sins and receive the Holy Spirit we are new creatures (creations). We no longer only have a human body and a mind; we also have some of the Holy Spirit of God. And now we walk in the newness of life (Romans 6:4). Similar to how an acorn grows to become an oak tree, a man who receives the Holy Spirit is now on their way to growing to become like Jesus Christ, which process is completed at the resurrection, as mentioned above. A potentially divine individual is on their way to ultimately receiving an incorruptible spirit body and eternal life – while retaining their personality, interests, sense of humor, and irreplaceable uniqueness. **All this is divine individualism – which is both a process and a result.** It is the gift of the two Jehovahs to mankind. It is the gift of an eternal life worth living because all who complete the process will be beings of good character. They will have the proper values and they will also have the moral and intellectual virtues. And to top it all off the two Jehovahs are going to create a wonderful new heavens and new earth as a great environment for these divine individuals to inhabit, where there will be no more tears or pain (Revelation 21:1-5). At that time, based on what we can know about it, the divine individualism process will have been completed.

Divine individualism → 1) a process and also  
2) a result

Divine individualism → an abundant eternal life

A future divine individual will have:

an abundant eternal life +  
their uniqueness as an individual +  
their personality +  
their sense of humor +  
their personal interests

"And I saw a new heaven and a new earth.  
For the first heaven and the first earth had  
passed away. And the sea no longer is. And I,  
John, saw the holy city, New Jerusalem, coming  
down from God out of Heaven, prepared as a  
bride adorned for her Husband. And I heard a  
great voice out of Heaven saying, Behold, the  
tabernacle of God is with men, and He will dwell  
with them, and they will be His people, and God  
Himself will be with them and be their God. And  
God will wipe away all tears from their eyes.  
And there will be no more death, nor mourning,  
nor crying out, nor will there be any more pain;  
for the first things passed away. And He sitting  
on the throne said, Behold, I make all things

new. And He said to me, Write, for these words are true and faithful." Revelation 21:1-5, MKJV

After baptism, Jesus Christ now dwells in a person through the power of the Holy Spirit:

"Therefore we were buried with Him by baptism into death, so that as Christ was raised up from the dead by the glory of the Father; even so we also should walk in newness of life." Romans 6:4, MKJV

"to whom God willed to make known what is the riches of the glory of this mystery among the Gentiles, which is Christ in you, the hope of glory." Colossians 1:27, NASB

"I can do all things through Christ who strengthens me." Philippians 4:13, NKJV

"Therefore we do not lose heart, but though our outer man is decaying, yet our inner man is being renewed day by day."  
2 Corinthians 4:16, NASB

"that He would grant you, according to the riches of His glory, to be strengthened with power through His Spirit in the inner man;" Ephesians 3:16, NASB

"And for this purpose also I labor, striving according to His power, which mightily works within me." Colossians 1:29, NASB

"He who believes in Me [Christ], as the Scripture said, 'From his innermost being shall flow rivers of living water.'" John 7:38, NASB

God the Father's will for you is that he wants to transform you, forming and shaping you into the image of His son, Jesus Christ, and he wants you to bear the fruit of the Holy Spirit in your life:

"For whom He foreknew, He also predestined to become conformed to the image of His Son, **that He might be the first-born among many brethren;** Romans 8:29, NASB

If divine individualism were properly understood, then each man and woman, of all races and ages, would be valued. This is because each individual is literally unique and irreplaceable. **Each of us should value our lives and also our potential.** We should love the two Jehovahs because they gave us life, provided a Savior, and provided for the process of divine individualism, which is available to us

all. We should love our fellow man because they, too, are all potentially divine individuals. They, too, are made in God's image. They, too, have hopes and dreams and family and friends that are important to them. To sacrifice a unique and irreplaceable human life on a nonsensical, metaphysical or secular collective (and their idiotic projects), is a waste of life and it runs counter to the intentions of the two Jehovahs. Who knows how many geniuses like a Mozart or an Einstein were assigned by a power elite of some kind to dig ditches or to peel potatoes in a soup kitchen? That this has happened and is happening is a dead loss to all mankind. It is criminal in every way that something could be criminal. It is stupid in every way that something could be stupid. If you author could think of harsher acceptable words, he would use them.

There are many problems plaguing mankind and they need to be solved. Unfortunately, the world's political, religious, and other systems, along with the grind of life, can make all of us feel, at times, almost sub-human, i.e., unworthy to even try. And this can be particularly true for women and minorities. None of this ought to be. Taking one problem, cancer, as a particular example reveals that cancer has negatively

touched, or will touch, the life of almost everyone in some way. Would it not be to the betterment of mankind if all of the minds were available to work on solving the problem, instead of only some of the minds? It leaves your author incredulous as to the Neanderthal thinking of the secular and religious power elite, many of whom will die of cancer, that they would, through one method or another, restrict the freedom or ability of any who would so choose to attempt to solve this horrible problem. Your author picked cancer as just one example. There are innumerable problems to be solved. To put it in contrived navy vernacular, it should be, "All minds on deck," – not just some of them. All men and all women and all races are made in the image and likeness of the two Jehovahs. And all of us should be free to think and take action to better our own lives and the lives of all mankind. As Philosopher Dr. Tibor Machan has observed, "... there is no such thing as coerced morally right conduct." In the event individuals are not free to think and take action, systems have been put into place that work against individuality AND against the two Jehovahs AND against life itself. Those systems are against the nature of man and against the two Jehovahs' process of divine individualism and they will come down someday (Revelation

19). No man should have to pay a ransom for his life to other men. The only ransom to be paid has already been paid - by Jesus Christ.

If we stop and think for a minute we can learn an important lesson. The lesson here is one of irony and stark contrast. The lesson is that instead of very valuable, unique, irreplaceable, individual men and women being sacrificed to other men forming some metaphysical or secular collective, aka man's way, God, in the person of the Word, now known as Jesus Christ, sacrificed himself for each of us. That this actually happened shows for all time the importance of the doctrine and process of divine individualism to the two Jehovahs. **It should also show the importance of divine individualism to every one of us.** Man in the Life Chart below should be understood to be each individual man and woman.

The two Jehovahs → value → man

The two Jehovahs → see → each individual man

Secular and religious collectives, many times, neither value nor regard individual men!

Pertaining to the respect the two Jehovahs have for each of us as individuals, your author has previously written a lengthy section, which can also be found in his book *Divine Individualism*. The chapter, from that book, is entitled "Each Person Is Unique."

The fact that each person's DNA, each person's fingerprints, and each person's retinas are distinguishable shows quite clearly, from a biological perspective, that we are all different. We have different voices, shapes, ages, talents, etc. And we each have our own individual body, i.e., we inhabit a separate physical place from everyone else. Each of us also has a personality type and a temperament. Some of our human behavior is evidently genetically pre-disposed, which is not to say that rational and intentional choice cannot override this genetic pre-disposition. At any rate, our genetics are different from everyone else, ergo we are unique. There can be no question regarding our **genetic uniqueness**.

Each person also has a unique cultural upbringing. This is true even for different siblings in the same family. The oldest child, the middle children, and the youngest child each have different experiences, even within the

same family. Further cultural upbringing variations include language differences, differences in religious training and beliefs, parental beliefs and training differences, formal and informal educational differences, race differences, national and governmental differences, neighborhood differences, travel and experience differences, economic differences, differences resulting from living during different time eras, etc. All of these cultural differences (**cultural differentiators**), listed above, compound onto our genetic differences making each of us even more unique.

As we go through life, human beings have the freedom to make choices. These choices are causative factors, which have consequences, and we are responsible for those consequences. We can think and we can take action. **Human choice** is a causative factor regarding shaping the world we live in, in particular, in shaping our own world (our own life). When presented with a choice, the same human being can choose one way this time and the opposite way at a later point in time. And, when presented with the same basic set of circumstances, different men and women can and do choose differently, despite being presented with the same choosing

alternatives. Human choice is a differentiating feature of human life. This is why there needs to be what is known as methodological dualism for the sciences. The natural sciences rely on the experimental method and the social sciences cannot properly use only such a method because to do so would involve human experimentation. Further, the social sciences have to account for human choice as a causative factor, which the natural sciences do not. Human beings are not particles in motion, moving according to natural scientific laws. As a scientist, to not recognize human choice, and its effects, is non-scientific – because human choice is reality and science should conform to reality. Science should provide men with results that are in accordance with reality. In addition to genetic uniqueness, compounded by cultural differentiators, human choice itself is a further compounding differentiator resulting in even more distinctly unique individuals.

genetic uniqueness X cultural differentiators X human choices over time = individuality

As a person lives out their time on this earth all of the above differences compound over time. Our tastes change over time. As we mature, and this takes time, what we value

changes as well. The bottom line result is that for everyone who has ever lived, and for everyone who ever will live, there is quite literally no one like you. There has never been anyone like you in the past. There is no one like you in the present. There will never be anyone like you in the future. You are unique. We all are. No theory can ever argue away reality and **any theory contrary to human uniqueness and individuality is wrong.**

Christ used the parable of the talents in his teaching. It is pretty clear that each of us is given different mental and physical gifts, which is to say different talents.

""For the kingdom of heaven is like a man traveling to a far country, who called his own servants and delivered his goods to them. "And to one he gave five talents, to another two, and to another one, to each according to his own ability; and immediately he went on a journey." Matthew 25:14, 15, NKJV

Some would argue that the talents referred to above are referring to spiritual gifts. Perhaps. But since both observation and thought clearly show that we are all unique it is quite likely that the different talents include

physical and mental talents, too. As for spiritual gifts, they are also clearly spoken of in the Bible. Two of the most prominent places are Romans 12 and 1 Corinthians 12.

"so it is with Christ's body. We are all parts of his one body, and each of us has different work to do. And since we are all one body in Christ, we belong to each other, and each of us needs all the others. **God has given each of us the ability to do certain things well**. So if God has given you the ability to prophesy, speak out when you have faith that God is speaking through you. If your gift is that of serving others, serve them well. If you are a teacher, do a good job of teaching. If your gift is to encourage others, do it! If you have money, share it generously. If God has given you leadership ability, take the responsibility seriously. And if you have a gift for showing kindness to others, do it gladly. Don't just pretend that you love others. Really love them. Hate what is wrong. Stand on the side of the good. Love each other with genuine affection, and take delight in honoring each other."

Romans 12:5-10, NLT

Take note of the highlighted passages above that show each of us, when participating in the

process of divine individualism, is given different spiritual gifts - enabling abilities - by the two Jehovahs. We have different jobs to do. Each of us needs **ALL** the others. And we need to recognize the unique and important value of each other person and to really honor and love them, not just pretend that we love them. We are all potentially divine individuals, unique and valuable, with different jobs to do. The two Jehovahs do NOT expect us to be the same.

**They know better.**

For those individuals with the Holy Spirit of God, the **spiritual gifts** received are additional differentiators that further compound our unique individual status. And when one understands the promised future resurrection and eternal life, that is to say, when one understands the promises inherent in divine individualism, it becomes clear just how valuable each human being is. We are all future divine individuals if we cooperate with the two Jehovahs in their incredible plan. What a divine individual could accomplish with an eternity of time and no more physical limitations is, at this time, beyond our comprehension.

All talents and spiritual gifts are from the two Jehovahs to individual men and women. They

are given to specific individuals, not to "society," or to a "state," or even to "the church" as a whole. Individuals associate together to form society. As man is a social animal, not just the thinking animal, individuals will choose to associate and cooperate in order to accomplish things and to enjoy each other's company. There is nothing about divine individualism that precludes voluntary association for mutual accomplishment and benefit. In fact, the above passages concerning spiritual gifts show individuals honoring and loving each other and using their talents and gifts in cooperation with each other.

The two Jehovahs determined and established objective ethical principles to live by. Life, the value of life, and the importance of the package of values – a unity of values – pertaining to life are key. Your author explained all of this above and so will not write more about it here. What your author will write about here is this very important point:

Within the context of remaining within objective ethical principles, each person is free to be their own unique selves - without guilt for being different. Of course you are different. We are all unique. You could not be the same as

someone else, even if you wanted to. It is quite literally, Homo sapiens sapiens – Your Name Here - future divine individual. We are to be conformed to the image and likeness of Jesus Christ, not to each other. There is a reason Baskin Robbins Ice Cream Shop has 31 flavors. Different individuals subjectively like and choose different things, and at different times. Our subjective choices are perfectly fine, within the context of staying inside the guidelines of objective ethical principles. And it should go without saying that our subjective choices can and should be guided by reason. There is no one else who can be you, so be yourself, with proper respect and consideration for others.

“For whom He foreknew, He also predestinated to be conformed to the image of His Son, for Him to be the First-born among many brothers.” Romans 8:29, MKJV

We are a son or daughter of God - not a creature of the State. We will answer for our own lives and to do that, at the human level, we must own ourselves and have the liberty to be ourselves. No collective can answer for our lives, in place of us. We cannot delegate any authority or responsibility to any collective, religious or secular, to do so.

Being your unique self\* = Not Guilty\*\*

\* properly constrained by remaining within  
God's objective ethical principles

\*\* not guilty of the "crime" of being an  
individual

The goal of the two Jehovahs is to complete their divine individualism process with as many individual men and women who will cooperate with them. Pertaining to God and man, at the completion of this process, there will be a new heaven and a new earth - a great new environment. And there will be resurrected (changed) divine individuals – now capable of living an abundant eternal life of fellowship with the two Jehovahs and the good angels, who remain.

## **Chapter Three**

### **Becoming A Moral, Reasonable, And Productive Person (The Personal Goal & Means)**

In the preceding chapter the general goal of an abundant and eternal life, in a great new environment, was disclosed. And the general goal has general means associated with it. For example, the creation of the universe and the specific creation of the earth to be inhabited are both general means. The future creation of a new heavens and new earth (Revelation 21) are a general means. The giving of the spirit in man to enable men to think is also a general means to that end. It is difficult to categorically separate the general goal, and the means associated with achieving that goal, and the specific personal means associated with creating one new unique divine individual. This is because the general means of the two Jehovahs creating man in their image and likeness, along with placing a spirit in man enabling mankind to think, and to therefore be different from the non-thinking animals, could be considered both a general means for mankind and a specific means for each of us personally. Further, the

divine rescue mission of Jesus Christ, which the Father and the Son used to create a bridge from death to life, for us, their characters, could also be considered both a general means and, as far as each individual is concerned, a specific means. And so on. In other words, your author is asking for some sympathy and authorial latitude as he attempts to explain both the general goal and the general means and, more importantly for each person reading this, the specific goal and the specific personal means. In an age of seemingly non-stop argumentation let's not miss the important points of what is really happening and why it is happening. And your author prays that you, dear reader, do not miss the chance to really understand the genius of the two Jehovahs and what they are trying to do for you personally. This chapter is largely about the specific personal means the two Jehovahs are using to help you become a moral, reasonable, and productive person – a unique future divine individual with eternal life (the personal goal for you). A future chapter will discuss the societal means to help foster healthy and happy human beings, i.e., the cultural means the two Jehovahs would like to see used.

The general goal → an abundant eternal life in a great new environment

Some general means to achieve that goal →  
creation of the universe  
creation of the earth to be inhabited  
men made in the image and likeness of God  
the giving of a spirit in man to allow thought  
the sacrifice of Jesus Christ to enable  
forgiveness of sins  
logic, mathematics, the sciences  
etc.

The personal goal → a future divine individual  
with eternal life; a unique being who is moral,  
reasonable, and productive

Before we get to how the two Jehovahs are  
using specific personal means to help create,  
over time, unique divine individuals, we need to  
understand a bit more about the two Jehovahs  
and what makes them great.

Many times, whenever a well-intentioned God apologist does not understand why an event happened, they seek solace by quoting a comforting scripture or two. One of the most frequent scriptures recited, by someone attempting to rationalize and make sense of something bad or unexpected that just happened, is found in Isaiah 55:8-9:

"For My thoughts are not your thoughts, nor your ways My ways, says the LORD. For as the heavens are higher than the earth, so are **My ways higher than your ways**, and **My thoughts [are higher] than your thoughts.**"  
Isaiah 55:8, 9, MKJV

And since the above scripture is true, God's thoughts are higher than any human's thoughts, it would seem an impossible task for a mere human being to actually be able to explain why this is so. In fact, it would almost take some kind of a "flaming nitwit" to even make the attempt. Fortunately for you, dear reader, said authorial flaming nitwit is on hand. Here goes.

Your author will use the Bible, and logic, and an important concept from ancient Greece in his attempt to explain why God's ways and thoughts are higher than ours. The ancient Greek

concept is known as "**the unity of virtues**," which will be explained below. Aristotle categorized certain virtues as "moral" and certain others as "intellectual" and that categorization seems helpful and so it will be used, at times, below. Since there is a unity of virtues, the categorization is technically, perhaps, not necessary. However, human beings like to categorize; therefore, this is the easiest way for your author to provide the necessary explanation for God's ways and thoughts being higher than ours. Further, your author will use a great deal of previously written information from his book, *Divine Individualism*, particularly the chapters of the book entitled, "The Moral And Intellectual Virtues" and "The Need For Space To Grow." Please do not be discouraged when reading about how great the two Jehovahs are, while realizing how little each of us is, because they have provided a way for us to grow to become like them. In other words, please keep reading to the end of the chapter, because it ends well for man.

The fact that the two Jehovahs loved us first and God the Father sent the Word (Jesus Christ, John 1:1-14) on a divine rescue mission (John 3:16-17) is the starting point, not the ending point. Just as it can be said that when we arrive

at our destination we have reached **the end** of our journey, so the word “end” in the below scripture means to be like Christ.

“For Christ is the end of the law for righteousness for everyone who believes.”  
Romans 10:4, MKJV

In this verse the word “law” can also be translated as principle and throughout the Bible the word “Torah” (law) means instruction (Deuteronomy 4:44 as one example). We are to be instructed to be like Christ, who is righteous, or virtuous. The 1851 Murdock New Testament translation has it more clearly stated:

“For Messiah is the aim of the law, for righteousness, unto every one that believeth in him. For Moses describeth the righteousness, which is by the law [instruction], thus: Whoever shall do these things, shall live by them.”  
Romans 10:4-5, Murdock New Testament

The goal = to become righteous (virtuous) like Christ

Law = instruction

Law can mean principles to apply in living life

When each of us starts the process of divine individualism by repenting of our sins, getting baptized, **and receiving the Holy Spirit** (Acts 2:28, Hebrews 6:1-2), our sins are forgiven and we get a fresh start. But we are to grow from there. We are to grow to become like Christ. As a side bar note: perhaps confession of sins and admission of guilt is to also clear the deck emotionally and mentally for each of us (in addition to spiritually) so that we are no longer held back or beset by either guilt or shame.

Repentance → forgiveness = reconciliation

Forgiveness > guilt

Forgiveness > shame

"My brothers, I do not count myself to have taken possession, but one thing I do, forgetting the things behind and reaching forward to the things before," Philippians 3:13, MKJV

Repentance = a fresh start

Forget the past + aim for a better future

“And this until we all come into the unity of the faith and of the knowledge of the Son of God, to a full-grown man, to the measure of the stature of the fullness of Christ;”  
Ephesians 4:13, MKJV

“But **grow in grace and in knowledge** of our Lord and Savior Jesus Christ. To Him be the glory, both now and to the day of eternity.  
Amen.” 2 Peter 3:18, MKJV

The process of becoming like Christ involves growing **in grace** and **knowledge**. Grace encompasses the moral virtues and knowledge encompasses the intellectual virtues.

Grace → represents the moral virtues

Knowledge → represents the intellectual virtues

“Finally, my brothers, whatever things are true, whatever things are honest, whatever things are right, whatever things are pure, whatever things are lovely, whatever things are of good report; **if there is any virtue** and if there is any praise, **think on these things.**”  
Philippians 4:8, MKJV

Think → about the virtues

It is very easy to read over some very important things mentioned in the Bible because the Bible is a complex and living book written by the two supreme minds in the universe. "If there is any virtue ... think on these things," is a lifetime of work for all of us. Grace is shorthand for the moral virtues and knowledge is shorthand for the intellectual virtues. In addition to grace, love also could be representative of the moral virtues (1 Corinthians 13:1-13).

Love also represents → the moral virtues

"Let love be your highest goal, but also desire the special abilities the Spirit gives ..."  
I Corinthians 14:1 NLT

As an inset, in case the reader is unaware of whose spirit they receive upon the start of their divine individualism process, please allow your author to clarify that it is BOTH the spirit of the Father and the spirit of the Son, Jesus Christ. The below scriptures from 1 John 4:9-13 and Romans 8:11 show that the spirit of the Father dwells in us:

“In this the love of God [the Father] was revealed in us, because God sent His only begotten Son [Jesus Christ] into the world that we might live through Him. In this is love, not that we loved God, but that He loved us and sent His Son to be the propitiation concerning our sins. Beloved, if God so loved us, we ought also to love one another. No one has seen God at any time. If we love one another, **God [the Father] dwells in us**, and His love is perfected in us. By this we know that we dwell in Him, and He in us, **because He has given us of His Spirit.**” 1 John 4:9-13, MKJV

“But if the Spirit of the One [the Father] who raised up Jesus from the dead dwells in you, the One who raised up Christ from the dead shall also make **your mortal bodies** alive by His Spirit [the Father’s spirit] who dwells in you.” Romans 8:11, MKJV

There are many places where the Bible details that the spirit of the Son also dwells in us. Below are quoted a few such places in order to prove the point:

“For to them God would make known what are the riches of the glory of this mystery among the nations, **which is Christ in you**, the

hope of glory, whom we preach, warning every man and teaching every man in all wisdom, so that we may present every man perfect in Christ Jesus." Colossians 1:27, 28, MKJV

"I have been crucified with Christ, and I live; yet no longer I, **but Christ lives in me.** And that life I now live in the flesh, I live by faith toward the Son of God, who loved me and gave Himself on my behalf." Galatians 2:20, MKJV

And so, as new potentially divine individuals, we have the extra help of some portion of the Holy Spirit, the power and nature, of both the Father and the Son. We receive that extra help in order to help us grow in the virtues (in grace and love – representative of the moral virtues and knowledge – representative of the intellectual virtues). And now, in addition to the spirit in man that enables consciousness and thought (Job 32:8, 1 Corinthians 2:11, and other places), we also have the help of the Holy Spirit of both the Father and the Son.

Special means: Christians receive the help of the Holy Spirit → a big step → divine individualism

The Holy Spirit = the Spirit of the Father + the Spirit of the Son, Jesus Christ

The Holy Spirit = the nature + power of God

Repentance includes → a changed package of values → changed decisions → better results

A changed package of values + The Holy Spirit = a better, more virtuous thought process

Once we start on the divine individualism process we must change what and how we value, which was the subject of the previous chapter. As we do this, the things that are important to us will change. We will literally think differently. Once we think differently we will choose differently. And our new and improved choices will result in better consequences. We will get better results. Our lives and the lives we come in contact with will be improved. Once we change our value system the next step is to become like Jesus Christ and since Jesus Christ has ALL of the moral and intellectual virtues we should seek to obtain them as well. The below passage from 2 Peter speaks directly to an incredible number of very important concepts, including all of this:

"Grace and **peace** be multiplied to you through the knowledge of God [the Father] and of Jesus our Lord, according as His divine power [the Holy Spirit] has given to us all things that pertain to life and godliness, through the knowledge of Him **who has called us to glory and virtue**, through which He has given to us exceedingly great and precious promises, so that by these **you might be partakers of the divine nature**, having escaped the corruption that is in the world through lust. But also in this very thing, bringing in all diligence, filling out your faith with virtue, and with virtue, knowledge; and knowledge with self-control, and with self-control, patience, and with patience; godliness, and with godliness, brotherly kindness, and with brotherly kindness, love. For if these things are in you and abound, you shall not be idle nor unfruitful in the knowledge of our Lord Jesus Christ. But he in whom these things are not present is blind and cannot see afar off and has forgotten that he was purged from his sins in times past. Therefore, brothers, rather be diligent to make your calling and election sure, for if you do these things, you shall never fall. For so an entrance shall be ministered to you abundantly into the everlasting kingdom of our Lord and Savior Jesus Christ." 2 Peter 1:2-11, MKJV

One of the first things the above passage mentions is grace, representing the moral virtues. Then it mentions peace. As will be taught in the next chapter, there is no social theory of violence and peace is necessary for flourishing life. The opposite of peace leads to death, slavery, and destruction. Peace is part of the value package that comes with choosing life as the ultimate value (Deuteronomy 30:19). A short while later the passage mentions: "according as His divine power has given to us **all things that pertain to life** and **godliness**." God's divine power gives us things that pertain to life because life is the ultimate value. Only the living can value. Death is the enemy - the end. Peace is part of the "all things that pertain to life." Life is more worth living if one is a virtuous person, or perhaps better said, actively involved in the process of becoming virtuous. All of us have a lifetime of work to do and will be ultimately healed of where we fall short (our flaws) at the resurrection. At any rate, it takes possessing and using the virtues to have a flourishing life.

This is why "godliness" is mentioned next. Godliness means having the moral and intellectual virtues because the two Jehovahs

have all the virtues. The two Jehovahs are perfect and we are to become like them.  
“Therefore be perfect, even as your Father in Heaven is perfect.” (Matthew 5:48, MKJV)

The next key concepts your author would like to focus on, from the above passage, mention being called to glory and being called to virtue – to partaking of the divine nature. We are all unique individuals and are being called to go through a process where we work toward becoming like Jesus Christ – whose divine nature possesses and uses all of the moral and intellectual virtues. This is a principle reason why your author wrote a previous book entitled *Divine Individualism*. We are to participate with the two Jehovahs in the process of divine individualism so that we can become like them - **ultimately having the divine nature.**

The next highlighted concept from the above passage is that it is not enough to have only faith. We are to fill out our faith by obtaining virtue.

The passage then lists some, (not all), of the virtues as examples of the virtues we should strive to obtain and use. Some of the virtues listed in this passage are: knowledge, self-

control, patience, godliness, brotherly kindness, and love.

And then the passage continues with a few additional important concepts. One point is that if you have the virtues then you won't be idle, as it takes a lot of hard and thoughtful work and practice to obtain and use the virtues. Another is that if you have the virtues you will not be unfruitful, so the concept of possessing and using the virtues is tied to bearing fruit. Then the above passage contains a warning, which is that if you are not in the process of obtaining and using the virtues you are blind (intellectually) and cannot see far off (a short-term thinker). And then the Bible mentions that if you are obtaining and using the virtues you will never fall. The New Living Translation has verse 11 interestingly worded:

"And God will open wide the gates of heaven for you to enter into the eternal Kingdom of our Lord and Savior Jesus Christ."

2 Peter 1:11, NLT

Fruit = possessing and using the virtues

There is an incredible amount of information pertaining to life, values, virtues, and fruit in just this one passage of scripture from 2 Peter.

Merriam-Webster's Collegiate Dictionary defines virtue in the following ways (emphasis theirs, not all of their definition is included below – only what your author felt was relevant to the subject at hand):

- “1a conformity to a standard of right: MORALITY
- 1b a particular moral excellence
- 3 a beneficial quality or power of a thing
- 5 a commendable quality or trait: MERIT
- 6 a capacity to act: POTENCY
- 7 chastity ... “

The ancient Greeks are known for the concept called “**unity of virtues**,” - in particular Aristotle and the Stoics, amongst others. Unity of virtues means that the virtues mutually adjust and determine each other. For example, love can and should be adjusted and determined by wisdom and patience in order for all to be brought into balance. Once they were all mutually determined and brought into balance then a wise, loving decision, could be made at the right time. Kindness and understanding might further adjust love, wisdom, and patience

so that the decision could be kindly communicated and also explained in an understandable way. If any one of the moral or intellectual virtues listed above were missing the result would not be as good – or even be bad. Something would be lacking in the decision itself, or the motive, or the timing, or the relationship with the one being communicated to would be unnecessarily injured, etc. This is the concept of unity of virtues in action.

Unity of virtues can also be held to mean that without possessing ALL of the virtues one does not really possess even the virtues one has. This is because those virtues that are missing are not available to help adjust and determine those virtues one does possess. Hence, one is not yet virtuous (at least not fully). This is a much harder take on the subject, which your author will attempt to illustrate with a short analogy. A car has numerous key constituent components. If any one of the key constituent components were missing, one might say you almost have a car, but not quite. For example if an almost-car was missing an engine most everyone would say you don't have a car. The same thing would hold for some of the other key constituent components, for example, a steering wheel, four tires, a

transmission, a body, a windshield, brakes, etc. If we were driving a car down a steep and potentially treacherous mountain road we would need to control our speed on the descent. If we went to step on the brakes, in order to control our speed, and the brakes did not function we could be badly hurt, or even killed. The unity of virtue doctrine would say that without self-control you don't have and possess the virtues, hence you are not yet a virtuous person. In our car analogy, without brakes we could be hurt or killed. In the hardcore unity of virtue definition of "virtuous," without self-control we are not virtuous because without self-control being present to help mutually determine and adjust the other virtues something gravely deficient is lacking and hence we are not yet virtuous. Balance and moderation are important keys to being virtuous. Without self-control you clearly don't have balance and moderation. The virtues balance, moderate, and help to determine each other. We have to have something in order to use it, and all of the virtues are needed from time to time, hence the unity of virtues concept.

For human beings, this hard-core take on the unity of virtues can be discouraging because we are all lacking in certain things. We have to keep in mind that obtaining and using the

virtues is a lifelong process and it takes time. Fortunately, the two Jehovahs know all this and allow us the time and moral space (freedom) to grow. They are perfect, which means they possess and use all of the intellectual and moral virtues. **Because the two Jehovahs have all of the virtues and because they know and understand the context of any situation, their judgments are perfect and they are perfect:**

"As for God, His way is perfect. The word of the LORD is tried. He is a shield to all those who seek refuge in Him."

2 Samuel 22:31, MKJV

"As for God, His way is perfect; the word of the LORD is tried; He is a shield to all those who trust in Him." Psalms 18:30, MKJV

"He is the Rock; His work is perfect. For all His ways are just, a God of faithfulness, and without evil; just and upright is He."

Deuteronomy 32:4, MKJV

"And yet if I do judge, My judgment is true; for I am not alone, but I and the Father who sent Me." John 8:16, MKJV

**"Therefore you are to be perfect, as your heavenly Father is perfect."**  
Matthew 5:48, NASB

The word "perfect" in Matthew 5:48 means "having reached its end" – which is the idea behind the Romans 10:4 verse quoted near the beginning of this chapter. We are to have the right values and grow in the virtues so as to become like Jesus Christ. Then we will make the right decisions and take the right actions at the right time and we will get good results, too.

The Bible reveals the two Jehovahs expect us to bear fruit. And, as previously mentioned, the passage from 2 Peter 1:2-11 linked bearing fruit with having the virtues. The passage did so in a negative way by implying that if we lack the virtues we will be unfruitful (verse 8). There are numerous other scriptures regarding bearing fruit and your author will quote a few of them below:

**"I am the true vine, and my Father is the gardener. He cuts off every branch that doesn't produce fruit, and he prunes the branches that do bear fruit so they will produce even more. You have already been pruned for greater fruitfulness by the message I have given you.**

Remain in me, and I will remain in you. For a branch cannot produce fruit if it is severed from the vine, and you cannot be fruitful apart from me.' 'Yes, I am the vine; you are the branches. Those who remain in me, and I in them, will produce much fruit. For apart from me you can do nothing.'" John 15:1-5, NLT

"But **the fruit of the Spirit is:** love, joy, peace, long-suffering, kindness, goodness, faith, meekness, self-control; against such things there is no law." Galatians 5:22, 23, MKJV

It should be noted that the Galatians 5 passage, above, is probably the most widely quoted passage on what the fruit of the Spirit is. However, it is not a complete list. To find other virtues (fruit), not mentioned therein, one has to look throughout the rest of the Bible. For example, most of the above virtues would be considered moral virtues. We must look elsewhere to find the also important intellectual virtues, which are also fruit of the Spirit. And some virtues are difficult to categorize as being either moral, or intellectual because they have aspects of each. For example, faith is certainly a relational, moral virtue, but it also has intellectual aspects to it because you have to know who to have faith in, i.e., the two

Jehovahs. Furthermore, justice has moral and relational aspects to it, but one must have the intellectual virtues to understand what would be just, etc. Because of the unity of virtues concept, as exemplified in the person of the two Jehovahs, it is not necessary, in reality, to categorize the virtues as being moral, intellectual, or both. The reader can study the Bible and other reading sources to learn more about the virtues and how to obtain and use them. And that is a lifetime of work for all of us, your author certainly included.

Not trying to be complete, but simply for ease of reference for the reader, your author will provide one paragraph below on the moral virtues and one on the intellectual virtues. They are mainly taken from your author's previous book, *Divine Individualism*, and are located on page 117 and 118 of that book. Again, this is not an attempt to provide a complete list of the virtues – for example, the reader should also remember the Galatians 5:22-23 scripture quoted above.

Some of the other **moral virtues** are courage, liberality, temperance (the middle ground with regard to bodily pleasures), proper pride, truthfulness, being friendly, modesty,

righteous indignation, generosity, good temper, justice, fairness, discipline, affection, etc.

The **intellectual virtues** are things that guide us in our actions and in the comprehension of the truth. ... Some of the intellectual virtues are intelligence, prudence (practical reason), knowledge, good judgment, intuitive reason, wisdom, understanding, justice, etc.

Below are several passages of scripture touching on some of intellectual virtues, e.g., wisdom, justice, judgment, understanding, and knowledge:

"For the LORD gives wisdom; out of His mouth come knowledge and understanding."  
Proverbs 2:6, MKJV

"The proverbs of Solomon the son of David, king of Israel; to know wisdom and instruction; to recognize the words of understanding; to receive the instruction of wisdom, justice, and judgment, and uprightness;"  
Proverbs 1:1-3, MKJV

“But if any of you lacks wisdom, let him ask of God, who gives to all liberally and with no reproach, and it shall be given to him.”  
James 1:5, MKJV

**“For let this mind be in you which was also in Christ Jesus,”** Philippians 2:5, MKJV

The Proverbs 1:1-3 passage mentions justice and judgment, both of which could be categorized as intellectual virtues, and also uprightness. Without understanding the context of a situation, which requires knowledge of the facts and logic and understanding, e.g., of cause and effect, it is not possible to give a correct judgment. And it also takes wisdom to render a correct judgment, so even if one understood the context of the situation perfectly, but lacked wisdom to know what to do, the judgment would not likely be correct. Without a correct judgment you will not have justice. And without justice you will set the stage for the next fight or war. Further, without the intellectual virtues, how will one know what is the standard of right in the first place – in order to be able to behave morally, i.e., to engage in upright behavior? There is a unity of virtues and the two Jehovahs have all of them. And that is why their judgments are correct. They have the right

motives (e.g., love and peace), the right understanding of the context of the situation, the patience to render judgment at just the right time, the wisdom to decide correctly, and the character and power to act, as appropriate, to get the correct result. And we are to become like them, hence the need for obtaining and using all of the virtues. The point-blank statement, contained in Philippians 2:5, to "let this mind be in you which also was in Jesus Christ," should forever establish the point that obtaining the intellectual virtues is important. It is clearly NOT just speaking about having the love of Christ. Christ reprimanded the Pharisees who thought they were so correct as follows:

"Woe to you, scribes and Pharisees, hypocrites! For you pay tithes of mint and dill and cummin, and you have left undone the weightier matters of the Law (principles), judgment, mercy, and faith. You ought to have done these and not to leave the other undone." Matthew 23:23, MKJV

At a minimum, judgment is an intellectual virtue. At a minimum, mercy is a moral virtue. Faith could be said to be both an intellectual virtue, because one believes something correct intellectually, e.g., recognizes the two Jehovahs

as God and the Bible as their word; and faith could also be said to be a moral virtue, in that we are a positive person who believes in the two Jehovahs and will not give up – even to the end. In reality, there is a unity of virtues. They act together to mutually determine and adjust (balance) each other. And, in final reality, there is unity of virtues in the person of the two Jehovahs – who we are to become like.

Psychology studies the human mind and behavior. And psychology has come to learn that thinking tends to be practical and directed to some form of problem solving. When we engage in thinking we are trying to understand a situation more clearly so we can make decisions that will make things better. Psychology has come to understand that thinking is sort of a built-in self-improvement program. Perhaps the two Jehovahs designed the human mind just this way. At any rate, thinking and the intellectual virtues are very important.

We should purpose to become moral and we should use reason to learn how. Purpose is what drives us to take moral action. Reason provides us the means to take moral action. In essence, we can think and we can take action; and if what we think about is moral and we then take

the action that is moral we will have purposed and done correctly. And, over time, we will then possess more of the moral and intellectual virtues.

It is a mistake to attempt to define something (or someone) by emphasizing only one of an entity's constituent parts, or over-emphasizing a particular constituent part. A constituent part could be said to be a distinguishable but inseparable aspect of an entity. Many people, if pressed, would probably identify the engine as the most important part of a car. Perhaps others would identify the body, or the tires. No one your author knows would attempt to actually define a car by only one of its constituent parts. This is because the constituent parts, together, form what is known as a car. If you take away a key constituent part of a car, e.g., the engine, you no longer have a car. You have an almost-car. The car is not an engine. The car has an engine, or it is not a car.

Some well intentioned, but factually incorrect, Christians attempt to define God as love. This is intellectually tantamount to saying, "The car is an engine." The reason some Christians say, "God is love," is because God is

clearly motivated by love and the Bible actually says that God is love.

"The one who does not love has not known God. For God is love." 1 John 4:8, MKJV

Further, the Bible implies that love is the most important thing.

"There are three things that will endure - faith, hope, and love - and the greatest of these is love." 1 Corinthians 13:13, NLT

When the Bible says that three things will endure it is not a complete list. Wisdom will surely endure. Many good things will endure. And when the Bible, on the surface, seems to define God as love, we have to be careful and to think – to use wisdom to gain understanding. For example, the Bible makes many "God is" statements, amongst which are the following:

"for also, "Our God is a consuming fire.""  
Hebrews 12:29, MKJV

Is love "a consuming fire"? Clearly it is not - at least in the sense it is commonly used. Tough love, maybe.

"He who has received His testimony has set his seal to this, that God is true."  
John 3:33, MKJV

"And this is the message which we have heard from Him and declare to you, that God is light, and in Him is no darkness at all."  
1 John 1:5, MKJV

The truth is that God is love. He is also wisdom. He is also mercy. He is also faithful. He is also patient. He is also a consuming fire to his enemies. God cannot be defined by only one constituent part of who and what he is. God is all in all. The below scripture helps to make your author's point:

"that the God of our Lord Jesus Christ, the Father of glory, may give to you the spirit of wisdom and revelation in the knowledge of Him, the eyes of your understanding being enlightened [all intellectual virtues], that you may know what is the hope of His calling, and what is the riches of the glory of His inheritance in the saints, and what is the surpassing greatness of His power toward us [divine individualism throughout], the ones believing according to the working of His mighty strength which He worked in Christ in raising Him from

the dead, and He seated Him at His right hand in the heavenlies, far above all principality and authority and power and dominion, and every name being named, not only in this world, but also in the coming age. And He has put all things under His feet and gave Him to be Head over all things to the church, which is His body, the fullness of Him who fills all in all."

Ephesians 1:17-23, MKJV

There is a unity of virtues. The unity of virtues, in their fullest sense, resides in the persons of the two Jehovahs, who we are to cooperate with in becoming like them, which is to say, perfect. Perhaps it would make more sense to say, "God is love, but he is not only love." He is every other virtue, too. He fills all in all.

As an example of where virtues can mutually determine and adjust each other, or perhaps override each other – depending on circumstances, let us consider the destruction of the flood in Noah's time (Genesis 6:6-7 and Genesis 7). Allowing your author a little literary license, what likely happened was something along the lines that, in wisdom, judgment and justice took over from patience and love. In essence, judgment and justice told love and patience to stand down and get in the back seat

as they were going to drive for a while. And then there was the flood.

Most of us are smart enough to know not to give money to a beggar on a street corner if we surmise that the beggar is in their present state because of a drug or alcohol addiction problem. We may love the beggar as a human being in current despair, but we are wise enough not to give them money. This is an example of love and wisdom mutually adjusting each other. Wisdom would dictate to not give that person money. Perhaps we might give the beggar a sandwich or a blanket, but not money because they would likely use the money to buy more of whatever was poisoning their body and person. If the virtue "wisdom" was not present to adjust the virtue "love" a bad result could occur - despite good intentions.

Aristotle, as much as any other, popularized what he called "**The Golden Mean.**" The Wikipedia entry, partially quoted, has the explanation of the golden mean as follows:

"In philosophy, especially that of Aristotle, the golden mean is the desirable middle between two extremes, one of excess and the other of deficiency. For example, in the

Aristotelian view, courage is a virtue, but if taken to excess would manifest as recklessness, and, in deficiency, cowardice."

The concept of "**the golden mean**" helps explain and give a guideline as to how to adjust within a virtue (the range and extent of that virtue). And the reader can and should think through the various virtues and meditate on what is deficient, what is balanced, and what is excess.

The golden mean → adjusts within a virtue (the range and extent of that virtue)

The concept of "**the unity of virtues**" helps give a guideline as to how to adjust and determine between multiple virtues so as to express virtue and bear fruit in a life situation.

The unity of virtues → adjusts and determines between different virtues

And one must always remember to take into consideration **the context of the situation**, as best one can, before making the best possible (most virtuous) decision one can at that moment in time. A person who practices the golden mean could be said to be a temperate

person. It is a lifetime of work and none of us does it perfectly except for the two Jehovahs.

Paul Rosenberg's Vera Verba Publishing published an excellent book entitled, *Aristotle In English: The Nicomachean Ethics, A paraphrase Edition*, by Manuel Nunez. Quoting this paraphrase below [emphasis mine]:

"How do prudent people determine the best course of action in any given situation? Simply by always having the goal of well-being in mind. With this goal to guide them, they tend to make the right decisions and take the time to deliberate their actions in light of the available facts."

"... virtue is that state of character that makes a man good and makes him do his work well." ... "Virtue is the state of character concerned with a person's choice. It is exercised in moderation, and is determined by a rational principle."

"... A virtuous person wishes to live with himself, and he does so with pleasure, since the memories of his past acts are delightful and his hopes for the future are good, and therefore pleasant. His mind is well stocked with subjects

of contemplation. And he is happy and sad with himself more than anyone else."

The goal of well-being → serves as a guide to one's best course of action

Long-term well-being = an abundant eternal life

A virtuous person → as happy as possible now

A virtuous person → their hopes for the future are good

Their future → an abundant eternal life

Christ came to teach us that life, and all that comes with it, is the most important value and to cooperate with the two Jehovahs to obtain the moral and intellectual virtues. This is so that the life we have would not just be an existence, but ultimately also an abundant life.

"The thief does not come except to steal and to kill and to destroy [This is a reference to Satan as a murderer and a liar, John 8:44]. I have come so that they might have life, and that they might have it more abundantly."

John 10:10, MKJV

Each of us is with ourselves wherever we go and whatever we do. A large part of the answer to the question "How should I live?" is to live virtuously. To live virtuously benefits us now and it will also benefit us eternally.

"For bodily exercise profits a little, but godliness [living virtuously] is profitable to all things, having promise of the present life, and of that which is to come." 1 Timothy 4:8, MKJV

By becoming a better person, the whole world is improved. Many people bemoan the state of the world and would like to change it. In actuality, however, the only sure way any one of us can change the world for the better is to become a better person ourselves. Other people's decisions and behavior are not under our control. There is good news in this and bad news in this. The good news in this is that changing ourselves is under our control because the two Jehovahs have given us the freedom to choose. The bad news in this is that it is a lifetime of thoughtful and disciplined and sometimes hard work. However, the character change inside us from learning to value correctly and from obtaining and using the virtues is a permanent beneficial change. As we participate in the divine individualism process, God's Holy

Spirit helps us to make changes in our lives, for the better. In due time, we shall be rewarded for our efforts to bear fruit (exhibit the virtues).

Learning to value correctly + obtaining and using the virtues = a permanent beneficial character change (which happens over time)

“Do not be deceived, God is not mocked. For whatever a man sows, that he also will reap.”  
Galatians 6:7, MKJV

“For the Son of man shall come in the glory of His Father with His angels, and then He shall reward each one according to his works.”  
Matthew 16:27, MKJV

“For this cause we do not faint; but though our outward man perishes, yet the inward man is being renewed day by day. For the lightness of our present affliction works out for us a far more excellent eternal weight of glory, we not considering the things which are seen, but at the things which are not seen; for the things which are seen are not lasting, but the things which are not seen are everlasting.”  
2 Corinthians 4:16-18, MKJV

"And all of us have had that veil removed so that we can be mirrors that brightly reflect the glory of the Lord. And as the Spirit of the Lord works within us, we become more and more like him and reflect his glory even more."

2 Corinthians 3:18, NLT

"But you, O man of God, flee these things [in this case the love of money, but it could be any wrong thing] and follow after righteousness, godliness, faith, love, patience, and meekness."

1 Timothy 6:11, MKJV

**The Life Chart Executive Summary** of why God's ways and thoughts are higher than our ways and thoughts is because of the following: 1) the two Jehovahs have all of the moral virtues; 2) the two Jehovahs have all of the intellectual virtues; 3) the two Jehovahs actually know the real context of any situation; and 4) the two Jehovahs have, for all time, chosen the correct package of values that pertain to life, i.e., they have the correct unity of values. It turns out that one of the things on the unity of values list is – the virtues. Taking into consideration all of the above, the two Jehovahs' unity of virtues in their personhood, mutually adjust and determine each decision they make so that it is right (correct) and just.

This is why their ways and thoughts are higher than our ways and thoughts. And this is why, at the present time, the two Jehovahs are the only two beings in the universe that can be completely trusted.

Your author hopes the above was helpful, at least in providing a direction to think in, pertaining to the greatness of the two Jehovahs. There is no doubt that one of the more important items on the unity of values list is "the virtues" - both the moral and the intellectual. And the concept of the unity of virtues helps one to understand why this is so. And so this concludes this portion of your author's flaming nitwit intellectual bombing run.

... Not knowing when to leave well enough alone, however, your author will continue his flaming nitwit intellectual bombing run below. And this time it will be an attempt to help you, dear reader, understand the answers to some of the most perplexing and important questions we all have about ourselves – and this despite not actually knowing you as a person. Once again, here goes.

"Who am I really as a person?" "Where should I go?" "What should I do?" These three

life-defining questions perplex us all. Sometimes they plague us. You would think they would be pretty easy for each of us to answer. After all, it is our life and if anyone should know what the answers are, pertaining to our own life, it is each of us for ourselves. Unfortunately, many of us live years struggling to find the answer to even one or two of the above questions – much less all three. And some human beings never find the answers at all – not to even one of the above questions. And this is tragic, in a sense. Many people end up NOT knowing the answers to the above three questions, but do end up knowing what they do not want instead. Knowing what we do NOT want is not remotely the same as knowing what it is that we actually do want. Hence, there is a problem that, it turns out, is part of the human condition for all of us. And so, without further ado, please allow your author, who has never met most of you and who certainly does not know you personally, to continue his flaming nitwit intellectual bombing run and to help you understand what it is that you really, down deep inside, want out of life.

First, when you walk into a room, you want to be recognized and considered by others to be one of “the good guys.” **You want to be good**

**and to be considered good by others.**

Others cannot consider you as "good" if you do "the bad." And you cannot consider yourself as good if you do the bad. In other words, if you want to be considered to be one of the good guys you must do the good – **you must practice and exhibit the moral virtues.**

(Please note the tie-in to the two Jehovahs and their character and also the tie-in to the unity of values necessary for an abundant life.) And, we should look to obtain virtuous, good friends to enjoy life with. Obtaining virtuous friends to enjoy life with could be said to satisfy a need in human beings for a community of emotion. And it is better for you if the community of emotion is a positive community of emotion, versus a negative community of emotion, which would occur if you spent your time with the wrong kind of people. If we were going to summarize this paragraph and the concepts in it with only one word, that word would be **moral**. You want to be a moral person – one of the good. Becoming moral can be thought of as an instrumental means to the good life and also as constitutive of what it means to have the good life.

Second, when you are with others and you speak, you would like to be recognized as being intelligent – that your contribution to the

conversation is worth hearing. And when you are thinking by yourself, you want to think clearly and come to good conclusions and decisions. You would like your thoughts and words to be considered as intelligent or rational, i.e., as reasoned –according to reason. And your interactions with others are considered reasonable because your interactions are reasoned and balanced. **You want to be reasonable and balanced and to be considered as reasonable by others.** And you cannot be considered as such unless you practice and exhibit the intellectual virtues. If we were going to summarize this paragraph and the concepts in it with only one word, that word would be **reasonable**. You want to be a reasonable and balanced person – one of the rational and intelligent. (Please note the tie-in to the two Jehovahs and their possession of the intellectual virtues.) And, of course, we should also look to build reasonable friends into our lives. Becoming reasonable can be thought of as an instrumental means to the good life and also as constitutive of what it means to have the good life.

Third, when you are answering the question, "What do you do for a living?" or, "How do you spend your time?" you would like to be able to

answer that you do something that others consider as productive and useful. Further, you would like to be productive yourself – at doing something you actually enjoy, which also makes the world a better place. **You want to be productive and considered productive by others** and you want to be productive at something you enjoy doing and are good at. Aristotle, in so many words, characterized life as an activity and noted that each person is active doing those things, and with those abilities that he loves the most. We like doing things we are good at, or are practicing to be good at, as doing those things tends to give us pleasure. In other words, it could be said that **happiness is productive and pleasurable activity**. And further, that our actions in performing said productive and pleasurable activities should be virtuous (conform to both the moral and the rational). Happiness is not just a feeling or a general disposition. And all of the above requires effort, conscious effort, guided by practical reason (prudence) (applied wisdom). **Happiness** can thus be regarded as productive and pleasurable activity, in accordance with virtue, guided by practical reason. It turns out that there is **a unity of what makes for happiness**, too. And for a life to be abundant, it needs to be happy – especially if we are

ultimately going to live for all eternity. If we were going to summarize this paragraph and the concepts in it with only one word, that word would be **productive**. Becoming productive can be thought of as an instrumental means to the good life and also as constitutive of what it means to have the good life.

In the above paragraph, however, because your author needed to use pleasurable activity, in conjunction with productive activity, your author needed to explain happiness. Ergo, a better, larger summary would be as follows: **happiness** can be considered as productive and pleasurable activity, conforming to the moral virtues and guided by the intellectual virtues.

Productive happiness = a unity

The unity of productive happiness = productive activity + pleasurable activity BUT

the productive and pleasurable activity is:

- constrained by requiring the activity to be in conformity with the moral virtues +
- is further constrained by requiring the activity to be guided by the intellectual virtues

The moral virtues + the intellectual virtues + whether something is productive versus parasitical + whether something helps or hurts relationships ... can be considered as → **decision filters** → for man (if a contemplated deed is not moral, then stop; if a contemplated deed is not reasonable, then stop; if a contemplated deed is parasitical, then stop; and if a contemplated deed is relationship-hurting versus relationship-enhancing, then stop)

Happiness can be more than the above, of course, when one considers the possibility of relationships with the two Jehovahs and moral, reasonable, and productive others. There is a need for quality others to share life with and those quality others can provide a positive **community of emotion** contributing to an abundant life. The above is concerned with the concept "productive" and so required an explanation concerning "productive happiness."

In other words, you can become **genuinely happy** by becoming **a moral, reasonable, and productive person** and to have intelligent others consider you so, as well. In particular, it would be great to have the two supreme minds in the universe, the two Jehovahs, consider us

as moral, reasonable, and productive. Further, we are with ourselves wherever we go, and we certainly cannot hide from ourselves, and so we want to be able to consider ourselves this way, too. Your author may abbreviate moral, reasonable, and productive as an "MRP" person below.

To make the point a different way, consider ending your life as the opposite of an MRP person:

The opposite of:

moral = immoral (a bad person)

reasonable, or rational = irrational

productive = non-productive, or, please forgive your author for being blunt, a parasite

Does anyone, down deep inside, really want to be considered as an immoral, irrational, parasite?

If you genuinely do not care whether you are an immoral, irrational, parasite then you are going to run into this real world buzz saw and end up dead. The two Jehovahs have long ago

determined that no such being will live on into eternity with them in their great new heavens and great new earth. Those who choose to be such will be literally destroyed (Ezekiel 18:4, Romans 6:23). They will literally die and cease to exist.

**"For the wages of sin is death, but the gift of God is eternal life** through Jesus Christ our Lord." Romans 6:23, MKJV

The wages of sin - being an immoral, irrational, parasitical person is death. The two Jehovahs will only give the gift of an abundant eternal life to those who cooperate with them in their divine individualism process. In other words, to those who work to become moral, reasonable, and productive beings – who become virtuous – who become like the two Jehovahs are.

**"But the fearful, and the unbelieving, and the abominable, and murderers, and whoremongers, and sorcerers, and idolaters, and all liars, will have their part in the Lake burning with fire and brimstone, which is the second death."**

Revelation 21:8, MKJV

They will literally be burnt up as unrepentant human garbage and will cease to exist for all eternity. The un-empathetic vicious will die. One of the most important ongoing decisions each of us has to make is: virtuous or vicious?

Taking into consideration all of the above, we each want to end up being moral, reasonable, and productive, and to be considered as such by other MRP beings. And, to jump to the end of the story, that is exactly what is going to happen for everyone who cooperates with the two Jehovahs in their divine individualism process. However, while the story has a very happy ending, each of us gets off to a very slow start. We start out lower than the angels and then, after the resurrection, will end up judging the angels. And, resurrected MRP men, now divine individuals, will help the two Jehovahs manage the entire universe.

"When I look at Your heavens, the work of Your fingers, the moon and the stars which You have established; what is man that You are mindful of him, and the son of man, that You visit him? For You have made him a little lower than the angels [to start], and [then later, after the resurrection] have crowned him with glory and honor." Psalms 8:3-5, MKJV

"Do you not know that we shall judge the angels [after the resurrection]? How much more, then, the things of this life [now]?  
1 Corinthians 6:3 TEV (Good News Bible)

"For He has **not put** in subjection to the angels the world to come, of which we speak. But one testified in a certain place, saying, "What is man, that You are mindful of him; or the son of man, that You visit him? You have made him a little lower than the angels. You crowned him with glory and honor **and set him over the works of Your hands.**"

Hebrews 2:5-7, MKJV

Some further explanation follows below.

One of the most striking and surprising things your author ever heard, in a sermon, was the following: "We are all ignorant - just of different things." Initially taken aback, once considered, the point cannot be argued with. Each of us knows some things and each of us is ignorant about many other things. And this is one of the reasons that cooperating together, with each contributing his portion, enables greater human progress. At the beginning of our cooperation with the two Jehovahs, each of

us is a spiritual and intellectual babe in the woods. And that is one of the reasons we are told to grow in grace and knowledge. God knows we need to grow in knowledge because **we are each ignorant, just of different things.**

Your author would like to extend the "just of different things" concept further. Here goes. When we repent of our sins and are baptized (Acts 2:38) to start the process of cooperating with the two Jehovahs, we each repent – just of different things. Yes, while it is true that our sins fall into the same general categories, e.g., dishonesty, envying, taking God's name in vain, etc., our own personal sins are particular and specific acts of wrongdoing. And those particular and specific acts of wrongdoing, hurt particular individual others, including our own character, and including necessitating the sacrifice of Jesus Christ. And so **each of us must repent – just of different things.**

If the reader can get this concept and take it to heart, perhaps it will be easier for us to forgive others for hurting us – even for hurting us badly. As an example, let us say a person has repented of sins B, C, and D, which hurt others, and was glad to be forgiven for their sins

by the two Jehovahs. But then that same person holds a grudge against another person because that other person did sins X and Y – and what is even worse, they did X and Y to them. X and Y (more egregious sins in the mind of the harmed person) have become personal to the person who repented of B, C, and D (which sins hurt others the same way that X and Y hurt them). And so a grudge is held and forgiveness is lacking. This is a dangerous road to be on, because all have sinned and all need forgiveness. One cannot minimize the damage they have done to others at the time of their own repentance and then maximize the remembrance of sins done toward them at the same time. Well, one can, but it is not reasonable to do so. It is not good to do so, either, i.e., it is morally not correct either. And it is not productive in terms of the relationship to do so. It just is not wise.

“and forgive us our debts as we also forgive our debtors. And lead us not into temptation, but deliver us from the evil. For Yours is the kingdom, and the power, and the glory, forever. Amen. For if you forgive men their trespasses, your heavenly Father will also forgive you; but if you do not forgive men their trespasses, neither

will your Father forgive your trespasses.”  
Matthew 6:12-15, MKJV

Your author has written a previous book entitled: *The Matthew 18 Paradox: Solved*, which discusses the concepts of forgiveness and reconciliation. Perhaps this book could prove helpful to someone struggling with the above.

Moving on, the “just of different things” concept needs to be extended further still. This is because, even though each of us will make progress toward obtaining and using the virtues (bearing fruit), we will never be perfect in this life. Progress will be made, decisions will be improved, and some results will be obtained. However, as physical human beings we will never completely arrive. The divine individualism process is a process that yields improvement, but it is also a process that leads to and needs a miracle that will occur at the resurrection. And that miracle is this: **at the resurrection we will all be healed – just of different things.** You do not have to worry about having to spend eternity with people you just would rather not be with as they are going to be healed – and, to other’s relief, so are you. All of us are going to need to be healed – just of different things.

We usually tend to love someone else because they have similar values and because that other person has obtained and uses a number of the virtues. In other words, we value someone else for the virtues they exhibit. By becoming more virtuous we will tend to like ourselves better. Your author completely understands that each of us starts out as a sinner – a person not only lacking in the virtues, but also behaving even worse than that, in a decidedly negative manner. And sometimes either shame or the fear of being found out for our past bad behavior limits our going forward. This is probably why repentance and public confession is the first step toward becoming a divine individual. It removes fear of being found out and shame as two of Satan's weapons against personal development. Saul became the Apostle Paul (Acts 9) - a mass murderer changed to become an almost fearless Apostle. That was a big change. We each have to remember that God loved us first - when we were sinners (John 3:16). And God does not want to condemn anyone (John 3:17). Once you repent of your sins and start participating in the divine individualism process your sins are forgiven and you stand before God uncondemned (Romans 8:1). God is looking at

a much later time period. At a minimum, he is looking to when we will be changed at the resurrection (1 Corinthians 15). Each of us, even after a lifetime of attempting to obtain and use the virtues, to bear fruit as it were, will still be lacking in something or another at the time of our death. Your author believes each of us will be healed at the resurrection, likely of different things, as we are all different. Our bodies will not only be changed to a spiritual body, we will be like Jesus Christ and we will be able to see him as he is (1 John 3:2).

corruption → incorruption

dishonor → glory

natural body → a spiritual body

immoral irrational parasite → healing process completed at resurrection → MRP being

natural person → unique divine individual

"So also the resurrection of the dead. It is sown in corruption, it is raised in incorruption; it is sown in dishonor, it is raised in glory; it is sown in weakness, it is raised in power; it is sown a natural body, it is raised a spiritual body.

There is a natural body, and there is a spiritual body. And so it is written, "The first man, Adam, was made a living soul," the last Adam [Jesus Christ] was **a life-giving Spirit.** But not the spiritual first, but the natural; afterward the spiritual. The first man was out of earth, earthy; the second Man was the Lord from Heaven. Such the earthy man, such also the earthy ones. And such the heavenly Man, such also the heavenly ones. And according as we bore the image of the earthy man, we shall also bear the image of the heavenly Man [not just how we look, also our character – what we value and the virtues]. And I say this, brothers, that flesh and blood cannot inherit the kingdom of God, nor does corruption inherit incorruption."

1 Corinthians 15:42-50, MKJV

Since corruption cannot inherit the kingdom of God and since we WILL inherit the kingdom of God, we will not be corrupt – at that time. Until then, we all have some work to do – a lifetime of work to do.

It has been said that self-love is a positive trait, but only in a virtuous person (not in a non-virtuous person). When the two Jehovahs command us to love your neighbor as yourself it says a lot (Matthew 22:39). When we begin to

practice this we don't have too many of the virtues, or at least not as many as we should have. At the present moment in time we have to be far-reaching in our thinking, like the two Jehovahs. **We have to love our life and our potential as divine individuals.** Then we can love other's lives and their potential as divine individuals, too. Later, as we actually change our value system and start to obtain and use the virtues, we have a greater love for ourselves – we like ourselves better. Our love grows. And as we see this process unfold in ourselves we know it can happen for others, too. Our love for them grows. Ultimately all of us must be healed at the resurrection.

Because each of us is: 1) ignorant – just of different things and 2) needing to repent – just of different things and 3) needing to be healed – just of different things ... means that **all of us need the time and the space to grow.**

Before we talk about the time and the space to grow your author wanted to point out the following: in many places in the Bible, **truth and mercy are linked.** They have to be. The two Jehovahs cannot make  $2 + 2 = 7$  because some people are not good at math and they do not want those people to feel bad. There are

absolute standards. The truth is, no human being meets them. All of us are deficient in different virtues. And all of us have sinned and fallen short of the glory of God (Romans 3:23). None of us is sinless and the fact that each of us is a sinner brings us under the penalty of death (Romans 6:23). No human being has the complete package of all of the moral and intellectual virtues. No human being completely understands all of the laws of the natural sciences. No human being completely understands all of the laws of the social sciences. But, the two Jehovahs cannot lower the standards because of all of this. What they can do, they did. They provided mercy. **To the truth of the standard they added mercy.**

Mercy and truth are linked. They have to be, or we are all dead. A Bible software search for "mercy" (or "grace" or "kindness") AND "truth" revealed over 30 matches. If the two supreme minds of the universe link the concepts of mercy and truth inside of the same scripture, 30 times or so, it cannot be an accident. And it is not. They are inseparably linked. Below are a few examples of those scriptures:

mercy + truth → linked

the two Jehovahs → added mercy → to the truth of the standard

**"Mercy and truth have met together;**  
righteousness and peace have kissed each other." Psalms 85:10, MKJV

"But You, O God, are God full of pity, and gracious, long-suffering, and rich in mercy and truth." Psalms 86:15, MKJV

The next section of this chapter concerns explaining the need for the time and the space to grow. It applies to all of us and is a condensation from a chapter entitled, "The Need For Space To Grow" from your author's *Divine Individualism* book.

As each one of us lives our life we learn and grow. Sometimes we grow from being taught. Sometimes we grow from the hard work of thinking. Sometimes we grow from making decisions for ourselves and experiencing the results. And sometimes we grow from others making decisions, which consequences flow over into our lives. Experience is not necessarily the best teacher, but it is an effective teacher most of the time. At any rate, each of us learns and grows. This growth takes time.

If your author was to pick on you, dear reader, and asked you a simple question, the answer you would be forced to give would not have such simple implications. Here is the question: Have you learned anything in the past five years? If you answer, "No," your author is going to have to wonder about you. The truth is the correct answer to the above question is, "Yes." You have learned many things in the past five years. All of us have. It is almost impossible not to learn as we go along living our lives. Your author is going to presume you correctly and honestly answered the above question, "Yes."

Since you answered in the affirmative, above, it is indisputable that you are smarter than you used to be. The current you knows more things, is wiser, and has more experience to draw from. There is simply no question you are smarter than you used to be, when compared to what you knew only five years ago. If we were to extend the question to asking if you had learned anything in the past ten years, the difference in knowledge and experience would be even more dramatic. Your author is being charitable in only asking for a five-year difference for comparison purposes.

Now for a follow-up second question, which has several different iterations: Would it be fair for you to categorize the person you were, only five years ago, as ignorant? Would it be fair for you to categorize the person you were, only five years ago, as stupid? Would it be fair for you to categorize the person you were, only five years ago, as evil? Your author purposely chose some loaded words for the second question, because people do this to each other all the time - to other people who do not agree with them.

Your author will now switch from you, dear reader, to a fictitious Mr. Smith. Here is the problem for anyone, let us say Mr. Smith, who categorizes others as being ignorant, stupid, evil, or any other derogatory term, for disagreeing with him. Mr. Smith does not even agree with himself from only five years ago. We know this for a certainty because Mr. Smith admitted he had learned numerous things, and had numerous life experiences, over the past five years. The Mr. Smith of today knows more than the Mr. Smith of only five years ago. With all this in mind it is possible, but unlikely, that Mr. Smith would call the Mr. Smith of five years ago "ignorant." It is possible, but even less likely, that Mr. Smith would call the Mr. Smith of

five years ago "stupid." It is almost a certainty that Mr. Smith would NOT call the Mr. Smith of five years ago "evil." Now, it gets worse for Mr. Smith.

The Mr. Smith of today **disagrees** (at least in some respects) with the Mr. Smith of five years ago, despite the following: 1) they have the exact unique DNA; 2) as children they were raised identically; 3) they have the exact educational backgrounds (unless Mr. Smith continued his formal education in the past five years); 4) they have the exact vocational backgrounds, excepting only the past five years; 5) they have the exact same personality type and temperament; and 6) other than the past five years they have the identical life experiences. The Mr. Smith of today is almost an identical match to the Mr. Smith of only five years ago, and yet the Mr. Smith of today knows more and has more experience. There is literally no one on earth, whom Mr. Smith could ever hope to meet, who would be so identically matched with Mr. Smith as a former version of himself - in our example, the Mr. Smith of just five years ago. **And yet they disagree.**

What are the implications of all this? Many.

At one time, or another, most of us have fallen victim to setting the impossible goal, leading to an epic quest, that we are going to find people who completely agree with us. This epic quest to achieve the impossible goal can take many forms. It can take the form of a quest for a mate, who completely agrees with us; or a church, who has all of the doctrines just right; or a boss, who sees things the exact same way as we do; or a friend, who is in almost complete intellectual agreement with us. Please forgive your author for the bluntness of what comes next. Unfortunately, all of these quests are a mission for a fool. The reason they are a mission for a fool is because the fool does not realize that he himself, or she herself, is continuing to grow – and therefore is a moving intellectual target. Going back to Mr. Smith, he does not agree with himself, from only a few years ago, despite being virtually identical to his former recent past self. How reasonable is it for any of us to expect to find someone who completely agrees with us? And if we did, why should they completely agree with us when we are still learning, meaning we do not know everything there is to know, meaning we are not the intellectual standard that others should aspire to? Not one of us is currently, or ever will

be, the intellectual standard that others should aspire to!

**"A snipe hunt** is a type of practical joke that involves experienced people making fun of credulous newcomers by giving them an impossible or imaginary task. ... The snipe hunt may be assigned to a target as part of a process of hazing.

A snipe hunt is a specific type of "wild-goose chase" where a person embarks on an impossible search. ...

The origin of the term is **a practical joke** where inexperienced campers are told about a bird or animal called the snipe as well as a usually preposterous method of catching it, such as running around the woods carrying a bag or making strange noises such as banging rocks together. ... Real snipe (a family of shorebirds) are difficult to catch for experienced hunters, so much so that the word "sniper" is derived from it to refer to anyone skilled enough to shoot one.  
..." Quoted from Wikipedia [emphasis mine]

For any of us, the idea that we will ever meet someone we completely agree with **is the intellectual snipe hunt of all time.**

Compared to only a few years ago, we don't even agree with ourselves. How can we expect others to completely agree with us? And if we want the room (the intellectual space) and the time to grow intellectually, how can we deny these same things to other men? If we do, we are hypocrites. All men are men. All of us need time and space to grow intellectually – and also morally.

Properly understood, each of us is supposed to grow toward having the mind of Christ, not the mind of a "know-it-all," the know-it-all's demeaning opinion to the contrary. The two Jehovahs are the intellectual standard we are to aspire to, not each other.

"For let this mind be in you which was also in Christ Jesus," Philippians 2:5, MKJV

There is more to be learned than any of us can learn in a lifetime. Just because we will never completely meet this very high standard, does not excuse us from working and thinking toward it. As a housekeeping point nothing in this section of the book should be taken to mean there is not absolute truth. There is. We just will not learn all of it while human. Once we are resurrected, and have our incorruptible spirit

bodies, we will also have much more brilliant minds, we will see Christ face to face, and he can teach us “the rest of the story.” With an eternity of time and healed incorruptible minds, learning will not be some big problem. As a further housekeeping point, your author is not saying that we should not be using our minds now just because we will not learn or know it all now. We have to use our minds to be fully human. We are, as Aristotle would say, the rational animal. We have to both think and take action to live on this earth and the better we think, the better our actions will be. And as a further housekeeping point, your author is not saying that criminals should go free because they need the space to grow. If someone crosses the line and commits a crime, then their intellectual space to grow might be inside a jail cell where they will have plenty of time to think.

Since each of us wants the space and time to grow, and since we are to love others as we love ourselves, then we need to give other people the space and time to grow, too. It is not *love* to demand from others that they intellectually agree with you – especially when, as you grow, you are in the process of disagreeing with yourself. We should be kind to others and give

them time. If men were fruit, it could be said that none of us is ripe yet.

I want and need → the space and time to grow

All men are men; i.e., A = A

Love others → as we love ourselves

Others want and need → space and time to grow

Sometimes churches, and definitely governments, try to shield their members / citizens from having to make decisions. "Check your brain at the door. We, the power elite, will think for you." To shield someone from making decisions is to remove from them one of their best and most necessary human development paths. Each person needs to think, take action, and to experience the consequences. This is how, over time, good judgment is developed. The know-it-alls of the world do not have the right to pre-empt the development of good judgment in other men by making their decisions for them. If a know-it-all were to actually try and do so, it would show just how little that know-it-all really knew. In point of fact, the two Jehovahs appreciate the potential for each unique man to come to the place where

they repent, change their value system, and start to develop the moral and intellectual virtues. We must also grant this to each other. There are Biblical warnings if we do not.

each man → thinks → takes actions → experiences consequences (both good and bad) → learns → develops better judgment → an improved person going forward

"Therefore you are without excuse, O man, everyone who judges; for in that in which you judge another, you condemn yourself, for you who judge do the same things. But know that the judgment of God is according to truth on those who practice such things. And, O man, the one judging those who do such things, and practice them, do you think this, that you shall escape the judgment of God? Or do you despise the riches of His kindness, and the forbearance and long-suffering, not knowing that the kindness of God leads you to repentance? But according to your hardness and your impenitent heart, do you treasure up wrath for yourself in a day of wrath and revelation of the righteous judgment of God, who will render to each according to his works;" Romans 2:1-6, MKJV

If there was ever a scriptural passage that shows we need to non-judgmentally give each other the space and time to grow, the above is it – complete with threatening warning from God if we do not. A clarifying point, to the above, is that we can and must judge between good and evil, between the holy and the profane, but we are not to condemn others – especially if it is God himself who is giving those currently evil time to repent, time to change.

“Judge not, that you may not be judged. [Judge not in a condemnatory way. We do each have to learn to judge between evil and good in order to choose good so as to be both moral and intelligent.] For with whatever judgment you judge, you shall be judged; and with whatever measure you measure out, it shall be measured to you again. And why do you look on the splinter that is in your brother’s eye, but do not consider the beam that is in your own eye? Or how will you say to your brother, Let me pull the splinter out of your eye; and, behold, a beam is in your own eye? Hypocrite! First cast the beam out of your own eye, and then you shall see clearly to cast the splinter out of your brother’s eye.” Matthew 7:1-5, MKJV

As the Matthew 7 passage shows, and as was discussed earlier in this book, it is a lifetime of work for each of us to obtain and use the moral and intellectual virtues. Doing so should be our focus, not finding fault in others.

A further discussion point is the very clear message of Romans 14, where we are to patiently allow others to grow, even when we know they are wrong! The subject matter in the example given is evidently vegetarianism - which some people believe in, even though the Bible is full of scriptures showing it is all right to eat certain kinds of meat (Leviticus 11, Deuteronomy 14). But the subject matter could be any topic where one man knew more than another man – at that point in time. The more knowledgeable man, though knowing more, has certain responsibilities to respect the less knowledgeable man and to not harm him, or judge him in a condemning way.

"And receive him who is weak in the faith, **but not to judgments of your thoughts.** For indeed one believes to eat all things; but being weak, another eats [only] vegetables. Do not let him who eats despise him who does not eat; and do not let him who does not eat judge him who eats, for God has received him. **Who are**

**you that judges another's servant?** To his own master he stands or falls. But he will stand, for God is able to make him stand. ... But why do you judge your brother? Or also why do you despise your brother? For all shall stand before the judgment seat of Christ. For it is written, "As I live, says the Lord, every knee shall bow to Me, and every tongue shall confess to God." So then **each one of us will give account concerning himself to God.** Then let us not judge one another any more, but rather judge this, not to put a stumbling-block or an offense toward his brother. ... But if your brother is grieved with your food, **you no longer walk according to love.** Do not with your food destroy him for whom Christ died. Then do not let your good be spoken evil of, for the kingdom of God is not eating and drinking, but righteousness and peace and joy in the Holy Spirit. For he who serves Christ in these things is well-pleasing to God, and approved by men. So then **let us pursue the things of peace,** and the things for building up one another."  
Romans 14:1-4, 10-13, 15-19, MKJV

Author and philosopher, Paul Rosenberg, wrote a book entitled, *Entropy & Divinity*. In his book he mentioned various topics that needed to be thought about and re-valued. One of

those topics he thought needed to be re-valued downward was the idea of "unity." Your author believes he meant this idea at the human level, not the mind of Christ level, and quotes him below:

"Very large collectives like states and religions feature a Unity Ideal. This is the idea that if we could all submerge our individuality and be completely unified, our problems would wither away and the solutions to life's difficulties would simply spring up. This is a philosophy suited to insects. The unity ideal is a spiritualized dream of getting something for nothing. It is a false god, and trains men to be infantile and needy."

The actual fact is that all men lose if one man does not develop – either intellectually or morally or productively. Whatever that man could have contributed is a dead loss, both to him and to society. And no man can really develop if he submerges his individuality into a collective. **Only individuals receive the gift of eternal life**, not all of the members of some "politically correct," or "religiously correct" collective.

eternal life → offered and given to individuals

eternal life → not offered or given to a collective  
(for its membership based on membership)

Some people feel guilty about what they did not know in the past. If you feel this way, it is patently unfair to yourself. No man knows what he does not know and this particularly includes your past self. This is the human condition. And no one makes it through the minefield of this life completely unscathed. We have to let go of the past and move forward. To put it into economic terms, **the past is a sunk cost**. The sunk cost is over, but your volition (will) and your ability to choose should be determined by future aims, not past sunk costs. **You still have time to grow. You still have time to change for the better.** Even if this world is crazy, you can change your own world to be good, and the way you do that is to start making the correct decisions. And you can only do that one decision at a time. And you can only do that going forward. The only thing you have control over, dear reader, is your own decisions – decisions of the present and future. You do not have control over the past and you do not have control over other people's decisions. Your better choice can interrupt what would otherwise have happened – particularly in

your own life. And this is why your world can be better, even if the rest of the world seems crazy. Broadly understood, your next decision can make the entire world a better place – if you choose correctly, though it may only be incrementally better as you are only one person among many. And your good choices will make your own personal world more than incrementally better. So resolve to think and plan and choose correctly going forward, because that is all any of us can do.

the past = sunk costs

the future → determined by → your ability to choose (your free will) + your volition (will) + the time you have left

aim → to a better future

forget → the past, other than to learn from it

your next decision → a better life for you

your next decision → to some extent → a better world

We can each become, with the Father's help and with the Son's help, a moral, reasonable,

and productive person. We can achieve an eternal, abundant, and happy life. Despite being short of having all of the moral and intellectual virtues in our person, we are promised a divine healing at the resurrection. We can go from being corruptible, mortal, and ignorant of different things, needing to repent and to be healed of different things to becoming a completely healed eternal divine individual. The two supreme minds of the universe have willed it so, a long time ago. Now we each have to will it so ourselves, in our own person, and with purpose going forward.

## **Chapter Four**

### **Satan's War Against God And Man**

Hitler needed a lot of help ... and he got it. The help he received was necessary for evil to extend its reach. An immoral, irrational-activist, predator unleashed hell on earth because he was given the energy and obedience of large numbers of men. Without that help Hitler would have been just another power-hungry, ranting, utopian schemer – a wannabe. Some of the men who obeyed Hitler did so because they were afraid not to. They were afraid to die.

And some of those men who obeyed and helped Hitler did so because they thought they would receive a share of the spoils. And some of those men who obeyed and helped Hitler did so because they thought that "might makes right" and "the winners write the history" and they would be glorified - their legacy would be one of victory and honor and glory. It turns out that what they received was pain, suffering, destruction, humiliation, and in many cases, death. And they did achieve a legacy, but not one that any sane person would wish for. The men who helped Hitler, indeed, do have their legacy – a legacy of having helped a Satanic monster destroy the lives of millions, maim and cripple the lives of millions more, and destroy untold amounts of property that could have been used to actually benefit the lives of humanity. **Their legacy is one of having helped evil expand its ugly reach.** It is a tough legacy for the surviving losers to have to live with. Even worse, it is a legacy that was avoidable and unnecessary.

There is a much larger problem plaguing mankind, however, and this problem is much worse than what happened in World War II. Before we are too hard on the Nazis, the truth is that **a being much more evil than Hitler** has

achieved the help and obedience of humanity in his ancient war against the two Jehovahs – with devastating results – which leads us to this very tough chapter.

It would have been nice if your author could have concluded this book at the end of the last chapter, but then this book would have not been complete. Satan's attack and ongoing war against God and man needs to be explained and charted. Men need to understand how they have been conned into giving their obedience and energy to an evil warlord, Satan (the irrational activist of all time), when they could have been cooperating with the two Jehovahs, the life givers.

Evil is a very large topic and this necessitates this chapter being a rather long one. To assist the reader, and for ease of reference, your author is going to segment this chapter into sub-topics and **bold** them.

"Take no part in the worthless deeds of evil and darkness; instead, rebuke and expose them." Ephesians 5:11, NLT

#### **4.1 The source of evil; the extension of evil; and some of the effects of evil:**

Your author has previously written an entire book entitled, *The Source Of Evil*, and will use it frequently below.

Many people reject the idea of a God because they assume that any God would be omnipotent (all powerful). Then they further assume that since this omnipotent God could stop evil any time he wanted to, that any such God is heartless and cruel, or even himself evil. They then live their lives in despair because they have no actual higher power to turn to. They give up on God. This is how Satan, the devil, wants it. Fortunately, all of the above turns out to be false. The two Jehovahs are not cruel. They are not heartless. And they are not evil.

Whenever any scientist is attempting to solve a difficult problem a lot of time and resources are wasted UNTIL that scientist finally frames the question to be solved correctly. And once the question to be solved is framed correctly THEN the answer is found - tends to present itself (is discovered or reasoned to correctly). Your author will explain more below, but let's start with a few Life Charts to help gain

an orientation. It turns out that **the wrong question to ask is:** Why does God allow evil? **The right question to ask is:** Why does God allow free will?

Satan + his package of death-generating values → the source of evil

Satan = guilty of evil

Any angel who → uses their free will to sin = guilty of evil

Any man who → uses their free will to sin = guilty of evil

The two Jehovahs (God) → do not sin

The two Jehovahs (God) ≠ guilty of evil

The two Jehovahs (God) = guilty of Free Will

The two Jehovahs (God) = guilty of Patience

Those who help Satan = guilty of extending evil's reach

Satan ≠ the Life Giver

The two Jehovahs (God) = the Life Givers

The two Jehovahs (God) → have enough power  
→ to put down evil

The two Jehovahs (God) → have enough power  
+ life-giving creativity → to heal

The two Jehovahs (God) → have enough power  
+ life-giving creativity → to resurrect the dead

Your author will now utilize a few paragraphs  
from his, *The Source Of Evil*, below:

The existence of evil in the world, and the multitude of possible explanations for it, has been written of in volumes of articles and books. Some of the explanations are natural, e.g., survival of the fittest. Many of the explanations have been philosophical. However, most of the explanations have been theological. *The Source Of Evil* will provide an explanation for the source of evil that is along the lines of a Biblical and rational account.

There seems to be something inside of men where we want to believe the good and hope for the good. We certainly want to live the good life. We root for the good guys to win out in the

end and cheer when they do. And so it is difficult to make sense of a world where people are suffering and experiencing evil and cruelty, instead of living the good life. And when this world of suffering and evil is considered, within a context of a loving Creator God that governs the universe he created, it becomes a mental tilt for men. We become confused and perplexed. How can this be?

In this paragraph your author will ask some important questions in summary form and answer them, and will then explain certain details throughout the rest of this chapter. What is the original source of evil? [Satan.] How did evil expand its reach? [Fallen angels and men foolishly helped Satan in his war against the two Jehovahs.] Why is evil allowed to continue? [Because the two Jehovahs are patient and because they need for contingent beings, men and angels, to possess free will. Free will is necessary so men and angels can be moral.] What values is evil based upon? [Satan's values.] Will there ever be an end to evil? [Decidedly and thankfully, Yes.] These are all good questions. Fortunately, the bottom line is that evil will ultimately be extinguished and the MRP good guys will win in the end. MRP = moral, reasonable (rational), and productive.

Chapter One of this book explained the context of our human situation. In doing so, your author already covered that there is an evil being who used to be beautiful and wise, but who rebelled and became Satan the devil.

Satan is the first sinner and the source of evil. The reader may wish to review that portion of Chapter One for more detail as your author is going to essentially summarize the key points below. Satan actually started a war against the two Jehovahs and attempted to take over the control of the universe from them (Isaiah 14:12-15). Satan was defeated. He did not possess more power and might than the two Jehovahs and he was cast down to the earth.

"And the great dragon was cast out, that old serpent, called the Devil, and Satan, **which deceiveth the whole world**: he was cast out into the earth, and his angels were cast out with him." Revelation 12:9, KJV

Satan → deceives the whole world

Satan → declared war on the two Jehovahs

Satan + 1/3 of the angels → a state of war → against BOTH God and Man

The two Jehovahs > Satan

Either Jehovah, by himself > Satan

Love + kindness + patience + gentleness ≠  
weakness

Satan's deception of the whole world creates an enormous problem for humanity. He deceives the entire world in a number of creative and evil ways (what follows is not a complete list): 1) men do not believe he actually exists, but he does; 2) men do not believe he has an evil-extending team of fallen angels helping him, but he does; 3) in addition to Adam's sin corrupting mankind (Genesis 3, 1 Corinthians 15:20-22), Satan, as prince of the power of the air broadcasts wrong emotions, attitudes, and his values and men absorb them without realizing it (Ephesians 2:1-3 below); 4) many men then make decisions based on Satan's war-mongering, lying value system and do so in the wrong state of mind (unfortunately men, from Adam on down get infected, as it were, by Satan) (men get sin as a disease, but this does not excuse wrong actions or sin); 5) morality is corrupted; 6) rationality and education are corrupted; 7) competing incorrect religious,

philosophical, and governmental systems spring forth and they conflict with each other, leading to distrust, fear, hatred, and war; 8) legal systems are corrupted; 9) money is corrupted; and with all of the above in operation and effect, there is a descent into hell on earth. In short, **Satan**, the temporary god of this world, **has men following the wrong directions**. And all too many men are following those wrong directions.

"And He [God] has made you alive, who were once dead [Romans 6:23] in trespasses and sins [Romans 3:23], in which you once walked according to the course of [the god of] this [deceived] world [Satan, 2 Corinthians 4:4 quoted below], according to **the prince of the power of the air**, the spirit that now works in the children of disobedience [those who follow Satan, helping him to extend evil]; among whom we also had our way of life [life is used generically, here - actually the way of pain, suffering, and death] in times past, in the lusts of our flesh [the immoral vices instead of the virtues], fulfilling the desires of the flesh and of the [irrational and vicious] thoughts, and were by nature [being infected with sin as a disease] the children of wrath [Satan-following warmongers], even as others."

Ephesians 2:1-3, MKJV

"Therefore since we have this ministry [of reconciliation], as we have received mercy [grace and forgiveness from the two Jehovahs], we do not faint. But we have renounced the hidden things of shame [Satan's value system], not walking in craftiness [lies], nor adulterating the Word of God, but by the revelation of the truth [rationality and the intellectual virtues matter] commending ourselves to every man's conscience [the moral virtues matter] in the sight of God. But also if our gospel is hidden, it is hidden to those being lost, in whom **the god of this world [Satan]** has blinded the minds of the unbelieving ones, so that the light of the glorious gospel of Christ (who is the image of God) should not dawn on them."

2 Corinthians 4:1-4, MKJV

Satan = the god of this world (temporarily)

Satan → the prince of the power of the air → broadcasts evil

Men → sin → become infected with Satan's nature (called human nature)

Men → now have sin → as a disease

Men → possessing free will → can choose to reject sin → and so are responsible for their sins

Satan is the temporary god of this world because the two Jehovahs have, in effect, stood back and watched to see how men and angels will use the free will and the time the two Jehovahs have given them. Evidently, they decided to step back after Adam and Eve sinned in the Garden of Eden (Genesis 3). Man was thrown out of the Garden of Eden and the earth was cursed in order to teach man a lesson (Genesis 3:17-19). At some point in the future, the two Jehovahs will step back in (Revelation 19) and then the freedom is up and the time is up and men and angels will have to answer for their choices and their actions.

Free will + time → necessary for freely-chosen morality (the moral virtues)

Free will + time → necessary to develop intellectually (the intellectual virtues)

Free will + time → necessary to become productive (bear fruit)

Freely chosen morality → necessary → for the two Jehovahs to know → a man's character and the character of the individual angels

Since **the two Jehovahs have limited themselves**, by granting to men and to the angels free will, they are not, at this time, fully omnipotent.

The two Jehovahs → via a grant of free will → limited themselves

The two Jehovahs ≠ Omnipotent

The two Jehovahs are responsible beings, however, and so they reserve to themselves the right to step in and exert their own free will at any time and place they choose. This is why prayers can be answered and prophecy can be fulfilled. That said, however, for the time being, and for the most part, the two Jehovahs allow men and angels the dignity of choosing for themselves whether they want life or death, and which directions they will follow, God's or Satan's. By the end of this chapter your author hopes to make clear what the wisest course of action is.

Since the two Jehovahs are not omnipotent, any reasoning from a premise that they are is false. And this is why the two Jehovahs are not guilty of evil. The time preference (time horizon) of the two Jehovahs is eternal. While fully considering the short-run and the medium-run, your author believes the two Jehovahs make most of their decisions based on what would be best in the long run. After all, they are going to live forever and so are the men who cooperate with them to become eternal MRP divine individuals. And since the two Jehovahs are not, for the most part, intervening to stop evil now, this means they have righteously judged that, **for now, there needs to be a continuing allowance of free will for both men and angels** and more time before they step back in and exert their authority over this earth. Ergo:

The two Jehovahs could stop evil any time they wanted to = False

The two Jehovahs are heartless and cruel, or even themselves evil because they do not stop all evil now = False

Any angel or man who sins = guilty of evil

Any angel or man who helps Satan in his war against God and man = guilty of evil and

Whoever → helps Satan → extends evil (extends evil's power and reach)

The two Jehovahs (God) ≠ guilty of evil

The two Jehovahs (God) = guilty of Free Will

The two Jehovahs (God) = guilty of Patience

No man and no angel → can be moral → without Free Will

Free choice = a necessity for morality

The two Jehovahs want → **MORAL**, reasonable, and productive (MRP) divine individuals

There will be → no people-bots

There will be → no angel-bots

Free Will = necessary → even for God

Satan → the source of evil → would like to do evil → but have God take the blame

Satan → the source of evil → would like to do evil → to hurt men and for men → to give up on God

Satan has mankind following the wrong, very bad, directions. And mankind is reluctant to turn to God because they incorrectly assume that God is responsible for evil, so God must be evil. Or, men incorrectly conclude there is no God and we are on our own.

In actuality, after Adam and Eve sinned and became infected with Satan's nature and values, God cursed the earth and pulled back. This allowed Satan, for a time, to become the "god" of this world. In essence, God said to Adam and, by extension, mankind thereafter, "If you want to follow the wrong directions, then there are going to be some very bad consequences which I am going to allow you to experience first-hand." Some of the results of sin (evil) (those very bad consequences) were as follows (from *The Source Of Evil*):

Satan, the serpent, enticed Adam and Eve to sin. Satan also got the earth cursed so that mankind would have to work hard to be able to have sustenance and he got Adam and Eve (and all mankind) expelled from paradise. From that

time on there was to be a scarcity of easy-access resources. From Satan's point of view, this was a successful effort. Men were corrupted with Satan's evil nature through sinning; men now had to work hard in order to just stay alive; and men were thrown out of paradise. It is also likely that natural disasters, e.g., hurricanes, tornados, earthquakes, etc., would now afflict the earth and the people who live on it. In other words, it was far worse than the earth producing thorns and thistles. Now there were natural disasters to also deal with. And perhaps this was also the start of animal and insect and other biological problems, too.

Even worse, instead of following the Creator God, and his abundant-life-generating directions, men would be susceptible to every flavor of false religion that Satan could dream up and con men into believing. These false religious systems have enslaved virtually the entire world and have wasted untold lives. Part of enticing Adam and Eve to take from the tree of the knowledge of good and evil was Satan's false promises that they would not die (because you have an immortal soul) and that you will become gods (you can become an avatar and ascend into godhood, or you can become one with "the one"). These false promises, or

derivations of them, provide the main ingredients for all kinds of false religious systems.

"Be it known unto you all, and to all the people of Israel, that by the name of Jesus Christ of Nazareth, whom ye crucified, whom God raised from the dead, even by him doth this man stand here before you whole. This is the stone which was set at nought of you builders, which is become the head of the corner. Neither is there salvation in any other: for there is none other name under heaven given among men, whereby we must be saved."

Acts 4:10-12, KJV

Satan's various flavors of false religions permeate the earth. Rather than list them all, the Acts 4 scripture, above, points the only true way to be saved, which is through Jesus Christ of Nazareth. Any other religion, or religious system, is wrong. Any one-world-religion ecumenical movement espousing that all paths lead to the truth – except the path of Jesus Christ, is a lie! **In that case it would amount to all paths lead to the truth, except the one true path.** Satan has done his work well and the whole world is deceived. Mankind's character has been corrupted and the one true

path to the truth has been effectively poisoned (Matthew 24:4-5, below). Who else could be responsible, but an evil being (and his team) full of hatred for the two Jehovahs and the beings made in their image and likeness. Satan's team includes the fallen angels who are also on the earth deceiving mankind. They have men all over the earth doing things that actually harm their practitioners, including worshipping fallen angels (the word "devils," see below). And, of course, worshipping Satan as god.

"They [Israel and by extension the nations of the world] provoked him to jealousy with strange gods, with abominations provoked they him to anger. They sacrificed unto devils, not to God; to gods whom they knew not, to new gods that came newly up, whom your fathers feared not." Deuteronomy 32:16, 17, KJV

There are even false brands of Christianity and false preachers of Christianity. Satan had to attack and negatively influence Christianity as Christianity espouses the only name under heaven whereby men can be saved.

"And Jesus answered and said unto them,  
**Take heed that no man [or being] deceive**

**you.** For many shall come in my name, saying,  
I am Christ; and shall deceive many.”  
Matthew 24:4, 5, KJV

In addition to the many flavors of false religious systems, Satan has a mercantile trafficking system (Ezekiel 28:16-18) that has now enslaved mankind (Habakkuk 1:14-16). Now that man has to work hard to sustain himself, fear and greed come into play. Satan evidently has “perfected” his system of trafficking. This system of trafficking includes banking systems, government debt and non-government debt (Proverbs 22:7), printed (created) money (Haggai 1:6, Proverbs 20:10,23, Micah 6:11), and the souls [lives] of men (Revelation 18:13). And it allows Satan, the fallen angels, and their human team of non-MRP men to buy and control governments, news media organizations (Ephesians 2:2), and legal systems (Isaiah 10:1-2, Habakkuk 1:4). With the control of world governments, their education systems, their legal systems, their banking systems, etc., the righteous and all mankind are oppressed by the wicked and uncaring. Since Satan cannot defeat the two Jehovahs, his next best idea was to corrupt, torture, and kill men made in their image. Satan’s basic method of operation is “join me or

die.” What else would you expect from the “god of forces” (Daniel 11:38) and a deceiver (Revelation 12:9, Deuteronomy 32:16-17)?

The corrupted men assisting Satan are likely, for the most part, deceived – although some, no doubt, do so willingly and not because they were deceived. In that case they are actually evil.

“For such are false apostles, deceitful workers, transforming themselves into the apostles of Christ. And no marvel; **for Satan himself is transformed into an angel of light.**” 2 Corinthians 11:13, 14, KJV

Satan, in addition to conning many men into believing he does not exist, cons other men into believing they are following “the light.” Some of the men so deceived actually believe they are following an ancient source of wisdom (light). What they are doing, in actuality, is helping Satan in his war against God and man. Thinking they are helping God, in actuality, they are helping Satan battle against God. Your author will write more on this topic later in this chapter.

Destruction is not the same as creation, but this is what Satan is left with. He cannot really be the third member of the Godhead, but he

thinks he can render invalid the plans of the two Jehovahs and in so doing somehow make himself an equal. However, he cannot render invalid the plans of the two Jehovahs and he is not their equal. He is an unprincipled, maniacal, and dangerous being - certainly no equal to the two Jehovahs.

The Executive Summary is that Satan has craftily taken over much of the world. Sometimes his ill-gotten gains came from **deception** – by appearing as an angel of light. And sometimes his gains came from his evil debt-based mercantile trafficking system. And sometimes his gains came from **force**. I am sure other tactics and means have been used as well, but the basic point is that **Satan has systematically extended evil** throughout the spheres of influence available to him. And since, for the most part, it appears that Satan and the fallen angels are presently confined to earth, Satan is doing his spreading of evil throughout the earth. He has done a “good” job of this and all of this affects us in a very negative way.

Your author’s personal belief is that Satan views the creation of mankind in God’s image, and the further granting to men of free moral

agency, as chaos that has to be stopped. Which is why the various religions of the world and the various governmental systems of the world are all different flavors of people-control systems. It leads to valuable and irreplaceable people being used as sacrificial fuel for various religious, or governmental fires. Satan does not want men to exercise their freedom of choice to follow the two Jehovahs and he works ceaselessly to prevent this from happening, or to torment the people who actually dare to follow God.

Satan → views free will → as chaos

People-control systems → limit human choice

Some governments → try to stop free will → by people-control systems

Some religions → try to stop free will → by people-control systems

People-control systems → sacrifice men to Satan

If the two Jehovahs → with all of the virtues + complete knowledge of the context of the situation → have judged → that free will is necessary → for men and angels → any attempt

by Satan, or by government, or by religion → to deny free will to men → is in opposition to the two Jehovahs

Opposition to the two Jehovahs → is simply a different way to → charge the throne of God → and will meet with the same end that Satan met with when he actually charged the throne of God

When either the governments of this world, or the religions of this world → attempt to deny valuable men and women the use of free will → they become the allies of Satan → in the war against God and man

As a side bar, there is a famous explanation for evil that comes down from Augustine. Regarding evil's existence, one of the determinist (opposed to free will) thinkers, Augustine, has put forth one of the most famous points of view. It is where things in the world, including evil, are unfolding according to a master plan. In the Augustinian view, you have the responsibility for evil deeds being ascribed to the evil agents, but the ultimate reason behind why the evil occurred is ascribed to God. In other words, there is a divine plan that is being executed and God is the planner behind it all.

What has always puzzled me, if the Augustinian determinist viewpoint is correct, is what is the divine justification for God judging and then punishing Satan? If God is using Satan as a tool in order to accomplish something, what did Satan do wrong? How could Satan have resisted God, even if he wanted to? So there are obviously some problems with the Augustinian point of view. I personally am convinced that this Augustinian determinist view is not correct and is in fact, incoherent. God does not desire evil, but allowed for it when he allowed for free will. But, God is not responsible for the evil. The being that did the evil is responsible for the consequences of that evil.

Augustine's world view and theological viewpoint on evil = False

God's agents, which he created, can and sometimes do resist God's will. This is true of men and of angels. In Daniel 10 there is a section of scripture that is quite interesting to read.

"Then said he [one of God's holy obedient angels] unto me, Fear not, Daniel: for from the

first day that thou didst set thine heart to understand, and to chasten thyself before thy God, thy words were heard, and I am come for thy words. But the prince of the kingdom of Persia [one of Satan's evil fallen angels] withstood me one and twenty days: but, lo, Michael, one of the chief princes, came to help me; and I remained there with the kings of Persia." Daniel 10:12, 13, KJV

The context of the above passage of scripture is that Daniel had fasted for 21 days and prayed, but the answer didn't come right away. This was because there was a powerful and evil fallen angel who successfully resisted one of God's holy angels - who was on a mission from God to Daniel to answer Daniel. And this holy angel, who was successfully resisted, required help from Michael, an archangel, to get through to Daniel. This is stunning to read! In this particular case, it was not just God's will, the dispatched angel's will, and Daniel's will that entered into "the equation." There was also, at a minimum, the will of an evil angel, referred to as the Prince of Persia, and also, in all likelihood, Satan's will that played a role in what happened. And Michael's will played a role, too. There was a lot going on and the only reason we know anything about it is because God chose to lift

the curtain and give us a glimpse of the ongoing war of wills (free wills).

Scripture does not teach that God (the two Jehovahs) controls all of the behavior of free agents, whether human or angelic. Men and fallen angels are able to grieve God and to some extent frustrate his purposes.

Time is now running out for Satan and his team. They may have spread evil throughout the earth, and they may currently be able to make the lives of the servants of God difficult, but God reserves the right to intervene and set things straight.

God has given men and angels so much freedom and so much time and then the freedom is up and then the time is up and then everyone has to give an account for their lives. As mentioned previously, saying that God has granted freedom and time to men and angels does not mean that God himself does not retain freedom to intervene. He does. And this is why prayer can be effective. God has obviously reserved the right to continue to intervene. This intervention can be personal, e.g., answered prayer (James 5:16). This intervention can be national, e.g., the captivity of Judah by the

Babylonians (Jeremiah). This intervention can be worldwide, e.g., God's intervention in the end times (Revelation).

God had to reserve overall sovereignty in order to govern the universe and **God himself has goals and plans of his own.** Actually God has courage to grant so much freedom to untested beings. A major part of the reason for granting this freedom, and the time to use it was to allow for men and angels to develop good decision-making character, which character it is impossible to form without the moral space grant of freedom and time.

How men and angels decide is based on what they actually value. Our actual values determine our choices and our choices have consequences. Those consequences can be good, evil, or sometimes neutral. The amazing thing about all of this is that men and angels can and do frustrate the God of the universe.

#### **4.2 Satan's values, their ultimate consequences, and God's consolation:**

The Executive Summary of evil and its consequences is that the choices that result in evil, pain, suffering, and death are to be

attributed to the person, or angelic being that made the wrong choice (sinned). Ultimately the bad choice is based on the wrong value system, which wrong value system can be traced back to Satan and his perverted view of the universe.

Satan → bad values → influence men +  
influence fallen angels → bad choices → bad  
consequences → pain, suffering, and death

Satan's values → broken and enslaved people

Satan's values → dead people

Jesus Christ did not mince words when  
describing Satan the Devil.

"Ye are of your father the devil [Satan], and  
the lusts of your father ye will do. He was a  
**murderer from the beginning**, and **abode**  
**not in the truth**, because **there is no truth in**  
**him**. When he speaketh a lie, he speaketh of  
his own: for **he is a liar, and the father of it.**"  
John 8:44, KJV

Notice an important inference contained in the scripture above. The inference is ... when someone, in this case Satan, embraces force (murder) and fraud (lies) he no longer abides

according to truth. Force and fraud are outside of objective ethical principles. Force and fraud are outside of truth.

Force and fraud → are outside objective ethical principles

Force and fraud → are outside of truth

Objective ethical principles → must be inside of truth

**Satan is the father of lies.** There is no truth in him. Truth cannot be Satan's main guide, as Satan knows that the two Jehovahs created and own the universe. The two Jehovahs are **the original appropriators** (creators) and owners of the entire universe and everything in it. Satan knows that they alone are God. Since Satan is a created being, he owes everything to the two Jehovahs. The fact that at one time he was beautiful, wise, and served God does not make him God or entitle him to own or manage the universe. The fact that at one time the two Jehovahs entrusted him with an important leadership position does not entitle him to a permanent such position – especially now that he rebelled against them. If Satan were honest, which he is not, he would

have to admit all these things and submit to the two Jehovahs. But, Satan would rather lie to himself and to others in an attempt to evade reality. Satan is as much in rebellion against reality and against reason as he is in rebellion against the two Jehovahs.

Satan → in rebellion against → the two Jehovahs

Satan → hates → that he is a created being

Satan → hates → the ethical and economic concept of → original appropriation

Satan → in rebellion against → reason + reality

Satan → hates men → made in the image of God

Satan → hates → the two Jehovahs + mankind

The same rebellion, no doubt inspired by Satan, is occurring today. Men, with their various "ism" systems and false religions, are usually in some form of rebellion against reason and reality. They got this from Satan himself, who no longer has truth in him, and is the father of lies.

Further, **Satan is a murderer.** Again, he has to be. Satan is not the original appropriator of the universe. He has no legitimate ethical or lawful claim to the universe, so if he really wants the universe he will have to attempt to take it, from the two Jehovahs, by force. And since the two Jehovahs are not going to let Satan just take the universe, this forces Satan to attempt to murder the two Jehovahs and to take the universe by force. This is why the Daniel 11 reference to the end-time Antichrist shows that this most evil man worships a most evil being, **the god of forces**, i.e., Satan.

"And the king [end-time Antichrist] shall do according to his will; and he shall exalt himself, and magnify himself above every god, and shall speak marvellous things against the God of gods [the Father, the Most High], and shall prosper till the indignation be accomplished: for that that is determined shall be done. Neither shall he regard the God of his fathers, nor the desire of women, nor regard any god: for he shall magnify himself above all. But in his estate shall he honour the God of forces [Satan]: and a god whom his fathers knew not shall he honour with gold, and silver, and with precious stones, and pleasant things."

Daniel 11:36-38, KJV

Satan → tried to use force → to take the universe from the two Jehovahs

The two Jehovahs' force > Satan's force

Satan lost.

Satan now tries to kill and hurt → God in effigy (human beings made in the image and likeness of God) → because he cannot actually kill the two Jehovahs

It all makes sense, if you think about it. Since Satan has no honest claim to the universe, he cannot be honest in his attempt to make a claim for it. Ergo, he has to resort to lies and so he became the father of lies. And since the two Jehovahs are not buying any of his lies or idiotic claims, Satan is left with only brute force to achieve his goal. Ergo, without right on his side, **he chose might as an evil substitute.** So Satan adopted a "might makes right" attitude, or a "fraud makes right" attitude. And Satan adopted a "the winners write the history" attitude. And he actually tried to conquer the two Jehovahs. And his rebellion was put down. Ironically and happily, **the god of forces did not have enough force.** Satan

lost and was expelled from heaven (Isaiah 14:12-14).

Satan → has no honest claim to the universe → resorts to lies

When Satan's lies are rejected → Satan turns to force

Satan → abandons truth and becomes → the father of lies + the god of forces (a murderer)

Poetic justice + irony → the god of forces → lacked enough force → was crushed by the two Jehovahs + was expelled from heaven

Satan → believes → might makes right

Satan → believes → if a victim succumbs to fraud → they deserve the loss

Satan → believes → the winners writing history justifies any evil done to win

Satan's values → outside of truth → the use of fraud (lies) and/or force → to attain a goal → justified by → might makes right or fraud makes right → somehow magically washed away by → the winners writing the history

The two Jehovahs are the rightful owners and operators of the universe and all that is in it. Having created reality, they are in touch with it, and having created the laws of logic and right thinking, they use right reason. The unity of values and the unity of the moral and the intellectual virtues of the two Jehovahs, e.g., love, wisdom, mercy, justice, social harmony, peaceful production, etc., and their methods of operation and management, work to produce flourishing life. They want to save men, not kill them.

Summarized below is an Executive Summary of the contrast between the two Jehovahs and Satan:

The two Jehovahs are **morally right, rational, productive**, and their ways produce **peace and prosperity**, i.e., **their ways work to produce an abundant eternal life.**

Satan is **morally wrong, irrational, and parasitical**. His ways produce **a lack of justice, a lack of social harmony, war, pain, suffering, and death**. Satan's ways and systems cannot work, no

matter who operates them, because they are in rebellion against reason and reality and because they are based on force and fraud. **They are outside of truth.** It is not a question of having a better leader or a smarter dictator. Satan's ways cannot work no matter who is in charge and no matter how much power the goon of the moment is exercising.

Your author's personal belief is that Satan is enraged with the two Jehovahs because they changed things up on the angels. The two Jehovahs decided to make man in their image and likeness and they decided to let the angels know that resurrected man would some day be over the angels and, in fact, judge them. **Satan had become a largely static thinker**, at least in this regard, and he could not handle this big operational change. And so he rebelled. His hatred for the plan led to a hatred of the two Jehovahs and any other angels remaining loyal to the two Jehovahs. And it led to a profound hatred for man.

Satan's pride in his wisdom, beauty, accomplishments, and management position led him to believe that he could run the universe better than his Creators, the two Jehovahs.

There is a place for the proper kind of pride, e.g., pride in one's honest achievements and pride in the development of one's character. Satan's pride went far beyond this to the point where he considered himself as the third God in the universe. This is one of the reasons there is such an emphasis on the number three by the various false religions of the world. Satan wants to portray himself to be, if not better, then at least equal to the two Jehovahs.

Satan is now so out of touch with reality that his rebellion has rendered him as an insane, powerful, dangerous, perverted genius. Your author's personal opinion is that the two Jehovahs changed his originally created beauty into the ugly, cold form of a dragon, or serpent. Reptiles are notoriously cold, predatory, and cunning. If they had minds they would be characterized as uncaring about anyone or anything but themselves – as cruel creatures. They would completely lack empathy. This fits Satan the dragon/serpent and the Bible consistently portrays him as some kind of reptilian monster.

Satan → became → a reptilian monster

Satan, the fallen angels, the demons, and the humans in league with them are out to thwart the two Jehovahs, men loyal to them, and the good angels. Since Satan and his team have no legitimate claim to the universe, and since they cannot trade with the two Jehovahs for ownership or control of the universe, they are left with force and fraud, aka murder and lies. If Satan and his team cannot murder, they seek to be cruel, or at least attempt to hurt. Since they cannot change ultimate truth, they seek to hide, obfuscate, confuse, ignore, evade, or lie – if they think they can get away with it. Or, Satan's philosophers pronounce that there is no truth, there is no cause and effect, there is no identity, there are no objective ethics, language is subjective, etc. Their motive is hatred. They would rather destroy everything and everyone rather than to admit they were wrong, ask forgiveness, and seek for a genuine peace. If, to the two Jehovahs, what they have done is unforgiveable, they should give themselves up for extinguishment. But there is no honesty, true honor, or sense of justice in them. They have the wrong values. They will not change. They are the enemy in an eternal war against the two Jehovahs, and they are in complete rebellion against reason and reality as are all those who willingly follow them. And

Satan is so cold and cruel that he will even use and discard those who have followed him, but are no longer of any use. Fortunately, Satan will lose and will likely be ultimately destroyed - ceasing to exist for all eternity (Isaiah 27:1).

Satan hates light because light shows the truth. And he has manipulated himself into a temporary "ownership," or control position over the kingdoms of the world - which Jesus Christ did not dispute, when he was on the earth, and was being tempted by Satan.

"Again, the devil taketh him [Christ] up into an exceeding high mountain, and sheweth him **all the kingdoms of the world**, and the glory of them; And saith unto him, All these things [ALL the kingdoms of the world] will I give thee, if thou wilt fall down and worship me. Then saith Jesus unto him, Get thee hence, Satan: for it is written, Thou shalt worship the Lord thy God, and him only shalt thou serve. Then the devil leaveth him, and, behold, angels came and ministered unto him."

Matthew 4:8-11, KJV

"In whom **the god of this world** hath blinded the minds of them which believe not, lest the light of the glorious gospel of Christ,

who is the image of God, should shine unto them.” 2 Corinthians 4:4, KJV

“And the great dragon was cast out, that old serpent, called the Devil, and **Satan, which deceiveth the whole world:** he was cast out into the earth, and his angels were cast out with him. And I heard a loud voice saying in heaven, Now is come salvation, and strength, and the kingdom of our God, and the power of his Christ: for **the accuser of our brethren** is cast down, which accused them before our God day and night. And they overcame him by the blood of the Lamb, and by the word of their testimony; and they loved not their lives unto the death.” Revelation 12:9-11, KJV

Satan is the current “god of this world” who, as the father of lies, deceives the whole world. He, out of his hatred for the two Jehovahs and out of his hatred for man, accuses the brethren constantly. The brethren are the *ekklesia*, Christ’s called out ones. However, these accusations against the brethren to the two Jehovahs do not work as outlined in Romans 8:1:

"There is therefore now no condemnation to them which are in Christ Jesus, who walk not after the flesh, but after the Spirit."

Romans 8:1, KJV

Since Satan cannot kill the two Jehovahs and take the universe by force, and since he cannot con the two Jehovahs out of the universe, he must feel his next best move is to try and invalidate the plans of the two Jehovahs to create characters with righteous character. Satan, out of hatred, wants to kill, corrupt, or enslave men made in God's image and likeness because he can at least hurt the two Jehovahs in effigy by hurting men made in their image. However, please notice Revelation 12:11,17. These scriptures show the way out, even in a world that has gone almost totally dark. And that way out is to have the blood of the Lamb (Jesus Christ) cover our sins rendering Satan's non-stop accusations void. Further, the way out is to live God's way as a testimony and to be willing to die, if necessary, for the truth. We all have to die of something and there is a resurrection of the just to life (1 Corinthians 15).

In the world's darkest hour → the way of escape  
→ 1) have the blood of the Lamb cover our sins  
(Revelation 12:11) + 2) keep the

commandments of God (Revelation 12:17) + 3) have the testimony of the only name under heaven where men can be saved (Revelation 12:11 + Acts 4:12) + 4) be willing and unafraid to die in service to the two Jehovahs (Revelation 12:11)

When Saul, who became Paul, was struck down and blinded he wanted to know who did this to him. He not only found out who did this to him he also found out the specific reason why.

"And I [Paul] said, Who art thou, Lord? And he said, **I am Jesus whom thou persecutest.** But rise, and stand upon thy feet: for I have appeared unto thee for this purpose, to make thee a minister and a witness both of these things which thou hast seen, and of those things in the which I will appear unto thee; Delivering thee from the people [Israelites], and from the Gentiles [nations], unto whom now I send thee, **To open their eyes, and to turn them from darkness to light, and from the power of Satan unto God, that they may receive forgiveness of sins, and inheritance among them which are sanctified by faith that is in me.**" Acts 26:15-18, KJV

The two Jehovahs save. Jesus Christ, the number two Jehovah, is mankind's Savior. He saves and gives life. Satan kills and destroys. He does not forgive. He is outside of truth. He values revenge, not forgiveness – not that the two Jehovahs did anything wrong against him. Other than lies and murder, some of **Satan's other values** are fear, hatred, slavery, obfuscation, fraud, blackmail, shame, guilt, theft, and property destruction, etc.; and his ways produce pain, suffering, death, and destruction. His rebellion against the two Jehovahs and against reason and reality can produce nothing other than pain, suffering, and death. **There is no social theory of violence.** **There is no social theory based on fraud.** Violence and fraud are hit and run tactics that are inherently unstable. **Nothing lasting can be built upon violence and fraud.** Satan wants mankind to follow him in a rebellion for the ages against the two Jehovahs. Barring that, Satan wants an ongoing civil war among men. Satan believes that in any interaction there will be a winner and a loser and he will do anything to be, in his mind, the winner. The more there is human suffering and death, the better, from his insane point of view. The values and virtues of the two Jehovahs are based on love, truth, mercy, forgiveness,

reconciliation, social harmony, peaceful and honest production, mutually rewarding interaction (win-win interactions), etc., and their ways produce abundant life, peace, joy, social harmony, and prosperity. The contrast could not be more obvious.

There is no social theory → based on violence

There is no social theory → based on fraud

Violence + fraud → inherently unstable → nothing lasting can be built upon them

Satan → believes in any interaction → there will be both a winner + a loser

Satan → will do anything → to be the winner (in his mind)

Satan → wants mankind → to help him rebel → against the two Jehovahs

Or, Satan → wants a perpetual civil war → of man against man

When Satan gets done using someone on his team, i.e., after they are completely used up, he discards them in disgust and disdain, as they

are no longer useful to his evil designs. He does not care about life, or about the hopes and dreams of others. He has no empathy. He has no pity or mercy. What else would you expect from the being who originated lying, murder, and who believes might makes right? Misguided human beings cannot serve Satan forever, as they are mortal. And **Satan cannot give eternal life.** So when Satan is done using them he discards them.

When Jesus Christ mentioned - those who use the sword would be killed by the sword (live by the sword, die by the sword) - he was referring to the using of force to get what you want – to following Satan, the god of forces.

“Put away your sword,” Jesus told him.  
“Those who use the sword will be killed by the sword.” Matthew 26:52, NLT

When Jesus Christ mentioned - when the blind lead the blind, both shall fall into the ditch - it is a reference to not living according to the truth (living outside of the truth) – in essence, to following the father of lies, Satan.

"Let them alone. They are blind leaders of the blind. And if the blind lead the blind, both shall fall into the ditch." Matthew 15:14, MKJV

Using Satanic methods, i.e., force or fraud to get what you want, will put one outside of morality and outside of reason. And it will cause those whom you harm, or their loved ones, to seek revenge. Force and fraud destroy justice, social harmony, and peace. They lead to war. And war destroys life, liberty, and property. Sadly, men have followed Satan the warmonger in an attempt to have life and Satan the liar in an attempt to learn truth.

Force +/or fraud → inflict harm → lack of justice → lack of social harmony → lack of peace → war

War → loss of → Life + Liberty + Property

Individual Natural Rights = Life, Liberty, & Property

War → loss of → individual Natural Rights

Peace → as a value → imperative for → abundant life

This is a good place for a side bar on individual natural rights and so your author will include it here. It is taken largely from your author's previous book, *Why There Is No Justice: The Corruption Of Law*. The reader is encouraged to read the entire chapter on "Natural Rights As A Key To Life" for a longer explanation. For our purposes right here, your author wants to show what happens to men if there is a loss of individual natural rights, and how that scenario fits in perfectly with Satan's value system, and how that stands in opposition to what the two Jehovahs intended for man. And so your author will include a short section from his book on law below.

When a good friend of mine went into officer training for the military, one of the first things he was asked was, "Do you have a problem with either killing people or destroying property?" The reason he was asked this was very clearly told to him. And that reason was, "Killing people and destroying property is what we do in the military. We kill the enemy and destroy his property so he does not have the ability to make war against us." In olden times, when the surviving losers of war were enslaved, your author is guessing some ancient general would have expanded the question, asked of my

friend, to: "Do you have a problem killing men, enslaving them, or destroying property?" "No. Good, because that is what we do here."

War, throughout history, caused death, slavery, and the destruction of property. Human interactions resulting in friction and conflict break social harmony. And the lack of social harmony can, if not resolved, ultimately lead to war. And your author thought about war as he was thinking about natural law and natural rights. And your author realized that war is the extreme opposite of social harmony and peace. And my thinking helped me to realize why war is so very detrimental to human beings. Please take a look at the chart below to see what I realized, when I thought about the opposite, or difference, between war and peace (social harmony). Read the left hand side "War" column all the way down first and then note each entry's **opposite notation** in the right hand side "Social Harmony" column.

War leads to:		Social Harmony leads to:
Death		Life
Slavery		Liberty

Property destruction		Property aka the Natural Rights
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Peace, it turns out, is imperative for an abundant life. The importance of social harmony is revealed in the genius of the Creator God. **First**, the Creator God told us, throughout the Bible, to live in peace and social harmony, e.g., to love your neighbor as yourself. Even the way that the Creator God phrased it below speaks to social harmony. Notice it only took him five key words to get the job done.

**"Thou shalt not avenge, nor bear any grudge against the children of thy people, but thou shalt love thy neighbour as thyself: I am the LORD."** Leviticus 19:18, KJV

**Second**, he put the natural rights of man into the laws of nature in such a way that men could discover the laws of social harmony by simply using our God-given reasoning ability. Man, after all, is the rational being. **No man wants to have his life taken from him, or to be enslaved (or partially enslaved), or to have some of his property stolen or destroyed.** It turns out that "loving your neighbor as yourself" is the same

as respecting other men as men, and therefore respecting their God-given and individual natural rights of life, liberty, and property. And when all men actually respect each other's natural rights, there will finally be social harmony, peace, and prosperity (abundant life).

Loving your neighbor as yourself = respecting all men as men = respecting other men's individual natural rights of Life, Liberty, & Property

We are to have dominion > the earth

We are **NOT** to have dominion > each other

A = A

Man = Man

one man > a different man (also a man) = False

How can anyone rationally and non-hypocritically advocate life for themselves, but not for others? How can anyone advocate liberty for themselves, but not for others? How can anyone advocate property for themselves, but not for others? They cannot. Further, **no one has the right to actually violate a right.**

If they do so they have chosen to start the next war. One of the interesting, but unfortunate, things pertaining to war is that war always leads to the exact opposite of the individual natural rights of man, per the Table above. **We were to have dominion over the earth, not each other** (Genesis 1:26-28). When someone's individual natural rights have been violated by ... guess what? ... the initiation of force or fraud - Satan's values – then damage has been done to a potentially divine individual made in God's image. And then there is a need for justice so that a quest for revenge does not lead to an escalation that ultimately leads to, at a minimum, interpersonal conflict, or local societal conflict, or to an all-out war.

In simple terms, the social science sequence leading to peace, which is necessary for both life and flourishing life, is as follows:

Justice → Social Harmony → Peace → Life

Justice is an instrumental necessary means to social harmony and is also constitutive (a constituent inseparable part) of what social harmony means. The same thing holds for social harmony and peace. Social harmony is an instrumental means to peace and is also

constitutive of what peace means. The same thing holds for peace and life. Peace is an instrumental means to life and flourishing life and is constitutive of what flourishing life means. At the physical level justice can include an element of restitution for wrongs committed. And social harmony includes repentance by the offender and forgiveness by the offended. At any rate, any attempt to establish Life by following a lying, thieving, murderous, warring path is doomed to failure. It is literally using the incorrect means - hence, once again, emphasizing and highlighting the importance of values. If a dictator, religious leader, local individual criminal, or anyone else advocates the right to violate a right they are illogical and immoral. They will also end up becoming a victim of their own lack of values. Even a powerful dictator is not safe as they are surrounded by unethical others. And any others who also believe that there are no objective ethical principles to live by, will simply bide their time until they feel they are strong enough to overthrow the thug of the moment and then strike that thug when they feel the opportunity is right. The main point is this: **might makes right destroys all it comes into contact with.** It is worse than any Stage Four cancer as it also kills the mind, heart, and soul. This is

true, even concerning the goon who is strongest for the moment, and it is eventually true even for Satan himself. No one, goon or otherwise, wants might makes right used on themselves.

Anyone → dictator, religious leader, political leader, or anyone else who → advocates or rationalizes → the right to violate a right → is immoral + irrational + an enemy of the two Jehovahs

They do not → love their fellow man as themselves

For a bridge (or a building or any other constructed object) to stand it must be constructed according to correct scientific and engineering principles and with the right building materials. In other words, a good bridge and a good building must be constructed according to truth. If not, they will collapse when they encounter stresses, or will wear out prematurely. How much more so for an entire society? A society must be based on what is good (moral) and true. Evil is inherently unstable and will ultimately internally collapse, or be externally destroyed. Any society whose citizens are trying "to live" by following the Satanic values of force and fraud will burn itself

out and collapse onto itself, or be destroyed by its enemies. It turns out that truth (the intellectual virtues) and morals (the moral virtues) matter. And it turns out that the only society that can last and the only life worth living has to be based on the two Jehovahs' unity of values – not on Satan's values of force and fraud.

The two Jehovahs are moral. Satan is evil.

The two Jehovahs are rational and reasonable. Satan is the father of lies and is outside of truth.

The two Jehovahs are productive. They created and own the universe and are willing to share it with men who cooperate with them to become like the two Jehovahs. Satan is a parasite that has to attempt to steal by fraud or to take by force what the two Jehovahs have produced.

The two Jehovahs → Moral + Rational (reasonable) + Productive

Satan → Immoral + Irrational (unreasonable) + Parasitical

The two Jehovahs' → Unity of Values → produce  
→ abundant eternal life

Satan's → force, fraud, and other values →  
produce → pain, suffering, confusion, and death

The two Jehovahs → can give → eternal life

Satan → cannot give → eternal life

Who do you want to follow?

Who will you give your precious time, your  
energy, and your obedience to?

What would be good for you now, and in the  
long run?

Evil has to lead to → pain → suffering → death

Since evil cannot or will not create, it must  
cleverly steal or force others to allow it the use  
of what they have produced. Evil needs fuel to  
continue on. That fuel can come from the  
energy of fallen angels, or from men who are  
deceived or afraid. **Evil hates the concept of  
original appropriation.** And it cannot create  
stability. Evil must try and take property and  
energy from others in order to fuel itself.

Evil → must use fraud or force → to gain energy + property from others

A moral, intelligent, productive person can produce and then enjoy what they produce. Or, via contract, they can engage in a property for property trade, or a service for service trade, or a property for service trade with others. In that way they can lawfully obtain property and/or services from others with which to enrich their own life. It is literally production and trade versus parasitically stealing by force or fraud.

Production + trade = moral and emulative of the two Jehovahs

Force + fraud = evil and emulative of Satan

Production + trade > force + fraud

"And remember, no one who wants to do wrong should ever say, "God is tempting me." God is never tempted to do wrong, and he never tempts anyone else either. Temptation comes from the lure of our own evil desires. **These evil desires lead to evil actions, and evil actions lead to death.**" James 1:13-15, NLT

The two Jehovahs do not tempt man.

Man's own evil desires (from Satan's value system) → evil action → death

Can you achieve abundant eternal life by following Satan and his values? No. God says life. Satan says death. God the Father loves human beings. Satan hates human beings. Jesus Christ wants to save human beings. Satan wants to kill human beings. God says happiness. Satan says misery. God says the moral virtues. Satan says there are no objective ethics, or you can create your own values to the exclusion and disregard of other's individual natural rights and to the disregard of other's hopes and dreams. God says love. Satan says hate. God says hope. Satan says despondence. God says peace. Satan says war. God says forgiveness. Satan says revenge. God says light. Satan says darkness. God says truth. Satan says lies and fraud, or there are no absolutes. God says produce and enjoy. Satan says steal and parasitically consume. God says health. Satan says pain and suffering. God says family and friends. Satan says slaves and disposable people. God says creativity. Satan says a static world, a static universe. God says variety. Satan says monotony and boredom.

God says liberty (2 Corinthians 3:17). Satan says slavery and people-control. God says private property. Satan says collective ownership – with the collective pseudo-owned by Satan himself (Satan's booty). God says free will. Satan says chaos and sets up people-control systems so men must do "their duty" and obey his and his follower's orders. God says win-win deals. Satan says that in every deal there is a winner and a loser (this naïve and incorrect view makes stable productive trade to the betterment of all almost impossible). God says take heed to the future (low time preference) (a long time horizon). Satan says now is what matters (a high time horizon) (almost no regard for the certain-to-come future). And on it goes.

**When you give your time and energy to Satan you are giving your obedience and loyalty to a warlord.** Satan is the ultimate warlord. Warlords make war and are always preparing for war, not peace. Their idea of peace is ... everyone who disagrees with them is either dead or enslaved to them. What happens when you follow a warlord? What does a warlord do and what are the consequences? **A warlord makes war.** When he is not making war he is making preparations for the next war.

The warlord knows he cannot trust the warlord one territory over and so he tries to conquer them before he is conquered. And so on. If the warlord is not victorious then the warlord and his followers are killed and/or enslaved. And they are forced to give up their territory, their property, and to pay tribute on an ongoing basis. Not a good outcome by any reasonable standard. If the warlord and his followers are successful, then they kill and enslave their enemies. And they take their enemy's property and force them to pay tribute. But war leads to lower production, death, and much lower living standards for those fortunate enough to survive. War prevents long-term planning and mankind needs long-term planning to greatly increase production, e.g., to build a steel mill or an aircraft factory, etc. Even if victorious, the warlord knows he has made lasting enemies. Those enemies will bide their time, getting stronger over time, until they believe they can exact their revenge. And then those enemies attack and there is another death-generating war – with all the attendant pain, suffering, loss of much-needed-for-life property, and death. And on it goes. Satan, the ultimate warlord, has mankind fighting perpetual national, religious, tribal, and "ism" wars. In short, Satan the warlord has man fighting a civil war against man

in an attempt to hurt the two beings he really wants to hurt – the two Jehovahs. And man has been stupid enough to follow Satan and his values, which has led to all of the above. We have to stop. If we do not, the two Jehovahs have to stop us – and they will.

The wages of sin (evil) is death (Romans 6:23). There is no eternally burning hell fire. When the two Jehovahs decide a man can no longer be saved (which will be shown later in this book to be rare and only because that individual will not repent), they will put that individual man or woman to death for all eternity (Ezekiel 18:4, previously quoted)

"And you shall trample the wicked [you cannot trample someone if they are an eternal spirit], for they shall be ashes under the soles of your feet in the day which I am preparing, says the LORD of hosts." Malachi 4:3, MKJV

""Don't be afraid of those who want to kill you. They can only kill your body; they cannot touch your soul. **Fear only God, who can destroy both soul and body in hell.**"  
Matthew 10:28, NLT

The word “hell,” in the quoted Matthew 10 scripture, denotes the final burning up into non-living ashes of the willfully unrepentant adherers to evil (Malachi 4:3 above). They are not conscious and suffering for all eternity. If the reader is interested in learning more about this topic, there is a free 12 lesson downloadable series entitled, *Heaven and Hell* on the website: teachingthelaw.org. Each lesson is about 45 minutes in length. The *Heaven and Hell* series covers this topic in depth by going throughout the entirety of the Bible and not trying to establish what amounts to a horrific doctrine based on a metaphor lifted from one or two scriptures only.

As a further confirmation that the two Jehovahs will ultimately stop evil, please note the following two passages of scripture denoting who it is that will and will not be allowed to live on into eternity. The first refers to the great new environment the two Jehovahs will create – the new heavens and the new earth:

“He who overcomes will inherit all things, and I will be his God, and he will be My son. But the fearful, and the unbelieving, and the abominable, and **murderers**, and whoremongers, and sorcerers, and idolaters,

**and all liars**, will have their part in the Lake burning with fire and brimstone, **which is the second death.**" Revelation 21:7, 8, MKJV

Note that those who follow Satan, the murderer and the liar, will be killed and experience what the Bible calls the second death, by being burnt up by fire. In other words, those who play with fire, those who willfully follow Satan's values, will receive what they should receive – eternal death by being burnt up by fire.

The second passage of scripture talks of New Jerusalem (Revelation 21:2) (**Jerusalem = foundation of peace** - not war) and who will and who will not be allowed into it.

"Blessed are they who do His commandments, that their authority will be over the Tree of Life, and they may enter in by the gates into the city [New Jerusalem]. But outside [having been killed] are the dogs, and the sorcerers, and the fornicators, and **the murderers**, and the idolaters, **and everyone who loves and makes a lie.**"

Revelation 22:14, 15, MKJV

In other words, those who follow the murderer and the liar, Satan, will be killed and will be dead for all eternity.

In the meantime, within the constraints of free will and time the two Jehovahs have previously granted, what do the two Jehovahs do to provide help to those who want to live as moral, reasonable, and productive people? The whole Bible is full of scriptures pertaining to the help the two Jehovahs can give now. Your author will quote three such scriptures, below, to provide some encouragement and hope to those currently battling to be good in an evil world.

"No temptation has taken you but what is common to man; but God is faithful, who will not allow you to be tempted above what you are able [to bear], but with the temptation also will make a way to escape, so that you may be able to bear it." 1 Corinthians 10:13, MKJV

God sets limits. Sometimes those limits exceed what we wish he would allow for, but God is thinking long-term and can heal and can resurrect when it is the right time. Ironically, but truthfully, a way of escape might be physical death, which is not a big problem for God

because he can resurrect and heal the lost one at the appropriate time (1 Corinthians 15).

"And we know that all things work together for good to those who love God, to those who are called according to His purpose."  
Romans 8:28, MKJV

God works to mitigate the damage that has been caused and to produce some good out of it. The good might be experience, empathy, greater wisdom, more character, etc. It might not be a restoration of what was lost in this life.

"So says the Lord Jehovah: In the day that I cleanse you from all your iniquities, I will also cause you to dwell in the cities, and the wastes shall be built. And the waste land shall be tilled, instead of being a ruin before all passing by.  
And they shall say, **This land that was wasted has become like the garden of Eden.** And the wasted, deserted and ruined cities now are fortified and inhabited. And the nations that are left all around you shall know that I the LORD build the ruined places and plant that which was wasted. I the LORD have spoken it, and I will do it." Ezekiel 36:33-36, MKJV

The evil will end. God will heal and restore. And **everything that Satan the warlord has worked for** – the destruction of God and man – **will be for naught**. God will heal physically. God will heal spiritually. And God will eventually make the land like the Garden of Eden.

The amazing thing about destruction is that moral, reasonable, and productive beings and people can work together and, in time, rebuild what was destroyed. In enough time, and this will happen, **it will be like evil never even existed in the first place**. Only the memories of the bad values and the bad choices will remain. The two Jehovahs (mainly), and those working with them (to some extent), will have healed the bad consequences. Satan, and those who follow him, will have been completely and utterly defeated - they will be dead for all eternity. In an important point it should be noted that even with all of the bad guys dead, one potential danger remains – that someone would, once again, adopt Satan's values and act upon them. Fortunately, and very importantly, Satan's values will have been repudiated and summarily rejected for all time by all those who live on into eternity with the two Jehovahs.

#### **4.3 The solution to the mind-body problem, various other important philosophical questions, and the implications for God and man:**

Without the **correct theory** one will not really understand any of the following – all of which are very important: 1) history, 2) the context of the current situation (the present), and 3) the correct course of action to a better future. In short, one will be intellectually lost and subject to trial and error, with likely error and its harsh consequences having the upper hand. It turns out it is very important to know the correct theory when attempting to understand and to make follow-on decisions.

Correct theory → understanding of → history + the present (context of the current situation) + the best chance to make a good decision → a better life in the future

This section of this chapter of the book starts out a little bit technical, but it is understandable and also important, so please, dear reader, stay with your author. It starts out technical because philosophers have argued about some important questions for millennia and your author has to establish what those questions are in order to

answer them correctly. The answers have great importance for mankind in that they can help mankind know what we should do and not do. The answers are the correct theory for mankind. And this correct theory will help mankind understand our history, context, and direction forward. In short, the correct theory can enable mankind to understand how important it is to cooperate with the two Jehovahs and to stop fighting the civil war against each other that Satan has conned us into fighting.

In the field of philosophy there have been numerous intellectual conflicts, with seemingly unending debates. The outcome of those debates has influenced human history. The influence of philosophy is not just academic. Philosophy obviously influences intellectual thought, through academia. Philosophy also influences governments and religions. And philosophy influences those who disseminate and popularize information, e.g., teachers, journalists, priests, ministers, government officials, broadcasters, etc.

Historically, three of the largest conceptual questions pertaining to philosophy have been the following: 1) **permanence versus change**, 2) **free will versus determinism**,

and 3) **the mind-body problem** - how to explain human consciousness and how much can we trust our human minds and their attempts to understand reality and to establish knowledge (explained further below). In the field of ontology (the nature of being) and ethics (how should I live?) a fourth very large conceptual question emerged, which is along the lines of: 4) **does man have a nature?** and, if so, should an individual man be more loyal to his unique individuality (egoism) or to humanity (altruism)? The answer and the fallout pertaining to this fourth large philosophical question can have and has had huge implications for religion and for politics and for economics.

Literally library shelves full of books present pro and con arguments regarding all of the above. And the answer to each of the above conceptual problems is important for mankind. If the above questions are not answered correctly, with understanding, then huge segments of the human population will come down on each side and there will be philosophic and religious wars leading to actual wars. And wars mean the destruction or crippling of life, the loss of freedom, and the destruction of necessary-for-life property. **Satan wants** to pit man against man – he wants **human civil war**.

And the larger the civil war is, the better, from Satan's point of view. And there is no better way to have large-scale civil war than to have **ideologies pitted against each other**. Those ideologies come from philosophy.

Satan → wants → human civil war

Philosophy → ideologies

When ideologies clash → large-scale human civil war

Philosophy, at a minimum, helps establish knowledge via ontology (the nature of being) and epistemology (the theory of knowledge). And men then have beliefs about what knowledge is true or not. Philosophy helps determine values via ethics (the nature of the good) and axiology (the study of the nature of value and valuation). And then men value, i.e., they make judgments of what is valuable and what goals to pursue, and then men choose means to attempt to achieve those goals. What a man or woman values leads them to set the goal of achieving what they value and would like to have, or to keep what they already have and value. And it leads them to choose the means they feel is appropriate to attempt to achieve

their goals. The purposeful setting of goals and the purposeful choosing of means and the taking of action to achieve one's goals is, in essence, **teleology** - (a means-ends structure with purpose). All purposeful human action is teleological, which is to say it is activated by the purpose of the human taking the action.

Teleology differs from the laws of the natural sciences. For example, in the natural sciences when particles are in motion they consistently behave according to general laws and according to the nature of the particle. No choice is involved. In teleology, choice is involved, as is a means-ends structure. An actor sets a goal, chooses a means, and takes action to influence phenomena to a desired result. Teleology turns out to be very important to man, as will be further explained later below.

Teleology → a means-ends structure with purpose on the part of the actor

The great Austrian economist, Dr. Ludwig von Mises, understood the significance of teleology and its implications for science. Your author previously wrote about this in his *Economic Fallacies Versus Rational Thought* book.

"Mises showed, in his spectacularly important economic treatise, *Human Action*, that you need a different scientific method for the social sciences than you do for the natural sciences. Trying to combine the two does not work and trying to only use natural scientific methods also does not work. You need what Mises called **methodological dualism** – two different methods, one for the natural sciences and one for the social sciences. The simple reason you need two different methods is due to human beings having the ability to make choices and those choices being causative to the consequences that follow. There is no choice in the natural sciences so you need a different method for the two kinds of sciences."

Methodological dualism → one scientific method for the natural sciences + a different scientific method for the social sciences

In short, because human choice is a causative factor, going forward, men are not the natural scientific equivalent of particles in motion. Ergo, you need a different and correct scientific method for explaining human action. This scientific method will be the subject of Chapter Eight of this book so no more will be said here.

Your author needs to introduce two additional concepts here, pertaining to the above, which are **scientism** and **behaviorism**. In doing so, a few paragraphs from your author's previous book, *Intellectual Warfare: The Corruption Of Philosophy And Thought* will be used – with a few updated comments from your author.

"Further there are actually those who, while realizing that man appears unique, are uncomfortable with all that man's uniqueness implies. They particularly do not know what to do with man's mind. These people are usually either advocates of what could be called scientism, the belief that eventually all biology will be reduced to chemistry and all chemistry will eventually be reduced to physics – particles in motion causing change according to the laws of physics. Or, these people are behaviorists, which is the belief that the actions of people can be explained in terms of conditioning without regard to conscious thoughts or feelings.

Again, your author is amazed by scientism because quite contrary to the laws of physics, men can actually be the source of causation based on how they think and choose and then act. Further, the same mind might respond to a

similar core situation by going to the left one time and the right the next time. In other words the same exact man with the same exact genetics chooses differently over time. And then a different result occurs. There will never be a regularity in how men choose to react because different men make different choices in response to the same exact phenomena, and the same exact man chooses differently from one time to the other in response to the same set of circumstances (vanilla ice cream yesterday, chocolate ice cream today is a simple example). It is the height of folly to think that stimulus and response applies to man as a law of nature. A man can override stimulus by choice and this happens all the time. A man can learn and grow and as he grows his tastes change and so do his values. Both scientism and behaviorism are intellectual dead-ends (scientifically false) when it comes to explaining the choices of men and their actions. This is because men were designed to be free to choose and so they do."

Scientism = False

Behaviorism = False

Because man was a being designed to be free to choose, his choices short-circuit both scientism and behaviorism. There is a need for methodological dualism – two different, but complementary, scientific methods. The inductive method of the natural sciences will not work for the social sciences and vice versa.

A further complication to getting the correct answer to the mind-body problem has been that the best social scientists and philosophers, the ones who came the closest to getting the correct answer, were either atheist or agnostic, or chose not to discuss God – as if the two Jehovahs had nothing to do with the matter. And this omission makes their attempt either incomplete or actually wrong as the case may be. (Your author will explain this more when he reveals the actual answer to the mind-body problem.) They reasoned to where they needed to reason to, for their purposes, but did not continue on to extend their reasoning to the two Jehovahs. They stopped at the human level, for whatever reason. Perhaps they felt it unscientific to introduce God into the equation, as it were. Your author, of course, has no such qualms. Your author wants to get the actual correct answer and share that answer with mankind and does not particularly care how other

philosophers react. Your author is concerned about God and man and how to help both as best he can.

But before your author can share the actual answer to the mind-body problem, there is **a further complication** and that complication has confused and rendered incorrect the religious attempts to answer the mind-body problem. Your author calls them "**the three omni's.**" The further complication is the widely held religious view that God (the two Jehovahs) is omniscient, omnipotent, and omnipresent. And so your author has to stop and address these three ideas right here. Your author has previously written about this in his book on law entitled, *Why There Is No Justice: The Corruption Of Law*. The pertinent section is as follows:

"One big difference between the natural sciences and the social sciences is that there is no choice as an element of causality in the natural sciences. Electrons do not choose to leave one atom and go to another. Gravity does not decide to function as a force. A planet does not choose which sun to orbit. Men (and angels) choose. So does God. All these choices have consequences. As choices are made, other

choices get made and the future unfolds in a linear fashion. **Time is linear.** The future is not predetermined. The future will occur based on choices that are made by those who are able to choose. The two Jehovahs gave free will to angels and men. Evidently one-third of the angels chose to rebel against them (Revelation 12:4-9). And man, from Adam on down, has also rebelled against them. The Israelites originally chose to cooperate with them, but then rebelled. Because the two Jehovahs gave angels and men a certain amount of freedom and also a certain amount of time, even they, based on the choice they made, cannot force an angel's or a man's mind. This is why it is so important for men, in particular, and also the good angels, to cooperate with the two Jehovahs. Otherwise, we can frustrate their purposes for us, frustrate what they would actually like to accomplish versus what they have had to settle for – so far.

It is widely assumed that God (the two Jehovahs) is **omniscient**. And **omnipotent**. And sometimes it is also assumed that God is **omnipresent**. Your author disagrees; at least pertaining to the sloppy way **the three Omni's** are normally used.

If something is knowable then God knows it – if he chooses to. If something is not knowable then no one knows it, including God. For example, as previously mentioned above, the future is not yet written. The future depends on choices that God, angels, and men make. Since the future is not yet written, because all the choices that make up the future have not been made, no one knows the future. God does reserve the right to prophecy and to intervene using his free choice to cause an event to occur, but God does not force a man's mind, or an angel's mind. As regards the natural sciences, logic, mathematics, and other fields not involving choice, your author believes God knows all. Quoting from Wikipedia:

'There is a distinction between:

inherent omniscience - the ability to know anything that one chooses to know and can be known.

total omniscience - actually knowing everything that can be known.

Some modern Christian theologians argue that God's omniscience is inherent rather than total, and that God chooses to limit his omniscience in

order to preserve the free will and dignity of his creatures.' Your author agrees.

As regards omnipotence, Wikipedia nicely quotes author C.S. Lewis on the matter (from Lewis's *The Problem Of Pain*) [emphasis mine]:

'His Omnipotence means power to do all that is intrinsically possible, not to do the intrinsically impossible. You may attribute miracles to him, but not nonsense. This is no limit to his power. If you choose to say 'God can give a creature free will and at the same time withhold free will from it,' you have not succeeded in saying anything about God: meaningless combinations of words do not suddenly acquire meaning simply because we prefix to them the two other words 'God can.' ... It is no more possible for God than for the weakest of his creatures to carry out both of two mutually exclusive alternatives; not because his power meets an obstacle, but because nonsense remains nonsense even when we talk it about God.'

Your author does not believe that God is omnipotent in terms of overriding a man's free will. Ergo, a man can change, for the good or the bad (Ezekiel 18) and God will let the man choose. God cannot force men or angels to be

moral and then turn around and maintain that we are anything much better than people-bots or angel-bots.

Omnipresence does not have much to do with this section of the book, but your author felt like including a brief discussion of it here, anyway, as it kind of goes with the first two 'Omni's.' Wikipedia defines it as follows:

'Omnipresence or ubiquity is the property of being present everywhere. This characteristic is most commonly used in a religious context, as most doctrines bestow the trait of omnipresence onto a superior, usually a deity commonly referred to as God by monotheists, as with God in Christianity. This idea differs from Pantheism, which identifies the universe and divinity; in divine omnipresence, the divine and universe are separate, but the divine is present everywhere ...'

Your author does not agree with omnipresence as it is sloppily used as God evidently has a spirit body (1 Corinthians 15:35-50, Genesis 1:26, and Revelation 1:14-15). Further, while there is no doubt God can likely go anywhere at the speed of thought, he evidently has a place he resides (Revelation 4:2 and other places).

Further, omnipresence gets difficult to explain or understand, e.g., if God is everywhere does that mean he is inside Satan?

The point of this discussion regarding omniscience, omnipotence, and omnipresence is this: It is important for men and angels to use their free will to cooperate with the two Jehovahs, i.e., God. Otherwise, even one little man can, for a time, literally frustrate the eternal God the same way a child can frustrate a parent. God gave us divine law as instruction in order to help us to learn to become like God so we can ultimately become holy and resurrected to eternal life (1 Corinthians 15) [divine individualism] and to be able to live in a new heaven and new earth (Revelation 21 and other places). Is that such a bad thing?"

Omniscience = false

Omnipotence = false

Omnipresence = false

The mind-body problem and the various attempts to answer it have wreaked unintentional havoc on mankind. The mind guys have spawned all kinds of "isms" and ideologies,

as have the body guys. And your author apologizes for not giving the actual answer to the mind-body problem immediately and for taking so much time to explain some of the problematic factors in going about attempting to find the solution. But there is, at this time, the need for a further delay. That delay is to show the implications and results of NOT getting the right answer to this very important problem. To do so, your author will quote (slightly edited), once again, (after the two Life Charts below), from his *Intellectual Warfare: The Corruption Of Philosophy And Thought* book.

The mind guys → "isms" → ideologies

The body guys → "isms" → ideologies

"Another corruption of thought has been something called "the mind-body problem." It is sometimes called "the soul-body problem." In this case the mind is man's consciousness and the body is reality, or the universe. This age-old argument took a turn for the worse when the philosopher Rene Descartes decided he existed because he could think, "I think therefore I am." The problem with this thought is that it, in essence, elevated consciousness over reality. However, in this conflict, while our

minds are important in that we use them to perceive reality, reality exists whether one man is alive and conscious or not. Reality is reality. It is up to us to use our minds as best we can to come to understand it. But in any conflict between reality and consciousness, reality has to have the last word.

In addition to elevating consciousness over reality Descartes made another big mistake. Descartes was looking for certain knowledge. And certain knowledge is a very high standard of knowledge for man to achieve. As soon as one philosopher would put forth his view as to what was certain knowledge, a whole group of other philosophers would tear down his "proof" or methods. The quest for certain knowledge led to **skepticism** and the belief that man cannot come to know anything for certain. But skepticism is disastrous for man in that it makes him question his own mind and thinking processes and it makes man question whether he can ever know the real world. As has been explained, man must both think and take action to function in this world. A man has to be able to trust his mind. If he cannot, he is crippled. The quest for certain knowledge ends up leading to skepticism and this cripples man intellectually. To your author a more intelligent

approach is to lower the bar for “certain knowledge” and to utilize knowledge that seems to produce good results and knowledge that has been personally observed, or knowledge that has been tested, or also observed by others (endoxa). Perhaps this knowledge could be called working postulates because we have to leave open the possibility that a more accurate postulate can be established at a later time when more information is available. In other words if we are to lower the standard for knowledge, below “the certain” level, we have to keep in mind that our postulates might be in need of correction and we have to be willing to correct them when better information is available. How high the bar should be set for something to be established as knowledge has also been a huge philosophical debate over the years.

It gets worse. Skepticism led to relativism. **Relativism** is the doctrine that knowledge, truth, and morality exist in relation to culture, society, or historical context and are not absolute. Relativism is extremely dangerous for mankind because it can and has led to the conclusion that since nothing can be known for certain then each man’s opinion on the truth of a matter is as good as any other man’s opinion.

Reality might as well, like what Plato did, be in a different dimension or universe because relativism ignores reality. Relativism pretends that reality is not ever-present and ready to deliver a verdict against stupidity in thought and action, but it is. As the saying goes, "we get what we deserve, not what we expect." This is another way of saying that reality is ready to veto dumb ideas at all times. If there is no standard of the right, then why should anyone believe anyone else about anything? And why should "normal people" believe the experts when the experts admit, via their doctrine, they could be wrong? **If there is not a standard of the right, there is no right**, which is what Satan wants people to believe. Relativism leads to whole hosts of men becoming, in effect, invincibly ignorant.

It gets worse again. When you place skepticism and relativism into an age of democracy you end up having people concluding they can vote on truth. Or, that a public opinion poll and/or statistical analysis are a valid substitute for objective reality. The class in an elementary school can vote that  $2 + 2 = 7$ , but this does not make it so. Adults in a democracy can vote to spend money they do not wish to pay for in taxes, and they can vote that deficits

do not matter, but at some point in time reality will come along and help them understand there are objective laws that govern the universe and mankind had better take the time and trouble to learn what they are.

The mind-body problem led to what are the mind guys and the body guys. The problem with the mind guys (various forms of rationalism or idealism) is that they evade reality by going inside their minds and conjuring up what amounts to word games, or ways to achieve, in their minds, utopia. They want certain knowledge within what they view as the real world of pure ideas. But, what is clear and distinct to one person might not be to another and so big arguments rage about the smallest details. And the fact that since most mind guys do not trust the human senses there is little to adjudicate any dispute, except for argumentation. The word games they come up with are disconnected or are not adequately connected to reality. Some of the mind guys actually question whether matter even exists. The end result is a corruption of human thought in that they have attacked the law of identity. Man has to be able to identify and name things in order to be able to think and communicate. As the philosopher Ludwig Wittgenstein would

correct: “a concept” implies at least some factual content and connection to reality (a factual commitment to reality); and we do not really possess a concept unless we can apply it to reality (empirical applicability) (use the concept coherently).

All of the “isms” associated with the mind guys led to a reaction of those wishing to establish reliable knowledge through the use of our human senses - as sensations and perceptions are common to us all. This type of knowledge theory is usually called **empiricism**. Empiricists use the scientific method to attempt to gain and use knowledge. They are the body guys. However, the body guys have their own set of self-inflicted wounds. For one thing, they look down on any other methods but the scientific method. Further, they have defined the scientific method as being required to be value-free. Of course, their unproven assertion that true science should be value-free is, ironically, an unproven judgment of value. The truth is that science should be free of bias, but not value-free. Science should promote flourishing life because life is the ultimate value. One has to be alive to value anything. Science should promote life.

Science should be value free = False

Science should be bias free = True

Science should support and enhance life = True

Another problem with the body guys is that the perception of facts without adequate theories and values (all required by thought) leads to truth being “what works.” This led to **pragmatism**. The problem with pragmatism, especially in terms of the social sciences is that it could lead to **human experimentation** and it has. In their minds since there are not objective ethical values and since truth is what works, the next thing you know you have races of people being exterminated to see if this makes the world a better place. The body guys cling to reality by abandoning their mind (not having the correct theories) and the mind guys do language-clarifying word games and arguments and abandon reality. In other words, their mind “isms” are either incompletely or incorrectly connected to reality. Reality is not acting as a check on their mind “isms.” Then both sides talk past each other like the other side is inferior. Both sides have bought into a false dichotomy where they try to place truth into mainly one place instead of realizing

that, as Ayn Rand would say, "man's knowledge is not acquired by logic apart from experience, or by experience apart from logic, but by application of logic to experience." Perhaps an easier paraphrase would be, "man's knowledge is not acquired by consciousness separated from reality, or by reality separated from consciousness, but by application of consciousness to reality." In other words, man cannot afford to be fooled into buying into either the mind guys' arguments or the body guys' arguments. And there is no need to as the two Jehovahs created both the universe and the mind of man with a logical structure. Man should use his senses AND think about what he perceives and always use his mind to attempt to accurately identify things. And he should also work to ascertain and establish concepts and accurate definitions that correspond to reality. And he must use his mind to also ascertain the laws of cause and effect.

The mind guys have spawned the following "isms" – just so you, dear reader, can know that your author did not make all of this up. Most of the definitions are either from Wikipedia, or Merriam-Webster, or the Dictionary supplied on the Macbook computer, with some possible rewording or additional comments from your

author; and there may be some minor differences of opinion regarding the definitions of the below “isms.” Any emphasis is mine throughout:

Rationalism – “a theory that reason is in itself a source of knowledge superior to and independent of sense perceptions.” Merriam-Webster

Conventionalism - “the philosophical attitude that fundamental principles of a certain kind are grounded on (explicit or implicit) agreements in society, rather than on external reality.”

Wikipedia

Constructivism – “Constructivists maintain that scientific knowledge is constructed by scientists and not discovered from the world.

Constructivists argue that the concepts of science are mental constructs proposed in order to explain sensory experience.” Wikipedia

Subjectivism – “Metaphysical subjectivism is the theory that reality is what we perceive to be real, and that there is no underlying true reality that exists independently of perception.”

Wikipedia [Your reality might be different than mine.]

Immaterialism / subjective idealism – “ ... that only minds and mental contents exist. It entails and is generally identified or associated with immaterialism, the doctrine that material things do not exist.” Wikipedia

Idealism – “is the group of philosophies, which assert that reality, or reality, as we can know it, is fundamentally mental, mentally constructed, or otherwise immaterial. Epistemologically, idealism manifests as skepticism about the possibility of knowing any mind-independent thing.” Wikipedia

Relativism – “is the concept that points of view have no absolute truth or validity, having only relative, subjective value according to differences in perception and consideration.” Wikipedia. [There are no absolute truths – spoken as an absolute truth.]

Perspectivism – “is the philosophical view developed by Friedrich Nietzsche that all ideations [concept formations] take place from particular perspectives. ... there are no objective facts, nor any knowledge of a thing-in-itself. ... Rules (i.e., those of philosophy, the scientific method, etc.) are constantly reassessed

according to the circumstances of individual perspectives. 'Truth' is thus created by integrating different vantage points together." Wikipedia [Integrating different vantage points together thus creates truth.]

Phenomenology – "is primarily concerned with the systematic reflection on and study of the structures of consciousness and the phenomena that appear in acts of consciousness. ... To understand phenomenology, one must identify its roots in the philosophy of Immanuel Kant (1724–1804). In his *Critique of Pure Reason*, Kant distinguished between 'phenomena' (objects as interpreted by human sensibility and understanding), and 'noumena' (objects as things-in-themselves, which humans cannot directly experience)." Wikipedia

Nominalism – "the theory that there are no universal essences in reality ... and that only individuals and no abstract entities exist." Merriam-Webster

Deconstructionism – "focuses on a text as such rather than as an expression of the author's intention, stressing the limitlessness (or impossibility) of interpretation and rejecting the Western philosophical tradition of seeking

certainty through reasoning by privileging certain types of information and repressing others.” Macbook Dictionary [It is almost: resort to every possible interpretation and look for every possible contradiction or inconsistency. It seems to your author to amount to intellectual nihilism via literary criticism.]

Analytic philosophy [logical atomism] – “A broad philosophical tradition characterized by an emphasis on clarity and argument (often achieved via modern formal logic and analysis of language) and a respect for the natural sciences.” Wikipedia

Ordinary language philosophy – “is a philosophical school that sees traditional philosophical problems as rooted in misunderstandings philosophers develop by distorting or forgetting what words actually mean in everyday use.” Wikipedia

Your author is sure the mind guys would say I missed some or did not perfectly describe their favorite “ism.” Whatever. ...

The body guys have spawned the following “isms” – again, just so you, dear reader, can

know that your author did not make all of this up, either. Most of the definitions are either from Wikipedia, or Merriam-Webster, or the Dictionary supplied with the Macbook computer, with some possible rewording or additional comments from your author, and there may be some minor differences of opinion regarding the definitions of the below “isms.” Any emphasis is mine throughout:

Empiricism – “is a theory of knowledge that asserts that knowledge comes only or primarily from sensory experience. One of several views of epistemology, ... empiricism emphasizes the role of experience and evidence, especially sensory experience. ... Empiricism in the philosophy of science emphasizes evidence, especially as discovered in experiments. It is a fundamental part of the scientific method that all hypotheses and theories must be tested against observations of the natural world rather than resting solely on a priori reasoning, intuition, or revelation.” Wikipedia

Pragmatism – “is a philosophical tradition centered on the linking of practice and theory. It describes a process where theory is extracted from practice and applied back to practice to form what is called intelligent practice.

Important positions characteristic of pragmatism include instrumentalism [defined below], radical empiricism [defined below], verificationism [defined below], ... and fallibilism [defined below].” Wikipedia

Radical empiricism – “is a postulate, a statement of fact and a conclusion, says William James in *The Meaning of Truth*. The postulate is that ‘the only things that shall be debatable among philosophers shall be things definable in terms drawn from experience.’” Wikipedia

Verificationism – “is the view that a statement or question is only legitimate if there is some way to determine whether the statement is true or false, or what the answer to the question is.” Wikipedia

Fallibilism – “the principle that propositions concerning empirical knowledge can be accepted though they cannot be proved with certainty.” Macbook Dictionary [This is the philosophic “ism” that gives the natural scientists their escape clause so they can pretend to be certain, knowing they have not 100% proved something while talking down to other people.]

Positivism – “is a philosophy of science based on the view that information derived from sensory experience, logical and mathematical treatments is the exclusive source of all authoritative knowledge, that there is valid knowledge (truth) only in scientific knowledge. Verified data received from the senses is known as empirical evidence.” ... “Positivism states that the only authentic knowledge is that which allows positive verification and assumes that there is valid knowledge only in scientific knowledge.” Wikipedia

Logical positivism – “or logical empiricism are variants of neopositivism that embraced verificationism, a theory of knowledge combining strong empiricism - basing all knowledge on sensory experience - with mathematical logic and linguistics so that scientific statements could be conclusively proved false or true.” Wikipedia

Instrumentalism – “... is the view that a scientific theory is a useful instrument in understanding the world. A concept or theory should be evaluated by how effectively it explains and predicts phenomena, as opposed to how accurately it describes objective reality.” [It is a form of pragmatism that basically says if

something works we can ignore whether it says anything about reality. It just works so let's use it.] "Instrumentalism avoids the debate between anti-realism and philosophical or scientific realism [defined below]. It may be better characterized as non-realism.

Instrumentalism shifts the basis of evaluation away from whether or not phenomena observed actually exist, and towards an analysis of whether the results and evaluation fit with observed phenomena." Wikipedia

Scientific realism – "is, at the most general level, the view that the world described by science (perhaps ideal science) is the real world, as it is, independent of what we might take it to be." Wikipedia

Materialism – "holds that the only thing that exists is matter or energy; that all things are composed of material and all phenomena (including consciousness) are the result of material interactions. In other words, matter is the only substance, and reality is identical with the actually occurring states of energy and matter." Wikipedia [This is sometimes called scientism. Materialists basically believe that human consciousness will eventually be explainable by reducing biology to chemistry

and chemistry to physics – particles in motion cause reactions.]

Naturalism – “the philosophic viewpoint according to which everything arises from natural properties and causes and supernatural explanations are discounted or excluded.”

Macbook Dictionary

Your author is certain he has neglected some other body “isms,” but the body guys’ point of view should be pretty clear. ...

The mind-body problem, and efforts to resolve it by concentrating an answer in a non-holistic manner, on either the mind side or the body side, has been an intellectual disaster for humanity and it has led philosophers on a wild goose chase, writ large, which has shredded philosophy.”

The mind guys and their “isms,” and the body guys and their “isms,” have created ideologies whose proponents continually battle each other. Neither side trusts the intelligence or morality of the other. Ironically, both sides are wrong. Some of the battles are intellectual, but following the above “isms” ultimately leads

to actual battles, too. It leads to intellectual or actual civil wars of man versus man.

Consciousness > reality = False

The mind guys and theirs "isms" = False

The body guys and their "isms" = False

The mind guys + the body guys → negatively influenced philosophy → negatively influenced → religions, governments, academia, journalism, the entertainment industry, secular metaphysics, e.g., Marx → everyday people

To say that the mind-body problem has been one of the main bedevilments of the human race is an understatement – which is why **the correct solution is important for mankind.**

To get the correct answer, though, requires the following: 1) understanding the three big philosophical questions (permanence versus change) (free will versus determinism) (the mind-body problem and its ramifications) and their answers pertaining to God and man; 2) understanding the further large philosophical question of "does man have a nature?" and its derivative question "should one be an egoist or

an altruist?" and their answers pertaining to God and man; 3) understanding if the three omni's are correct or incorrect; 4) knowing if there is a need for methodological dualism when attempting to understand the natural sciences and the social sciences; 5) knowing if teleology applies only to man, or does it also apply, in some respects, to the two Jehovahs, i.e., God?; 6) knowing if time is linear; 7) knowing if scientism is true or false; 8) knowing if behaviorism is true or false; and 9) understanding if one can get the answer to the mind-body problem by solving the other problems by themselves. Or, does one need to solve all of the above simultaneously, (obviously except the mind-body problem), in order to get the correct answer to the mind-body problem? Here goes with thanks to you, dear reader, for your patience.

To get the correct answer to the mind-body problem one must solve all of the above problems, and know the answer to the above questions, simultaneously. **The two Jehovahs are engaged in and are subject to teleology.** They have a goal, a purpose for man, and they have chosen means in order to achieve that goal. The means chosen must be appropriate to the desired goal. They have

therefore created the universe with a logical structure. **Reality is structured logically.** This is the body part of the mind-body problem. The two Jehovahs also gave man a spirit in man (Job 32:8, Zechariah 12:1, Isaiah 42:5, Proverbs 20:27 – all quoted earlier in this book and 1 Corinthians 2:11, quoted again below).

"For who among men knows the things of a man except the spirit of man within him? So also no one knows the things of God except the Spirit of God." 1 Corinthians 2:11, MKJV

the human brain + the spirit God gave to man =  
the human mind

The spirit in man allows for man to be conscious – to know the things of man – to be able to accurately identify and to learn cause and effect. In other words, **there is a logical structure to the human mind.** The logical structure of the human mind corresponds to the logical structure of the universe. There is no contradiction between the logical structure of the universe and the logical structure of the human mind. It has to be so in order for the two Jehovahs to achieve their goal for man. Here's why – again quoting from your author's *Intellectual Warfare: The Corruption Of Philosophy And Thought* book,

[emphasis mine] [some Life Charts are added / interjected within the quotation].

"An animal is not self-conscious. Nor does an animal look up into the heavens and ponder its place in the universe. Man is self-conscious and does look up into the heavens and ponders his place in the universe. Man asks questions. For example, he wants to know what is happening and why. Fortunately for man, there is a logical structure to the universe and there is a logical structure to the human mind. And there is no contradiction between the two.

There is → a logical structure → to the human mind

There is → a logical structure → to the universe aka reality

There is → no contradiction → between the logical structure of the human mind AND the logical structure of the universe aka reality

Man can now → identify + abstract + learn cause and effect, etc. → man can think effectively

Man can now → communicate → effectively

Man can now → choose morality

Man can now → choose to be rational  
(reasonable – according to reason)

Man can now → be productive → have dominion over the earth, his current home

Man can now → learn and grow → over time

Man can identify things. He can associate, integrate, and abstract, i.e., he can think. He can learn concepts. He can name things and form languages. **Language does not just allow man to communicate. It allows man to think.** Language to be coherent must have empirical applicability. Man can learn patterns of stimulus and response and discover the laws of cause and effect. Man can use his ability to accurately identify, name, and group things and to discover the laws of cause and effect to know how reality is ordered [logically]. As man learns how reality is ordered he can make plans to alter it for his benefit (in order to have dominion over the earth Genesis 1:26-28). Man can calculate the engineering forces necessary to build a bridge over a river or to dam a river and generate electricity, etc. Man can learn how,

when, and where to plant crops. He can learn how to build shelters to protect himself from his environment and innumerable other things to make his life better on the earth.

If there were not a logical structure to reality there would be no laws of cause and effect and even the ability to identify things would be in question. If one time an apple was red and round and another time it was purple and a square, man would have a hard time identifying that the thing in question was an apple. He would also have a hard time knowing if it was safe to eat. For example, if when the apple was red and round it was safe to eat, but when it was square and purple some men who ate it got sick, man would have to wonder what was going on. It would make life difficult [or impossible].

Thankfully, the two Jehovahs knew that men would have to use their mind in order to understand how to function on this earth and they did not play games with men in this regard. They gave mankind a spirit, a non-physical component to the human brain that enabled mankind to be able to think logically. The philosopher, Ludwig Wittgenstein, was correct when he said that **all thinking is logical or it is not thinking**. In other words, for something

to qualify as thinking it conforms to the rules for thinking, which is to say all thinking is logical, or it is not thinking. There is no such thing as **polylogism** - different logics for different groups of men. There is not one kind of logic for Germans and another for Jews, or one kind of logic for capitalists and another kind for workers. The logical structure of the human mind is uniform for all men. None other than a biased bigot would assert otherwise and there never has been a detailed attempt to explain, from any bigot, exactly how, in detail, minds possessed and utilized any such supposed logical structural difference. Again, Wittgenstein nailed this one when he succinctly observed that there are rules for thinking and that all thinking is logical, or it is not thinking. The philosopher, Gottlob Frege, further offered that in order to think normally men must use the laws of logic because **the laws of logic are descriptive of reality.** ...

All thinking → is logical → or it is not thinking (it could be wishing or hoping or dreaming, or feeling, or evading, etc., but it is not thinking)

Polylogism of any kind = False

The logical structure of the human mind is uniform for all men = True

For centuries men have pondered how it was possible for men to be conscious, not just of themselves and others, but also of reality, aka the universe. In the past there were intelligent men who actually speculated that some day doctors would find a hidden organ in the brain that would explain thought. Not so. The Bible explains that the two Jehovahs gave men the gift of thought by placing a unique spirit within them. This unique spirit enabled thought and the consciousness/thought of men has a logical structure that corresponds with the logical structure of the universe, i.e., reality. The two Jehovahs did not play games with the mind of man and make the structure of thought different somehow from the logical structure of the universe. **Man was created with both the need and the ability to be able to think.**

Thank you God. ...

"The burden of the word of the LORD for Israel, says the LORD, who stretches forth the heavens, and lays the foundation of the earth, and forms the spirit of man within him."  
Zechariah 12:1, MKJV

"So says Jehovah God, He who created the heavens and stretched them out, spreading out the earth and its offspring; He who gives breath to the people on it and spirit to those who walk in it." Isaiah 42:5, MKJV ...

The reader can notice from the two scriptures, quoted from Isaiah and Zechariah above, that both the creation of the universe and the placing of a spirit in man, which enabled thought, are both included within the same verses. This is not an accident. It is the two Jehovahs confirming that there is no contradiction between the logical structure of reality and the logical structure of the human mind. There could not be a contradiction because man had to be able to think clearly/ logically in order to fulfill his Creator's purpose for him. Man had to be able to think and to have freedom of choice in order to be moral. And man had to be able to think in order to live effectively on this earth. Without the ability to think there could be no accurate identification of things and abstraction of concepts. There could be no learning of cause and effect. And there could be no effective goal setting, no effective means selecting, and no effective actions undertaken. A confused man, unable to think clearly, or to figure out what

was really going on, would be at the complete mercy of his environment and man would be outcompeted by mere animals. Thankfully, none of this is so.

Unable to think → prevents → goal setting

Unable to think → prevents → means selection

Unable to think → prevents → effective action

Unable to think → leads to death

An error that some have held is to believe that the laws of logic are somehow only psychologically perceived and not true in themselves. This is known as **psychologism**. Frege refuted this silliness by pointing out that psychologism confuses being true with being regarded as true. It also confuses the fact that A = A, in this case that all men are men. There are laws that actually govern the universe and they are not just psychologically perceived. And men do not have different mental operating systems. To be a man is to have a mind with a logical structure that enables us to understand the logical structure of reality. As Frege mentioned, "**I understand by logical laws**, not psychological laws of holding [or believing]

as true, but laws of being true.” “Logic is concerned with the laws of truth, not with the laws of holding something to be true, not with the question of how people think, but with the question of how they must think if they are not to miss the truth.” In short, psychologism and polylogism are nonsense.

Psychologism = False (and idiotic)

Man, with freedom of choice, with the ability to think clearly, and with the freedom to take action can be moral, can be logical, and can live a flourishing abundant life on this earth. Whether he will take advantage of these God-given abilities is a different question.”

If the universe did not have a logical structure but man did have a logical structure to his mind, man would be unable to function. For example, if gravity or other universal laws worked six days per week but took one random day per week off, man could not plan. **An illogical reality would appear to be chaos to man's mind.** It is unlikely that man could even survive if he could not identify things and laws and could not rely on cause and effect. If reality had no logical structure then there would be no cause and effect. All of a man's actions would

be like a crapshoot, but unlike craps where one might only lose chips or money, a man could, and probably would, lose his life to nature if nature were not orderly and predictable. The two Jehovahs, in order to enable man to have dominion over the earth, had to create the entire universe with a logical structure. The logical necessity of doing so constrained even the two Jehovahs. In addition to free will and the grant of time to contingent beings, **logical necessity also constrains the two Jehovahs.**

An illogical reality → would appear to be chaos  
→ to a man's mind

Man would be unable to → act effectively →  
pain, suffering, and death

Logical necessity + the grant of free will + time  
to contingent beings → constrains even God

Further, if the universe had a logical structure, but man's mind did not have a logical structure that corresponded to the logical structure of the universe, then man could not understand the universe. He would be completely lost in his own mind and in his own world. He could never make sense of anything – even if what he was trying to understand was

perfectly and logically ordered. Man would not be able to think, to choose, and to take action. All of this would mean that man could not function and man would not last very long before he died out. He certainly could not choose correctly because there would be no "correctly" in his illogical or unstructured brain (in this case your author cannot use the word "mind" as man's mind would not exist). He would be taking action without knowing what he was looking at or doing and without even possessing the lower animals' operating system, which is instinct. Again, all would be confusion and chaos.

If the universe had a logical structure but → the "mind" of man did not → man would be lost in his own mind and in his own world

Man would be → unable to understand → all would be chaos → man would be unable to take effective action → pain, suffering, and death

"For **God is not the author of confusion [or chaos]**, but of peace [not war], as in all churches of the saints."  
1 Corinthians 14:33, MKJV

God is not the author of confusion because **the two Jehovahs knew exactly what it was that they were doing.** They knew they had to create the entire universe with a logical structure and they also knew that when they were creating man in their image and likeness that they had to give man a spirit which allowed for the brain to become a human mind ... and that human mind had to have a logical structure which corresponded to the logical structure of reality. And that is the short answer to the mind-body problem.

The two Jehovahs → needed man → to think → so as to make possible → morality + rationality (reasonableness) + productivity → MRP divine individuals (the goal)

The two Jehovahs → were thus required to → create an environment + grant an ability → which would enable thought

The two Jehovahs → were thus required to → create an environment (a universe with a logical structure) + grant an ability (a mind with a logical structure capable of ascertaining the logical structure of the universe) → so as to → enable thought by man (all men)

The two Jehovahs also knew the following:

The answer to permanence versus change, for man, is that man is created to become a unique divine individual and this is their general goal for man. Just like an acorn will grow into an oak tree, or die short of its end, man will become an eternal, incorruptible, unique divine individual or sadly, be put to eternal death.

Man → to become → an eternal divine individual  
OR → eternal death

Morality is necessary for both angels and man. Free will is necessary for man and angels to be considered moral – and not people-bots or angel-bots. Determinism as pertains to man is false. Free will is true. As pertains to the natural sciences, the laws of nature are consistently true and in this sense one could say the laws of nature are determined to always be consistently and logically true.

Free will = True

Determinism → as pertains to man → = False

The laws of nature (the natural sciences) →  
determined by the two Jehovahs → to be  
consistently and logically → True

The mind-body answer is that there is a logical structure to reality that corresponds to the logical structure of the human mind and vice versa. It is necessarily so in order that man can think. The universe cannot be chaotic and confusing to man or he would either go insane or die – probably both. At a minimum he would be confused all his life and then die. It is necessary for man to be able to think and to take action in order to learn and to grow – to become moral and rational – and to be productive. Being productive includes having dominion over the earth, for now - and, under the two Jehovahs, the entire universe later.

**Man has a nature.** At a minimum man is a mammal that can think, is social, has an individual and personal body and mind, and has freedom to choose. The freedom to choose and choice over time provide individuation for each man. The freedom to choose allows for moral capacity (the ability to be moral). The ability to think allows for intellectual capacity – the ability to grow intellectually over time. Man can choose to work together to increase

productivity, or by himself or herself. Man can have dominion over the earth, including to a much greater extent, by dividing labor and working together. It is mistake to attempt to non-holistically answer whether man should be more loyal to his humanity or to himself or herself. Man should be true to himself or herself by working with the two Jehovahs to choose life and the package of the unity of values that pertain to an abundant eternal life, to obtain and use as many of the moral and intellectual virtues as possible, and to also respect the nature of man by recognizing and respecting other's individual natural rights of life, liberty, and property (in doing so one respects humanity). Egoism and altruism will be discussed more in Chapter Six of this book, so more will not be written here other than to point out that each man and each woman has the specialized duty to be their own unique selves within the context of remaining in compliance with the two Jehovahs' objective ethical principles – a universal duty for all.

God being omniscient is false. This was already discussed above.

God being omnipotent is false. In addition to what was discussed above, namely that God

self-limited his own power when he granted angels and men free will, God is further limited by what was discussed in this section. And that further limitation is that the two Jehovahs were required to operate within the bounds of a logically structured universe and to further grant to man a mind that had a logical structure to it. The two Jehovahs' range of action is constrained by logic. (Your author is not saying they would choose to be illogical, otherwise.) Again, this is a self-limitation, but it is a limitation nonetheless. Ergo, the two Jehovahs are limited by both free will and logic. Their actions are therefore constrained by both. As mentioned earlier in the book, however, the two Jehovahs have reserved free will for themselves, too, and so can answer prayer, etc.

God being omnipresent is false. This was already discussed above.

There is one scientific method that is appropriate for understanding the social sciences and another scientific method that is appropriate for understanding the natural sciences. This is known as methodological dualism (dual methods). Your author will write more about this later in this book.  
Understanding methodological dualism opens

the door to understanding the next paragraph, which is critical.

The two Jehovahs are engaged in and subject to teleology. They are undertaking a process - divine individualism, to obtain a result - divine individuals. When dealing with contingent beings, e.g., man, they are subject to the logic of action (praxeology) (explained below and in Chapter Eight) because they have a goal they are seeking to achieve, using means they have chosen, and they are taking action, in time, to achieve that goal. Further, they have had to incur costs to achieve their goal. For man, in particular, the two Jehovahs are using a means-ends structure with purpose.

The two Jehovahs → subject to teleology → as pertains to man → they are using a means-end structure + purpose + are acting in time

Time is linear because the two Jehovahs, the good angels, man, Satan, and the fallen angels' choices all co-determine the future.

Scientism is false.

Behaviorism is false.

The various “isms” spawned by the mind guys are either false or not complete, and so are wrong. In either case, they are non-holistic, out of context, and dangerous. They are wrong theories and they have spawned ideologies that are dangerous.

The mind guys’ → theories → are wrong

Philosopher-speak Life Chart: impositionism = False (because it pictures logic as a constraint imposed by us on reality)

The various “isms” spawned by the body guys are either false or not complete, and so are wrong. In either case, they are non-holistic, out of context, and dangerous. They are wrong theories and they have spawned ideologies that are dangerous.

The body guys’ → theories → are wrong

Philosopher-speak Life Chart: reflectionism = False (because it pictures logic as a constraint imposed by reality on us)

It is important to understand all of the above for at least two reasons: 1) to avoid the incomplete and wrong theories and the

ideologies spawned by both the mind guys and the body guys and 2) to understand that man must cooperate with the two Jehovahs because they are not omnipotent. They cannot just give a command (say a word) and have a new divine individual. That requires both a process and cooperation from the individual, i.e., from you.

In your author's viewpoint the person who came the closest, before your author, to the correct answer to the mind-body problem was the great Austrian economist, Dr. Ludwig von Mises. He got the logical structure part correct, but missed when he specifically excluded God from the answer. This points to the importance of not rejecting religion or metaphysics when philosophizing. He almost got the answer, but then ran out of bounds short of the goal line. Your author will utilize portions from his own *Divine Individualism* book below:

"The two Jehovahs have made the choice to give other contingent beings, men and angels, free choice. As such they are now limited in how they can accomplish things. This is because either a man's, or an angel's choice can now frustrate God – for a time. As such, the two Jehovahs are subject to the logic of action when dealing with contingent beings. They are

so subject because men are their workmanship (Ephesians 2:10) and because they have decided to use the divine individualism process to achieve their goal of bringing divine individuals to fruition. At the human level the great Austrian economist, Dr. Ludwig von Mises, coined the word praxeology to explain the science of human action and he then proceeded to expound the logic of action and its consequences. The results were that the science of economics was set onto a more proper and lasting foundation. Mises, though, limited praxeology to human action, specifically excluding God. Your author will quote from his epic, *Human Action*, on this point:

'In order to avoid any possible misinterpretation of the praxeological categories it seems expedient to emphasize a truism.

Praxeology, like the historical sciences of human action, deals with purposeful human action. If it mentions ends, what it has in view is the ends at which acting men aim. If it speaks of meaning, it refers to the meaning which acting men attach to their actions.

Praxeology and history are manifestations of the human mind and as such are conditioned by

the intellectual abilities of mortal men.  
Praxeology and history do not pretend to know anything about the intentions of an absolute and objective mind, about an objective meaning inherent in the course of events and of historical evolution, and about the plans which God ... is trying to realize in directing the universe and human affairs.'

Mises was correct regarding human action, (praxeology), and your author covered this in his economics book, *Economic Fallacies Versus Rational Thought*, so not much more will be written right here. Your author believes Mises thought that that goal setting and means choosing and taking action to make things better were meaningless to a God who could will a better environment into existence. In other words, why, from Mises' point of view, would an omnipotent God presently need to take any action? If God were omniscient he would know what he wanted and if he were omnipotent he would have already taken whatever action was necessary to have things just the way he wanted them. With those (false) premises, the question arises: What action is possible to such a God? Mises thought no action was possible to such a being. Why even think about it? To Mises, no action, in the praxeological sense, is

possible to such a being. And so, reasoning from two premises that were both false, Mises did not attempt to extend praxeology to God.

On this point, Mises was wrong. Mises, genius of geniuses that he was, did not really understand the Bible. He did not understand what God was really doing. He did not understand that God is bringing to fruition divine individuals using the process of divine individualism to do so. What is important to realize is that Mises was wrong in this sense: The logic of action, of setting goals and choosing means to achieve them, does apply to God when God is dealing with contingent beings that possess freedom of choice. It does not apply to God when God is dealing with the natural sciences, as the natural sciences do what God wants when God wants it done. God can command whatever he wants to command into existence (Genesis 1). However, God cannot force a mind with free will to obey him, or to love him, etc., otherwise he would have people-bots, or angel-bots. Praxeology is defined as the science or general theory of purposeful human action. Since it is so defined to be human action, in that sense one cannot extend praxeology to the God level - the level of the two Jehovahs. In the substantive sense,

however, and lacking a better word to put in its place, your author does so extend praxeology\* (praxeology with an asterisk) to the God level.

Praxeology → the general theory of the logical implications of action (or purposeful action) → surprisingly applies to God → WHEN the two Jehovahs → are dealing with contingent beings, in particular, man

God cannot force us to cooperate with him in the divine individualism process. God cannot force us to choose life and the package of values that come with it. God cannot force us to obtain and use the moral virtues, i.e., to be moral. God cannot force us to obtain and use the intellectual virtues. As Ayn Rand observed, 'if men are not open to reason, all one can do is to leave them to the consequences of their choices.' Experience is a brutal teacher.

"Behold, I am the LORD, the God of all flesh.  
Is there anything too hard for Me?"  
Jeremiah 32:27, MKJV

Just because God asks a question in a bold and intimidating way does not mean the answer is "Yes." Some men will ultimately frustrate the two Jehovahs' purpose for them and they will

have to be put to eternal death (Matthew 10:28, Ezekiel 18:4, Romans 6:23, Revelation 21:8, and other places).

Because the logic of action extends to the two Jehovahs, when dealing with contingent beings, it is very important that each of us cooperate with them. Not cooperating with them can literally frustrate their good intentions toward us. ..."

Man can frustrate God's intentions = True

It is very important that man → cooperate with the two Jehovahs → the life-givers BECAUSE → the two Jehovahs are not omnipotent → they actually need our cooperation → in the divine individualism process

Other philosophers and authors, e.g., Ayn Rand, an atheist, also came close. Rand said "Man's knowledge is not acquired by logic [mind] apart from experience [body], or by experience apart from logic, but by application of logic to experience." Perhaps an easier paraphrase might be, "Man's knowledge is not acquired by consciousness not adequately connected with reality, or by reality separated from consciousness (incorrect theory) (illogical

"thinking"), but by application of consciousness to reality (via logic and the correct theory)." In other words, man cannot get fooled into buying into either the mind guys' arguments, or the body guys' arguments. However, Rand disregarded the actual larger context of the situation, which is that there is a God who is undertaking to achieve a goal and so her answer, while quite good, is not complete. Rand never attempted to relate her answer to God because she was an atheist. Ironically, Rand, who very often preached against context dropping, herself missed on understanding the larger context of the God and man situation. And so she did not understand why logic and reality and the human mind were bound together and who bound them together and for what purpose. There were others, like the philosopher Ludwig Wittgenstein, who knew that our concepts (mind) have to be adequately connected to reality (body). But, again, there was no effort made to tie this to a God attempting to achieve a goal and thus being limited by the self-imposed constraints of logic itself.

If we think about it, the two Jehovahs had enormous intelligence and humility to limit themselves by granting free will and by

themselves submitting to logic as a limitation. The magnitude of the creative intelligent thought involved, motivated by the enormity of the love, and the entrepreneurial risks taken are astounding. The risks taken include Jehovah number two, the Word, becoming flesh and coming to this earth to suffer and physically die for mankind. And they also include taking the risk of having allowed us the honor of being made to look like them and to be able to think and choose like them. It turns out that praxeology, purposeful human action, is but a comparatively speaking small-scale version of the two Jehovahs' purposeful divine actions. Both, properly understood, are teleological. Both, properly understood, take risks and pay costs to achieve goals.

Praxeology → purposeful human action → is but a small-scale version of → purposeful divine action → both → are teleological → both → take risks + pay costs → to achieve goals

Once we understand the actual context of the God and man situation, we can and should choose to cooperate with the two Jehovahs in their divine individualism process. Doing so is necessary, but will not earn us salvation, as salvation is a free gift (Romans 5:18, 6:23). In

reality, however, it is the only credible (life-giving) option available to us, and it will make things go much easier. It only stands to reason that we should reject the might makes right practices of the god of forces, Satan. We should do what the two Jehovahs said to do, in Deuteronomy 30:19, and to consciously adopt life and the package of values that come with it. In doing so we will be moving ourselves toward God the life-giver, and away from Satan the warlord. As we obtain more of the moral and intellectual virtues we will become better people and make better decisions.

Within the context of staying within the rational and objective ethics of the two Jehovahs, we can embrace our individual uniqueness. **We have an obligation to become who only we can become AND to become the best unique individual that we can be.** We have to give each other, and ourselves, the space and the time to grow. As we are growing we will sometimes have setbacks, but we are no longer under condemnation (the death penalty). This means that we can grow, over time, with confidence:

Each man and each woman → an obligation (specialized duty) → to become → the best possible version of who only they can become

Within the context of remaining inside of → the two Jehovahs' objective ethical principles (a universal duty) → man = free to choose

You can become your unique best self without feeling guilty.

"There is therefore now no condemnation to those who are in Christ Jesus, who walk not according to the flesh but according to the Spirit." Romans 8:1, MKJV

As we participate in and cooperate with the two Jehovahs in their divine individualism process, we will receive their help in the form of their Holy Spirit living within us and helping us to make progress. The fact that their Holy Spirit is within unique human beings is part of the reason why your author chose to coin the phrase "divine individualism." The other main factor was consideration of the result of the process: incorruptible unique individuals with eternal life.

The Holy Spirit of → BOTH the Father and Jesus Christ → can be within → unique human beings → divine individualism

Question: with this as an option for EVERY human being → does it make sense to settle for → being a disposable follower → of a warlord?

“Or do you not know that your body is the temple of the Holy Spirit in you, whom you have of God? And you are not your own,”  
1 Corinthians 6:19, MKJV

“And now you also have heard the truth, the Good News that God saves you. And when you believed in Christ, he identified you as his own by giving you the Holy Spirit, whom he promised long ago. The Spirit is God's guarantee that he will give us everything he promised and that he has purchased us to be his own people. This is just one more reason for us to praise our glorious God.”  
Ephesians 1:13-14, NLT

“being confident of this very thing, that He who has begun a good work in you will perform it until the day of Jesus Christ [the day of the return of Jesus Christ - the resurrection],”  
Philippians 1:6, MKJV

We need to cooperate with the two Jehovahs in their divine individualism process, for at least three main reasons: 1) the divine individualism process is what we were created to go through, like an acorn growing into an oak tree; 2) they will not force our minds or our hearts and so ultimately our cooperation is a required part of the process; and 3) it is the only way to receive eternal life – the alternative being eternal death.

Because the two Jehovahs purposed and desired to achieve a goal, which is to have men become eternal divine MRP individuals, they had to choose the appropriate means. For the purposes of this section, the appropriate means include granting men free will, time, and structuring the universe in a logical way plus structuring the mind of man in a logical way. The correspondence of the logical structure of the mind of man to the logical structure of the universe was a necessary means for men to be able to think. And it was a necessary means for men to be able to take effective action. In seeing how men think and take action, which is to also say how men spend their free will and their time, the two Jehovahs will learn about us as individuals. They know we will not make all the right decisions all of the time and they know

we will actually do evil sometimes. The two Jehovahs' objective ethical principles plus logic, math, and all the other forms of truth provide an absolute standard for men to aspire to. And WHEN each of us, as individuals, falls short, the two Jehovahs provide mercy. They do so out of both love and necessity as no man is perfect – all men have sinned (Romans 3:23). The two Jehovahs do NOT want to condemn us - as mentioned in regards to the Father in John 3:17 (sometimes overlooked in light of the more famous John 3:16). Your author will quote both below:

There are absolute standards = True

WHEN man falls short → the two Jehovahs → do NOT change or lower the standards BUT → they provide mercy

"For God [the Father] did **not** send His Son into the world to condemn the world, but so that the world might be saved through Him."  
John 3:17, MKJV

"For God so loved the world [the individual men and women living in this world] that He gave His only-begotten Son, that whoever

believes in Him should not perish **but have everlasting life.**" John 3:16, MKJV

The two Jehovahs, in order to achieve their goal for mankind, limited themselves by granting men free will, by granting men time, by structuring the universe in a logical fashion, and by giving men a spirit added to the human brain that enables a logically-functioning human mind. The two Jehovahs limited themselves! They did so out of love for man. They further put their names, intellects, and character on the line (took a risk) by giving ALL men and ALL women the honor of making us in their image and likeness. Your author has previously written a book explaining this in more detail and that book is entitled, *Honor*. The two Jehovahs are limited by how other beings, men and angels, spend their freedom and spend their time and by whether men will take advantage of the ability they have to be rational (according to reason – reasonable). It is up to each of us!

From your author's point of view it would behoove all of us to recognize that the two Jehovahs are hoping that men will choose to use their minds, freedom, and time to do the following: 1) choose life over death, 2) choose an abundant eternal life over a short, suffering

existence, 3) logically come to understand that if one wants an abundant eternal life they must accept the unity of values, the package of values that pertain to life, 4) this includes yielding to Jesus Christ and accepting him as Savior as he is the only name under heaven whereby men can be saved, 5) reject Satan the warlord's death-generating anti-values, 6) start to obtain and use as many of the moral and intellectual virtues as one can in the time one has left in life, and 7) live one's life in a way that one can answer for how we have spent our freedom and our time - how we have thought and chosen and taken action. Further, 8) we cannot be afraid to die as we are all going to physically die some day, in any case. In short, and in summation, we will be cooperating with the two Jehovahs in their divine individualism process.

Because Satan knows all of the above, he knows how important logical reasoning is to man. And so he and his teams of pseudo-intellectuals have attacked logic itself. Because Satan and his religious and governmental teams view free will as chaos, they also try and use people-control systems to obviate free will. The truth is Satan and his teams have just as much of a chance of overthrowing gravity as they do of overthrowing logic or obviating free will.

There are actually schools of “thought” who actually believe that logic is different for different races, classes, time periods of human history, etc. They are wrong. Logic is the same for all places and times and for all men. Those who advocate otherwise are helping Satan to confuse and deceive men. And they are either ignorant or have sold out to evil and your author is not sure which. In any case, those who attack logic are, in essence, attacking the two Jehovahs and rejecting their divine individualism process for man. They will pay a heavy price for so doing if they do not change. The same holds true for all those who attempt to obviate the free will that the two Jehovahs have granted to all men.

An attack on logic = an attack on the two Jehovahs AND their divine individualism process for man

As will be explained further in the next section, logic is the same for all times and places. It has to be for men to be able to effectively think, choose (value), and to take action - for men to become moral and rational and productive. The two Jehovahs' goal for each man and woman is for us to become moral, reasonable and productive, eternal, unique

divine individuals. In other words, **the two Jehovahs do have a general plan for all of the individuals comprising mankind.**

But, to end this section, your author will now slay one more intellectual dragon. And that false intellectual dragon is used many times in religious circles. Here it is, and please forgive your author for chopping down yet another totem pole. What is widely believed, but false, is that the two Jehovahs have a specific plan for your life. **They almost certainly do not.** Your author will concede that there are probably exceptions to this statement, e.g., Job, Moses, or John the Baptist. Most of us are not Job, Moses, or John the Baptist. They were drafted to perform a certain role; again, the two Jehovahs have free will to act should they so desire to intervene. In a previous book, *Divine Individualism*, your author addressed not being discouraged when you realize you have not used your freedom and your time as well as you should have, along with, "does God have a specific plan for your life?" Your author will use several relevant passages below.

Divine individualism gets off to a bad start in that the entirety of the human race initially rejects the two Jehovahs and their perfect value

system. For a time, the human race seems determined to only do what does not work and cannot work. Fortunately, the two Jehovahs are long-term thinkers, love us, and are determined. They provided a Savior for mankind, though we were all sinners (bad people), and once one decides to participate in their divine individualism process they grant forgiveness to us. And they also give the Holy Spirit to help the divine individualism change process along.

As previously mentioned, there is no one else who can be you, so be yourself, with proper respect and consideration for others. To be your best self you must learn what to value and you should also work to obtain and use the moral and intellectual virtues so that you will obtain the best possible results for your life. As we better learn what to value and as we obtain and use the virtues we will also come to value others made in God's image. Then we will be able to better fulfill the second great commandment, "You shall love your neighbor as yourself."

Sometimes the bad decisions and failures of our past cause us guilt and shame. In this regard, all human beings are in the same hole-laden boat (Romans 3:23). **Guilt and shame are two of Satan's best weapons** as he

attempts to thwart the divine individualism plans of the two Jehovahs. It is important to not let guilt and shame prevent us from starting and following through with the process of divine individualism. Perhaps that is why repentance and public acknowledgment of sin is at the beginning of the Acts 2:38 conversion process. Each of us is afraid others will find out how bad we have been, will find out the mistakes we have made, etc. By repenting and acknowledging our sins, we take the weapons of guilt and shame out of Satan's hand. Once we confess that we are a sinner in need of a Savior there is no further harm involved in that knowledge becoming public because we made it public ourselves. **There is life after failure.** Your author wrote a previous book entitled, *Fixer Upper People*, in part explaining how to start over and rebuild.

Within the context of staying inside of the two Jehovahs' objective ethical system → which includes respecting other's individual natural rights → you are free to choose → and your choices NOT God's specific plan for you → will determine your life

You cannot blame God for your physical circumstances = True

Your choices → will determine your life

What you value → will determine what you choose

God's plan for you = his general plan for man → that you would become a MRP eternal unique divine individual

**When God gave you free will → he gave up the ability to specifically plan your life**

This is why your THOUGHTS, your CHOICES, and your ACTIONS are → so very important to you!

God, the two Jehovahs, also have free will and they can answer prayers, if they choose = True

A man can obtain guidance from God + others = True

Other beings' choices → can both positively and negatively impact your life = True → BUT → it is largely your own choices → that will write your life's story

Sometimes well-intended people believe in the philosophical doctrine known as determinism. This doctrine is decidedly false. It has to be false because the two Jehovahs gave both men and angels free will and angelic and human choices help write the future, along with the two Jehovahs' choices. The two Jehovahs reserve the right to intervene at any time, but generally they do not. Job 23:13-14 is sometimes used to attempt to show that God has a plan for every life – meaning a detailed and specific plan. This is not true. Job was a unique person chosen for a unique task – which is the two Jehovahs' prerogative. Your author has written a book on this topic entitled, *Why Job Suffered: The Real Story*. Other than using Job to make a number of points they likely did not plan his entire life, only intervening into parts of it in a most profound way.

"Nevertheless, his [God's] mind concerning me remains unchanged, and who can turn him from **his purposes** [divine individualism] [teleology applies to God when dealing with contingent beings]? Whatever he wants to do, he does [if it is possible. What is not possible is to give men free will and also to retain the ability to have a specific plan for their lives]. So he will do for me all he has planned [divine

individualism]. He controls my destiny [divine individualism]." Job 23:13, 14, NLT

Another scripture that determinists frequently cite is the passage of Jeremiah 29:11, where it appears to indicate that: "God has a plan for you." In this case it is clear, from reading all of Jeremiah 29, that God is speaking to the Jews who were carried away captive to Babylon – in other words, God had a national plan for them. In no way can this be logically extended to show that God has a specific individual physical plan for every life. [Is God's plan for you, captivity? No.] ...

To contend, when something horrible happens to someone, e.g., a drunk driver hits and then kills a family member, that – not to worry, God is in control, and that the tragic death is all a part of God's specific plan is nonsense. To maintain that line of inferential thinking one must come to believe that: 1) God chose a man, 2) God caused the man to get drunk, 3) then God further caused the man to drive, 4) then further that God guided the drunk driver to hit and kill an innocent victim, and 5) that all this, in short, was God's "perfect plan for you." It is no wonder that people, upon hearing such a load of nonsense, blame God for evil.

And then give up on God. Fortunately, all of the above is complete nonsense. It is false. God is guilty of free will, not evil. The drunk driver, misusing his free will, did the evil and is responsible for it. God can work to bring good out of it, somehow, but it is work to do so – even for God (Romans 8:28). And it will take time, even for God, to bring some good out of it. It certainly is not part of a specific life plan for: A) the drunk driver, B) the victim, or C) the grieving family members of the victim. The perhaps well-intentioned, but intellectually false, "God has a perfect plan for you," attempt to comfort the grieving has the very bad additional side effect of appearing to leave God holding the bag for evil, when God had nothing to do with it, other than to grant free will.

Another housekeeping point, as we wind toward the close of this section of the book, is that some philosophers actually contend that we are not really individuals because we all learn from each other. Really? Who did Sir Isaac Newton learn from when he formulated the laws of motion and universal gravitation and who did he learn from when he invented (discovered) the core principles of calculus? Geniuses do not learn from others; they disregard others in order to make an advance. To try and deny

individualism, even at the secular level, takes convolutions and distortions of the grossest magnitude. [To attempt to deny free will and logic are in the same category as attempting to deny individualism.] As previously mentioned, if a theory attempts to deny reality it is the theory that needs to be discarded. Any such theory, in flagrant disregard of reality, is surely not science or truth.

Denying individualism → because we learn from each other = False

Only individuals learn + they do so one concept or correct thought at a time.

There are no collective minds – only individual minds.

Three of the seemingly simple, but definitely harder, life questions to answer are: "Who am I?" and "Where should I go" and "What should I do?" There is a wide range of options available to us all. It takes time and usually a lot of trial and error to find one's path in life. It also takes resolve. **Even if the world is bad, your world can be good.** It depends on the choices you make [how you spend your freedom and your time and whether you use the valuable mind the

two Jehovahs gave you]. Making good choices depends on the values you hold and the virtues you obtain and use. While on the way to finding out the answers to the above questions for ourselves it would be wise to allow others time to also answer those questions for themselves. What is clear is that we are all unique individuals. What is further clear is that the two Jehovahs are offering us the chance to participate in their divine individualism process. Only you can be you. There is no one else to take your place. You are invaluable. You are priceless.

The two Jehovahs determined and established objective ethical principles to live by. What your author will once again write about here is this very important point:

Within the context of remaining within objective ethical principles each person is free to be their own unique selves - **without guilt for being different.**

The two Jehovahs = God

God has a general plan for your life = True

God has a specific plan for your life = False\*  
\* for most people

Because the two Jehovahs have: 1) granted free will 2) granted time 3) structured the universe logically 4) given a spirit in man that allows for man to think logically → this enables 5) moral space and time to grow and 6) the ability to recognize reality, i.e., to identify, to learn cause and effect, to know the context of the situation as best as humanly possible → in order to 7) enable us to choose life and the unity of values that lead to an abundant life and 8) to grow in the moral and intellectual virtues and 9) to learn how to be productive. Growing in the moral and intellectual virtues and learning how to be productive takes free will, time, and logical reasoning, and it takes action → free will + time + rationality/morality + action. And 10) our choices over time + our individual uniqueness enable each of us to become, in the end → divine individuals → eternal, unique, MRP divine individuals.

The two Jehovahs, operating in a teleological ends plus means structure, with a general goal for each man and woman, HAD TO ALLOW FOR AND USE AS A MEANS → free will + time + logic. The two Jehovahs are not responsible for

whether men choose to think or not and they are not responsible for how men spend their freedom and their time. However, when the two Jehovahs allowed for and used as a means, free will + time + logic, they limited themselves and so they are counting on each man and woman to put back, as it were, of our own choice → cooperating with them and rejecting Satan the warlord. That choice is up to us. It is only logical that we would do so.

#### **4.4 Intellectual warfare: the corrupting attack on philosophy and logic (thought):**

This section of the book is, in many respects, a condensed and cherry-picked version of your author's previous book, *Intellectual Warfare: The Corruption Of Philosophy And Thought*. It is not easy to detail all of the attacks on philosophy and thought – even in a larger book – much less so in a comparatively shorter section of this book. Ergo, the reader is encouraged to refer to the above book for much more detail – in particular the chapter entitled "The Corruption Of Philosophy & Thought."

Satan understands that the two Jehovahs are using a divine individualism process to alter the course of universal history. And he fully

understands that logic is paramount to proper thinking. He also understands that both the universe and the mind of man are structured logically. In short, Satan knows that man can think and he knows how important thought is to man.

All thinking is logical or it is not thinking. Non-logical "thinking" (use of the human mind to do something) could perhaps be thought of as daydreaming, wishing, hoping, believing, etc. And, for lack of a better term, if the mental process was neutral between thoughts we might call it a transition. However, when one is actually thinking, one is thinking logically. And thinking is necessary to value, to choose, and to take effective action. Thinking is necessary for identification, for integrating knowledge, abstracting knowledge, coming to understand cause and effect, etc. Thinking is necessary to understand the context of the situation and to understand what is a correct theory versus an incorrect theory. Thinking is necessary to set proper goals and to choose the proper means to achieve those goals. And so Satan, enemy of God and man, must attack thought itself. Satan must attack logic.

All thinking is logical, or it is not thinking = True

Satan must → attack logic

Whether it is choosing life and rejecting death, coming to understand that choosing life means also choosing the unity of the package of values that pertain to life, choosing the good and rejecting the bad (the moral virtues), choosing to learn and grow intellectually (the intellectual virtues), or learning how to be productive without violating the individual natural rights of others, it turns out that **thought is critical to man.** Satan hates clear thinking. He has to. **It turns out that even a little bit of thought will reveal that evil is irrational.** And Satan, being evil, does not want to be accurately identified, nor does he want his force and fraud systems logically examined.

A further reason why Satan must attack thought is because nothing Satan puts forth as a "value" can stand up to the two Jehovahs' pure values. As a side bar, when you, dear reader, are feeling low and you believe that Satan and his evil team have set up the entire world so that it is arrayed against you, consider this thought: in reality, in actuality, the two Jehovahs have already stacked the entire

universal deck of cards in our favor – in favor of those cooperating with the two Jehovahs and in the process of becoming the MRP good guys:

Life > death

Abundant life > suffering existence

Love > hate

Light > darkness

Truth > error

Truth > lies

The two Jehovahs' force > Satan's force

Forgiveness > revenge

Hope > despair

Giving > receiving

Gentleness > harshness

Patience > impatience

Reconciliation > vengeance

Peace > war

Logic > chaos

Productivity > being a parasite

Beauty > ugliness

Harmony > conflict

Abundance > scarcity

Faith > doubt

A positive community of emotion with the two Jehovahs, the good angels, and other MRP individuals > being a member of a collective gang of immoral, irrational, lying, murdering, thieving parasites ("You shall not follow a multitude to do evil. ... Exodus 23:2, MKJV)

Etc. – the list could go on and on.

In order to further make the point, let's take just one of the above Life Charts, for a brief elaboration. All of the darkness in the entire universe cannot keep even the smallest light from shining forth and conquering the darkness

around it. The same basic idea holds for the other Life Charts above. The universe is actually structured for the good guys, MRP individuals, and against the bad guys, those in opposition to the two Jehovahs. And in the end there will only be the good guys. The unrepentant bad guys will be dead.

It turns out that evil is irrational. Why? The very idea of evil stems from the categories of the good and the bad (bad as in unfavorable, defective, morally depraved, i.e., the not good).

**Good has to do with what is moral** (when choice is involved). A natural disaster could be bad for trees, e.g., a lightning-caused forest fire, but in this case there is no moral choice involved in what was bad for the burnt-up trees.

**Good also has to do with what is true.** For any entity, the good is what actually helps that entity along toward its ultimate best state. No one waters a potted plant with sulfuric acid. Sulfuric acid is not “good” for a potted plant. It is bad for it. In this case it is not true that sulfuric acid is good for a potted plant.

Watering a potted plant with sulfuric acid will cause the death of the plant. Death is the end and it is the very epitome of “the bad.” No one who wants an oak tree takes an acorn and, instead of planting the acorn into good soil and

watering it, feeds it to a squirrel. The squirrel might be happy, but it is the end of that potential oak tree. All sins, whether they are due to ignorance (Leviticus 4:27), or from bad moral choice, cause death (James 1:14-15) - the ultimate bad. Sins of any delineation lead to and cause the ultimate bad and are therefore bad. Sin is bad for contingent beings, men and angels. This is why, quite logically, the two Jehovahs hate sin. It causes death. Before sin causes death, it causes hurt - pain and suffering. Sin is harmful now and will lead to death. A dictionary definition of evil is: harmful or tending to harm. In other words, evil is harmful. Unfortunately, when each of us sins, whether out of ignorance or due to weakness, we further evil in the world we have to live in. We harm others and ourselves. We have missed the good in mind or in deed.

Good has to do with what is true + good has to do with what is moral

Your author would further contend that there is another entire category of "evil on steroids." Satan, his team of fallen angels, and more than likely, some men in league with them represent and populate this category. Satan has consciously, purposefully, and with a

determination not to repent, chosen the bad. Satan unabashedly identifies himself as evil by choice. So do those who purposefully follow their warlord. They have made a conscious willful moral choice. Knowing the bad, they have chosen it. They have, in effect, chosen evil as a "way of life." (Nothing in this paragraph is meant to imply that any human beings so following Satan could not repent and have their sins forgiven – just that it is likely they will not. They actually believe in evil as a way of life.)

Part of following the laws of logic is to use them to accurately identify – to identify entities and to correctly abstract and integrate concepts. To misidentify something is to logically err, to be illogical pertaining to that thinking effort. It means that you tried to identify something correctly, but erred in your application of the laws of logic, and you got the wrong answer. It happens to all of us from time to time. But, there are absolute standards and it is up to each of us to keep trying to learn what they are and then to keep trying to apply them in our lives.

Aristotle's famous three laws of identification are: 1) a thing is itself, i.e.,  $A = A$ ; 2) the law of non-contradiction, i.e.,  $A$  cannot be  $A$  and  $\text{non-}A$  at the same time; and 3) the law of the

excluded middle, i.e., something is either A, or it is not A. These three paraphrased laws actually help clarify truth for us, through proper identification, even though they may seem very simple.

Anyone who identifies bad as a value – as something that is good – has misidentified “the good.” They do not know what is good for them to reach their best end state – a unique eternal MRP divine individual. When you misidentify “the bad” as “the good” you are not thinking because all thinking is logical and you did not follow the laws of proper identification. If you did, you would have obtained the right answer, but you did not. To misidentify the bad as the good is irrational (not rational – outside of logic and sound reasoning). This is bad enough and will likely lead to poor decisions and harmful consequences. But, it can get even worse. And that is when someone consciously chooses the bad knowing it is the bad and will harm others (or oneself). They made a moral choice for the bad even though they knew what the good was.

To misidentify the bad as the good → to misidentify what constitutes the good = irrational (not according to the laws of identity which are part of logical thought; not according

to reason; illogical) (a misidentified constitutive means in philosopher speak)

To choose the bad while knowing what the good is → **hoping (not thinking) → an irrational cause will produce a good effect** (a good end result) → is to miss the good by moral choice (an error of moral choice – immoral - and not an error of identification) AND

Hoping an irrational cause will produce a good effect → irrational (an incorrect instrumental means in philosopher speak)

One can miss the good by: 1) intellectual error - misidentifying what constitutes the good, which is irrational, or 2) moral error – by choice.

However a moral choice that hopes that a bad cause will somehow generate a good result also must be regarded as irrational. Hoping is not thinking because all thinking is logical or it is not thinking. Choosing a bad instrumental means and hoping for a good constitutive result can only be regarded as irrational and certainly not as thinking clearly.

To choose the bad as “the good” is to be about as wrong as one can be. Sins of ignorance and sins of immorality all lead to

death because sin, of whatever kind, leads to death. Death is the ultimate bad. **Any kind of sin is irrational.**

Any kind of sin → irrational

Evil, sin on steroids, is the very epitome of irrationality. Satan the warlord, in maintaining evil as a way of life instead of the cause of death that it is, is no longer rational. His mind is not working according to the proper manner of thinking, i.e., logically. His mind, no longer being logical, misses the truth, misses the good, has purposefully chosen evil, and so he can no longer be considered rational. Satan and evil are irrational – outside of logic and truth. And of course evil, being conscious choosing of the bad, is not the good. Satan and evil are immoral.

Evil can also be thought of as a "value system" based on murder and lies - force and fraud. It is Satan's value system. It produces sin, which produces death. Before that, it produces hell on earth with too much pain and suffering of all kinds. And, since Satan does not want to be identified as being behind the current state of the world, or ultimately

responsible for it all, he then hates logic, which is thought proper.

Satan does not want mankind presented with the clear choice of the two Jehovahs versus himself. Ergo, he tries to obscure being identified, having his death-generating value system identified, or his religions, governments, followers, etc., identified. Satan needs obscurity, not accurate identification and clear choices. He needs darkness, not light. He needs confusion, not clarity. And so Satan hates logic because logic enables identification and is constitutive of thinking.

Satan → does not want → to be indentified

Satan → hates → the laws of identity

Satan → does not want → a clear choice between → 1) himself and 2) the two Jehovahs

Being irrational can be thought of to have two very bad aspects to it. First, being irrational can come from not thinking properly or not following the rules of logic/thought. In that sense one is irrational because one missed the truth, and for that moment, on that point, one was irrational. Second, being irrational can

come from accurately identifying the truth (the good) but then choosing the bad. It is not rational to choose the bad, meaning something that keeps you from developing into your best state. In other words, one can be irrational, though identifying the good, by choosing the bad. The bad can be chosen from a moment of moral weakness, or intentionally. In either case, it is not rational and so is irrational.

Irrational can be → logically defective or  
Irrational can be → morally defective \*

\* Note: to choose the bad (moral choice) in the hopes that a bad cause would produce a hoped for (not thought out) good effect, is irrational as well. In other words, a moral choice for the bad is both morally defective and logically defective. It is hoping an irrational bad cause will produce a rational good effect.

In both cases above, irrationality due to bad logical identification (misidentification) or a morally defective choice of the bad while actually knowing the good is irrational. Ergo, to be fully rational one must be both logical and moral.

To be fully rational → logical + moral

To be fully rational → 1) identify the good + 2)  
choose the good

To be fully moral → 1) identify the good + 2)  
choose the good

The two Jehovahs → 1) know the good every  
time (possessing and using all of the intellectual  
virtues) + 2) choose the good every time  
(possessing and using all of the moral virtues)

No one is rational who chooses the bad = True

The two Jehovahs → rational

Irrational → either 1) illogical or 2) immoral

Satan = both 1) illogical + 2) immoral →  
irrational

Satan → purposefully chooses → the bad → evil

Effective thinking is 1) logical and 2) ethical =  
True

Taking all of the above into account, Satan  
the irrational, hates logic. Satan hates clear  
thinking. And so he attempts to obscure

thought and choice so as to hurt or disable effective action. Satan's attack on logic has caused the deception of the entire world (Revelation 12:9).

Working backwards to a cause is sometimes quite helpful. The current state of the world reveals both good and bad, with many billions of valuable human beings experiencing all too much suffering. For many, they have short, hard lives. Let us call the suffering and the short, hard lives what they are - bad consequences. Bad consequences have causes. Bad choices have been made and bad actions were taken based on those choices. The bad choices came from bad values or wrong belief systems. Whether the bad belief systems were from ideologies, the "isms," religious systems, governmental systems, or whatever, bad choices caused bad consequences. Somewhere along the line at least one of two things, both bad, happened. The first possibility is simply that the wrong answer was obtained. That wrong answer might have been obtained from 1) lack of correct identification 2) lack of understanding of cause and effect or 3) disregard for the laws of logic / thought → an attempt to wish into existence a good result, or an attempt to evade reality, etc. The second

possibility is that the right answer was obtained, but a wrong moral choice ensued anyway. A contingent being decided against what they knew to be right and did the wrong. In either case, whether **intellectually irrational**, or **morally irrational** - and this is an important point – the contingent being who did wrong was following **Satan, the irrational**. And they were not following the two Jehovahs, the rational, and their life-giving value system.

Intellectually irrational = misidentifying the good

Morally irrational = properly identifying the good, but then choosing the bad instead of the good

Both types of irrational → tie back to → Satan

Satan = irrational

The two Jehovahs = rational

Satan hates logic because it enables the identification of the good and Satan hates choosing the good because it is cooperating with the two Jehovahs. In the final analysis, Satan hates logic and he hates the good because part of the good, someday, will be that irrational evil

will be identified and removed from the universe. Someday part of the good is the actual future destruction of Satan himself (Isaiah 27:1).

Satan hates logic → allows for accurate identification of → the good

Satan hates choosing the good → because choosing the good → is cooperating with the two Jehovahs

“And I saw a new heaven and a new earth. For the first heaven and the first earth had passed away. ... And God will wipe away all tears from their eyes. And there will be **no more death**, nor mourning, nor crying out, **nor will there be any more pain**; for the first things passed away.” Revelation 21:1+4, MKJV

When God says there will be no more pain, mourning (pain representing physical suffering and mourning representing mental and emotional suffering), and death, it is because the direct causes of pain, suffering, and death will no longer be operating in the universe. If they were, then there would still be pain, suffering, and death – which there won’t be. You cannot reason bad or act bad and get a good

result. **The inputs are all wrong** and the bad cause leads to a bad effect. The causes of evil, making irrational choices to do the bad, are contingent beings – men and angels. Any unrepentant contingent beings will be destroyed and will be dead, removed from the universe, for all eternity (Revelation 20:13-14). Irrational evil will literally have burnt out and will be gone forever. No more Satan, the irrational. No more fallen angels following their warlord. No more evil men following Satan the warlord. The only beings left in the universe will be rational and moral. They will know how to identify the good and they will choose the good. The only beings left in the universe will follow the two Jehovahs – the life givers.

The causes of pain, suffering, and death → will be removed from the universe → unrepentant contingent beings → will be exterminated

The reason that the evil-choosing, unrepentant, contingent beings have to be actually killed by the use of the two Jehovahs' superior force is that evil beings, being irrational, are not open to constructive argumentation. They are not open to constructive argument because they have chosen irrationality as their "way of life."

Because they either misidentified the good, or purposefully chose the bad, they are irrational, which is to say, illogical. They are not open to sound reason and constructive argumentation. Since argument cannot convince the irrational, and since the time to move on at some point actually arrives, the two Jehovahs can no longer just leave these evil contingent beings to learn via experience. They are not learning because they are irrational. In other words, there is no point in continuing to wait any longer. Not open to sound reasoning, these evil beings only respect and fear superior force. And so they shall experience superior force and be exterminated.

The irrational doers of evil → not open to sound reasoning → because they are irrational → will be exterminated → by superior force

He who lives by the sword (force) → shall die by the sword (superior force)

Counter-intuitively, however, the death of all of the evil contingent beings would not actually solve the problem of evil ... were it not for a very important additional factor. And that factor is the beings that do live on - angels yielding to the two Jehovahs and the men and women who

become MRP divine individuals - must also have rejected Satan's value system for all time. Otherwise, though Satan and his followers are now dead, his values would have lived on, hitchhiking, as it were, inside of the minds of those living on. And then evil would someday rear its ugly head once again. The two Jehovahs are both too smart to allow for this to happen. The good angels and man must reject Satan's force and fraud based value system. And they will.

The death of 100% of the evil contingent beings is enough to stop evil for all time → False

The death of all of the evil contingent beings + the rejection of Satan's value system + the adoption of God's value system + consistently good choices going forward throughout eternity is enough to stop evil for all time → True

Knowing how important logic is to thinking and thought is to choice and choice is to action, and because all thinking is logical or it is not thinking, **Satan hates logic.** He has to. Logic would show, e.g., that the concept of original appropriation is the only just and true way to determine original ownership. Whoever mixes their labor with a previously unowned natural

resource is first in time and they now own that resource. In the case of the two Jehovahs they actually created the entire universe and therefore own it and everything in it, including the earth and all of mankind.

"Who has gone **before Me** [first in time] that I should repay? All that is the heavens is Mine." Job 41:11, MKJV

"If I were hungry, I would not tell you, for the world is Mine, and the fullness of it."  
Psalms 50:12, MKJV

"Behold, all souls [lives] are Mine. As the soul of the father, also the soul of the son, they are Mine. The soul that sins, it shall die."  
Ezekiel 18:4, MKJV

Satan hates logic because logic would dictate that the two Jehovahs own everything, via the correct and true concept of original appropriation. And so Satan attacks logic and he also attacks the concepts of original appropriation and private property. Satan hates all three because they reveal that he is a created being who is therefore beholden to the two Jehovahs.

Satan → hates → logic

Satan → hates the concept of → original appropriation

Satan → hates the concept of → private property

"You **were** the anointed cherub that covers, and I had put you in the holy height of God where you were.; you have walked up and down in the midst of the stones of fire. You were perfect in your ways **from the day that you were created**, until iniquity was found in you." Ezekiel 28:14, 15, MKJV

Satan would like to pretend that there is a third member of the God family - namely him. But, he is not a real god. He is not equal to the two Jehovahs in any conceivable way. He is a created being, now morally corrupted and irrational by his own choices, and is the enemy of both God and man.

Satan → a created being → is beholden to → the two Jehovahs

Satan → morally corrupt by choice → irrational → an enemy of the two Jehovahs + dangerous to man

Let us now get to some of Satan's attacks upon philosophy and thought (logic). Because this section of the book could be thousands of pages in length, your author will mainly call out some of the major historical and current problem areas and give sort of an Executive Summary pertaining to each. Should the reader be interested, there is much more detail in your author's previous book, *Intellectual Warfare: The Corruption Of Philosophy And Thought* book. Your author will use sections of that book below.

Only individuals have minds and only individuals think. The quality of the thinking determines the quality of the decisions and their ultimate consequences. This is why thought is so important to man.

Only individuals → have minds

Only individuals → think

Individuals → learn → one concept at a time

Good thinking = rational, according to logic

Good thinking = logical + moral

Good thinking → good choices → good actions →  
good results = like → the two Jehovahs

As previously mentioned, there is no polylogism. No pseudo-philosopher has ever put forth serious argumentation attempting to justify a different logical structure of the mind for different - pick them: nationalities, racial groups, economic classes, etc. Any attempt to do so would run into unsolvable problems and subject the person making the argument to becoming a laughingstock. The first obvious problem to consider is, whom would one address their argument to? Let us say, for the sake of argument, one attempted to sustain the belief that Germans and Jews had minds with different logical structures. If an individual of the one nationality, let us say a German, were trying to communicate with a Jew, but the Jewish mind actually had a different logical structure, how could the Jewish mind understand the German argument? It would not be possible. Communication would not be possible. But, in the real world, our world, Germans can communicate with Jews without any problem, should the effort be made. This is because the logical structure of the human mind is uniform for all men. A = A. All men are men. The two Jehovahs made it so. They had to, for at least

these reasons: 1) all men are made in their image and likeness; 2) all men have to be able to recognize the Savior's words and arguments or they cannot ultimately be saved; 3) the two Jehovahs are not authors of confusion (chaos) (1 Corinthians 14:33); 4) the two Jehovahs are for peace, not war. If, in our example, the Germans could not communicate with the Jews they would distrust them and would not be able to understand their intentions. They would likely assume the worst and attack before they could be attacked. The lack of the ability to communicate would undoubtedly lead to war, which the two Jehovahs are against; 5) without the ability to communicate men could not work together in a more efficient division of labor in order to more effectively have dominion over the earth; and 6) the two Jehovahs were limited by logic in how they structured the universe. The universe had to have a logical structure so as to be comprehensible by man. And man has to have a logical structure to his mind so that the universe can be comprehended. There is no way the two Jehovahs could have given the Jews one mental operating system, which corresponded to the logical structure of the universe, while at the same time, giving the Germans a different mental operating system (polylogism). If this were the case then the

Jewish mind would be in correspondence to the logical structure of the universe, but the German mind would not be in correspondence to the logical structure of the universe. In that case the Germans could not make sense of anything and would be like wild men on the earth. This is clearly not the case. And the two Jehovahs could not make one universe for the Germans, another one for the British, another one for the Jews, etc. There can be only one universe for all races, nations, sexes, etc., in short, for all men. All of us live in the same universe. The two Jehovahs had to make the logical structure of the mind of ALL men to be the same as they were, in effect, limited to one universe for all men and so they also had to give the entire universe a logical structure so that ALL men could understand it. It turns out that actually solving the mind-body problem gets rid of library shelves full of stupidity and bigotry. There is no polylogism, much to Satan's dismay.

The solution to the mind-body problem → torches bigotry off all kinds

There is no psychologism, as has previously been pointed out. One must think according to logical principles or one will miss the truth. Thank you Frege for nailing this one.

Solving the mind-body problem also gets rid of all of the "isms," both on the mind side and also on the body side.

Your author cannot control this writing impulse to take one more intellectual shot at the body guys, represented by the natural scientists. Many, not all of them, want to treat human consciousness as either: 1) not really existing 2) being somehow explainable by scientism (that all brain biology will ultimately be reducible to chemistry which will ultimately be reducible to physics yielding the answer) or 3) ignored in the hope that some day natural science will have an answer of some kind. Number one, above, is not scientific. Number two, above, is demonstrably false. It is not scientific to continue to maintain as true (or possible some day) something that is demonstrably false. And number three is to punt the hoped for science out into the future. It is an admission that they do not have the answer. Natural scientists cannot explain the human mind because they reject God and because they have bought into some form of the body side of the mind-body problem. Rejecting God is not wise. And the body side of the mind-body problem will NEVER be able to explain a

spirit in man that is not directly observable via experimentation. They can take all the time they like, but they will never get the correct answer if they continue to travel further down the road they are currently on.

The body guys will never solve → the human mind

The body guys are → looking for truth in all the wrong places

The sad part about the above is that some of the best and brightest minds on both the mind side and the body side are spending potentially valuable decades of their lives looking for truth in all the wrong places. When you intellectually throw the two Jehovahs out of their own universe you are intellectually throwing out the two greatest philosophers in the universe. And so you get what you deserve - wasted lives, as a result. But, it hurts all of us because those potentially valuable minds were wasted. They could have been spent, in an intellectual division of labor, in discovering more and better ways for man to have dominion over the earth.

Regarding scientism, behaviorism, and determinism, it is the height of folly to think

that stimulus and response applies to man like inanimate objects. It is scientifically false. Both scientism and behaviorism are intellectual dead-ends when it comes to explaining the choices of men and their actions. This is because men were designed to be free to choose and so they do. The choices of men are causative factors in the universe. Men are not particles in motion, subject to the laws of physics.

Men's choices → causative factors → in the universe

Men ≠ particles in motion

In fact, it turns out that it is actually necessary for men to be free to choose. Man cannot out-compete wild animals for food and other resources in nature. Man has to think, to take action, and to work together socially with others in order to find his way to successful living on this earth. Man cannot outfight or outrun a lion, but he can grow food, build barns and domesticate animals, build houses for shelter, develop transportation systems, etc. As a further rebuke against scientism and behaviorism, it should be noted that men can and do learn from their experiences. Men can write books, record history and, in short, share

knowledge with each other. Ideas produce other ideas. Stimulus and response cannot be used to explain the choices of men. Any attempt to do so is, quite frankly, unscientific and just plain wrong. Man can learn and grow intellectually and can accumulate knowledge that can be shared with and used by others. Houses, computers, farming techniques, etc., are all improved over time. For example, the first generation of a computer is looked upon as a necessary first step toward even having computers. However, looking backward, from say the tenth generation of a computer, the first generation looks primitive. A behaviorist or advocate of scientism would have to explain, in detail, the stimulus response of man's intellectual progress. They could not do so because their theories are false. Determinism, scientism, behaviorism, and anything of their ilk are useless when it comes to providing useful information pertaining to man's unique ability to think, choose, and take action.

Thought is so incredibly important to man. Animals do not think. They operate by instinct in a battle of survival of the fittest. In nature, the loser gets eaten alive. With man, it is different. Man can both think and he can also cooperate with others in a joint effort to

overcome nature. By thinking and by working together men can overcome nature and live the best life possible. If men choose not to think and choose not to cooperate, they only hurt themselves. Man is both a rational and a social creature.

Since man is a social creature and will be interacting with others, objective rules for life are then necessary. Even at the non-religious level there are basic axioms or premises for a flourishing life. Even at the non-religious level there is the basis for a rational and objective ethics. At the human level, each of us owns ourselves. We are responsible for our own lives. No one else owns us, or a part of us. And we do not own anyone else, or a part of them. Self-ownership is an axiom for all men, even if it were not based on the gift of God to each of us (which it is). No one could argue otherwise because they would have to have title to themselves in order to be free to make an argument. And could they assert title to themselves so they could be free to make an argument while denying the same freedom and self-ownership to others? No, because A equals A, in this case, all men are men.

A further axiom for an objective ethics for men is the concept of original appropriation. Original appropriation means that when a man mixes his labor with previously unowned and unused natural resources, the resulting transformation of property gives that man title to what is now his private property. And he is now free to use or dispose of that private property as he sees fit. This is necessary because man needs an exclusive jurisdiction in which to live and he also needs the liberty to be able to obtain and use resources in order to, at a minimum, sustain his life and hopefully to flourish on this earth.

Both the axioms of **self-ownership** and **original appropriation**, and the conclusions that follow enable man to know he should not encroach on others, their liberty, or their property. And further, since most contracts involve property for property exchanges of some kind, that he should do all he has agreed to do, which is to say he should honor any contract he enters into. The world would be a completely different place if all men did this. And if all men did this it would even enable men with different religious and other beliefs, men of different races, and citizens of different nations, etc., to cooperate with each other. In other words, it

would cut across religions, races, sexes, governments, etc., to respect life, liberty, and property and to allow for cooperation even among men who would not be so inclined otherwise.

A universal acknowledgement and respect for → individual Natural Rights (life, liberty, and property) → would act as a check and balance → against → human legislation → excessive governmental power → religious abuse → tribal abuse → any other kind of abuse

The subject of this section of the book is the importance of thought to man and Satan's attack upon thought because of it. A rational and objective ethics is possible to man just by considering the logical implications stemming from the concepts of self-ownership and original appropriation. Further, the importance of thinking and acting to sustain one's life is a necessity for man. A man cannot just think about a piece of fruit to eat; he actually has to take the action of obtaining the piece of fruit and then eating it. Thinking and human action is the subject matter of economics, or praxeology (the logic of action). Within economics each man's subjective valuation of various goods and services determines what he

will give up in exchange to receive them. It is each man's personal hierarchy of values that determines how he actually chooses and acts. Our actions actually reveal what it is that we really value. Your author will explain this in more detail in Chapter 8. For now, suffice it to say that subjectivity of valuations coming from each individual's personal hierarchy of values is a critical part of how the laws of economics function to distribute the earth's resources to enable human life.

The beautiful thing the two Jehovahs did for each individual man is not only the honor of making us in their image, of ordering the reality of the universe in a logical way, of giving our physical brains a spiritual component to enable us to think logically, and also that the logical structure of the human mind is not in contradiction to the logical structure of reality. They went far beyond that. They also gave us the ability to derive a rational and objective set of ethical principles to live by. And beyond that, within the context of these rational and objective ethical principles, they gave us the gift of being able to be ourselves. They gave us the ability to subjectively value various things and they allowed us the freedom and the dignity to

be able to work toward achieving and obtaining those things that are of a high value to us.

**In other words within the context of being moral, we can be our unique selves without feeling guilty about being different.**

What a gift! I can be me. You can be you. And as long as each of us is moral, it is all right. We can be productive in different ways, but we must respect each other's individual natural rights along the way. In time, the two Jehovahs will help us get to the place where we do the right thing, at the right time, in the right amount, and for the right reason and therefore we will get a good result. We will not totally get to this place until the resurrection, but we can find happiness now in working toward it with the two Jehovahs. And, of course, the two Jehovahs authored and preserved the Bible to provide ethical guidance and endoxa.

The Bible → ethical guidance

The Bible → a source of → endoxa\*

\* endoxa typically meaning vetted knowledge by wise men, in this case, by the two supreme minds of the universe, the two Jehovahs

Your author thought that perhaps a little more explanation on methodological dualism would be helpful at this point. Because **men** can think and act and do so, they **become the cause of certain effects**. Man individually and collectively are a cause. This is unlike the natural sciences where particles move and collide and chemical bonding takes place, etc. Man is a first cause of subsequent events. This requires proper thought from the scientific community in order to scientifically explain how the universe works. There is a need for **methodological dualism**. There is empirical testing, experimentation and hypothesis, theorems, etc., which is to say *the scientific method* for the natural sciences. And there is the realization that we do not know how the physical, chemical, and other aspects of human physiology affect human thoughts and judgments of value. This ignorance of how human thoughts and judgments of value are formed forces science to split into the natural sciences and the social sciences. Both are or should be scientific, but it is folly to attempt to use the methods of the natural sciences to

explain the thoughts of man. It cannot be done. Man chooses. He chooses goals. He chooses means to achieve those goals. And he chooses to be moral (or not) in those goals and in how he attempts to achieve them. In order for man to choose correctly he must think. There is nothing more important to man than thought.

Regarding some of the other attacks upon thought, it is simply not possible to list the entire attack upon thought since time immemorial. There have just been too many bizarre theories as to what constitutes correct metaphysics (religion), what constitutes correct epistemology (how knowledge is established), what constitutes correct ethics (a set of values by which man should live), etc. However, we can cover some of the main problems and what they led to in this section of the book. Your author would categorize all of the corruption of philosophy and thought as being what amounts to this: **It is a rebellion against reason and reality.** It is actually an attack upon God and man.

Since the human mind has a logical structure + the universe is structured logically → the attack upon thought = a rebellion against → reason + reality

Satan has been lying to man and trying to corrupt both his character and his thinking process from the Garden of Eden onward (Genesis 3). Many writers have already said much on the encounter between Satan and man in the Garden of Eden, so your author will forgo comment about this.

An early problem came when Plato put forth that what is really real is timeless, perfect, unchanging, and in another dimension. This basically punted reality into a dimension not accessible to man and his senses and his thinking process. There was no proof. How could there be? It was basically false metaphysics – a false religion. The truth is that there is a physical reality with a logical structure and our minds can perceive it. We can differentiate and identify things and also integrate and abstract concepts. These concepts have content based on things we can identify as belonging to that concept's group, and we can, through trial and error determine cause and effect. Reality is available to man and his mind. It is not in another dimension, "unchanging and timeless." If it were so, which it is not, then reality could therefore never be known and God would have been toying with

man by commanding him to have dominion over the earth – the earth being man's current reality, in substance.

It is important to be able to use concepts to think, to communicate, and to be able to use word-economy when thinking and communicating. Beyond the scope of this book, a lot of arguing has taken place over whether something called Nominalism is true or false. Nominalism has to do with something called *universals*, and since this book has to do with Life Charts, your author wanted to give a Life Chart which will hopefully help end this argument, or at least to help pave the way for clearer thinking and communicating among men. The Life Chart is this, and sorry for the philosophy-speak:

Non-precise abstraction → guts Nominalism → universals can be true → without being 100% particular in their precision

Dr. Russell Long, Philosophy Professor at the University of Auburn, has used the following example to help provide a way to teach the point (reworded by your author): The universal concept "mammal" does not specify how an animal walks (upright or on all fours), what an

animal eats (carnivore or herbivore), or its particular habitat (land or water). And yet the word mammal, without absolute and particular specific precision, allows man to think and to communicate effectively. Despite the lack of absolute and particular specific precision in the abstraction of the word mammal, mammal has meaning, whether we are referring to a monkey that walks on all fours, eats only fruits and vegetables, and lives on land, or whether we are referring to a dolphin, that does not walk at all, is a carnivore, and lives in the sea. The use of non-precise abstraction, in substance, solves the arguing over universals "problem" (at least to your author). It also, in substance, defeats Nominalism. Nominalism is the doctrine that man can only conceive of particular or individual things, persons, and events, and thus all general or universal terms (like mammal, tool, man, etc.) are mere figments of the imagination and non-existing. Just because a concept, in this case "mammal," does not specify every particular feature of that mammal does not render the universal term "mammal" unhelpful for human thought and communication. Otherwise, every time one wished to communicate about a horse, if the hearer refused the communication unless it was absolutely precise, the author would be forced

to describe in minute detail the exact horse in question (if that is even possible for a human being). Thought and communication would become hopelessly constipated at best and impossible at worst. Even worse, nominalists (those against universal terms) tend to distrust abstractions and deductive reasoning and, as it will be explained in the next chapter, the two Jehovahs used deductive reasoning to lay out economic laws that are valid for all times and places, amongst other things. In your author's view, the attack on universal terms (universals) leads to Nominalism that, in substance, is an attack on the logical structure of the universe (reality), a logical attack on thought itself, and a needless barrier to communication. There is a difference between abstractions that specify the absence of a feature (a house with no windows) from those abstractions (concepts) that simply fail to specify the feature's presence (a house) (non-precisive abstraction).

There are a couple of other philosophers who have led to a corruption of thought that need to be covered next. One of them is David Hume. And the other is Immanuel Kant.

Hume has an entire litany of the corruption of thought to his credit. He basically cast doubt

on or argued against cause and effect. He pointed out that it is not deducible that just because effects follow from causes they always will. It could be different the next time and no one can prove otherwise. In other words, nature might not continue to be uniform – a new universe with a different logical structure might someday appear. This is basically saying that there is not a logical structure to the universe, there are no natural laws, and it is also basically saying that there is a limitation on the logical structure to the human mind in that we are not able to demonstrate how the effect is always specifically linked back to the cause. In essence, Hume attacked both the logical structure of the mind and the logical structure of the universe and his attacks led to skepticism and nihilism, both of which are destructive for (to) man. In addition, his line of thinking led to many arguing against and then abandoning natural law. Further, his line of thinking also amounts to an attack on the law of identity. This is because if it is true that nature might not be regular, or continue in the future as it has in the past, how do we know that any identification is, and will continue to be, correct?

Philosophers → following David Hume → questioned cause and effect → skepticism

Skepticism → relativism

Skepticism → nihilism

Nihilism → life is meaningless, i.e., pointless → men give up, are aimless, and check out of life in various ways

Hume further argued that reason is not usable in setting goals. Reason is and should be a slave of the passions. We are creatures of our desires (passions), which we use to set our goals. In that sense rationality is procedural rather than substantive - reason is useful in choosing means to achieve our ends, but our passions have picked our ends. This can be known as **practical rationality**, although how a man who argues against the certainty of cause and effect in nature can turn around and advocate practical rationality as a viable method for man to achieve his arbitrarily and passionately set goals escapes the limited mind of your author. Philosophy professor and published author Dr. Roderick Long would argue that reason can be more than procedural, it can also be substantive. Reason can be substantive because we can use reason to both choose our ends AND the means to achieve them and

reason can be substantive because we can use reason in order to help establish premises AND then to reason forward from them (the latter can be known as **theoretical rationality**) – all of which is similar to what Aristotle would argue. Your author concurs with Dr. Long. Dr. Long would basically say that doing both of these things expands both theoretical rationality and practical rationality so that they become substantive and not merely procedural. All this is a bit technical and so a few more words by your author might prove helpful. By expanding theoretical rationality to not just reason from premises, but to also reason TO the premises we then reason from, reason becomes more substantive, not only procedural. And by expanding practical rationality to use reason to help choose goals/ends and not just to evaluate the most suitable means to achieve any passion-derived end, reason becomes more substantive, not only procedural. And this is important for man. This is because we are then using reason to help establish the premises we also reason from and we are then using reason to help us choose our goals/ends and not only our means to achieve our goals/ends. An additional problem with Hume's limiting practical rationality is that it is clearly false. It is not true that man cannot use reason to

establish goals. An obvious example is when a man chooses to lose some weight rather than to keep eating the foods he has a craving for. In this case a man can use his mind to veto his passion for too much of his favorite foods. To be fair, many other philosophers would also point out that "theoretical rationality" has to do with establishing what are known as "is claims," – claims having to do with establishing ontological facts – the facts pertaining to reality. And many of these same philosophers would argue that "practical rationality" has to do with "ought claims" - evaluations or prescriptive conclusions we ought to recognize and utilize. Your author believes that Dr. Long has the best answer in that all men have minds and we should use our minds as completely as we can. We should use them to help establish premises to reason from and the goals we aim toward. We should further reason correctly from our axioms or working postulate premises as best we can. And we should further use our minds to choose which means will help us to achieve our goals. In this sense reasoning becomes theoretical, practical, and substantive – which is another way of saying "**a totality of reasoning**," which your author will further use in various ways throughout the remainder of this book.

Reason does not have to be limited to deductive reasoning. Man can also use inductive reasoning. Inductive reasoning, while it may not be conclusive, can be used to provide reasonable working premises, or postulates. In so doing, man can be said to be using reason in order to establish such premises as 1) whether one uses inductive reason to ascertain a statement of fact, (which becomes a working postulate and can be corrected later with better information, if necessary), or 2) men can use endoxa, the reasonable beliefs of wise men, aka the postulates that others have vetted in order to have functional working postulates. All of these premises can be established by using reason. Man can also think, i.e., use reason, to recognize axioms – basic truths subsumed from all truths, e.g., that life is better than death. Axioms are negatively demonstrable premises we can reason from. Any attempt to refute an axiom requires its usage and is therefore self-contradictory and self-refuting. An axiom can be recognized by thinking, which is to say, one's self can recognize a self-evident axiom and it can also be recognized when someone else has pointed it out. In short, **there is totality of reasoning** and man should avail himself of it.

It is important for man, made in the image and likeness of God, to consider the wisdom of using the two Jehovahs as **the best source of endoxa** and, accordingly, to read the Bible.

Further, a man can choose, via reason, to prefer the long-term as against the short-term. A man's passions would almost certainly preclude this. Man has a mind and he can choose via reason or his passions. It is up to him. The attempt by Hume to elevate passion over reason was, intentionally or not, an attack on the human mind and on man himself.

Passion > reason = False

Passion → must be constrained by both 1) reason + 2) objective ethical principles, e.g., the individual natural rights of others

Hume also held that ethics were based on feelings rather than objective abstract moral principles. His argument was something along the lines that because we are not governed by reason alone, but also require the input of passions, reason cannot totally be behind morality. This is nonsense. Hume observed that most who start out by saying that something **is**, then proceed to say we **ought** to

do xx because of what **is**. Hume then observed that there is no logical deductive connection between the **is-ought** statements. This is known as **Hume's guillotine**. There are many problems with all of this. First, there can be rational and objective ethics starting with the axiom that life is better than death. Second, there are requirements for the living to continue living, for example, regarding the need to obtain and use property to stay alive. Third, there is need for freedom to obtain and use property in order to stay alive. Life, liberty, and property are necessary for a man's life on this earth. Since all men are men, these same three things are necessary for other men, too. Ergo, all men need to respect and not violate each other's life, liberty, and property, aka the natural rights of man. Objective and rational ethical principles are possible, even if some inductive reason to complement deductive reasoning is necessary to establish them. There is nothing better to put in their place. Hume is wrong and his wrongness opens the door to ethical subjectivism and voting on what is right and wrong. Hume is a disaster on ethics. Further, Hume did not correctly understand the context of the situation, i.e., that the two Jehovahs are operating in a teleological way through a divine individualism process. Because God IS

attempting to create divine individuals God OUGHT to structure the universe logically, structure the human mind logically, grant free will, etc. And because man IS alive he OUGHT to cooperate with God in the divine individualism process if he wants to live on into eternity as a complete and happy incorruptible being. Hume was clueless as to what is really going on in the universe. Anyone, including God, operating in a means-ends structure with purpose, having chosen a goal, then must proceed logically to achieve that goal. In other words, praxeology extends to God when God is dealing with contingent beings. Since God **is** attempting to achieve a goal, then he **ought** to choose the appropriate means and take the appropriate actions to achieve that goal.

Hume's teaching on ethics → opens the door to  
→ ethical subjectivism (relativism)

Ethical subjectivism (relativism) = False

Hume's guillotine = False

If all this were not enough, Hume further corrupted thought by what is now known as **Hume's fork**. Hume's fork basically led to **Immanuel Kant's analytic-synthetic**

**dichotomy** whereby relations of ideas (the mind) are strictly separated from reality. The relations of ideas are considered analytic. These are statements that are necessary and true by definition, but they say nothing about reality. The world of ideas and words and concepts are true, but they are not connected to the real world. They are “a priori” or tautologies. The real world is the world of synthetic (a posteriori) postulates that are subject to verification by the natural sciences. But, because Hume believed the natural order might turn out to be different some day, even this scientific verification could not establish knowledge with 100% certainty. So this left mankind with analytic knowledge that was necessarily true – but said nothing about reality, or synthetic knowledge that was presumably “verifiable,” but not certain. It severed man’s ability to establish the truth about reality. It was an attack on both the logical structure of the mind of man and on the logical structure of reality. Later Frege would explain that even an analytic truth could provide much information, like when a man sees a full-grown tree having grown up from just a tiny seed. In other words, by working from analytic premises men could learn a lot about an entire field of study; just like seeing that a full-grown tree is a lot

different than seeing just a tiny seed, and because the seed is so small you are not even sure what kind of plant the seed is from.

Further, there are synthetic a priori axioms, such as human action exists, and these synthetic a priori axioms are premises we can reason from to obtain important knowledge about the real world – irrespective of whether Hume or Kant would place them into the analytic category. Your author will explain this more in the Chapter Eight, which includes the subject of economics. It is somewhat ironic that Hume, the empiricist, and Kant, the rationalist, would have a “knowledge-divider” so similar to each other as Hume’s fork and Kant’s analytic-synthetic dichotomy are. But, both still fall into the false dichotomy trap of trying to concentrate truth in only one non-holistic aspect - either in the mind or in the body, aka in either consciousness or reality. And, as has already been explained, the real truth of the matter is that there is no logical contradiction between the logical structure of the human mind and the logical structure of reality. And no amount of clever arguments about mind or body will ever change this.

Hume’s fork = False

## Kant's analytic-synthetic dichotomy = False

Hume's writings highlighted the problem of induction versus deduction and to the philosophical question of whether inductive reasoning can lead to knowledge. The problem of inductive reasoning is a problem of whether it can establish the 100% certainty of a matter now and forever. For example, just because the sun has always come up every day in the east in the past, does this mean that the sun will come up tomorrow in the east? And, will the laws of nature continue as they always have, or will they change in the future? Generally the problem with any dichotomy argumentation, in this case induction versus deduction, is that the arguments are argued at the wrong level. Your author has found that by going up one or more levels the apparent problem can usually be resolved. Reasoning is necessary for man on this earth because man has to think and take action. Deductive methods of reasoning might very well be the most accurate and certain method of establishing knowledge and men do well when resorting to it. But if conclusive deductive reasoning is not possible is it not better to use what reasoning we currently have available to us – at least until something better

comes along? And if, on a matter at hand, we only have use of inductive reasoning, or we only have use of endoxa, due to some limitation or another, at least we are reasoning and at least we are using the best-vetted knowledge we have available to us. And we can reason with the awareness that we might be corrected later if it turns out that later we have better and more reliable information. We can stand corrected then. Until then, we can reason deductively if possible, inductively, if necessary, and do the best we can to establish knowledge, identify things, learn cause and effect, establish goals, choose means to achieve those goals, correct any errors we encounter along the way, and always work within the rational and objective ethics of not violating another individual's life, liberty, or property, and to honor any voluntary and known intentional agreements we have entered into along the way. What else can men do? We are not God and we have to live on this earth. And to do that we need our minds; attacks on our minds by Hume and Kant and others be condemned.

Kant further led to a pollution of thought by stating he did not believe that man could ever know reality because man's consciousness filters reality through the lens that is man's mind.

Wow. So no man can know reality because he actually uses his mind in the attempt to ascertain it. Thanks for that one, Kant. What else can man use but his mind in order to ascertain and establish the facts pertaining to the logical structure of reality? Unintentionally or not, this was also an attack on the mind of man.

All of the previously mentioned “isms” and philosophical reasoning has led to what? In addition to skepticism and relativism, your author would contend they led to nihilism, existentialism, and post-modernism, which are defined below. It has led from who cares about truth, to who cares at all?

Nihilism – “... from the Latin nihil, nothing, is the philosophical doctrine suggesting the negation of one or more putatively meaningful aspects of life. Most commonly, nihilism is presented in the form of existential nihilism, **which argues that life is without objective meaning, purpose, or intrinsic value**. Moral nihilists assert that morality does not inherently exist, and that **any established moral values are abstractly contrived**.” Wikipedia [Nihilism is the very essence of anti-life, anti-man, and anti-God.]

Existentialism – “a chiefly 20<sup>th</sup> Century philosophical movement embracing diverse doctrines but centering on analysis of individual existence in an unfathomable universe and the plight of the individual who must assume ultimate responsibility for acts of free will without any certain knowledge of what is right and wrong or good or bad.” Merriam-Webster [Martin Heidegger, in his attempt to discover the nature of being, concluded that the important thing is that each of us has a death that is uniquely our own, “we are each a being unto death.” Well done, Satan and his friends. If all of this is not an accurate description of what happens to the mind of man when his thinking has been virtually completely corrupted, I don’t know what is.]

Postmodernism – “It frequently serves as an ambiguous overarching term for skeptical interpretations of culture, literature, art, philosophy, economics, architecture, fiction, and literary criticism. Because postmodernism is a reactionary stereotype, it is often used pejoratively to describe writers, artists, or critics who give the impression they believe in no absolute truth or objective reality.” Wikipedia

[That is because they do not believe in absolute truth, or objective reality.]

Philosophy has been corrupted to the point that anything smacking of metaphysics, or religion has been expelled from philosophy. Epistemology can no longer establish truth. Facts are to be established by the natural scientists and these facts are subject to change. The best that can be done is for questions to be clearly asked. Ethics is relative and subject to change, including by majority vote.

Philosophers question philosophy itself! It makes your author wonder how any other profession could stay in business, as it were, if when someone needing a bridge came to a bridge-builder and the bridge-builder started saying things like, "How do you know you exist? How do you know there is really a river needing crossing? We can build a bridge, but we are not sure if the bridge will really exist, or just be in our minds. We don't know how long the bridge will last or what it will be made of. The laws of nature that allow us to build a bridge that will not fall down might change in the future and the bridge might fall down, etc." What other profession could even stay in business thinking and speaking and acting like that? As Ayn Rand would say, "modern intellectuals tolerate

anything but certainty and approve of anything, except values.” The study of the field of philosophy was a real eye-opener for your author. Wow!

The two Jehovahs knew man would mess up his thinking process if they did not choose to have a relationship with them and if they did not choose to use their God-given minds.

“Stop fooling yourselves. If you think you are wise by this world’s standards, you will have to become a fool so you can become wise by God’s standards. For the wisdom of this world is foolishness to God. As the Scriptures say, “God catches those who think they are wise in their own cleverness.” And again, “The Lord knows the thoughts of the wise, that they are worthless.”” 1 Corinthians 3:18-20, NLT

The philosophy profession, in its current state, has become substantially, in God’s words, “worthless.” And we have not even discussed the “Philosophy Of History” yet, which comes next and is largely taken from your author’s chapter on the subject in his *Intellectual Warfare: The Corruption Of Philosophy And Thought* book.

The Philosophy Of History does not mean the love and pursuit of wisdom when it comes to studying history. It is a system of speculation about a hidden force that propels mankind toward some end state. No proof is offered as to how this end state will arrive. Each stage of human history is closer to the desired prophesied end state and is a necessary step toward the goal. Each later stage of history is therefore better than the stage preceding it because it is one step closer to the end state. There is always a philosopher, a spokesman, e.g., Hegel, or Marx, or some religious leader, who describes a metaphysical system whereby a powerful force will inevitably lead us all toward the necessary end state. Specific details about how the force works, what the intermediate steps are along the way, cause and effect, etc., are all usually quite sparse, or missing altogether. As a grammar note, your author has chosen to capitalize the first letter of each word of Philosophy Of History to call out the fact that he is writing of a metaphysical system referred to by this phraseology. The philosopher who is the "knower" of what must come to be has an otherworld, intuitive connection to the unknown reality and he is the voice that must be listened to and obeyed. The Philosophy Of History is metaphysical because it

refers to some hidden force that is, quite literally, outside of physics, or verification, i.e., it is metaphysics. Of course, the Philosophy Of History always turns out to be false, e.g., Hegel believing there are only seven planets and that is the necessary and correct number of how many planets there had to be and Hegel further believing history was fulfilled with him, etc. Whatever Philosophy Of History is being put forth as some inevitable system, is always pure and simple, a metaphysical system. And it has always been false. In other words, **it is false religion with a failed false prophet philosopher.**

It would be hard to make up something as silly as all of the above, but whole civilizations have adopted various forms of Philosophy Of History - and then were destroyed because of it. And the lives of the men in those civilizations were destroyed as well. This is why it is so dangerous. Who would believe and act upon such nonsense? Answer: billions of people, e.g., socialists and progressives of all stripes. And many of those who believe in some form of a Philosophy Of History have teaching positions in academia, are government officials, including judges, or are journalists in some form of print

or broadcast media. Unfortunately, this is a serious subject, which most are unaware of.

As Ludwig von Mises more than adequately stated in his book, *Theory And History*: "any philosophy of history must demonstrate the mechanism by means of which the supreme agency that directs the course of all human affairs induces individuals to walk in precisely the ways which are bound to lead mankind toward the goal set. In Marx's system the doctrine of the class struggle is designed to answer this question."

Unfortunately for Marx, he never could prove, or even define, class conflict and, in fact, his ideology came from the bourgeois class, not the proletariat. His theory of value (labor) was intellectually demolished and shown to be 100% wrong. The iron law of wages was demolished intellectually and also refuted by empirical evidence. The idea that the tools of production (material productive forces) create ideas rather than a man with an idea creates a machine is laughable and a reversal of cause and effect. The impossibility of economic calculation under Socialism shows it could never work as an economic system. His dialectical materialism was basically a secularization of Hegel's brand

of Philosophy Of History. Everything substantive about Marx and his system has been intellectually demolished and the empirical evidence also confirms that it is a completely failed system. But people still want to believe in it. They want to believe that it is possible to rebel against reason and reality. Many people want Socialism for emotional reasons and put their heads in the sand so as to exclude any logic and facts to the contrary. It is sad.

Marx called his system scientific, but everything about it was one more version of a Philosophy Of History. He called his system materialistic because at the time of his writing the world had gone over to empiricism. Idealism (the mind guys) was losing out scientifically to an empirical materialism (the body guys). But his system was not scientific. It was metaphysical with Marx as the false prophet with the intuitive inner voice. His system was secular, but not materialistic, and his system had nothing to do with the mind-body problem. Your author will have more to say on Marx in Chapter Seven. For now, Marx was the latest false prophet of another failed Philosophy Of History, another false metaphysical system.

One of the central problems of any Philosophy Of History is that it denies reality; in particular it denies human consciousness and choice. Human beings think and take action based on ideas. A new and better idea can come forward at any time. In any period of history different ideas compete and different men react differently to the various ideas offered. Human choice as a result of an idea can change history and human choice is not pre-determined. Human, angelic, and divine choices interact to cause things to happen. As these things happen, time unfolds. Time is linear. Men are not the product of an era in the sense that all mankind's thinking is pre-determined. Different men in the same era react in different ways, not necessarily the same way, to the same idea. And the same man earlier in life might reject an idea that he adopts later in life. Any Philosophy Of History denies choice - which is to say it ignores human consciousness – which is to say it ignores reality. Every Philosophy Of History is deterministic and therefore, false.

Philosophies Of History (POH) → metaphysical systems → in opposition to reality

POH → deny individual human choice as a causative factor → deterministic → False systems

POH → false metaphysical systems → with false prophets

The future → written by a combination of → divine + angelic + human choices → time is linear → POH are false

Marxism is → a secularized POH → Marx as the false prophet

Every important part of Marxism = False

Every important part of Marxism → has been refuted both → intellectually (theoretically) + empirically

Any correct research pertaining to history considers a man, or group of men, and what specifically they were attempting to accomplish. Human choice is a critical component of the correct study of history. As Dr. Ludwig von Mises would correctly observe:

"Philosophy of history looks upon mankind's history from a different point of view. It

assumes that God or nature or some other superhuman entity providentially directs the course of events toward a definite goal different from the ends which acting men are aiming at. ... The historical process has a definite purpose set by Providence without any regard to the human will. It is a progress toward a preordained end. The task of the philosophy of history is to judge every phase of history from the point of view of this purpose."

So from the point of view of a Philosophy Of History, progress means advancing toward the ultimate goal. Your author cannot describe this any better than Mises and so he will quote Mises further below, and at length, from his *Theory And History* [any emphasis mine throughout]:

"Every variety of the philosophy of history must answer two questions. First: What are the final end aimed at and the route by which it is to be reached? Second: By what means are people induced or forced to pursue this course? Only if both questions are fully answered is the system complete.

In answering the first question the philosopher refers to intuition. In order to

corroborate his surmise, he may quote the opinions of older authors, that is, the intuitive speculations of other people. The ultimate source of the philosopher's knowledge is invariably a divination of the intentions of Providence, hitherto hidden to the non-initiated and revealed to the philosopher by dint of his intuitive power. To objections raised about the correctness of his guess the philosopher can only reply: An inner voice tells me that I am right and you are wrong.

Most philosophies of history not only indicate the final end of historical evolution but also disclose the way mankind is bound to wander in order to reach the goal. They enumerate and describe successive states or stages, intermediary stations on the way from the early beginnings to the final end. The systems of Hegel, Comte, and Marx belong to this class. Others ascribe to certain nations or races a definite mission entrusted to them by the plans of Providence. Such are the role of the Germans in the system of Fichte and the role of the Nordics and the Aryans in the constructions of modern racists.

With regard to the answer given to the second question, two classes of philosophies of history are to be distinguished.

The first group contends that Providence elects some mortal men as special instruments for the execution of its plan. In the charismatic leader superhuman powers are vested. He is the plenipotentiary of Providence whose office it is to guide the ignorant populace the right way. He may be a hereditary king, or a commoner who has spontaneously seized power and whom the blind and wicked rabble in their envy and hatred call a usurper. For the charismatic leader but one thing matters: the faithful performance of his mission no matter what the means he may be forced to resort to. He is above all laws and moral precepts. What he does is always right, and what his opponents do is always wrong. Such was the doctrine of Lenin, who in this point deviated from the doctrine of Marx."

The false prophet of any POH → assigns to himself → superhuman intuitive and other powers → what he does is correct → what he does is progressive → what his opponents do is incorrect → what his opponents do is reactionary, i.e., it holds back progress

The false prophet of any POH → on a self-appointed “mission from God” → assigns to himself the power to arbitrarily dispose of other men’s lives, liberty, and property → in clear violation of the individual natural rights of other men → in clear violation of “love your neighbor as yourself” → the false prophet + those who obey him → are in opposition to the two Jehovahs → they have made the two Jehovahs their enemies → if the false prophet attracts a large number of followers → they will not be saved by majority vote

“... It is obvious that the philosopher does not attribute the office of charismatic leadership to every man who claims that he has been called. He distinguishes between the legitimate leader and the fiendish impostor, between the God-sent prophet and the hell-born tempter. He calls only those heroes and seers legitimate leaders who make people walk toward the goal set by Providence. As the philosophies disagree with regard to this goal, so they disagree with regard to the distinction between the legitimate leader and the devil incarnate. They disagree in their judgments about Caesar and Brutus, Innocent III and Frederick II, Charles I and Cromwell, the Bourbons and the Napoleons.

But their dissent goes even further. There are rivalries between various candidates for the supreme office, which are caused only by personal ambition. No ideological convictions separated Caesar and Pompey, the house of Lancaster and that of York, Trotsky and Stalin. Their antagonism was due to the fact that they aimed at the same office, which of course only one man could get. Here the philosopher must choose among various pretenders. Having arrogated to himself the power to pronounce judgment in the name of Providence, the philosopher blesses one of the pretenders and condemns his rivals.

The second group suggested another solution of the problem. As they see it, Providence resorted to a cunning device. It implanted in every man's mind certain impulses the operation of which must necessarily result in the realization of its own plan. The individual thinks that he goes his own way and strives after his own ends. But unwittingly he contributes his share to the realization of the end Providence wants to attain. Such was the method of Kant. It was restated by Hegel and later adopted by many Hegelians, among them

by Marx. It was Hegel who coined the phrase 'cunning of reason.' ...

There is no use arguing with doctrines derived from intuition. Every system of the philosophy of history is an arbitrary guess, which can neither be proved nor disproved.  
There is no rational means available for either endorsing or rejecting a doctrine suggested by an inner voice."

"... However Hegel, Comte, and Marx may disagree with [the prophet] Daniel and with one another, they all accept this notion, which is an essential element in every philosophy of history. They announce either that the final stage has already been reached (Hegel), or that mankind is just entering it (Comte), or that its coming is to be expected every day (Marx)."

The false prophet of the POH → tends to believe  
→ **now**, because the false prophet is alive now,  
→ is the critical time → in all of human history

"The purpose of Marx's philosophy of history was to silence the critical voices of the economists by pointing out that Socialism was the next and final stage of the historical process and therefore a higher and better stage than the

preceding stages; that it was even the final state of human perfection, the ultimate goal of human history. But this conclusion was a non sequitur in the frame of a godless philosophy of history. The idea of an irresistible trend toward salvation and the establishment of a perfect state of everlasting bliss is an eminently theological idea. In the frame of a system of atheism it is a mere arbitrary guess, deprived of any sense. There is no theology without God. An atheistic system of philosophy of history must not base its optimism upon confidence in the infinite goodness of God Almighty."

In any Philosophy Of History there is a fatalistic determinism [which makes it false], which means that each stage of history is going to happen no matter how hard men try and avoid it. Continuing with Mises:

Every POH → employs → fatalistic determinism  
→ they are ALL → False

"In depicting the history of the future the philosopher of history as a rule restricts himself to describing big scale events and the final outcome of the historical process. He thinks that this limitation distinguishes his guesswork from the augury of common soothsayers who

dwell upon details and unimportant little things. Such minor events are in his view contingent and unpredictable. He does not bother about them. His attention is exclusively directed toward the great destiny of the whole, not to the trifles which, as he thinks, does not matter."

Any Philosophy Of History ignores that man can choose and change the future in so doing. Any Philosophy Of History is necessarily metaphysics and all have been shown to be false. Mises sums it all up in the below paragraph:

"One of the fundamental conditions of man's existence and action is the fact that he does not know what will happen in the future. The exponent of a philosophy of history, arrogating to himself the omniscience of God, claims that an inner voice has revealed to him knowledge of things to come."

The false prophet → of EVERY POH → arrogates to himself → the omniscience of God → an inner voice revealed to him → things to come → BUT

Since even the real God ≠ omniscient → much less a non-existent false god → there is no certain knowledge of the future → once again,

EVERY POH and EVERY false prophet of a POH = False

Your author believes that Plato and his view of metaphysics and politics and knowledge were forerunners of various Philosophies Of History. Plato basically believed that the real world was the world of ideas or forms. This was the static world of perfection. The physical world was more the world of appearance than of reality. Plato speculated there was a Demiurge who lived on the border of the two worlds and attempted to impose the perfect forms on the chaotic material world. To your author this sounds a lot like Satan wanting to re-institute order after man was created, which creation disrupted how Satan thought the universe should be. Plato also thought that the soul, after the end of bodily existence, could go upward to the eternal and perfect world of ideas and forms.

Regarding politics Plato was an authoritarian who thought that the State should be divided into three parts, as was, he assumed, the human soul. The first part was the rational element, like the mind of man and it would consist of rulers who were philosophers, aka the wise. These were the aristocracy, from the

Greek words ariston and kratos, together which essentially meant, “ruled by the best” – obviously according to reason. The second part was the spirited element, which was the part that supposed to be courageous, like the military. The third part was the appetitive element, which was the part that had appetites for the more basic things like food and sex, aka the masses. This part would be the bulk of society and they would work to support the intellectual aristocracy and the military. In other words, a totalitarian state ruled by an intelligentsia that would control the appetites of the masses, via “reason,” and use the military to enforce their rulings. And Plato encouraged the philosopher rulers, if necessary, to tell a “noble lie” in order to control the masses. Does any of this sound familiar?

Plato advocated for society to be set up, i.e., divided into three parts → a ruling class → a military protecting the ruling class → the regular workers, who supported the top two classes

The workers would be → manipulated by the ruling class (FRAUD) + threatened, if necessary, by the military class (FORCE) → to continue to use their life’s energy to support the top two classes

The force + fraud → of Plato's society → follows Satan's value system → it is Satanic

Later Platonists thought that the perfect world of forms should be an active force and so they speculated that the world of forms was now an active source of power and reality. A third century philosopher, the Egyptian Plotinus, thought man could change his nature by renouncing interest in the physical world and he should be more concerned with the ideal world. One should concentrate on the idea of ideas, "the one," and then a mystical union could take place between oneself and the one. This would overcome the alienation and degradation between the natural world (the lower physical world) and the higher and real world of "the one." Plotinus had three stages of history: the original unity with God, the human history stage of separation from God ("the one") (**alienation**) and degradation, and the final re-absorption of all human beings being merged back into "the one" and history then ending.

Plato → Plotinus → the perfect world of forms somehow becomes → an active force = false metaphysics

Plato → Plotinus → three stages of history  
(creatology) → 1) original unity with God 2)  
separation and degradation from God  
(alienation) 3) the final re-absorption of all  
human beings being merged back into "the one"  
= false metaphysics

Murray Rothbard, in his excellent multi-volume history of economic thought, explains Plotinus and his effect on later philosophers, particularly Hegel and Marx. Volume 2 of his history of economic thought is entitled, *Classical Economics*, which I will quote from extensively below [emphasis mine throughout]:

"It all started with the third century philosopher Plotinus, a Platonist philosopher and his followers, and with a theological discipline seemingly remote from political and economic affairs: **creatology**, the 'science' of the First Days." ...

"For Plotinus, for example, **the Good is unity**, or The One, whereas **Evil is identified as any sort of diversity** or multiplicity. In mankind, evil stems from self-centeredness of individual souls, 'deserter[s] from the All'." ...

Plotinus's creatology → the good is unity → evil is diversity

Plotinus's creatology → in direct opposition to → the two Jehovahs' → divine individualism

"But note the enormous difference between this dialectic of **creatology** and eschatology, and that of the orthodox Christian scenario. In the first place, the alienation, the tragedy of man in the dialectical saga from Plotinus to Hegel, is metaphysical, inescapable from the act of creation itself. Whereas the estrangement of man from God in the Judeo-Christian saga is not metaphysical but only moral. To orthodox Christians, creation was purely good, and not deeply tainted with evil; trouble came only with Adam's Fall, a moral failure not a metaphysical one. Then, in the orthodox Christian view, through the Incarnation of Jesus, God provided a route by which this alienation could be eliminated, and the individual could achieve salvation. But note again: Christianity is a deeply individualistic creed, since each individual's salvation is what matters. Salvation or the lack of it will be attained by each individual, each individual's fate is the central concern, not the fate of the alleged collective blob or organism, man with a capital M. ..."

Plotinus → Man = collective Man

Plotinus → man ≠ actual individual men and women

The various Philosophies of History basically end up with obliteration of the individual. Man is viewed as a collective Man. Continuing with Rothbard:

... "It comes as no surprise that Hegel's main disillusion in the French Revolution came from its individualism and lack of unity under the state. Again foreshadowing Marx, it became particularly important for man (the collective organism) to surmount unconscious blind fate, and 'consciously' to take control of 'his' fate **via the state**. And so Hegel was a great admirer not only of Napoleon the mighty world-conqueror, but also Napoleon the detailed regulator of the French economy."

"Hegel made quite evident that what the new, developing strong state really needed was a comprehensive philosophy, contributed by a Great Philosopher to give its mighty rule coherence and legitimacy. ...

We need make only one guess as to what that philosophy, or who that Great Philosopher, was supposed to be. And then, armed with Hegelian philosophy and Hegel himself as its fountainhead and great leader, [Rothbard quotes Professor Raymond Plant] 'this alien aspect of the progressive modern state would disappear and would be seen not as an imposition but a development of self-consciousness. By regulating and codifying many aspects of social practice, it gives to the modern world a rationality and a predictability which it would not otherwise possess ... "".

Plato → Plotinus → Hegel → collective Man → surmount unconscious blind fate, and to 'consciously' take control of 'his' fate via the state

Your author: 'consciously' is in quotes because collectives do not have minds and do not think; their leader(s) makes decisions. 'His' is in quotes because it should really be 'its'.

Hegel → the progressive → modern state → not an imposition → but a development of self-consciousness

"Armed with such a philosophy and with such a philosopher [Hegel], the modern state would take its divinely appointed stand at the height of history and civilization, as God on earth. Thus [Rothbard quotes Raymond Plant repeatedly below via single quote marks, emphasis mine]: 'The modern State, proving the reality of political community, when comprehended philosophically, could therefore be seen as the highest articulation of Spirit, or God in the contemporary world'. The state, then, is 'a supreme manifestation of the activity of God in the world', and, 'the State stands above all; it is Spirit which knows itself as the universal essence and reality'; and, 'The State is the reality of the kingdom of heaven'. And finally: 'The State is God's Will.'"

Hegel → the modern state → God on earth

Hegel → the modern state → stands above all

Hegel → the modern state → the reality of the kingdom of heaven

"Of the various forms of state, monarchy is best, since it permits 'all' subjects to be 'free' (in the Hegelian sense – last sentence of this paragraph) by submerging their being into the

divine substance, which is the authoritarian, monarchical state. The people are only 'free' when they are insignificant particles of this unitary divine substance."

Hegel → the modern state as God on the earth

Hegel → the people are only free → when they are insignificant particles → of the state's → unitary divine substance

Hegel becomes the missing link between Plato and modern forms of state totalitarianism.

"On Hegel's worship of the state, [Karl] Popper cites chilling and revealing passages: '**The State is the Divine Idea as it exists on earth**... We must therefore **worship the State** as the manifestation of the Divine on earth... The State is the march of God through the world... **The State must be comprehended as an organism**... To the complete State belongs, essentially, consciousness and thought. The State knows what it wills ... **The State... exists for its own sake**... The State is the actually existing, realized moral life."'

Hegel → the State → the divine idea on earth

Hegel → the people must → worship the State

Hegel → the State → is like an organism (alive)  
(and has a mind) ... your author: all of which is  
an error of conceptual realism

Hegel → the Organic State

Hegel → the Organic State → must exist for its  
own sake → must do what is necessary to  
continue to exist → including eating its own  
citizens → including war against other nation's  
citizens

Hegel → the Organic State → realized moral life

Your author considers → the Organic State →  
evil incarnate on the earth

Plato → Plotinus → Hegel (and later Marx) →  
the State as God → Organic State → eats  
individual men and women to keep itself alive →  
"thinks" that anything it does is necessary and  
therefore moral

Your author quoted extensively from Mises,  
as he does a great job of explaining the  
Philosophy Of History in a way it is easy to  
grasp. Your author quoted Rothbard regarding

Plotinus, alienation, creatology, and Hegel because he, too, did a great job of explaining creatology and Hegel and their effects on the thinking of men. The truly sad part of all of these false religions is that they led to the place where, via Hegel, and his follower, Marx, the State was enshrined as god on earth.

The State was fantasized to be made alive – in other words to be organic, a living entity. Further, individual men were made out to be insignificant particles of a “collective man.” And the modern Organic State has effectively attempted to depose the two Jehovahs and enshrine itself as God on the earth. Of course, the State is actually run by a group of men who make decisions; and it is those men, infected with modern neo-Platonist ideas and other Satanic values, who make the actual decisions that affect us all. The State is a mask used by the men running the State apparatus. Those men make the decisions. And they have come to a place where they believe anything they do is moral and they are, in effect, god on the earth.

The modern Organic State → has attempted to  
→ depose the two Jehovahs

The State → actually run by a group of men → who are infected with modern neo-Platonist ideas + other Satanic values → make the actual decisions → that affect us all

The State → is a mask → used by the men → actually running the State apparatus

Another attack on thought came from the German Historical School pertaining to both law and to economics. The German Historical School of Law was in opposition to rational law discovered by rational deduction from the laws of nature, including the nature of man. They were in opposition to natural lawyers espousing this correct view. The German Historical School of Law believed in grounding law in the Volksgeist, the popular consciousness, customs, and convictions of the people – as if majority vote by the people could overturn the logical structure of the universe created by the two Jehovahs. And, as if the two Jehovahs would be so unwise in their teleological undertaking of divine individualism as to lay down no general laws pertaining to how human beings interact with each other. If there are no general laws and the state is god on the earth and a group of men can get control of the state, then they can do whatever they want, while deceiving

themselves that what they do is necessary, practical, moral, strong leadership, or what not. They, with the wrong theory, take the wrong actions and destroy valuable individual men. Culture-specific laws have to lead to war that then destroys men, liberty, and necessary-for-life property. **Culture-specific laws are a form of polylogism in the legal sphere (and economic sphere).** "Those are your general laws, not my general laws," says the German to the Brit. **Polylogism of any kind is false.** There is a logical structure to all human minds which corresponds to the logical structure of the universe AND from this logical structure human minds, using reason, via deductive and inductive inferences, can determine general natural laws which apply to ALL men at ALL times and ALL places.

"The German Historical School of Jurisprudence is a 19th-century intellectual movement in the study of German law. With Romanticism as its background, it emphasized the historical limitations of the law. It stood in opposition to an earlier movement called Vernunftrecht (Rational Law).

The Historical School is based on the writings and teachings of Gustav von Hugo and

especially Friedrich Carl von Savigny. Natural lawyers held that law could be discovered only by rational deduction from the nature of man.

The basic premise of the German Historical School is that law is not to be regarded as an arbitrary grouping of regulations laid down by some authority. Rather, those regulations are to be seen as the expression of the convictions of the people, in the same manner as language, customs and practices are expressions of the people. The law is grounded in a form of popular consciousness called the *Volksgeist*." Quoted from the Wikipedia entry on German Historical School.

The German Historical School of Jurisprudence (Law) → False

The German Historical School of Economics might even be more dangerous as they basically deny there are general economic laws which are valid at all times and all places and which apply to all men. **They believed that economics was culture-specific.** They believed that theoretical reasoning via logical deduction could not ascertain general economic laws. In short, the school rejected the universal validity of economic theorems. This would be locally tragic

for the German people except for the fact that this school has had substantial influence on the American Institutionalists, who now heavily influence and, in fact, dominate American government. They have the wrong theory and generate the wrong results, which will be further explained in Chapters Seven and Eight covering economics.

The German Historical School of Economics →  
False

"The historical school of economics was an approach to academic economics and to public administration that emerged in the 19th century in Germany, and held sway there until well into the 20th century. The professors involved compiled massive economic histories of Germany and Europe. Numerous Americans were students. The school was opposed by theoretical [rational] economists. ...

The historical school held that history was the key source of knowledge about human actions and economic matters, since **economics was culture-specific**, and hence not generalizable over space and time. **The school rejected the universal validity of economic theorems.** They saw economics as resulting from careful

empirical and historical analysis instead of from logic ... " Quoted from the Wikipedia entry on Historical School Of Economics [emphasis mine].

The German Historical School of Economics basically led to American Institutionalism, with its emphasis on the power of the state to solve societal problems. The thought process of American Institutionalists is to view it as 'progressive" to expand state power. Ergo, ...

The German Historical School of Economics → American Institutionalism → view it as progressive → to attempt to solve → societal problems → through expanded state power

If one wants to understand how it could be, particularly from an American point of view, that the United States went from a nation of individuals with natural rights to a nation with a large overwhelming Organic State, you have to understand that there are many men on earth who subscribe to Plato, Plotinus, creatology, Hegel, and Marx – and to the German Historical School and to American Institutionalism. These men think it is necessary to sacrifice individual men (insignificant particles to them) to fuel their version of an Organic State. After all, if the State is an Organic State, it must eat to

stay alive. And what else would an Organic State eat, but people - its own citizens. The Organic State, instead of safeguarding a man's life, eats him as fuel for a "necessary" fire. The Organic State, instead of safeguarding a man's liberty, regulates and organizes his every activity into a slavery sustaining the needs of the State. The Organic State, instead of safeguarding a man's property, thinks nothing of taking a man's property and converting it, too, into fuel for the Organic State fire. Why have our individual natural rights of life, liberty, and property been pre-empted, disrupted, and cancelled? Why have our natural rights been violated by the Organic State? Because the Organic State needs to eat men in order to stay alive. All of this is possible because too many men subscribe, wittingly or unwittingly, to some form of creatology, or some form of Platonic metaphysics, as amplified by Plotinus, Hegel, Marx, and others. **Men are literally being killed because of bad philosophy and the corruption of thought.** The two Jehovahs warned of this many years ago, because they know the importance of thought to man:

**"Beware lest anyone rob you through philosophy** and vain deceit, according to the tradition of men, according to the elements of

the world, and not according to Christ.”

Colossians 2:8, MKJV

Men can be robbed → through → philosophy

Men can be robbed of → not just property → but also of life → including eternal life → and liberty → through philosophy

Bad philosophy → rationalizations of evil

Bad philosophy → air cover → evil

Bad philosophy → confuses + paralyzes → man

It is easy to read over important statements found in the Bible, isn't it? "Beware lest anyone rob you through philosophy" is one such statement. Satan and his evil team, through bad philosophy and the corruption of thought, have literally robbed mankind. Knowing the importance of thought to man, the two Jehovahs warned against bad philosophy a long time ago. There really is nothing new under the sun (Ecclesiastes 1:9). The robbery consists of our individual natural rights of life, liberty, and property. And the resulting use of valuable individual humans as fuel for an Organic State

fire is one of the largest wastes of human life in history.

The use of valuable → individual human lives → to fuel → an Organic State fire → is one of the largest wastes of lives in human history

This section of the book is very long and your author apologizes for its length, but it was not possible to explain how we have come to the point of a destructive Organic State without knowing what the Philosophy Of History is, without knowing something of Plato's metaphysics and its effects, and without knowing something about creatology and its effects. All of this led from Plato, to Plotinus, to Hegel, to Marx, and to American Institutionalism. And this section of the book has likely proven to be hard to read – both from an emotional heartbreak point of view and from an intellectually challenging point of view. The Satanic attack on thought and the corruption of philosophy are painful subjects. Again, sorry, but it was necessary.

To end this section your author will summarize some (not all) of the main points below, and will also include a brief discussion of subjective ethics leading to social utilitarianism,

along with a brief discussion of a few additional points:

The two Jehovahs have actually stacked the universal deck of cards so that the good will defeat the bad, e.g., truth > error; light > darkness; love > hate, etc.

Satan hates logic because logic allows accurate identification and the correlation of cause and effect. Since Satan is evil, he does not want to be identified as such. Since Satan's force and fraud based value system can be shown to lead to pain, suffering, and death, Satan does not like cause and effect, or clear thinking along those lines. Evil is irrational and can be identified as such using logic, ergo Satan hates logic. Further, when men intelligently identify and then choose "the good," any men who so choose the good are aligning with the two Jehovahs and against Satan.

Satan hates the logical concepts of original appropriation and private property because he does not want to acknowledge the two Jehovahs as the creators and owners of the universe and everything in it.

Man needs a moral code to live by. There are objective ethics pertaining to life being better than death, flourishing life being better than bare existence, and original appropriation being the only just way to establish the right to private property ownership. Further, each man owns himself and the property he has legitimately obtained via original appropriation, via inheritance, or through performing a contractual service, or through a contractual trade for other property. In other words each man, and all men are men as in A = A, have the natural rights of life, liberty, and property.

Through philosophical arguments, particularly by Hume, that no "ought" logically follows from an "is," ethics has become subjective. Further, also from Hume, who stated that effects do not necessarily follow from causes, natural law has been overturned – at least in the minds of those who buy such nonsense that nature might not be the same tomorrow. And now silly men think there is no such thing as rational objective ethics and that their opinion as to what is right or wrong is just as valid as any other man; and that societal norms, social conventions, or opinion polls, or statistical analysis, or legislation passed by parliaments can serve as moral guides – even if

they violate some men's natural rights to life, liberty, and property. **Subjective ethics in an age of belief in democracy means that some men will be sacrificed to others via the legal system.** The stated or unstated rationale for so doing will likely be some form of **social utilitarianism** – "the greatest happiness for the greatest number," or, in a different form, "the greatest good for the greatest number."

Hume → led to → many philosophers → abandoning natural laws → which led to the abandonment of individual natural rights → ethics is no longer objective, discoverable by reason → ethics by majority vote → social utilitarianism → some men are sacrificed to other men

One of the main problems of social utilitarianism is that it provides a rationale for politicians to attempt to undertake actions whereby some men are sacrificed to others in the name of the greatest happiness or good. But, method matters in interpersonal relations, and while a complete dismantling of social utilitarianism is beyond the scope of this section of this book, there are at least a few points to be made against using social utilitarianism as a guide to public policy. First, if you are one of

the members of the minority who are being sacrificed to the majority, your natural rights have been violated. That your natural rights were violated via the legal system is not a consolation for you. Second, there is no method of measuring happiness, as there is no fixed unit of happiness to serve as an invariable standard to use to perform such a measurement. The greatest happiness is an arbitrary and unscientific assertion and then that assertion is used as a rationalization for violating the victim's natural rights. You cannot measure happiness for one man, let alone all men in a collective grouping. Third, natural rights are more logical and understandable to men and are conducive to ongoing social harmony. Fourth, social utilitarianism cannot even define "the good" or "the valuable" because what is good and what is valuable are individual and not group concepts. Only individuals think. Social utilitarianism is not conducive to ongoing social harmony. It simply begets the next wave of wasted political activity, or, in the worst case, it sets the stage for a future retaliation. The two Jehovahs clearly come down on the side of man being able to recognize natural law as evidenced by the scriptural passage below:

"For the wrath of God is revealed from Heaven against all ungodliness and unrighteousness of men, who hold the truth in unrighteousness, because the thing which may be known of God is clearly revealed within them, for God revealed it to them. For the unseen things of Him from the creation of the world are clearly seen, being realized by the things that are made, even His eternal power and Godhead, for them to be without excuse. Because, knowing God, they did not glorify Him as God, neither were thankful. But they became vain in their imaginations, and their foolish heart was darkened. Professing to be wise [correct philosophers], they became fools"  
Romans 1:18-22, MKJV

Social utilitarianism → irrational → false → because: 1) at least some men have their individual natural rights violated for the benefit of others 2) there is no fixed unit of measure to calculate units of happiness with, ergo, it is unscientific as the proponents attempt to apply it 3) social utilitarianism cannot even define "the good" or "the valuable" because what is good and what is valuable are individual and not group concepts

It is pretty clear from the Romans 1:18-22 scripture that man, using his mind, can understand there must be a creator, there are natural laws that govern the universe, and these natural laws are available to the mind of men – if we are to think about them. This would include individual natural rights as a subset to natural laws and the violation of the natural rights of others causes us to be held accountable by God.

Man → using his mind → can reason logically → to understand → 1) there must be a Creator 2) the universe consistently has a logical structure to it, including the laws of nature 3) there are objective ethical principles aka the individual natural rights

Your author's pushback → if anyone, philosopher, Organic State proponent, religionist → argues there are no individual natural rights → your author's three questions: 1) are you saying that it is all right to kill another man? 2) are you saying it is all right to enslave another man? 3) are you saying it is all right to steal another man's property? → how can a denier of individual natural rights answer any of those three questions, "Yes?" → if they answer, "Yes,"

then they identify themselves as an enemy of their fellow man + a Satanic monster

Your author's further pushback → if anyone, philosopher, Organic State proponent, religionist → were to argue → you cannot absolutely prove → there are individual natural rights → your author's further two questions: 1) can you prove there are NOT individual natural rights? And 2) what possible motive would you have for wanting to attempt to prove such a thing?

If a nation, tribe, religion, or some other group or individual were against individual natural rights and were courageous and honest enough to clearly overtly identify themselves as being against natural rights, the rest of us would know they were dangerous and outside of respectable law. In other words, speaking in terms of an individual, if someone were to come out and say, "I believe I have the right to aggress against your life, to hurt and/or kill you, to steal your property, to enslave you, and to disregard and not perform under any contracts I make with you," then they would mark themselves as a predator-monster and someone to be held completely outside of law. All other good men would turn on that individual or, as the case may be, turn on that tribe or nation,

etc. But, evil has to find a way to live with itself and so the ancient and the modern philosophers have lied to themselves and others by not being so open and honest about the values they live by, or would like to live by. Instead, philosophers have wittingly or unwittingly provided intellectual air cover and enabled the unsocial aggressors to hide behind the idiotic belief that ethics are subjective, reason does not govern in human affairs, and that there is no cause and effect so we will just have to try it (whatever "it" happens to be at the moment) and then see what happens. Other than being irrational and immoral, a further problem with all of this is that it is fine to experiment in the natural sciences, but NOT in the social sciences. In the social sciences, experimentation involves experimenting on actual human beings who are all made in the image and likeness of God. Experimentation in the social sciences means that some men will be chopped up and used for fuel and that other men will be chopped up and cooked and eaten by an Organic State, writ large. Men's lives will be destroyed by human experimentation at a loss to all of us – not just the current victims of the experimentation.

The social sciences → require a different scientific method → for at least two reasons: 1)

unlike the natural sciences, human choice is a causative factor and 2) human experimentation  
→ is evil

The philosophers, instead of applying reason to reality and learning from it, have engaged in a widespread rebellion against reason and reality. The rebellion against reason and reality is the new three R's. Now, some of the most critical steps in thinking have been polluted, including:

\* The law of identity has been attacked to the point where philosophers argue about whether a chair in the middle of the room is really a chair.

\* Cause and effect no longer being certain, leading to a questioning and a rejection of natural law and then natural rights.

Interestingly, the natural sciences use cause and effect without much criticism from philosophers. The philosophers will just label the conclusions of the natural scientists as a contingent truth, not 100% proven, as it might change in the future. In other words, empiricism can find things that work today, but they might not work tomorrow – you never know.

- \* The throwing overboard of natural law and natural rights has led to ethics becoming subjective and now men vote on truth or live like animals seeing if they can get away with something. This also leads to a lack of a check and control on human parliaments – who want to believe the law is what they say it is.
- \* Language being polluted, as concepts are weakened, i.e., watered down and no longer adequately connected to reality.
- \* The pollution of language is really a pollution of the ability of a man to think, as we necessarily think using concepts, and if language is no longer clear, neither is thinking. An anti-conceptual mentality is not good for man.
- \* Context dropping – for example, all men are men and all men need to think and take action in order to live on this earth. And all men have the need for and possess the natural rights of life, liberty, and property, and the derived property right of freedom to contract. And each man owns himself (at the human level) (the two Jehovahs own the universe and everything in it at the macro level). Context dropping leads to the body guys (the empiricists) ignoring the

human mind and choices of men as a causative factor of change. Context dropping leads to the mind guys playing language games dissociated from reality. Context dropping leads to crazy theories and conclusions.

\* The attempt via scientism or behaviorism, to deny man's consciousness, as mentioned above. And also the fact that the social sciences must use different methods than the natural sciences in order to scientifically understand how the universe works. Correct social science does not use human experimentation on unwilling victims. Man is a causative agent via his choices. Man's choices are not deterministically pre-ordained however much scientism and behaviorism would like to pretend otherwise.

\* The attempt to sever the connection between statements of fact ("is" statements) and judgments of value ("ought" statements), which is a form of context dropping. For example, since man **is** alive and needs to stay alive he must think and take action, and any actions he takes must respect the individual natural rights of others. There is nothing better to put in its place than we **ought** to respect each other's natural rights even if the "ought" cannot be proven deductively. It still follows from a

combination of inductive and deductive reasoning, which gets us an answer that will work within the context of life being better than death, and peace and social harmony being necessary to a flourishing life.

\* The unproven assertion that science should be value-free is false. Science should support life and it should be bias-free, not value-free. That science should be value-free is an unproven assertion, which is to ironically say, it is a proposed judgment of value.

\* The elevation of deductive reasoning, above all other forms of reasoning, and the consequential belittling of inductive reasoning has led to some unnecessary gaps in the totality of reasoning – for example, the philosophical attack on is/ought and the philosophical attack on cause/effect. Some things are incapable of deductive proof, that much is true. However, a totality of reasoning encompasses both deductive and inductive forms of logic, and reasoning also involves weighing evidence, e.g., the facts of knowledge (endoxa) vetted by others. We don't have anything better to use than "the sun will come up in the east tomorrow," although we cannot prove this deductively. Man has to ascertain axioms, when

possible, and man also has to reason to and from working postulates. Both the axioms (which cannot be refuted without contradiction in any argument being put forth against them) and also any postulated statements of fact are premises we can reason from. If a postulate, serving as a working premise, can be improved later on by better knowledge then the old working premise can be replaced by the later, better working premise. What else can a man do? Nihilism in reasoning does not help mankind. It destroys mankind. The totality of reasoning includes both inductive and deductive forms of reasoning. It also encompasses using reason to set goals and to choose the correct means to achieve those goals.

\* The idiotic assertion by some (shot down by Frege) that logic is psychologically perceived so that instead of actual truth there is only the perception of truth. There are no humans with different operating systems. All men are men. Psychologism is false. It is nonsense.

\* The further idiotic assertion that there are multiple forms of logic, i.e., polylogism, which amounts to the Germans having one kind of logic, the Russians having another, etc. Fortunately, Wittgenstein destroyed polylogism

intellectually as he clearly pointed out that all thinking is logical or it is not thinking at all. There are not multiple forms of logic differing from race to race, from tribe to tribe, etc. Polylogism is nonsense.

\* The mind-body problem and its attempted solution are killing philosophical thought to this day. Mises correctly pointed out that there is no logical contradiction between the logical structure of the universe and the logical structure of the human mind. The two Jehovahs confirm this by pointing out that they provided a spirit in man to enable man to think (Job 32:8 and other places). Your author actually solved the problem in the previous section of this chapter and so nothing more will be written here. The mind "isms" and the body "isms" have really hurt mankind.

\* Various Philosophies Of History have been foisted off on mankind - the worst of which so far has been Marxism. The Organic State might very well surpass the damage done by Marxism, however. These various Philosophies Of History are false religions and their philosopher-proponent advocates have shown themselves to be false prophets as well. But people still want to believe in something. Instead of using

practical reason and applying it to reality to at least see that there are natural laws and to ascertain that there are natural rights, men want to check their brains at the door and follow some goon of the moment, or some fool of the moment. Men are afraid to think because they do not want to be responsible for their own lives. But if men refuse to think they put themselves into the position where they have to guess at whom to follow. Emotions and slogans are no substitute for practical reasoning within an objective ethical framework where that thinking is tied to a knowable reality.

Many men → afraid to think → because they do not want → to be responsible for their own lives

When men do not think → they must guess at → whom they should follow

Guessing at whom to follow → plays into → Satan's hands + those goons of the moment who have adopted Satan's values

Philosophy has played a role in all of the above by gutting the law of identity, questioning the connection between cause and effect, purporting that ethics is now subjective, etc. It leads the average man to conclude that, "If the

experts are not so sure, how can I be sure of anything?" It leads the average man to worry that maybe he cannot trust his own thinking. But men can learn to think clearly and man must think and take action in order to live on this earth.

The intellectual warfare that your author believes Satan has waged has led to an almost complete corruption of philosophy and thought. Some philosophers are not even sure if there is a reality we can know, and any form of metaphysics or religion is basically regarded as a mental illness. God, the creator of logic and thought has been ejected from human thought – at least in academia. Ethics is now subjective. Rationality (thinking) has been shredded. Politics is corrupted. Your author believes that Satan could not be happier.

Our minds have been intellectually poisoned. Men are now very vulnerable to each other in the world they live in. Subjective ethics in a democracy is an unmitigated disaster where some men will be sacrificed to others. A long time ago Job was worried about this.

"...There is no one else to support what I say. You have closed their minds to reason;  
don't let them triumph over me now."

Job 17:3-4 TEV (Good News Bible)

The Enlightenment was a period of time where reason pushed back against the sillier parts of religion, and many of the scientists of the Enlightenment basically were working to attempt to understand how God ordered the universe. Rationalism, correctly understood, provided answers so long as reason was tied to an objective reality. Pragmatism is fine to the extent that good results are obtained within the context of no man's natural rights being violated. Determinism is fine if by determinism we understand that there is cause and effect in the universe. But determinism is not fine if we mistakenly believe that an individual man must choose in a certain way due to mysterious forces operating upon him. Determinism is also not fine if it is paired with some version of a Philosophy Of History.

The spirit of the age (zeitgeist) that followed the Enlightenment was the Romantic Era. The Romantic Era has been a disaster for mankind for many reasons, the chief of which is the widespread feeling or belief that holds that

there is no shortage of resources and there are no limits for man. But there are limits and there is a scarcity of resources, which is where economics comes in. The Romantic Era elevation of emotion and wistfulness and human imagination over practical reason as an attempt to escape from reality is not good for man. Proper emotion and imagination are fine, but they are not a substitute for thinking. And mankind cannot evade reality by wishing it away.

The concept of a ruling elite telling noble lies to deceive the masses is a corruption of politics and a rebellion against the reality that all men are men. It is modern Platonism supported by a corrupt, sell-out intelligentsia and also supported by a modern military industrial complex. Modern Platonism, with its subjective ethics coupled to modern weaponry will lead to disaster. As God says, in Job:

“He [God] takes away the wisdom of rulers and makes leaders act like fools.”  
Job 12:17 TEV (Good News Bible)

The corruption of language and thought, combined with subjective ethics, disables the ability of men to reach agreement via

reasonable arguments and evidence. "Well, that is your opinion," can now be used to dismiss almost anything. The result is social conflict and sooner or later social conflict always leads to actual conflict. As the Bible warns:

"Do not be deceived, God is not mocked. For whatever a man sows, that he also will reap." Galatians 6:7, MKJV

The short hand summation of all of the above is that the corruption of philosophy and thought leads to, amongst other things, skepticism, relativism, nihilism, and existentialism. All are catastrophically destructive to a man's thoughts and his actions. All of them are the results of an intellectual warfare that has been waged against mankind. Philosophy, instead of enriching and helping mankind in his journey through life, is leading to his ruin. That is the true and sad story of philosophy and its effects on mankind. It is a major part of the reason why your life is hard. It led Ayn Rand, the philosopher and novelist, to have Dr. Hugh Akston (a character in her book, *Atlas Shrugged*, who was a philosopher) make the incredible comment below:

"It does take an exceptional mind and a still more exceptional integrity to remain untouched by **the brain-destroying influences of the world's doctrines**, the accumulated evil of centuries ..." Ayn Rand, *Atlas Shrugged*

Continuing even further, the corruption of philosophy and thought has also resulted in:

Ontology – the study of the nature of being (the study of reality) has been shredded via the attack on the law of identity, the attack on the law of cause and effect, etc.

Epistemology – the establishment of knowledge has been shredded via the analytic-synthetic false dichotomy and also by the opinion that we cannot ever know reality because we view it through the lens that is our mind, etc.

Ethics – is now subjective. There are no objective ethical principles that are recognized, and every man's opinion is set against every other man's opinion with no objective standard to hold men or governments or religions accountable. Natural law has been thrown out and "is ought" is not allowed as a valid reasoning method. All of this is perfect for the dictators of the world.

Politics and economics – are determined by majority vote and utilitarianism instead of objective ethical principles and instead of via understanding that there needs to be one method for the natural sciences and one method for the social sciences. Human experimentation is not necessary and should not be allowed, but without an understanding of the proper scientific method for the social sciences, without the guidelines of natural law, and without objective ethical principles to live by, some men are going to be sacrificed to others. And life on earth could become an actual hell where each man lives in fear of his fellow men because he knows most of his fellow men do not think and also do not care about behaving ethically. It becomes a “What can I get away with?” world. If it goes far enough the inevitable wars, which will result, could cause the earth to become largely depopulated.

Life on earth → could become → hell on earth because → 1) men do not think + 2) men do not care about ethics

This is particularly true as the Attila of Attilas, the dictator of dictators, the Antichrist, comes onto the scene. He might very well use

some form of Philosophy Of History in combination with ethical subjectivism to suspend any semblance of ethical rules. There certainly will be no natural law check on Organic State power. It will almost certainly result in a modern Platonism-gone-wild, might-makes-right-on-steroids dictatorship, ending with an instant admittance into the Evil Hall Of Fame disastrous result. In short, it will be a rebellion against reason and reality for the ages. The two Jehovahs will then say, "Enough," and Jesus Christ will return to the earth (Revelation 19) to put an end to the rebellion, once and for all.

And then the believers in the Bible, such as your author, believe Jesus Christ will establish the Kingdom Of God on the earth and rule it how? Wisely. And wisely means, via correct philosophy, hence the importance of the subject.

"And it shall be, in the last days the mountain of the LORD's house shall be established in the top of the mountains, and shall be exalted above the hills; and all nations shall flow into it. And many people shall go and say, Come, and let us go to the mountain of the LORD, to the house of the God of Jacob. And He will teach us of His ways [correct

**philosophy and correct thinking and correct action]**, and we will walk in His paths. For out of Zion shall go out the Law [instruction], and the word of the LORD from Jerusalem. And He shall judge among the nations, and shall rebuke many people; and they shall beat their swords into plowshares, and their spears into pruning-hooks. Nation shall not lift up sword against nation, neither shall they learn war any more [man must cooperate with other men peacefully].” Isaiah 2:2-4, MKJV

“For let this **mind** be in you which was also in Christ Jesus,” Philippians 2:5, MKJV

“But those who miss me [wisdom, verse 12] have injured themselves. All who hate me love death.”” Proverbs 8:36, NLT

“And all men shall fear, and shall declare the work of God; for they shall in wisdom think of His doing.” Psalms 64:9, MKJV

## **4.5 Legal warfare - the lack of justice via the corruption of law and other law-related topics:**

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Another cause of evil and a major reason why people's lives are so hard is because Satan has also attacked correct conceptual thinking pertaining to law. If, instead of the law helping to establish justice, the law becomes perverted to actually cause injustice, it will set off a negative chain reaction of conflict, ultimately leading to war with all of war's attendant suffering, destruction, and death.

This section of this chapter of the book is also going to be a tough read because of the extensive corruption of law and misunderstandings pertaining to law, and it will

also be a rather long section as the topic of law is crucial to man. A housekeeping point is that major portions of this section will be taken from your author's previous book, *Why There Is No Justice: The Corruption Of Law*. Another housekeeping point is that the reference to a personal Creator God refers, of course, to the two Jehovahs. And, as a further housekeeping point, your author moderately touched on individual natural rights in the previous section as it was necessary to contrast them, for example, with the Organic State that eats its own citizens ... and it was necessary to explain the "is ought" error in thinking that formed the basis for an attack on the laws of nature, including natural rights, etc. Because individual natural rights turn out to be quite important to God and man, a lengthier and more complete discussion will start this section.

Shortly after the creation of man, families joined themselves together into tribes and this ultimately led to the formation of kingdoms and governments. Part of the motivation was probably for defensive purposes. Men were afraid to be alone and so they grouped together for safety's sake. And part of the motivation was likely related to satisfying a sense of belonging, working together to obtain food, etc.

The interest in religion and man's place in the universe led to competing religious belief systems and this ultimately led to the formation of religious organizations. Men adopted or established religions hoping to secure the "favor of the gods" in this life and also to secure a promise of eternal life due to "correct" religious beliefs, practices, and/or membership.

Unfortunately in many cases, the forming of kingdoms, governments, religions, and religious organizations was also a vain attempt to seek safety in a collective and/or to evade the responsibility for having to make one's own life decisions and then live with the consequences. Perhaps even more unfortunate was an almost constant attempt to ignore or evade the laws that govern the universe. Any such attempt to ignore or evade the laws that govern the universe ultimately proves itself futile – with disastrous negative consequences. Some of those disastrous negative consequences have been the systematic production of societal conflict, a lack of justice, a lack of harmony and social cooperation, and war. The piper has been, and will be, paid.

The two Jehovahs (God the Father and Jesus Christ, hereinafter sometimes referred to as God) made men free. They had to in order to develop character in us. And they gave us dominion over the earth, not each other. The freedom they gave us also makes us responsible for our choices. The main purpose of this section of the book is to survey the purpose of law, the purpose of government, and explain how both have been corrupted. A further purpose of this section of the book is to include an explanation of natural rights and why their recognition is necessary. Natural rights, good law, and good government are necessary in order for justice, social harmony, social cooperation, and peace to prevail – without which abundant life is not possible.

#### **4.5.1 Natural rights as a key to life**

It turns out that **individual** natural rights are a key to life. Yet, for hundreds of years there has been much discussion about the individual **natural rights** of life, liberty, and property. To some men, they are God-given. To other men, they are a part of **natural law**, i.e., the laws of nature. To other men they are both God-given and part of natural law. And some men deny that man has natural rights or

that there are even laws of nature. Unfortunately, the men that reject natural rights usually do so because natural rights act as a check on state power. Many times the rejection of natural rights is coupled with a belief in the concept of an "Organic State" – a state that plans out, structures, and manages the lives of its citizens. Those believing in the mythical and metaphysical power of an Organic State allow for some citizens to be what amounts to human fuel used to stoke the fires that keep the Organic State alive. As your author has shown in another book, *Economic Fallacies Versus Rational Thought*, and will show again in Chapters Seven and Eight of this book, anyone who believes that central planners can use an Organic State apparatus to actually plan intelligently is wrong. Central planners will not have the information to do so. As a result they will waste both valuable human lives and a society's capital trying.

Interestingly enough, the Founding Fathers of America believed that natural rights were both God-given and were also a part of natural law. This can be known from a careful reading of the first portion of the Declaration Of Independence [emphasis mine throughout].

"When, in the course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which **the laws of nature** and **of nature's God entitle them**, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, [which your author will discuss below], that all men are created equal, that they are **endowed by their Creator** with certain unalienable rights, that among these are **life, liberty** and **the pursuit of happiness** [the "pursuit of happiness" was known to mean private **property** at the time]. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

It is clear from reading the above that America's Founding Fathers believed in a God who gave men rights and that these rights of life, liberty, and property were unalienable and absolutely true. It is also clear that they believed these rights were self-evident and formed a part of natural law (the laws of

nature). Whether the individuals involved were Deists (who believed that a Creator God created the universe with laws and then retired from the scene like a watchmaker making a watch and then winding the watch) or whether some of the individuals believed in a personal Creator God (with which human beings can have contact) is not relevant to our discussion at hand. That can be debated at another time and place and already has been. **What is relevant to the discussion at hand is:** Were America's Founding Fathers correct in their delineation of natural rights in the Declaration of Independence? Can natural rights be established by reference to the Bible and/or by reason according to the laws of nature, i.e., according to natural law?

Your author believes that, properly understood, there can be no conflict with natural law and the Bible because **both** natural law and the Bible were given by a personal Creator God to allow human beings two different ways to know how to order their lives. St. Thomas Aquinas would probably say the same thing as his categories of "divine law," aka the Bible and "natural law," aka the laws of nature discoverable by human reason, both form part of what he calls "eternal law," aka the laws and

knowledge the Creator God had available when planning for and creating the entire universe and everything in it. It stands to reason that the Creator God would not allow a contradiction by saying something in divine law that contradicted natural law. The religions of the world could have avoided a lot of embarrassment and grief if they would have used reason and natural law to function as a check on their doctrines.

An “a priori” axiom is a premise that can be reasoned from deductively to establish and make plain further truth. It can be considered a basic fact subsumed from all facts and, as such, does not need empirical testing or verification to confirm it. It is innately true. Any attempt to deny its trueness would require its use in an attempt to deny it, which would be a logical contradiction and an invalid argument. The invalid argument can then be rejected, ergo establishing the trueness of the “a priori” axiom that was challenged. Because it is an axiom that is innately true according to and coming from the laws of nature, some writers and thinkers will refer to it as a “self-evident” axiom. They refer to it as self-evident because some will grasp this innately true fact on their own by their own realization. Others will apprehend or

comprehend its truth once it is called to their attention. Either way, the axiom is innately true and meaningful to human beings once realized or comprehended. The “a priori” axiom is not a tautology (something that is true by definition only and does not really teach us anything about the real world). It is not a synthetic proposition requiring ongoing and never-ending empirical testing – which can never absolutely establish any truth. It comes from a comprehension (intellectual cognition) of the empirical world as it really is, because it is a basic fact subsumed from all facts. And it is a fact that is true in all cases without fail and without the need for any further empirical verification. It is a self-evident innately true fact that can be reasoned from with absolute certainty of its truth.

In using reason to understand the laws of nature, man identifies entities according to their defining characteristics. When man successfully identifies an entity, e.g., some object or thing, we have new knowledge (to us). The identification of new entities also gives us knowledge of cause and effect as we see how different entities interact with each other, how they grow to maturity (if alive), etc. Man, the rational being, can learn a lot just by using his own mind.

A further important extension of the correct solution to the mind-body problem is the knowledge that **the two Jehovahs were limited by logic in their dealings with man.** From man's point of view, they could only create one universe and it had to have a consistent logical structure to it so that all men could understand. And they had to give to the mind of all men a logical structure, which corresponded to the logical structure of the one universe. The two Jehovahs could not give one logical structure to the mind of Germans, a different logical structure to the mind of Chinese, etc., because then at least the one or the other could not understand the logical structure of the universe they were forced to live in. This would lead to confusion, distrust, and the lack of social harmony, conflict and war – which the two Jehovahs are clearly against. And, the two Jehovahs could not "stop gap" the above by creating a new and different universe for the heretofore-confused nationality. The two Jehovahs, great as they are, were limited to one universe and it had to have a logical structure knowable to ALL men. This forced them to give all men a spirit in man and this spirit in man enabled a brain to become a mind – and that mind, for all men, had a logical structure to it

that enabled the comprehension of the logical structure of the universe. This is not to say that all men will avail themselves of using that valuable mind, or that mankind will completely understand the universe and the logical structure and the laws behind it. But, over time, through a joint effort, a mental division of labor as it were ... man can come to learn and know the truths contained in the logical structure of the universe. There might be wins and losses along the way, but progress can be made. It is further to say that this paragraph should slay, for all time, the destructive implications for ethics and logic derived from Hume's guillotine, that no "ought" can be derived from an "is." There is only one universe. It has a logical structure. It has been, and will be, consistent. There are laws contained in this universe (the laws of nature) and those laws will be consistent. And those laws of nature are knowable to the mind of a thinking man. And since all men are men, they are knowable to all, should the honest effort be made. In terms of proper grammar it works better to use the word God instead of the two Jehovahs in the following sentence, so that is what your author did. Further, since God **is** using a divine individualism process to create unique MRP divine individuals, he **ought** to make the

universe consistently knowable to the mind of man – and he did. The laws of the natural sciences, ethics, and the logic of action (praxeology), amongst many other things are knowable to man – ALL men. Relativism and skepticism are hurtful to man and they are wrong.

The two Jehovahs → great as they are → are limited to → one universe

That one universe → must have → a logical structure + be consistent over time

The minds of → ALL men → have a logical structure → in correspondence to → the logical structure of the one universe

All men can learn → from how the universe is logically structured → the laws of nature  
The laws of nature include, but are not limited to, → ethics, praxeology, the laws of the natural sciences, etc.

Hume's guillotine = dead

Skepticism = mental poison for man

Relativism = mental poison for man

Truth → knowable → applies to → all of mankind

Discarding polylogism → of all kinds → guts nationalism, racism, tribalism, sexism, class warfare, etc.

Discarding psychologism → guts nationalism, racism, tribalism, sexism, class warfare, etc.

As previously mentioned, but quite relevant here, Aristotle's famous three laws of identification are: 1) a thing is itself, i.e., A = A; 2) the law of non-contradiction, i.e., A cannot be A and non-A at the same time; and 3) the law of the excluded middle, i.e., something is either A, or it is not A. These three paraphrased laws, above, actually help clarify truth for us, even though they may seem very simple. For example, man has been categorized, correctly so, as being the rational animal, or the rational being. The word "man" is identification and it includes and means all men. In other words, if someone is in the category of "man" they have the defining characteristics of what it means to be a man, including being rational (thinking), and they are the mammal Homo sapiens, i.e., Man = Man. This has very important implications because man, the rational being,

has certain properties that caused him to be categorized as the rational animal, i.e., men think. All men think. That is one of the important reasons why they are categorized as a man in the first place. We shall see why this is so important later. Thinking man builds fires and cooks food, wears clothes, uses language to communicate, develops technologies and art, and many other things that other animals do not do. **Man is unique on this earth.**

Man → the rational animal

Man → unique on this earth

Life is better than death. Only the living can value anything. Only the living can think. Any man wanting to attempt to challenge the fact that "life is better than death" would have to be alive in order to make the challenge. Their using life in order to try to establish that death is better than life would be an invalid argument that can be rejected. If they really thought death was better than life they would have already killed themselves and would not be alive to make their challenge. Life wins. Life being better than death is a self-evident a priori fact of nature for rational beings, i.e., it is an axiom. The Bible corroborates this in various places,

e.g., by promising eternal life in I Corinthians 15 and very specifically in Deuteronomy 30:19:

"I call heaven and earth to record this day against you, that I have set before you life and death, blessing and cursing: **therefore choose life**, that both thou and thy seed may live:"  
Deuteronomy 30:19, KJV

Life > death = an axiom → we can reason from it → true for all men

Man can and should choose → what is necessary for life

Man needs → liberty → to think + to choose + to take action

Choosing life means to recognize that life is better than death and this realization (axiom) now has implications for how mankind should structure their lives in order to live. This is because choosing life also means choosing the things that are necessary for life. Only the living can gain, experience, and appreciate values. Only the living can grow in character - the moral and intellectual virtues. And only the living can be productive, experience relationships, and all of the other joys of being

alive. And only the living can think. And we are man, the thinking being. But, for now, let us move on to liberty.

**Liberty** is a requirement of every man. Man has been correctly classified, according to the laws of nature, as the rational being. Every man has to have liberty in order to think, or he could not fit into the category of being a man in the first place because man is the thinking being.

**This ability and necessity to think requires liberty.** No one else can control a man's thoughts, or the controlled man would not be thinking for himself, which is to say he would not be thinking at all – he would be the equivalent of a ventriloquist's puppet. All men are men. All men think because to be a man means to be a thinking being. To fit into the category of a rational being a man must have the ability to think and the ability to think requires the liberty to think. **Ergo man must have liberty.** For anyone to challenge that men must have liberty in order to think, the challenger must be free to challenge. How would the challenger have the liberty to challenge, but other men not have liberty, when all men are men? The challenger would be exposed as a hypocrite or wannabe elitist who wants natural rights for himself, but not for

other men. His argument, using liberty in an attempt to deny liberty, can be rejected. Liberty is a self-evident a priori fact of nature for rational beings, i.e., it is an axiom.

This required liberty goes farther than just the liberty to think, however, because a man also has to take action in order to stay alive. Thinking, by itself, is not enough to keep a man alive. Man has to remain true to principle and axiom number one, which is, that life is better than death. And because man does not live in a thought world, but in a real world, each man needs the ability to use property, e.g., food in order to stay alive. In other words, each man needs not only the ability to think, he also needs the ability to take action. The necessity to take action and the ability to take action also entails the need for liberty. He needs this liberty in order to take the steps that are necessary for him to sustain his life. It does a man no good to only think about eating a piece of fruit. The man also has to have the liberty to take the corresponding action to obtain the piece of fruit and to eat it. Therefore each man needs liberty in order to think and to take action in order to sustain his life. Liberty is then a requirement, according to the laws of nature, for all men. It is

the right of all men to conform to the requirements of their own nature in order to stay alive, i.e., to possess liberty as a right in order to be able to think and to take action.  
Liberty is then a self-evident a priori natural right according to the laws of nature for men.

Liberty → necessary for life → all men have the necessity to think → an axiom for all men

Man needs → liberty → to think + to choose + to take action

Big problems, of course, have come about from governments, tribes, religions, nobility classes, etc., attempting to deny that men possess liberty as a natural right according to natural laws. There are always men who want to rule over others and to deny the ruled their freedom. Whenever and wherever this happens that society loses out because the quality of the people declines, productivity declines, and the offending society ultimately declines. When men are not free to think and to take action automatic penalties for the violation of natural laws commence and those penalties will be paid.

When governments or religions or tribes or noble classes → attempt to fight the laws of

nature → by denying liberty to all men → the quality of men ↓ and productivity ↓ and that society or tribe or religion ↓

The offenders → break a law of nature → penalties ensue

If someone (a man) wants to attempt to deny that liberty is a natural right for all men, in accordance with natural law, then we have to ask a few questions. How is it that the challenger, the arguing man, is free to make an argument? Where did he, a man, get his freedom to argue? You have to think in order to argue and you also have to be able to take the action of arguing. If he, the arguing man, has the liberty to think and take action, how is it that he has liberty but other men do not? All men are men. If one man has the liberty to think and to take action, all others do as well. The obvious answer is that he is using liberty in an attempt to invalidate liberty as an axiom. Hence his argument is invalid and can be rejected. Liberty stands.

Denying that life > death → performative contradiction (hypocrisy) → an erring mind → a mind that missed the truth

Denying liberty while using liberty to deny  
liberty → performative contradiction (hypocrisy)  
→ an erring mind → a mind that missed the  
truth

As the arrogance of some men knows no boundaries, I guess an arguing man could argue that there are different categories of men, e.g., there are supermen and regular men. And he could continue his argument that he, being a superman, should have liberty while regular men should not have liberty. In other words, he would try to re-categorize mankind into supermen and regular men. If he had objective evidence for this categorization, then we would have to listen to his argument. Even so, he would be making several important mistakes - each of which would render his new argument invalid. First, he would not be able to present any objectively verifiable evidence because none exists. Without evidence he is simply an irrational mystic who wants to rule over others. And without any objectively verifiable evidence there is no reason for any suggested re-categorization of mankind. Second, even if the superman argument were true it would not prove the point that regular men be denied liberty. This is because, as the very definition of a regular man is "the thinking being," even the

regular category of man would require that regular men have the right to think and to take action because it is inherent in men that they have this right in order to sustain their lives according to the laws of nature. That is why even "regular man" is classified, correctly so, as the thinking being.

The mystic wannabe ruler could also attempt to categorize himself as a regular man requiring liberty to think and to take action, but what you and I would consider "regular men" were really somehow sub-human and therefore not really entitled to the liberty to think and to take action. This would be just another arrogant iteration of the superman argument above with no objectively verifiable evidence to back it up. I suppose the assertion would be that most men don't think clearly, or they make mistakes, or whatever. It would be a desperate argument not realizing that the requirement to be categorized as "man," the thinking being, does not require perfection in thinking - just that man can think. And to be able to think requires liberty. Again, liberty stands.

A = A

Man = Man

The very first chapter of the Bible gives man permission to have dominion over the earth. This implies that men should have both liberty and property in that God said that man should have dominion over the animals and things of the earth. But, God did NOT say we should have dominion over each other.

"And God said, Let us make man in our image, after our likeness: and let them [man] have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that creepeth upon the earth." Genesis 1:26, KJV

The right to **property** also turns out to be an a priori axiom for all men. At the human level, the most important property right is the right of each man to self-ownership. The right to property starts with self-ownership. Someone attempting to dispute the property right of self-ownership for others has some big problems to overcome. He would need to be free to make an argument and he would also need to own himself so as to be able to make the argument. Let's say the arguer is man #2 attempting to tell man #1 that man #1 does not own himself, that man #1 has no property right over himself. To

make the below questions easier to ask and comment on, let's further say that man #2 is asserting ownership over man #1. Man #1 would clearly be entitled to ask, "If I do not own me, who does?" And, "How did my supposed owner obtain title to me?" And man #1 would be entitled to ask for the proof of how his supposed owner (man #2) got title to him (man #1). No matter what man #2 answered he could not sustain his argument through the key follow-up question that man #1 would surely ask. And that key follow-up question would be: "How did the supposed owner of me obtain title to himself in order to be able to take the action that got him (man #2) supposed title over me (man #1)?" Because both are men, according to the laws of nature, both have the same properties. Man = Man. If man #2 owns himself and can therefore take action in obtaining property, man #1, also a man, owns himself, too. Man #2 has then used the a priori axiom of the property right of self-ownership, in an attempt to deny its validity. The argument is invalid and can be rejected. A man owns himself and this is the first and most important property right for each man. This is also why, in a free society, even a poor man owns some property, i.e., himself.

At the human level → every man → owns himself

All men own some property, at a minimum, themselves = True

The most important property right is the right of each man to self-ownership = True

Denying self-ownership while using self-ownership to deny self-ownership → performative contradiction (hypocrisy) → an erring mind → a mind that missed the truth

It makes no difference if man #2 is asserting ownership of man #1 on man #2's own behalf, or on behalf of a collective group of men – whether this collective group of men be a tribe, a government, creditors, a religious system or organization, or whatever. This is because a collective group of men is a group of individual men. To form the collective, the individuals composing it would each have had to have the right of self-ownership and the right of liberty in order to think and to take the action of forming the collective. Again, the a priori axiom would have been used in an attempt to deny it. Trying to argue from the point of view of a collective is an attempt to kick the intellectual can down the

road, to no avail. Their argument is invalid and can be rejected. Men are men. All men are men. Each of us has the natural right of self-ownership. The fact that some men choose to use their natural rights to form a collective does NOT give their collective, once formed, a "super-right" to trump the natural rights of other individuals. All collectives are made up of men. Again, all men are men.

As a man, in terms of property rights, to own one's self is not enough. One must also obtain and use other forms of property in order to stay alive, e.g., one must eat and that requires the obtaining and eating of food.

Many others have opined, e.g., John Locke, that a man obtains the rights to additional property (other than himself) from being the first to mix his productive labor with property in the commons (property that has not yet been properly appropriated for private usage). Your author concurs. This is the fairest way because the first man to put property into productive use should be the rightful private owner. In this case, **being first in time matters**. He thought of it and took the action to make a not yet used piece of property now useful. Of course, all or nearly all property is potentially useful, but until

a man actually mixes his own labor with it, it is unused – in a state of nature, as it were. An easy to understand example is a sculptor who makes a sculpture from some raw materials he found in nature. The sculptor, as producer, clearly owns the sculpture. Who else would own it - a non-producer of the sculpture? The answer clearly is, “of course not.” Someone who differed would have to put forth a more just and logical reason for differing. Your author has not yet heard of a logical and just reason for a dissenting counter-argument. The fact that the previously unused property was in the commons is *prima facie* evidence that no one else had the smarts or the initiative to be the first to take the action to bring the property into productive use. Once someone thought of and took the action to make previously unproductive property productive, they became the first and rightful sole owner of this newly acquired and now private property. They successfully mixed their brains, their labor, and their personality with the previously unowned property and now it is theirs by right. This doctrine of how previously unowned property in the commons becomes private property is known as **the doctrine of original appropriation.**

Original appropriation → first in time → to obtain ownership of private property → logical → just → True

The two Jehovahs → via → original appropriation → own the universe + all that is in it

Once property is productively utilized, i.e., made private, it can be utilized in three basic ways by the new owner. First, he can use it himself for his own needs or wants. Second, he can gift it, or leave it, via bequest, to others of his choosing. Or, third, he can trade it for something else he needs or wants.

Private property → can be utilized in three basic ways: 1) personal use 2) gift it to others, including at one's physical death 3) via contracting with others, i.e., exchange property for property with others

The initial natural right of self-ownership is the foremost property right. And when man uses his natural right of self-ownership and his natural right of liberty of thought and action to obtain additional property from the commons in order to sustain his primary natural right of life, he is acting as a man must act. He is acting according to the laws of nature, i.e., he is acting

in accordance with natural law. A man must acquire and use property in order to stay alive and he has the deduced right to private property to be able to do so.

Man's primary individual natural right → life

Man's foremost property right = self-ownership

Man must use → self-ownership + liberty of thought + liberty of action → to lawfully obtain → additional property (from the commons OR via contractual trade with another man) → and use that property so acquired → private property → to sustain his life

Man's individual natural rights → according to the laws of nature → Life + Liberty + Property

Man's natural rights of life and liberty have also now been shown to include the deduced right to acquire and use property (privately). The Declaration of Independence phrase, "pursuit of happiness," was a reference to private property. And it implied that you have your life, your liberty (and you are free to use both), plus your initiative and energy to go forward and obtain as many other kinds of property as you think will give you happiness.

In short, life, liberty, and property are self-evident or deduced individual natural rights each and every man has due to the fact that he is a man. All men have them because, according to the law of identity, aka a thing is itself - all men are men. They are natural rights deriving from the laws of nature. They are discoverable by men using reason, i.e., their minds. And, throughout the Bible, God concurs. I believe this is one of the reasons for the passages, in Romans 1 and Romans 2 below, where God intimated that truth can be known about him and about creation, including ethical behavior, by men discovering and observing natural laws:

"since what may be known about God is plain to them [men], because God has made it plain to them. For since the creation of the world God's invisible qualities - his eternal power and **divine nature** [even God has a nature] - have been clearly seen, being understood from what has been made [being understandable from nature], so that men are without excuse [because men were expected by God to use their God-given mind]. For although they knew God, they neither glorified him as God nor gave thanks to him, but **their thinking became futile** and their foolish hearts were

darkened. Although they claimed to be wise [correct philosophers], they became fools [incorrect philosophers]" Romans 1:19-22, NIV

"For when the [non-Israelite] nations, who do not have the [written divine] Law, do by nature the things of the Law, these, not having the Law, are a law unto themselves; who show the work of the law written in their hearts, their conscience also bearing witness, and the thoughts between one another accusing or even excusing one another," Romans 2:14, 15, MKJV

Throughout history war caused death, slavery, and the destruction of property. Human interactions resulting in friction and conflict break social harmony. And the lack of social harmony can, if not resolved, ultimately lead to war. And your author thought about war as he was thinking about natural law and natural rights. Please let the reader recall the below Life Chart:

War leads to:		Social Harmony leads to:
Death		Life
Slavery		Liberty

Property destruction		Property aka the Natural Rights
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The importance of social harmony is revealed in the genius of the Creator God. First, the Creator God told us throughout the Bible to live in peace and social harmony, e.g., to love your neighbor as yourself. Even the way that the Creator God phrased it below speaks to social harmony. Notice it only took him five key words to get the job done.

**"Thou shalt not avenge, nor bear any grudge against the children of thy people, but thou shalt love thy neighbour as thyself: I am the LORD."** Leviticus 19:18, KJV

Second, God put the natural rights of man into the laws of nature in such a way that men could discover the laws of social harmony by simply using their reasoning ability. Man, after all, is the rational being. No man wants to have his life taken from him, or to be enslaved (or partially enslaved), or to have some of his property stolen or destroyed. It turns out that "loving your neighbor as yourself" is an important part of respecting other men as men,

and therefore respecting their God-given and individual natural rights of life, liberty, and property. And when all men actually respect each other's natural rights, there will finally be social harmony, peace, and prosperity.

Quoting from Murray Rothbard's excellent book, *Economic Thought Before Adam Smith* [emphasis mine]:

"But the most important contribution of Stoic thought [an ancient Greek school of philosophy] was in ethical, political and legal philosophy, for it was the Stoics who first developed and systematized, especially in the legal sphere, the concept and the philosophy of natural law. ... For the Socratics, the city-state [polis], not the individual, was the locus of human virtue. But the destruction or subjugation of the Greek polis after [the time of] Aristotle freed the thought of the Stoics [who came after Aristotle] from its admixture with politics. The Stoics were therefore free to use their reason to set forth a doctrine of natural law focusing not on the polis but on each individual, and not on each state but on all states everywhere. In short, in the hands of the Stoics, natural law became absolute and universal, transcending political barriers or fleeting limitations of time and place.

Law and ethics, the principles of justice, became **trans-cultural** and **trans-national**, applying to all human beings everywhere. And since every man possesses the faculty of reason, he can employ right reason to understand the truths of the natural law. The important implication for politics is that the natural law, the just and proper moral law discovered by man's right reason, can and should be used to engage in a moral critique of the positive man-made laws of any state or polis. For the first time, positive law [legislation] became continually subject to a transcendent critique based on the universal and eternal nature of man."

The Stoics added to man's knowledge by clarifying the answer to four important questions. First, does natural law apply to the polis (government) or individuals? They correctly answered that natural law applies to individuals AND to any societies or governments that individuals choose to form. Second, to whom does natural law apply? The correct answer is to all men because all men are men. Third, where does natural law apply? The correct answer is everywhere. And fourth, when does natural law apply? The correct answer is at all times. Natural law was now known to be applicable in all places and at all times to all

individuals – AND to any and all governments and societies individuals choose to form. Further, natural law and natural rights can be used to judge the ethical validity of man-made positive laws and governments. **Natural law** (right reason in accord with nature) **can be used as a check against** kings, religions, judges, parliaments, statutory and regulatory man-made laws, tribal customs, etc. Men are valuable. We are not to be a sacrificial animal; we are to be a rational animal (being). All of us have individual natural rights.

There is only one universe = True

The one universe is structured logically = True

The laws of nature ARE CONSTANT and exist throughout the entirety of the universe = True

The laws of nature → natural law → applies to → all men → at all times → and all places

The laws of nature → natural law → applies to → any collective that → individual men choose to form

Natural law > any collective

Men CANNOT → escape from natural law → by forming a collective

Natural rights → are discoverable → **in** the laws of nature → using reason (logic) (thought)

The Stoics influenced, not only ancient Greek thought, they also influenced Roman thought and laws, mainly through Marcus Cicero, the great Roman statesman, jurist, and orator. And through Roman thought and laws, the Stoics influenced the development of Western Civilization. Rothbard quotes Cicero:

"There is a true law, right reason, agreeable to nature, known to all men, constant and eternal, which calls to duty by its precepts, deters from evil by its prohibition ... This law cannot be departed from without guilt ... Nor is there one law at Rome and another at Athens, one thing now and another afterward; but the same law, unchanging and eternal, binds all races of man and all times; and there is one common, as it were, master and ruler - God, the author, promulgator and mover of this law. Whoever does not obey it departs from self, contemns [treats with contempt] the nature of man and inflicts upon himself the greatest penalties ..."

The English jurist, legal historian, and teacher, Sir William Blackstone, astutely pointed out that without private property rights no one could take their coat off without running the risk that someone else would come along and put it on and then walk away. The same thing held for exiting a tent. Someone else would come along and enter your tent and thereby you would lose your tent. And the same thing held for sowing and caring for agricultural crops. If there were no property rights others would come along at harvest time and eat the crops. In such a society, without recognized property rights, no one would go to the trouble of constructing a tent or making a coat or growing food. All, or nearly all, would starve, suffer, and die. Private property, per Blackstone, via original appropriation, is a principle of natural justice. The right to leave private property to one's heirs, to Blackstone, prevents the confusion that would occur upon the formerly private property reverting to the commons upon death of the current owner. When two men own different kinds of private property and the private property becomes, in the eyes of one man, more or less valuable than in the eyes of a second man, contractual trades of property for

property occur. All of these things, per Blackstone, are in accordance with natural law.

Private property → via original appropriation → a principle of natural justice

Natural laws → can be discovered

Natural laws → cannot be created

Natural laws can be discovered, but not created. Rothbard points out in his *The Ethics Of Liberty* that, per Aquinas, good is to be done and promoted. Evil is to be avoided. Moral conduct is conduct in accord with right reason. In other words, there is an objective good for man, *reason* can discover it, and *reason* can also discover the means for its attainment. For a Thomist philosopher [someone who largely agrees with St. Thomas Aquinas re natural and divine law], the moral law is a special case of the general principle that all finite things move toward their ends by the development of their potentialities.

Oliver Wendell Holmes, Jr., Supreme Court Judge, stated regarding private property: "**First possession** gives the acquirer not only

**possession, but also a title good against all the world.”**

First possession of private property →  
possession + a title good against the world

Rothbard has a nice section on natural law in the first 26 pages of his book, *The Ethics Of Liberty*. Quoting from his book:

“It is indeed puzzling that so many modern philosophers should sniff at the very term ‘nature’ as an injection of mysticism and the supernatural. An apple, let fall, will drop to the ground; this we all observe and acknowledge to be in the nature of the apple (as well as the world in general). Two atoms of hydrogen combined with one of oxygen will yield one molecule of water - behavior that is uniquely in the nature of hydrogen, oxygen, and water. There is nothing arcane or mystical about such observations. Why then cavil [make petty or unnecessary objections] at the concept of ‘nature’? The world, in fact, consists of a myriad number of observable things, or entities. This is surely an observable fact. Since the world does not consist of one homogenous thing or entity alone, it follows that each one of these different

things possesses differing attributes, otherwise they would all be the same thing. But if A, B, C, etc., have different attributes, it follows immediately that they have different natures. It also follows that when these various things meet and interact, a specifically delimitable and definable result will occur. In short, specific, delimitable causes will have specific, delimitable effects. The observable behavior of each of these entities is the law of their natures, and this law includes what happens as a result of the interactions. The complex that we may build up of these laws may be termed the structure of natural law. What is 'mystical' about that? [A thing's nature becomes a standard to judge it by, e.g., a champion horse or a dog and more importantly a human being made in the image and likeness of God.]

In the field of purely physical laws, this concept will usually differ from modern positivistic terminology only on high philosophical levels; applied to man, however, the concept is far more controversial. And yet, if apples and stones and roses each have their specific natures, is man the only entity, the only being, that cannot have one? And if man does have a nature, why cannot it, too, be open to

rational observation and reflection? If all things have natures, then surely man's nature is open to inspection; the current brusque rejection of the concept of the nature of man is therefore arbitrary ...

One common, flip criticism by opponents of natural law is: who is to establish the alleged truths about man? **The answer is not who but what: man's reason.** Man's reason is objective, i.e., it can be employed by all men to yield truths about the world. To ask what is man's nature is to invite the answer. Go thou and study and find out! ...”

Ludwig von Mises, the great Austrian economist, did not like two things about natural law, but both have answers. The first thing he did not like was the ongoing conflict between reason and the dogmas of the church. A classic example of this is the Catholic Church making Galileo recant his theory of the earth orbiting the sun, instead of vice versa. However, this is a failure of one religion at one point in time. To Mises, rationality has to prevail in any conflict or apparent conflict. Fair enough. Properly understood, there is no conflict between divine revelation and the laws of nature. There cannot be, as both came from the same source - the

Creator God. If a man or a religion does not understand something, then that particular problem is with that man or that religion. If there appears to be a conflict between, e.g., the Bible and science or the Bible and reason, men are either thinking at the wrong level or something is missing, aka we do not have all the facts. Your author will discuss this in more detail in the Divine Law portion of this section of the book, which comes later. For now, the two Jehovahs are the two most rational beings in the universe. And if one of man's religious systems advocates the violation of man's natural rights it is wrong and hurts its practitioners.

Mises' second objection to natural law was the misconception by some, that natural law means that all men are equal in the biological sense. Of course this is clearly false. After all, some men are taller than others, smarter than others, etc. Mises pointed out, in correcting this misconception, that there are sound arguments for equality of men – if by that you mean all men should be equal before the law. Your author concurs and adds: This is because all men are men (not biological equals), but all men are men in that all men have the individual natural rights of life, liberty, and property, and also have the need (which Mises would clearly

agree with) to think and take action to sustain their precious lives on the earth.

While pointing out the two objections above, Mises did give natural law credit for some important developments concerning the social sciences. Quoting from his book, *Theory And History*, those natural law contributions are as follows:

"Yet it would be a serious blunder to ignore the fact that all the varieties of the doctrine contained a sound idea which could neither be compromised by connection with untenable vagaries nor discredited by any criticism. Long before the Classical economists discovered that a regularity in the sequence of phenomena prevails in the field of human action, the champions of natural law were dimly aware of this inescapable fact. From the bewildering diversity of doctrines presented under the rubric [category] of natural law there finally emerged a set of theorems, which no caviling [petty and unnecessary objections] can ever invalidate. There is first the idea that a nature-given order of things exists to which man must adjust his actions if he wants to succeed. Second: the only means available to man for the cognizance of this order is thinking and reasoning, and no

existing social institution is exempt from being examined and appraised by discursive reasoning. Third: there is no standard available for appraising any mode of acting either of individuals or of groups of individuals but that of the effects produced by such action. ...”

Without natural law and natural rights to act as a check on governments, religions, tribes, and other collectives, man ends up in a world of hurt, which is where he finds himself today. Leave it to Rothbard to come up with a closing brilliant quote concerning natural law - this time, from a gibe (mocking remark) by Etienne Gilson: “The natural law always buries its undertakers.”

#### **4.5.2 The purpose of law**

Once one understands that “life is better than death” is the most important fundamental principle, then a lot of other principles fall into place. The most disastrous event that can befall man is war. The causes of war must be avoided because war causes death, severe life-degrading injuries, slavery, and property destruction. War is catastrophic to man. When men fight against men it is, in effect, a civil war from the macro perspective – no matter who is fighting. Satan

would like mankind to fight an ongoing civil war. The Creator God would like man to be reconciled to each other and to him; in other words, for there to be peace and social harmony. To be reconciled to the Creator God is important for man because each individual man/woman is God's workmanship. If we are busy fighting with each other or fighting against God we are thwarting God's purpose for us. We are not developing the intellectual and moral virtues, as we should.

"For **we are His workmanship**, created in Christ Jesus to good works, which God has before ordained that we should walk in them." Ephesians 2:10, MKJV

When Jesus Christ appeared to the early church persecutor, Saul, important information was revealed as to exactly why Jesus recruited Saul (who became the Apostle Paul):

"And all of us falling to the ground, I heard a voice speaking to me and saying in the Hebrew dialect, Saul, Saul, why do you persecute Me? It is hard for you to kick against the goads. And I said, Who are you, lord? And He said, I am Jesus whom you persecute. But rise and stand on your feet, **for I have appeared to you for**

**this purpose**, to make you a minister and a witness both of what you saw, and in what I shall appear to you; delivering you from the people and the nations, to whom I now send you in order to open their eyes so that they may turn from darkness to light, and from the authority of Satan to God, so that they may receive remission of sins and an inheritance among those who are sanctified by faith in Me.”  
Acts 26:14-18, MKJV

The Bible clearly states Jesus recruited Saul to become Paul in order to help open men's eyes so they would turn away from darkness to light and from Satan's authority to God's authority so they can be forgiven of their sins and receive an inheritance of eternal life (1 Corinthians 15). In other words, **Paul's job was a ministry of reconciliation.**

Without reconciliation there cannot be social harmony. Without social harmony there cannot be social cooperation and peace. Without peace there will eventually be war. And war kills.

In a prophecy of what will happen to the earth before Jesus Christ returns (Revelation 19), all of Psalm 2 is directed toward giving mankind a chance to reconcile with the Son

(Jesus Christ). The two Jehovahs do not want to have to punish the people of the earth, but they will if they have to. The reader can read all of Psalm 2 to get the whole story, but we will excerpt a few verses below:

"And now be wise, O kings; be instructed, O judges of the earth. Serve the LORD with fear, and rejoice with trembling. Kiss the Son, lest He be angry, and you perish from the way, when His wrath is kindled in but a little time. Blessed are all who put their trust in Him."

Psalms 2:10-12, MKJV

Jesus Christ came to the earth on a divine rescue mission and he wants mankind to be reconciled to him. After his death and resurrection, he recruited Paul to offer a ministry of reconciliation. The message of reconciliation is throughout the entire Bible.

"And all things are of God [the Father], **who has reconciled us to Himself through Jesus Christ, and has given to us the ministry of reconciliation;**" 2 Corinthians 5:18, MKJV

**The purpose of societal law is to secure social harmony, social cooperation, and peace.** The reason for this is because social harmony,

social cooperation, and peace are necessary for life, including flourishing life. As a means toward social harmony, social cooperation, and peace, each man's natural rights to life, liberty, and property must be respected. This means by all others individually, and this also means by all collectives - especially including the government itself. **Ergo, a more detailed purpose of societal law encompasses protecting man's individual natural rights in order to secure social harmony, social cooperation, and peace.** Of course, there will always be bad men, or men who do bad things. The person who does something bad needs to be dealt with – usually by force. Your author says, “usually by force,” because men who do wrong are not being rational, so you cannot just reason with them. It would be nice if you could, but for the time being, you cannot. The men who do wrong are working against themselves and against society in both the short and long run. If they were reasoned, sensible, rational people they would not have initiated force or fraud against someone else and/or they would have kept their contracts. Initiating force or fraud against another and not honoring your contracts are the main ways that societal peace is breached. The result is an injured, aggrieved victim whose natural rights have somehow been violated. It

actually is not that difficult to understand the core principles involved. Richard Maybury is the author of *Whatever Happened To Justice?* He summarized the core principles well, in only 16 words, in what he called [emphasis mine]:

**"The Two Laws.**

Do all you have agreed to do.

Do not encroach on other persons or their property."

The purpose of societal law encompasses → protecting man's individual natural rights → in order to → secure social harmony, social cooperation, and peace.

Justice entails → respecting other's → natural rights

Natural rights → a means to → societal harmony

Satan the warlord → attacks → natural rights → causes a lack of justice → breaks societal harmony → absence of peace → leads to → war

If men and societies abided by the above two laws there would be a universal respect for

man's natural rights and there would be societal harmony, cooperation, and peace. The greatly increased production of houses, food, clothing, and all of the other necessities and good things of life would be unprecedented and more men could live and live well on the earth. Even children and bad men could understand the need to respect each other's natural rights, but some men do not want to understand.

**"Evil people don't understand justice,**  
but those who follow the LORD understand completely." Proverbs 28:5, NLT

The two Jehovahs predated Maybury and did him one better by getting the core principles down to only five words, "**love your neighbor as yourself**," (Leviticus 19:18, Matthew 22:39) - but evidently this is not enough information for some people. Expanding, "love your neighbor as yourself," to Maybury's two laws, 16 words, is enough information for a rational, honest, socially aware person to understand. There really is no excuse for not being a good person, which goes back to the Romans 1 and Romans 2 references (in essence, does not even nature teach you?).

"Do for others what you would like them to do for you. This is a summary of all that is taught in the law and the prophets."

Matthew 7:12, NLT

Further discussion of divine laws and fideism will be later in this section.

**When the peace is breached** between two parties and social harmony is disrupted, there needs to be a proportional, timely, and sensible restitution to the injured party. In short, **there is a need for justice**. Justice is indispensable to righting the wrong, as best as possible. Justice can pave the way toward a possible future reconciliation, which would restore social harmony, social cooperation, and peace. In this case it is peace between individuals, but in the larger sense it relates to the peace of society itself. The reason that the restitution needs to be proportional is because if it is over the top then the original offender now feels like they, too, are also a victim. Your author believes the below verse is speaking of proportionality in restitution and not in regards to poking each other's eyes out. And also that it is restitution in a judicial setting, not in regards to a personal vendetta.

" ... And he shall pay as the judges say And if any injury occurs, then you shall give life for life, eye for eye, tooth for tooth, hand for hand, foot for foot, burning for burning, wound for wound, stripe for stripe." Exodus 21:22-25, MKJV

When the peace is breached → there is a need for → justice

Telling the truth in a legal situation is also important in order to determine the facts of what really happened and why. Honesty and proportionate restitution are both necessary. And impartiality is obviously part of what it means to be honest.

"But this is what you must do: Tell the truth to each other. Render verdicts in your courts that are just and that lead to peace."

Zechariah 8:16, NLT

Honesty + just verdicts → lead to → peace

"Justice will rule in the wilderness and righteousness in the fertile field. And this righteousness will bring peace. Quietness and confidence will fill the land forever. My people will live in safety, quietly at home [with their

natural rights intact]. They will be at rest.”  
Isaiah 32:16-18, NLT

“How terrible it will be for you teachers of religious law and you Pharisees. Hypocrites! For you are careful to tithe even the tiniest part of your income, **but you ignore the important things of the law - justice, mercy, and faith.** You should tithe, yes, but you should not leave undone the more important things.”  
Matthew 23:23, NLT

To summarize the immediately preceding, justice is important for the victim to feel like the encroachment upon them resulting in their injuries has been as adequately addressed as is possible. The violation/encroachment of their natural rights has been recognized and there is going to be proportionate restitution to the fullest extent possible. This leaves open the door to the violator, having been publicly exposed to society, family, and friends as the bad guy, coming to his senses and apologizing. While not easy, hopefully the victim could actually forgive the offender. The offender still has to pay, if they can. The forgiveness could be very difficult and if not immediately possible, hopefully time would heal the wound and it would ultimately become possible. Your author

wrote a book entitled: *The Mathew 18 Paradox: Solved* explaining that Mathew 18 is all about forgiveness and reconciliation. At any rate, justice is necessary to re-establish social harmony, which is necessary for there to be social cooperation and peace. Without peace there will be war where almost everyone's natural rights will be violated and there will be death, maiming, slavery, and property destruction on a grand scale - a civil war of man versus man making life unlivable, even for those not killed in the war. **At the highest level the purpose of law is** to enable and further social harmony, social cooperation, peace, and flourishing happy life. Justice is necessary in all these regards.

In simple terms, the social science sequence leading to peace, which is necessary for both life and flourishing life, is as follows:

Justice → Social Harmony → Peace → Life

Sometimes philosophers argue about whether justice is an instrumental means to an end or whether justice is a constitutive (intrinsic) requirement for social harmony, social cooperation, and the best possible life. Both are true so why set up a false dichotomy and argue

about it? Justice is a necessary step toward restoring social harmony, social cooperation, and peace. And justice is constitutively intrinsic to the very nature of social harmony, social cooperation, peace, the formation of society, and to the happy, flourishing life that results. So why argue about whether justice is an instrumental means to an end, or an intrinsic constitutive part of that end? In either case **justice is necessary and therefore an important purpose of law in its own right.**

The violation of someone's natural rights means that a loss has occurred and someone will have to pay. If it is not the offender, then it will be the victim. Justice would dictate putting the loss, as nearly as possible, back onto the head of the offender. This is a core principle of what societal law could be, but is not. Nowadays the emphasis on law enforcement and the legal system is on punishment and/or deterrence. And neither of these two things makes the victim whole. Proportionate restitution should be the emphasis and if there is speedy proportionate restitution, which is publicized, the offender will be effectively punished and other potential offenders will be on notice that crime does not pay in that locale. In short, there will be justice.

Justice → via proportionate restitution → actually helps the injured party (to the extent possible)

Timely justice → alerts other potential offenders → functions as a deterrent (to those who are capable of being deterred) (some are not so capable)

Timely justice → punishes the offender → by making them pay proportionate restitution to the victim + publicly declaring them to be in the wrong

Punishment of the offender without restitution to the victim → costs society + does not help the injured party

The recognition of the necessity of loving your neighbor as yourself, i.e., respecting each other's natural rights is not a difficult thing to teach or understand. If natural rights were respected by men, governments and religions, then each person could have a private physical space which would also be their moral space to develop and grow into the unique individual only they can become.

Respect for natural rights → creates moral space  
→ allows for better personal growth

Respect for natural rights → creates intellectual space → allows for better personal growth

As Ludwig von Mises, the great Austrian economist remarked, (in so many words): "There is no social theory of violence." And as Ayn Rand, the philosopher and novelist might add, (in so many words): "No man can claim the moral right to a contradiction. He cannot deny natural rights to others while claiming them for himself. He cannot claim the right to violate a right."

Claiming a right → to violate a right → performative contradiction (hypocrisy) → an erring mind → a mind that missed the truth

Because there are bad men who do bad things there is the need for a societal legal system to deal with the bad guys. The purpose of government is covered next, so your author will not get into it here. Frederic Bastiat, the 19<sup>th</sup> Century political economist, wrote a fantastic book entitled, *The Law*, which your author recommends reading. In his book, Bastiat explained law as: "the collective

organization of the individual right to lawful defense." The collective organization is based on individual right and it is the substitution of a common force for individual forces. Further, he explained that life, liberty, and property do not exist because man made laws. Man made laws in order to secure and protect these three gifts from God. Ergo, life, liberty, and property precede all human legislation and are superior to it. Further, Bastiat astutely summarized: "**The law is organized justice.**" (Or, it should be.) Further, Bastiat correctly taught that law is a negative concept, i.e., the purpose of law is to prevent injustice from reigning.

"Because sentence against an evil work is not executed speedily, therefore the heart of the sons of men is fully set in them to do evil."  
Ecclesiastes 8:11, MKJV

Natural rights are individual rights. And because one of those derived individual natural rights is the right to contract, man can form associations of all kinds, for business, culture, education, etc. These numerous and varying associations, in essence, form a society where social cooperation occurs. Historically, one of the great tragedies of natural law thought was that Aristotle and the ancient Greeks, knowing

that man was not only a rational but also a social being, made the illegitimate and illogical leap of equating “society” with “the state.” This is not only unnecessary, but also dangerous. In truth, any state or government formed must also respect its citizens’ natural rights – which will be the next subject.

#### **4.5.3 The purpose of government**

It is difficult to write about the subject of law because it is ancient and there are so many types of law. For example, Roman civil law influenced Europe and Western civilization, but it is beyond the scope of this section. St. Thomas Aquinas characterized types of law into the following groupings:

**Eternal law** is the top grouping and includes everything that God knows. Aquinas would not have known or likely acknowledged that there are two Jehovahs, but your author maintains it. Eternal law is everything the two Jehovahs know, which is more than they have revealed through **divine law** and **natural law**.

**Divine law** is what is revealed in the Bible, the word of God.

**Natural law** consists of the laws and principles discoverable and knowable by man by way of man using reason. These natural laws are universal and true and the first portion of this section goes over natural law as it pertains to the subject matter of this section of the book. Natural rights are a subset of natural law and are also discoverable by man using reason. Natural law entails discovering and doing the good and avoiding the evil. Discovering natural laws means man using his mind to correctly identify things, learning cause and effect, and making sure our conclusions conform to reality, i.e., to the nature of things as they are.

**Human law.** Your author believes Aquinas would maintain that correct human laws would have to conform to and be subject to divine law and natural law. Correctly understood, valid human law is divine and natural law applied by impartial judges (law scientists) to societies. It is discovered and declared law, not created law. It is an ordinance of reason for the common good made and enforced by a judge, ruler, or government. Aquinas believed that people were not bound to obey laws made by humans that conflicted with natural law. Your author contends that most human laws (positive or statutory laws) do not conform to divine law, or

to natural law, and they do not respect natural rights. These corruptions of human law will be the subject of a later part of this section of the book. Attempts at a more correct human law, aka common or scientific law, along with the purpose of government, are largely the main subject of this part of this section.

Murray Rothbard, economist, historian, and ethicist outlines the different ways that man-made positive laws can be established in his book, *The Ethics Of Liberty*:

"The natural law is, in essence, a profoundly 'radical' ethic, for it holds the existing status quo, which might grossly violate natural law, up to the unsparing and unyielding light of reason. In the realm of politics or State action, the natural law presents man with a set of norms which may well be radically critical of existing positive law imposed by the State. At this point, we need only stress that the very existence of a natural law discoverable by reason is a potentially powerful threat to the status quo and a standing reproach to the reign of blindly traditional custom or **the arbitrary will** of the State apparatus.

In fact, the legal principles of any society can be established in three alternate ways: (a) by following the traditional custom of the tribe or community; (b) by obeying the arbitrary, ad hoc will of those who rule the State apparatus; or (c) by the use of man's reason in discovering the natural law - in short, by slavish conformity to custom, by arbitrary whim, or by use of man's reason. These are essentially the only possible ways for establishing positive law. Here we may simply affirm that the latter method is at once the most appropriate for man at his most nobly and fully human, and the most potentially 'revolutionary' vis-à-vis any given status quo."

Your author would add, "(d) by reference to divine law," to the above listing by Rothbard. Later in this section, not necessarily in order, your author will discuss: tribal law and custom, which is (a) above; man-made positive / statutory law (human legislation) and the corruption of law by the state, which is (b) above; divine law, which is your author's (d) above; and the next part of this section, will expand upon (c) above – explaining some of man's efforts at scientifically and rationally establishing correct human law.

The legal principles of any society → can be derived from: a) traditional tribal custom, b) the ad hoc arbitrary will of the rulers of the State apparatus, c) man's reason in discovering natural law, d) by reference to divine law → or some combination thereof

Rothbard went on to explain it was the ancient Greeks, specifically Plato and Aristotle, who thought there was no real difference between religion and morality and also no real difference between morality and politics and because there could only be one authority, the state was the supreme social moral agent. The Stoics corrected this ancient Greek misconception. The Stoics understood that natural law applied to individuals and this correctly understood version of natural law and natural rights was revived in the modern era by the legal scholar Hugo Grotius and his followers, such as Cumberland and Pufendorf. Now it was possible to make politics a matter of principle and conscience. Rothbard observed "the reaction of the State to this theoretical development was horror." He then quotes the historian Lord Acton as follows:

"When Cumberland and Pufendorf unfolded the true significance of [Grotius's] doctrine,

every settled authority, every triumphant interest recoiled aghast. ... It was manifest that all persons who had learned that political science is an affair of conscience rather than of might and expediency, must regard their adversaries as men without principle."

The Stoics → discovered and popularized → natural law → applies to individuals

Political science → should be based upon → ethics + reason NOT might (force) + expediency concerning one's "interests" (rationalized evil)  
NOR resentment and envy

Now, with objective moral principles rooted in the nature of man, there would almost certainly be conflict with tribal custom and positive, man-made law. Any apologist for the state who wanted to maintain "the ideal" and at the same time defend the state would be embarrassed. And so they are.

So quoting again from Rothbard (for both Rothbard and for Lord Acton), "the individual, armed with natural law moral principles, is then in a firm position from which to criticize existing regimes and institutions, to hold them up to the strong and harsh light of reason."

The purpose of government is to secure the natural rights of the citizenry. Government is necessary because it is realized that there are bad men who do bad things and there is a need for the collective organization of the individual right of self-defense. Men with natural rights precede governments. Governments are formed to catch the bad guys, secure the peace, and adjudicate disputes among the citizenry. Government is a delegated agent and no agent, including government, has more authority than the principle from which they received the delegation of authority. The delegated authority is non-exclusive in the sense that each individual citizen retains the right to defend themselves and their property. Government authorities cannot be everywhere at all times and places, and so the citizen must maintain his natural right of self-defense against all aggressors. Because there are bad guys who do bad things, society needs a way to efficiently deal with the bad guys – the guys who initiate force or fraud and/or who do not honor their contracts. **In essence, governments should function as glorified garbage men who take out the human trash.** It should be noted that your author is not saying that the men doing wrong things and disrupting society will always

be human trash; just that they are themselves choosing to act in that way now – ergo the current classification. Men are made out of matter and can change for the better. Hopefully they will. Until then, there is the need for a small, efficient government to safeguard natural rights. The more corrupt the people the larger the need for government. When men finally decide to be righteous, the need for government will diminish accordingly.

The purpose of government → to secure individual natural rights

The purpose of government → the collective organization → of the individual right → of self defense

The purpose of government → glorified garbage man → to take out the human trash

Job S. Friend's Law → if government does not function properly → then, in effect, → the bad men will drive the good men out of society (the good men will tend to withdraw and the bad men will tend to dominate in a society) (see section 4.6.2 for an explanation in part) (this is your author's attempt to apply the principle

inherent in Gresham's Law pertaining to bad money driving out good money - to people)

Government → a delegated agent → of the individual people

Individuals → retain → the right of self-defense  
→ at all times

Individuals > government = True

Government > people = False

It has been noted in many writings and court cases that the people are, or should be, sovereign. But **the sovereignty of the people is itself limited by:** divine law, natural law, and natural rights. In other words, the sovereignty of any of us is a limited, though wide-ranging, sovereignty. And the people cannot delegate what they do not possess. Ergo, the government, as agent, has no rights to aggress individual rights, nor does the government, as agent, suddenly find itself no longer under the restrictions of both divine and natural laws. In other words, the people are limited and so are their agents.

The sovereignty of the people → limited by → 1) divine law + 2) natural law → including 3) respecting other's natural rights

The people cannot delegate what they do NOT possess, i.e., the "right" to violate other people's individual natural rights ERGO → the government does NOT have the right to violate natural rights.

Divine laws > government

Natural laws > government

Natural rights > government

The "sovereign" people are limited → so is their agent → government

The government does not have the right to initiate force or fraud against the citizenry any more than any individual has the right to initiate force or fraud against any other individual. In other words, natural rights are the means of subordinating society and government to moral law. As Ayn Rand said, in so many words: In the United States the government was forbidden to engage in the activities of criminals.

The government → forbidden → to engage in →  
the activities of criminals

It is not that complicated for any individual, any religion, or any government to recognize the validity of Richard Maybury's two discovered laws, quoted in the prior section, and repeated here:

"Do all you have agreed to do.

Do not encroach on other persons or their property."

Encroach → initiating force or fraud

In classifying any would-be dissenters from the above two laws, if any individual would not agree with the above, they would put themselves outside of society. If any religion did not agree to the above, they mark themselves as an anti-social menace to the world. If any government does not agree to the above, they are the cause of a future war waiting to happen. The war could be external against another country, or an internal civil war. Agreeing to Maybury's formulation of the two discovered laws would cut across religions, cut across cultures, cut across governments, and

cut across all other human divides to enable a much higher level of social harmony, social cooperation, and peace.

Anyone: individual, government, religion, tribe, or other collective → who advocated for 1) force or 2) fraud or 3) the breaking of contracts → puts themselves or their collective → outside of society → they mark themselves or their collective → as an anti-social OUTLAW (an outlaw can be thought of as an extra-moral entity)

Maybury's two discovered laws → easily understood → restrict the actions of → individuals + governments + religions + tribes + any other collective

Agreeing to the above would put civility back into human interaction. People could live in security of their lives, their liberty, and their property. People could trade with others safely as contracts would be honored. People could plan long term. If someone did not have something they wanted, they could produce something of value and then trade what they produced with others in order to obtain what they wanted. It is not that complicated. Unfortunately, many men would rather try and

find a way to plunder what others have produced. They want to shortcut the process. And, if those who believe in force or fraud (the bad men) think it is safer to, in essence, steal rather than work then they will steal rather than work. The job of the government is to put the error of these bad men back onto their own head and to provide restitution to the victims, not to enable the plunder via the legal system.

As Frederic Bastiat detailed in his great book, *The Law*, there are only three choices:

1. The few plunder the many
2. Everybody plunders everybody
3. Nobody plunders anybody

Bastiat astutely pointed out that human law should make plunder more dangerous than labor and then it will stop. The solution to political fighting is to restrict the law to its proper place so there is nothing to fight about. Then there would be no "legal" plunder to fight about and the law would no longer be an instrument of injustice, but would instead revert back to its proper place. To Bastiat, the law's proper place is the collective organization of the individual's right to self-defense. Bastiat admonishes us to take a look at a law and see if it benefits one

citizen, or group of citizens, at the expense of another by doing what the benefitting citizen could not do without committing a crime. If so, then abolish this law without delay. Your author concurs and this would reduce government back to its proper role of securing man's individual natural rights.

Bastiat → look at law (legislation) → does it benefit one citizen (or group) at the expense of a different citizen (or group) → by doing what an individual citizen (or group) could not do without the act being recognized as a crime → if so → abolish that law → otherwise → that law = an instrument of injustice

Bastiat further pointed out that a great deal of human statutory legislation was an attempt to reform the base instincts of the masses. However, this statutory, positive law effectively substitutes the will of the legislature for the will of the people in their own private lives. This positive law, to Bastiat, was "might makes right" and arbitrary and unstable. Bastiat issued a challenge to these, also human, legislators which was: "... You who judge humanity to be so small! You who wish to reform everything! Why don't you reform yourselves? That task would be sufficient enough."

Utopian dreamers → themselves men (all men are men) → advocate for → human legislation → to reform → the masses (regular people) → forgetting that →

They, too, are men → with base instincts (human nature) + limitations on knowledge (we are all ignorant, just about different things)

For the utopian dreamer → societal reform means → righteousness (reform of society) → through force (legislation is backed by the armed men of the government)

The utopian dreamer (societal do-gooder) → advocates for → righteousness through force

Righteousness through force = righteousness through Satanic method

The utopian dreamers (who are religiously inspired) → foolishly believe → they are doing → God's work on earth

The reality → righteousness through force = righteousness through Satanic method

The two Jehovahs → righteousness through free will + the Holy Spirit

The religious utopian dreamers → wish to make of no effect → the methodology of the two Jehovahs → by taking away free will → from the masses. In essence it becomes, free will → only for utopian dreamers

The religious utopian dreamers → probably without realizing it → have charged the throne of the two Jehovahs → in a vain attempt to → overturn the free will → placed into and included in the laws of nature → by the two Jehovahs  
The religious utopian dreamers → unwittingly (most likely) → are working for Satan → against the two Jehovahs

Secular utopian dreamers → progressives → also attempt to → overturn the laws of nature → by overturning free will

Secular utopian dreamers → wittingly or unwittingly → are serving the god of this world → the god of forces

It is harder to reform yourself than to conjure up arbitrary utopian schemes = True, as Bastiat pointed out a long time ago

It is not practical → to charge the throne of the two Jehovahs = True

It is not practical → to attempt to change the laws of nature placed into the universe by the two Jehovahs = True

Bad methodology > good intentions = bad result

Ayn Rand said she wanted to know two questions about the legal system of any society:

1) Does the society's legal system recognize individual rights? And, 2) Does the society's legal system ban the initiation of force and fraud? And question number two would include banning the initiation of force and fraud by the society's government itself – which was the initial genius (since lost) of the founding of the United States of America.

Richard Maybury, in his excellent book, *Whatever Happened To Justice?*, pointed out that the common law of England, while not perfect, discovered a lot of important legal principles and methods whereby the natural rights of men would be protected and contracts honored. The common law of England, though imperfect, had the following things going for it:

The judge was a law scientist, every bit as much of a scientist as a chemist or a physicist.

The judge's job was to discover and declare law, not to make law.

All men were to be equal in rights before the law (not biological equals).

It was known that when force was initiated a loss occurred and someone would have to pay. Common law was an attempt to insure that the only person who pays is the person who broke the law (initiated the force or fraud).

The emphasis was on restitution to the victim, not on punishment or the reform of the criminal. If the criminal had to pay, that was his punishment (along with the humiliation of being exposed). And when he had to make good, hopefully that would function as the impetus to help him see his way to reform (change).

When force or fraud occurs → a loss ensues → who should pay? The offender = Correct. The victim = Incorrect. Society = Incorrect.

If the law → swiftly punishes the offender → the victim is made as whole as possible AND → the offender, having to pay the damages + court costs → should learn to reform his future behavior AND → those capable of being deterred by watching bad guys punished → will be deterred

Those not so deterred → remain a threat to society → a society's government should stand at the ready to → take out the human trash

If someone did not consent to be held to account for initiating force or fraud or for not performing under a contract or, in effect, for thumbing their nose at the judge and common law, then the judge would declare such a one an outlaw. The outlaw was then outside the protection of law and anyone who found such a person could kill him like they would kill a wild animal. The outlaw, in effect, placed himself outside society and outside the protection of law. An outlaw, being considered as an extra-moral entity is basically a technical problem at this point, like a man encountering a wild animal blocking his path on a road.

There is no such thing as a lawless place. Law, like gravity, exists.

Precedents should not be overturned lightly.  
This was the doctrine of stare decisis. In other words, what was right yesterday is right today.

The job of the court (the judge scientists) was to discover and apply natural laws and divine laws to the case at hand. The result was the common law.

No common law judge was so arrogant or stupid to believe when they had discovered a law that they had invented it. To them, it would be as preposterous as if a chemist announced he had invented a law of chemistry.

Natural laws cannot be repealed by good intentions or majority vote (nor can divine laws).

When God was instructing ancient Israel, the instruction given was similar to what common law came up with.

"You shall appoint judges and officers for yourself in all your gates which the LORD your God gives you, tribe by tribe. And they shall judge the people with righteous judgment."  
Deuteronomy 16:18, MKJV

Righteous judgment = moral + rational  
(reasonable) (according to reason)

Righteous judgment = according to divine law +  
according to natural law

Some of the judicial and governmental protections for natural rights are known as due process, at least in England and America. Government authorities should follow due process so as to not violate their citizen's natural rights. Some of the due process protections and practices are listed below. There are entire books written about even small points of due process so the below list, in this short section of this book, is general and certainly not complete. What the below list does is to give the reader the basic idea that the court and/or a government cannot just do what it wants in wanton disregard of accepted procedure and to thus unjustly deprive a citizen of their natural rights.

Every man should have his day in court.

Every man should have the benefit of general law and there will be equal administration of laws.

The court will proceed only upon proper notice.

Proper jurisdiction will be established.

The court will hear both sides and consider before any judgment is issued.

The court will be impartial. No bribery or favoritism.

The court will proceed, based on established rules, which do not violate natural rights. In other words, the court will proceed upon justice.

Due process applies to every interest or right an individual may assert and applies to all administrative and court procedures - in short, any government or court actions directed toward an individual.

Sir William Blackstone, author, lawyer, and teacher, mentioned several ways that the "unwritten" common law decisions were recorded, i.e., actually written, it turns out. One place was in the written records of the court that actually rendered the decision. The second place was in books publishing reports of judicial decisions. And the third place was in published

treatises and law commentaries of various learned sages. Blackstone further observed and delineated the below concerning English common law:

The common laws receive their binding power and force of law by long and immemorial usage.

Judges are bound by oath to decide according to the laws of the land (which was primarily common law).

The continuity, certainty, and authority of common law are preserved by the concept of precedent (stare decisis).

Judges discover, i.e., determine law, solemnly declare it, and it becomes a permanent rule.

**The judge is a law finder, not a lawmaker.**

Upon occasion, a judge may be forced to revise precedent. If a judge has to revise precedent, it is to save the law. The law that had to be revised is not considered “bad law.” It was considered “not law.” Established precedent must be followed unless the precedent in question was not according to reason, i.e., absurd, unjust, or not according to divine law.

What is not according to reason is not law because the law is supposed to be the perfection of reason. (Again, English common law was far from perfect, but with a scientific approach to discovering real law - law according to divine and natural law - the law could be improved over time and the individual and societal harm minimized. Physicists and chemists and biologists improve their understanding over time. Law is no different in this regard.)

Man has both reason and free will and is commanded to make use of both of these in the general regulation of his behavior.

Law is a science and it is to distinguish the criterions of right and wrong.

Law is to be logical, just, peaceable, and true.

Blackstone regarded the sound maxims of the law of nature as the best and most authentic foundations of human laws.

Common law was noticed to the citizen by universal tradition and long practice.

Judges learned law by study, by being long accustomed to the judicial decisions of their

predecessors, and from experience. Their decisions are supposed to be the distribution of common justice.

The principles for a custom to be admitted into the common law are: proof of the custom's existence, continuity of usage, peaceable, reasonable, certainty, compulsory, and customs must be consistent with each other.

Some of the principles of law, whose truth and validity are evident, are considered maxims of law. Entire books are written on selected maxims of law so it is impossible in this short section of this book to list them all. However, some interesting maxims of law are as follows:

Law is the science of what is good and just.

Truth is the mother of justice.

Individual liberties are antecedent to (before) all government.

Tyranny is the exercise of power beyond right, which no one can have a right to.

An injury is extinguished by the forgiveness or reconciliation of the party injured.

Natural right has the same force among all men.

That which is against divine law is repugnant to society and is void.

Power should follow justice and not go before it.

An exception to the rule should not destroy the rule.

It is not lawful to do evil that good may come of it (righteousness through force).

The contract makes the law.

The law requires certainty, not conjecture.

There is no disputing against a man denying principles.

Good men hate sin through love of virtue. Bad men hate sin through fear of punishment.

The last maxim listed above points out part of the problem of statutory, or positive law (human legislation). If laws are continuously created in an attempt to deal with the meanest, stupidest, most thoughtless, most inconsiderate,

most unaware, and most cruel people there will be no end of positive laws. The bad people will ignore the laws, but the good people will have the cost and expense of complying with them, and the laws themselves will become a systematic devourer of human lives and capital.

If the attempt is made to pass human legislation  
→ for every conceivable, possible improper act  
→ done through → pick one → cluelessness, or meanness, or stupidity, or cruelty, or laziness, etc. → then laws will multiply → and become → a devourer of → good men's lives + societal capital (1 Timothy 1:9-10)

The good men → will have to pay for the → ballooned legal structure

The bad men → will ignore the human legislation and → initiate force + fraud anyway

Oliver Wendell Holmes, Jr. wrote that the law always starts out using the language of morality, but then proceeds to enunciating external standards of conduct because what it wants is external conformity to rules.

The main advantage of attempting to use scientific common law, instead of statutory

positive law, was the use of **principles** and **reason** instead of pages and pages of rules. Common law had the check and balance on it of being underneath both divine law and natural law. It had the further check on it of the very clear purpose of the protection of natural rights.

Principles + reason > pages and pages of rules

Divine law > common law

Natural law > common law

As Richard Maybury would concede and point out, common law has basically been excised from human law these days. And that is a shame because now we have politically-inspired man-made laws which have nothing to do with the law as science. The common law of England and the common law of early America needed more time to be refined to the point where it actually protected the rights of all men equally, but that time has evidently run out.

#### **4.5.4 Divine law**

No discussion concerning law would be complete without at least some discussion concerning “divine law.” Per Aquinas, divine law

is what is revealed in the Bible, the word of God. Your author can live with this definition. This is obviously a very large topic in and of itself, and your author is forced to somewhat pick and choose key points concerning divine law for this portion of this section.

In looking at Hebrews 11, which is a partial listing of God's "Good Guy Hall of Fame," we can see God working with some men going back as far back as Abel and Noah. They were before the flood. After the flood God had a special relationship with Abraham, Isaac, and Jacob. And the hallmark "beginning" of God's relationship with a people was his *Torah Story* deliverance of the ancient Israelites from their Egyptian slavery, via Moses. And God's delivering of the torah at Mount Sinai. Of course, some men knew about God's divine laws, prior to Mt. Sinai, e.g., Abraham. And those laws were structured in that there were statutes even prior to Moses.

"... because Abraham obeyed My voice and kept My charge, My commandments, My statutes, and My laws." Genesis 26:5, MKJV

The divine laws → existed → before Mt. Sinai

Because Abraham believed God (Romans 4:16), and obeyed God (James 2:21), he thereby became the father of all who believe in Christ.

Unfortunately, for the most part, the Israelite descendants of Abraham did not do what Abraham did. God wanted Israel to be a special nation and a light to the world. They refused to obey God and did what they wanted. This resulted in the northern ten tribes ultimately being carried away captive by the Assyrians, and Judah and Benjamin being carried away much later by the Babylonians (Ezekiel 23 and Psalm 78).

After Moses died, God used Joshua to largely conquer the Promised Land. After Joshua died there was a fairly lengthy period of the Judges. The normal pattern was along the lines of while the current judge lived the Israelites would largely obey God. When the judge died, the Israelites would forget about and disobey God and soon thereafter find themselves in captivity or tribute to a neighboring people. After a while they would cry out for deliverance and God would send a new judge to rescue the Israelites. It is interesting that a judge would provide leadership according to known laws of the land.

There was no king and no large government structure - just a judge, known laws, and God. No doubt, if the Israelites had understood how well they had it, and had cooperated with God and the judges, they would have developed common law long before the English. And it would have no doubt been a much higher level and wiser form of common law. But the people kept clamoring for a king. This prompted Gideon, one of the more famous judges, to decline.

"And Gideon said to them, I will not rule over you, neither shall my son rule over you. The LORD shall rule over you." Judges 8:23, MKJV

The ancient Israelites could have developed → common law → long before the English → but failed

Eventually the Israelites rejected Samuel, another judge, for a king. God told Samuel that the Israelites had not rejected him, but God himself. And God warned that a human king would bring so many problems with him that the Israelites would rue the day. A later discussion in this book is devoted to the topic of what having a king has traditionally meant in law.

For now, God's direct warning was unfortunately ignored.

"And they said to him [Samuel], Behold, you are old, and your sons do not walk in your ways. Now make us a king to judge us like all the nations. But the thing was evil in the eyes of Samuel, when they said, Give us a king to judge us. And Samuel prayed to the LORD. And the LORD said to Samuel, Listen to the voice of the people in all that they say to you. For they have not rejected you, but they have rejected Me, that I should not reign over them [via divine and natural law]. According to all the works which they have done since the day that I brought them up out of Egypt even until this day - works with which they have forsaken Me and served other gods - so they do also to you. And now listen to their voice. Only, you shall surely protest solemnly to them, and show them the kind of king who shall reign over them. And Samuel told all the words of the LORD to the people who asked a king of him. And he said, This will be the privilege of the king who shall reign over you. He shall take your sons and appoint them for himself, for his chariots, and his horsemen. And they shall run before his chariots. And he will appoint commanders over thousands, and commanders over fifties, and

some to plow his ground and reap his harvest, and make his weapons of war and weapons for his chariots. And he will take your daughters to be perfumers and cooks and bakers. And he will take your fields and your vineyards and your olive-yards, the best, and give them to his servants. And he will take the tenth of your seed and of your vineyards, and give it to his eunuchs and to his servants. And he will take your male slaves and your slave girls, and your finest young men, and your asses, and put them to his work. He will take the tenth of your sheep, and you shall be his servants. And you shall cry out in that day because of your king whom you have chosen for yourselves, and the LORD will not answer you in that day. But the people refused to obey the voice of Samuel. And they said, No, but we will have a king over us.” 1 Samuel 8:5-19, MKJV

God originally gave divine laws to Israel in a codified form through Moses at Mount Sinai. And when the people came into the land they were to be judged by these known rules by a judge or judges. If the people followed the rules it would go well with them and there would not be much work for the judge to do. If the people did not do well then there would be too much work for the judge(s) to do and it would not go

well with them. The blessings and cursings associated with keeping or not keeping divine laws are elaborated in Leviticus 26 and Deuteronomy 28. One of the more point-blank curses is found in Leviticus 26:18: "... **those who hate you shall rule over you.**" All of the curses are terrible and it would have been much better for Israel to keep the divine laws and to not ask for a king.

The Israelites, other than the Levites and priests, each got a portion of land to own. But the Levites received a tenth of the increase from the land and the priests received a tenth of what the Levites received (Numbers 18). And the Levites did receive some cities and a limited amount of land around those cities (Numbers 35). In essence, the people received free land in exchange for giving a tenth of the increase to the Levites. And the people paid a small annual Tabernacle tax or Temple tax as the case may be (Exodus 30:13). God knows that taxes cost men their lives, and so he kept the burden small and contingent on increase. Each Israelite further received a little bit more land than he normally would have because the Levites did not receive an allotment of land, other than their cities. And the Levites and priests provided Tabernacle services, counseling services,

educational services, etc., as part of their receiving the tithe. The nation did not have a huge welfare system and a corresponding costly bureaucracy to administer it. The family land likely functioned as the societal economic shock absorber. If an individual experienced hard times he could always return home to the family land and be taken care of. The nation did not have a standing army to be paid for, as the citizens were, in essence, the army. **The government was small and the rules were known.** Every seven years, in addition to ongoing training, the people were to have the law read to them at the fall feast. The citizenry knew what the rules were.

“And Moses commanded them, saying: At the end of seven years, at the set time of the year of release, in the Feast of Tabernacles, when all Israel has come to appear before the LORD your God in the place which He shall choose, you shall read this law before all Israel in their hearing.” Deuteronomy 31:10, 11,  
MKJV

Further, the ancient Israelites had the benefit of obtaining direct answers from God through the High Priest’s use of the Urim and Thummim (Exodus 28:30).

With all of these things going for them the Israelites failed. They were set up in the ancient trading crossroads between Asia, Africa, and Europe and were to be a nation on a hill, a light to the world, as it were. Their failure has hurt all of mankind. Most of the world is tribal, which is a discussion for the next section of this chapter. If the people of the world could have seen the sustained success of Israel and learned what it meant to be ruled by honest and intelligent judges, using known laws, in a small government, blessed with divine favor – who is to say what would have happened? But Israel failed and got thrown off of the land.

The ancient Israelites → who already had what other men in other nations can only dream of → in their quest to reject God's laws + to adopt the practices of non-Israelite nations → alienated God → and got thrown off of the land

Libraries full of books have been written about the Torah, Israel, God, and divine law. Because the subject is so vast, in any discussion about divine laws one has to pick and choose what to mention and how to comment on it. With that in mind, all of the below are some

hopefully pertinent thoughts pertaining to divine law.

One original thought that occurred to your author is the solution to the monarchist versus anarchist debates concerning the size and establishment of a government. The monarchist position is essentially that a government is necessary in order to secure the natural rights of the people, but such government should be kept small and contained by such methods as a written Constitution, independent judiciary, etc. Unfortunately, the government usually escapes its chains and starts abusing the citizenry. This leads some to the anarchist position. The anarchist position is NOT that there should be no government but that man can police his own needs through contractual societal associations without the need for a formal state apparatus. Both sides agree there are always going to be bad men doing bad things who have to be dealt with in order to secure societal peace. Instead of government as we know it, one possible suggestion for the anarchist idea to come to fruition is that insurance companies would not only provide protection for theft and fire losses, etc., but also provide policemen, firemen, and the courts. The monarchists criticize this as almost certainly setting up a future war between

insurance companies who will want a monopoly in a given territory the same way that a government has a monopoly of force in a given territory today. While both sides agree there should be a minimal "government," how to set it up and operate it has been the subject of intense debate and an almost endless series of articles and books.

It occurred to your author that the solution to the problem as to how to set up and establish a small government with clearly known laws has been provided a long time ago via the divine laws as outlined in the Bible. In other words, the debate between the monarchists and the anarchists is taking place at the wrong level. Both monarchists and anarchists are usually believers in natural rights and they usually also believe in the doctrine of original appropriation in order to establish ownership of private property. Ergo, your author contends that the best solution to the problem is not to ignore divine law, but to learn from it, and to go up one level to solve the problem. By going up one level we learn that the two Jehovahs (God the Father and the being now known as Jesus Christ) created all things, i.e., the entire universe and thereby own all things (Ephesians 3:9 and other places). Ergo, as the original

appropriator owner-operators of the universe in general and the earth in particular, they get to make the rules, which rules are also known as - the divine law. For those who believe in natural rights and original appropriation, this solves the monarchist versus anarchist debate. This solution is not trivial. It is a monarchist government constrained by both divine and natural laws, as outlined above – basically each family gets land, no standing army, small tax burden, judges, known rules, etc. The solution is important because it conforms to reality, truth, and logic.

The two Jehovahs had some limits and problems in communicating with mankind in general and with the Israelites in particular. And the limitations they faced have led to confusion and criticism regarding people's understanding of the wisdom and also the fairness of divine law. There is no conflict between reason, justice, and divine law, but the two Jehovahs have faced these numerous challenges in dealing with mankind and mankind's perception of them. For the reader's ease and benefit your author shall share a summary of those limitations and problems below:

1. Evil comes about because angels and men make bad choices, which bad consequences the chooser is responsible for – not the two Jehovahs.
2. There is a state of war in the universe, and in a state of war communication and actions taken are outside of “normal.”
3. Satan is the current “god of this world,” (2 Corinthians 4:4), and he does innumerable malicious, hurtful acts toward mankind and then stands back and lets the two Jehovahs take the blame.
4. The two Jehovahs were forced to communicate within the context of a state of war and toward ignorant and uneducated people (the physical Israelites) who used to be slaves. They were not then in a position to be able to teach at the same level they thought at. It was so bad the Israelites even had to be instructed to bury their own dung and not leave it lying around above ground (Deuteronomy 23:13). The two supreme minds of the universe would much rather not have to communicate at the “bury your dung” level. Rather, they would prefer to be able to just say something along the lines of “Choose life, do not encroach on others or their property, keep your word, and love your neighbor as yourself.” But, they had to

consider the context of that situation and they ended up giving a lot of rules. If the two Jehovahs felt they could teach at the level they actually think at and if there was not a state of war in the universe, their communication could have been higher level, more overtly principled, and easier to understand and follow. In short, the two Jehovahs were not then in a position to be able to teach in a way and in a manner that would have been easier for everyone involved. If people are largely anti-conceptual, which is to say, poor thinkers, then they need a lot of detailed rules to memorize and mimic. The more ideal would have been to be able to say something as simple as, "love your neighbor as yourself." Unfortunately, that is not enough detail for most people.

The limitations the two Jehovahs faced, along with the constant rebellion of the ancient Israelites, give critics of divine law what they perceive as a field day. However, this criticism is at the critic's own peril. Even if the two Jehovahs were not rational and objective in their formulation and communication of the divine laws, which is not true (see limitations above), the critics still have no place to hide.

This is because the doctrine of original appropriation gives the two Jehovahs ownership and ultimate control, once completely asserted, over the entire universe and everything and everyone in it. So even if the two Jehovahs' divine law pronouncements were their own opinion, which is to say subjective, their divine laws, once made plain to mankind, become objective facts, i.e., rules for all of us to live by. **We are all guests in their universe.** If we want to be good guests we will follow the "house rules."

The two Jehovahs → own the universe → they get to make the rules

The two Jehovahs → with all of the moral + all of the intellectual virtues → make the right judgments → based on → the actual context of the situation

Sometimes → the actual context of the situation → limits even the two Jehovahs

"For so says the LORD the Creator of the heavens, He is God, forming the earth and making it; He makes it stand, not creating it empty, but forming it to be inhabited. I am the LORD, and there is no other."

Isaiah 45:18, MKJV

A further observation pertaining to divine law is that each man had private property as a gift from the two Jehovahs. This gave each man what, Tibor Machan, the philosopher, would characterize as his own "moral space."

Private property → moral space

Private property → intellectual space

Private property → enables greater production

Contrasting with divine law, most other cultures wasted human lives building various monuments. Generally this occurred as kings, backed by priests, built these monuments and structures that are literally a waste of men's lives. Whether slaves built them or taxes paid for them, all such monuments to grandeur have cost innumerable human lives. Per Ayn Rand, they are mausoleums in substance, if not in actuality. The two Jehovahs did not build monuments when dealing with the ancient Israelites. For example, when it came time to build the Tabernacle, an offering was taken up from the people to build it. Those who were willing to contribute gave and the Tabernacle

was built. No slaves or oppressive taxes were used to build it (Exodus 35).

Human monuments → in substance → wasted human lives → mausoleums

The Tabernacle of God → built with offerings, not taxes

A further observation concerning divine law is that the government was not taxing some men in order to dispense special favors to other men. There was not a wealth redistribution program where it becomes imperative to fight over control of the government because whoever wins the fight gets to confiscate the wealth of productive men and give it to the politically favored. This grotesque violation of natural rights at the hand of government was not allowed for under divine law.

Divine law → did not allow for → redistribution of wealth → via governmental force

The word "Torah," properly understood, really means **instruction**. The Bible was about instruction on how to help mankind have **a comprehensive view of life** so they would come to think and act as the two Jehovahs, i.e.,

God. It is an honor for man to be made in the image and likeness of God (Genesis 1:26). The higher concept, however, is to not just look like God, but to develop his character, his mind, etc. The basic structure of divine law was the Ten Words, aka the Ten Commandments, as the core principles of the law. God also gave some judgments as an example and direction for the judges and elders to think in. God also gave some statutes as a basic direction for human lawmakers to think in. Divine law is all about instruction for men to become holy, as God is holy (Leviticus 11:45, Mathew 5:48). Men were to learn the difference between the holy and the profane (Ezekiel 44:23) and the clean and unclean (Leviticus 10:10). This was the role of the priests. And men were not to just learn what was holy. They were to live holy.

Torah = instruction

God's judgments → directions for judges and elders to think (along the lines of)

God's statutes → directions for human lawmakers to think (along the lines of)

Priests → to teach the difference between → holy and profane → clean and unclean, etc.

Men were to → apply the instruction → in how they lived their lives

“For the commandment is a lamp; and the law is light; and reproofs of instruction are **the way of life;**” Proverbs 6:23, MKJV

“The law [instruction] of the LORD is perfect, **converting the soul;** the testimony of the LORD is sure, **making the simple wise [developing moral and intelligent future divine individuals].** The statutes of the LORD are right, rejoicing the heart; the commandments of the LORD are pure, giving light to the eyes. The fear of the LORD is clean, enduring forever; **the judgments of the LORD are true** and righteous altogether, more to be desired than gold, even much fine gold; sweeter also than honey and the honeycomb. And **Your servant is warned by them [deterrent];** in keeping them there is great reward.”  
Psalms 19:7-11, MKJV

Divine law (instruction) helps our lack of understanding and helps man know what to do so that he does not have to learn everything the hard way. Your author believes the two Jehovahs would have preferred to give mankind

a few basic principles and then to have mankind grow to be able to apply these principles to the various dynamic life situations we each find ourselves confronted with. Ultimately we were to learn to love God and to love our fellow man made in God's image. Basically, these were God's two main laws.

"Jesus said to him, You shall love the Lord your God with all your heart, and with all your soul, and with all your mind. This is the first and great commandment. And the second is like it, You shall love your neighbor as yourself. On these two commandments hang all the Law and the Prophets." Matthew 22:37-40, MKJV

Divine law could have been simpler if men were not so flawed in their thinking and actions. God's two main laws, the principles found in Maybury's discovered two laws, and some wisdom, consideration for others, some long-term thinking, and common sense would have made for a much easier societal functioning and ergo the structuring of government. But it was not to be. The reader will please notice that Christ said the above two great divine laws were the hooks that all of the other divine laws were hung upon, as well as the prophetic teachings. There remain other divine laws to this day.

Loving God + loving our neighbor as ourselves  
→ the two great laws → upon which hang → all other divine laws (there are other divine laws to this day)

One of the legacies of bad and stupid men doing bad things is that laws end up getting passed to cover almost every conceivable situation. As one of your author's friends pointed out to him, "It is not possible to structure a system, or manufacture a product so as to be foolproof, because fools are so ingenious. They will always find a unique new way to mess things up that you could never anticipate in advance." Further, **human life is dynamic, not static.** There are always new things happening creating new situations. Instead of the application of core principles to dynamic life, the law becomes volumes of static external-standard-based rules. The legislators think they are doing us a favor by passing these rules, but these volumes of static external-standard based rules frustrate the citizenry. The good people, who are productive and peaceful people, who honor and respect each other's natural rights, are stuck with a legal and court system that has a huge cost of compliance. The thoughtless or bad people just ignore the laws

anyway. They don't care or are oblivious to the damage they cause by their shortsighted actions.

Human life is dynamic, not static = True

Core principles + proper application, depending on the context of the situation > volumes of static, external-standard based rules + the costs of enforcing those rules

Your author believes the two Jehovahs were NOT so foolish as to place into divine laws static rules for a dynamic society. Any static, external-standard based rules can become what amounts to memorized rules of behavior. Over time the memorized rules of behavior of the various religions can become religious traditions (which can be considered as pseudo-moralities if they are not freely chosen by the adherents). And any who obey such rules out of fear are, in effect, what the philosopher Tibor Machan characterizes as basically "circus animals." Machan further adds, in so many words, "Moral engineering will not create good people." Or, as Ayn Rand would say, paraphrased by your author, "A value one is forced to accept is not a value to anyone!" The two Jehovahs wanted free and thinking men to understand core

principles and to be able to apply them to the dynamic situations which life presents. They wanted men to learn how to love them as God and to love each other, and the love for each other entails respecting each other's natural rights and honoring our contracts. Of course, obeying out of fear is better than nothing and perhaps a necessary first step for some men. But it is not the ideal.

External-standard-based rules → become → over time → memorized rules of behavior

The memorized rules of behavior → become → religious traditions

The two Jehovahs → were NOT so foolish → to place into divine laws → static rules overlaid onto → a dynamic society

At some point in time God had to stop writing the Bible, as it is a pretty long book already. It is said there are 613 laws in the Torah and that all these laws are therefore important. Your author wonders - if the Bible did not have a length limit (and if Moses kept on living) if there would be thousands of laws added to the 613. Mean, thoughtless, and stupid people create new ongoing difficulties and

the response by most governments is to pass more laws. And one of the problems, e.g., when Jesus Christ was dealing with the Pharisees, is that the Pharisees thought they had to perfectly keep the 613 laws, and they even added many additional oral law traditions of their own. The reason they thought keeping all of these laws was necessary, including their own additions, was probably in order to safeguard the remnant of Israelites who returned to the land (from the Babylonian captivity) from being thrown off of it again. The laws, in essence, multiplied to the hurt of the good people. The danger in the "too many laws" versus "core principles combined with good judgment" is that the law becomes more important than God's workmanship, the people (Ephesians 2:10). And God himself mentioned that he did not even want all of the laws he ended up giving.

"So says the LORD of hosts, the God of Israel: Put your burnt offerings to your sacrifices, and eat flesh. For I did not speak to your fathers, nor command them in the day that I brought them out of the land of Egypt, concerning burnt offerings or sacrifices. But I commanded them this thing, saying, Obey My voice, and I will be your God, and you shall be My people; and walk in all the ways that I have

commanded you, so that it may be well with you. But they did not listen, nor bow their ear, but walked in their own plans, in the stubbornness of their evil heart, and went backward and not forward."

Jeremiah 7:21-24, MKJV

Your author realizes that there might have been laws pertaining to sacrifices going all the way back to Abel and Cain (Genesis 4:5-6). And perhaps there was even a sacrifice offered, by God himself, for Adam and Eve due to their sin (Genesis 2:21). In the above Jeremiah 7 passage it seems to indicate that God was not going to instruct the Israelites regarding sacrifices, at least at that time - but then went ahead and gave those instructions, too.

The role of the priests and Levites was to teach the people instruction in order to build up the people, God's workmanship (Ephesians 2:10). They were to teach the people the difference between the right and the wrong, the holy and the profane, the clean and the unclean. The sacrificial laws, which were added, can confuse the situation. There is a danger the people can rely on physical rituals and memorized rules of behavior, aka the religious traditions, instead of being converted and

internally changing and learning how to apply core principles, using good judgment, to the dynamic changing circumstances of life. There is a danger the Levites and the priests will become like the Pharisees and put too much emphasis on the technical aspects of the laws, including their own oral traditions. In other words, instead of teaching the people correctly, the priests could end up becoming **Metaphor Men**. This has to be guarded against.

Metaphor men → can err by being overly concerned with → the performance of physical rituals + religious traditions + external-standard rules of behavior → instead of → teaching the people core principles + how to apply them

As for the sacrificial system itself, it is beyond the scope of this section of the book to go into detail regarding it. Your author is well aware that when the Kingdom of God comes to this earth, as prophesied in Ezekiel 40 – 48, there will be sacrifices involved – even though Jesus Christ, the perfect sacrifice and living perfect High Priest is on the earth ruling. Your author has a couple of thoughts regarding the physical sacrificial system being reinstated, which you, dear reader, can take or leave. First, people learn in different ways. About one-half

of all people learn by perceiving new information concretely and then processing the information from there. And about one-half of the people learn by perceiving new information abstractly, via concepts. Of the population that learns concretely, about one-half (i.e., one quarter of the total population) processes the information reflectively based on how they feel the new information affects them and those they care about. They are concrete perceptual feelers. To have to have an animal killed because they sinned might very well make quite a profound impact on such a person and help them to learn a deeper lesson than would otherwise be possible. The other one-half of the concrete perceptual learners (i.e., about one quarter of the total population) processes the new concrete information actively. The active participation of the concrete perceptual action-oriented learners might be the reason they have to select an animal for death, take it to the Temple, watch it be killed, and then perhaps eat part of it, depending on the sacrifice involved. To them, these steps might very well drive home a lesson in a way that an abstract explanation could not. Even the two other quarters of the population, those who perceive information abstractly and then process it, either through reflection or action, can learn some things via participation in

the sacrificing of animals. In other words, the two Jehovahs might not have originally preferred a sacrificial system, but realized it might be able to teach some lessons – especially to the concrete perceiving one-half of the people. And sin costs so there is a financial and inconvenience aspect to the sacrificial system. And there is a repetition aspect of learning with a sacrificial system as well.

“But in those sacrifices there is a remembrance again of sins every year.”  
Hebrews 10:3, MKJV

The sacrifices do not take away sins and do not convert people, but they might be a useful learning aid – at least to a large segment of the population. But, the priests and Levites must take care not to forget the main purpose of the two Jehovahs, which is people development (Ephesians 2:10). And they must take care not to devolve into only being glorified Metaphor Men.

“For it is not possible that the blood of bulls and of goats should take away sins.”  
Hebrews 10:4, MKJV

Another very important aspect of divine law (which is sometimes overlooked) is the linking of truth and mercy throughout the scriptures. This was discussed earlier, so nothing more will be written of here.

In respect to their values, and as regards their plans to ultimately convert Israel, the two Jehovahs do not change.

"For I am the LORD, I change not. Because of this you sons of Jacob [Israelites] are not destroyed." Malachi 3:6, MKJV

"Jesus Christ the same yesterday and today and forever." Hebrews 13:8, MKJV

The two Jehovahs → do not change regarding → life > death or → their values

One way the two Jehovahs do change is when a man repents and decides to change his life for the better.

"But if the wicked will turn from all his sins which he has committed, and keep all My statutes, and do justice and right, he shall surely live; he shall not die. All his transgressions that he has done, they shall not

be mentioned to him; in his righteousness that he has done he shall live. Do I actually delight in the death of the wicked? says the Lord Jehovah. Is it not that he should turn from his ways and live?" Ezekiel 18:21-23, MKJV

A further way the two Jehovahs change is when men pray asking God for help for themselves or others.

" ... The effectual fervent prayer of a righteous one avails much." James 5:16, MKJV

And one further way that the two Jehovahs change is when their patience finally runs out and then there will be the judgment.

"And as it is appointed to men once to die, but after this the judgment,"  
Hebrews 9:27, MKJV

Going back to the mercy part of truth and mercy ... mercy through grace is what the two Jehovahs prefer and it was always a part of the divine law – any opinion to the contrary notwithstanding. After the sacrificial death and resurrection of Jesus Christ, the Holy Spirit was given in a dramatic way on the Feast of Pentecost (Acts 2). But some men did have the

Holy Spirit in what is known as Old Testament times (David, Abraham, Moses, etc.). There was always an element of grace, along with law, in the instruction of divine law. There had to be because all men have sinned, broken the law, and fallen short of the glory of God (Romans 3:23). And the wages of sin is eternal death (Romans 6:23).

Grace → was always a part of → divine law

"Of which salvation the prophets have enquired and searched diligently, **who prophesied of the grace** that should come unto you:" 1 Peter 1:10, KJV

Mordakhai Joseph, a Bible teacher and author, taught your author that the central question concerning divine law is: What administration do you want to live under? There are two choices. One choice is **the physical administration**. And the other choice is **the spiritual administration**. Mr. Joseph's teachings can be found in free lessons on the website, [www.teachingthelaw.org](http://www.teachingthelaw.org).

Under the physical administration the lawbreaker personally pays the penalties for breaking the law (Leviticus 1-7 as an example).

Under the spiritual administration Jesus Christ's sacrifice pays for our sins (Hebrews 9:26). Also, under the physical administration, you cannot keep the law perfectly (Romans 3:23), so you run the risk of eternal death (Romans 6:23). Under the spiritual administration Jesus Christ, through his Holy Spirit, lives inside of us and helps us live the right way (Galatians 2:20) and there is the sure promise of eternal life (1 Corinthians 15). Under the physical administration there are literal and numerous rules, memorized rules of behavior, (Exodus – Deuteronomy). Under the spiritual administration we are to learn general core principles and then to judge individual dynamic situations correctly. This does not mean believers will do this perfectly, only that they ought to (1 Corinthians 6). Further, under the physical administration, there is physical circumcision (Leviticus 12:3). Under the spiritual administration believers are to have their heart circumcised (Deuteronomy 10:16, Romans 2:29). And under the physical administration there is a human and sinful high priest who himself must sacrifice to even go before God (Leviticus 16). Under the spiritual administration we have a perfect High Priest, Jesus Christ, (Hebrews 8-9). Under the physical administration animals were sacrificed due to sin

(Levitcus 1-7). Under the spiritual administration Jesus Christ as High Priest and perfect offering actually do accomplish what the physical sacrifices could not (Hebrews 10).

Pertaining to divine law: the spiritual administration > the physical administration

Israel's failure under the Old Covenant (the physical administration for most) and their prophesied future success are found in both Jeremiah 31 and Hebrews 10.

""This is the covenant that I will make with them after those days, says the Lord; I will put My laws [instructions] into their hearts, and in their minds I will write them,""  
Hebrews 10:16, MKJV

"Behold, the days come, says the LORD, that I will cut a new covenant with the house of Israel, and with the house of Judah, not according to the covenant that I cut with their [bad] fathers in the day I took them by the hand to bring them out of the land of Egypt; **which covenant of Mine they broke**, although I was a husband to them, says the LORD; but this shall be the covenant that I will cut with the house of Israel: After those days, says the

LORD, I will put My law in their inward parts,  
and write it in their hearts; and I will be their God, and they shall be My people. And they shall no more teach each man his neighbor and each man his brother, saying, Know the LORD; for they shall all know me, from the least of them to the greatest of them, says the LORD. For I will forgive their iniquity, and I will remember their sins no more."

Jeremiah 31:31-34, MKJV

The answer to the question, "Which administration do you want to live under?" is pretty clear, which is, the spiritual administration. Notice that the writing of the divine law in their inward parts is a reference to conversion to a thoughtful, holy person. **The holy spirit of the Father and Jesus Christ enable and help this process (Romans 8:14).** Such a thoughtful and holy person does not need innumerable, static, external-standard-based rules of behavior. Such a person only needs a relatively few core principles and a thoughtful, caring, spiritual mind to apply them to the dynamic situations of life. This is what the two Jehovahs really wanted. The law, no matter how detailed, is always general, as compared to the particular dynamics of life. There will always be the need for good

judgment, taking into consideration core eternal principles.

Internalized divine law enables → the application of a relatively few core principles → to the innumerable dynamic situations life presents

Your author does want to point out that the divine laws, even under the physical administration, did have the benefit of **providing societal norms**. These societal norms included rules and roles and made planning easier and allowed for some measure of security and peace. If the ancient Israelites, or any other man at any other time, refuses to think and be convinced by clear and well-seasoned arguments concerning rational and objective ethical principles, then all the two Jehovahs can do is to leave them to the consequences of their actions – which will not be good consequences. It sort of comes down to rational persuasion or the hard knocks of life. No political system can establish universal rationality or universal morality by law or by force. It takes the willing participation of the contingent being with free will. Usually that willing participation comes after a traumatic life experience. Your author wishes it could be

otherwise, but for most people it evidently is not to be otherwise.

Divine laws → even under physical administration → provide societal norms

No political system can → establish universal morality or universal rationality → by law or by force

The willing participation of → the contingent being with free will → is necessary

The lessons can be learned through → rational persuasion (as an example of the easy way) OR the hard knocks of life

Many religious people believe that what God wills is correct and man's duty is simply to listen to and then obey divine revelation (divine law). In other words, man ought to hear and obey God. This is man's ethical duty - end of story. Ethical principles can be learned only through God giving man supernatural revelation. This is man's only way to know ethical truth. This is what is known, philosophically speaking, as **fideism**. Merriam-Webster's Dictionary defines fideism [emphasis mine] as "reliance on faith rather than reason in pursuit of religious truth."

There is, however, one big problem with fideism. Ironically, it is not Biblical. And God himself would disagree with it. This is not to say that man should not listen to divine law and to obey God. It is to say that the below passage in Romans 1, previously quoted earlier in this book, has God telling men they could have used their minds and discovered natural laws and known what to do – at least to some extent. In other words, man can use reason to learn ethical principles. The believers in fideism probably mean well. However, strictly understood, they are wrong.

“since what may be known about God is plain to them [men], because God has made it plain to them. For since the creation of the world God’s invisible qualities - his eternal power and **divine nature** - have been clearly seen, being understood from what has been made, so that men are without excuse. For although they knew God, they neither glorified him as God nor gave thanks to him, but their thinking became futile and their foolish hearts were darkened. Although they claimed to be wise, they became fools” Romans 1:19-22, NIV

Men can learn from nature = True (Biblically and rationally)

Does not even **nature** (the general) teach you that there must be a Creator (the particular, in this instance)

Does not even nature (the general) teach you that \_\_\_\_\_ (fill in the particular – over and over again)

A further point affirming natural law is the fact that Jesus did not throw himself off of the pinnacle of the Temple when Satan tempted him.

"Then the Devil took Him up into the holy city and set Him upon a pinnacle of the Temple. And he said to Him, If you are the Son of God, cast yourself down. For it is written, "He shall give His angels charge concerning You, and in their hands they shall bear You up, lest at any time You dash Your foot against a stone." Jesus said to him, It is written again, "You shall not tempt the Lord your God."' Matthew 4:5-7,  
MKJV

Jesus Christ did not do what Satan told him to. Jesus Christ did remember to yield to and obey God the Father. Realizing both of those things and their importance is a usual response to the

above passage of scripture. But, what else happened? To answer that question we have to think for a minute. And what else happened is very important to understand pertaining to the above, Jesus Christ versus Satan, epic battle.

**Jesus Christ did not cast himself down. He did not let go!** Why was it that Jesus Christ did not let go? It is because there is a law of gravity. Jesus Christ was not supposed to die at that moment in time and he would have, if he let go. Jesus Christ knew about the law of gravity because he was one of the two Jehovahs who created it (Ephesians 3:9). **Jesus Christ, even while under duress from Satan, affirmed natural laws by not jumping, or letting go!**

Does not even nature (the general) teach you that there is a law of gravity (the particular, in this reworded instance)

Fideism → as commonly understood → is not Biblical → it is False

Further, the Romans 2:14-15 passage, quoted earlier in this book, can now be better understood:

"For when the [non-Israelite] nations, who do not have the [divine] Law, do by nature the things of the Law [live ethically], these, not having the Law, are a law unto themselves; who show the work of the law written in their hearts, their conscience also bearing witness, and the thoughts between one another accusing or even excusing one another," Romans 2:14, 15, MKJV

There are objective ethical principles placed into the laws of nature by the two Jehovahs = Biblically True

They can be and have been discovered by human minds using reason = Biblically True

As was written earlier in this book, the two Jehovahs are not omniscient, omnipotent, nor omnipresent. The point of bringing this up is this: It is important for men and angels to use their free will to cooperate with the two Jehovahs, i.e., God. Otherwise, even one little man can, for a time, literally frustrate the eternal God the same way a child can frustrate a parent. God gave us divine law as instruction in order to help us to learn to become like God so we can ultimately become holy and resurrected to eternal life (1 Corinthians 15) and to be able to live in a new heaven and new earth

(Revelation 21 and other places). Is that such a bad thing? Further, divine law is a valuable source of endoxa (used in this case to mean knowledge vetted by the most wise).

Divine law = endoxa (from the two supreme minds in the universe)

To the extent that the Israelites did rebel and frustrate God, he threw them off the land. As previously mentioned, the Israelites wanted a king and they wanted to order their lives like the nations. So God gave them laws that were not good for them, aka the laws the other non-Israelite nations came up with. Those laws, laws outside of divine and natural laws, do not give life.

Divine laws → give → lead to → life

Natural laws → give → lead to → life

Other laws → not in conformance to BOTH divine laws + natural laws → lead to → death

In speaking about the ancient Israelites and their children, God said:

“But their children, too, rebelled against me. They refused to keep my laws and follow my instructions, even though obeying them **would have given them life**. And they also violated my Sabbath days. So again I threatened to pour out my fury on them in the wilderness. Nevertheless, I withdrew my judgment against them to protect the honor of my name among the nations who had seen my power in bringing them out of Egypt. But I took a solemn oath against them while they were in the wilderness. I vowed I would scatter them among all the nations because they did not obey my laws. They scorned my instructions by violating my Sabbath days and longing for the idols of their ancestors. **I gave them over to worthless customs and laws that would not lead to life.** I let them pollute themselves with the very gifts I had given them, and I allowed them to give their firstborn children as offerings to their gods - so I might devastate them and show them that I alone am the LORD.”  
Ezekiel 20:21-26, NLT

#### 4.5.5 Tribalism

“Tribalism is the state of being organized in, or advocating for, a tribe or tribes. In terms of conformity, tribalism may also refer to a way of

thinking or behaving in which people are more loyal to their tribe than to their friends, their country, or any other social group.

The social structure of a tribe can vary greatly from case to case, but, due to the small size of tribes, it is always a relatively simple role structure, with few (if any) significant social distinctions between individuals.

Tribalism implies the possession of a strong cultural or ethnic identity that separates one member of a group from the members of another group. It is a precondition for members of a tribe to possess a strong feeling of identity for a true tribal society to form. The distinction between these two definitions for tribalism is an important one because, while tribal society no longer strictly exists in the western world, tribalism, by this second definition, is arguably undiminished. ...” quoted from Wikipedia

One can argue about what tribalism means and entails. To someone educated in the West, tribal practices and beliefs seem primitive. But, a large part of the world is tribal to this very day; hence the constant lack of trust and conflicts in various parts of the world. A hallmark point of a tribal mentality is that

ethnic, cultural, language, geographic, or religious ties trump principles and reason. It is, quite literally, collective group membership over: individuals, principles, and rational thought. The tribe's way is right based on tradition, ethnicity, language, geographic location, intuitively received religious beliefs, etc. Rather than giving weighty consideration to universal natural laws, objective rational ethical principles, and personal dealings between individual men, tribal beliefs and practices rule. Tribal members, in essence, trade individual personal growth and development for safety through group membership.

Tribal mentality → ethnic, cultural, language, geographic, or religious ties > principles and reason

The tribe's members → view right (the good) → the tribe's traditional practices; ethnicity; language; geography; religious beliefs

Tribal collective group membership > individuals, principles, and rational thought

Most of the world = tribal to this day

Even in the West → a tribal mentality exists → among some people

The history of the world is filled with examples of inter-tribal warfare.

**Rationalizations for tribal warfare include:** fighting over scarce resources, attempting to settle border differences, payback for inter-tribal feuds, attempting to preserve language, culture, or religion, etc.

The core of the problem with tribal “thinking” is an anti-conceptual mentality involving significant errors in “thinking.” Not all tribes are guilty of all of the below, and this is not a book on anthropology. Nevertheless, since a lot of the world is tribal, it must be noted that some of the more important errors in tribal “thinking” are:

1. Believing that in any exchange there is a winner and a loser so it is important to try to get more than you give when trading.
2. A “might makes right” mentality where you must conquer before being conquered.
3. Wanting something for nothing so instead of producing what you can and trading for what you want, an attempt is made to just take what others have produced.

4. Not understanding there are natural laws and natural rights and that individual men and women are important in their own right. The tribal group, as a collective, is more important than the individual members. If deemed necessary by the tribal leaders, individual members become disposable, i.e., they can be human fuel for the tribal fire.
5. Being afraid of reality and not knowing how to deal with it. This comes out in various religious practices designed to attempt to appease "the gods" in some strange or anti-human way.
6. Static thinking in the sense that change is likely to be viewed as an enemy.
7. Members of other tribes or groups cannot be trusted.
8. Outside ideas attempting to penetrate into the tribe cannot be trusted.

Nathaniel Branden, author and psychotherapist, evidently coined the term, "**Witch Doctor**," for the tribal religious leader and "**Attila**" for the tribal boss man. Ayn Rand popularized and made famous these characterizations of the two main anti-conceptual mentality leaders of most tribes. In the next paragraph your author paraphrases some of the characterization of the Witch

Doctor. Then, in later paragraphs, your author provides a paraphrased characterization regarding Attila along with further characterizations about the Witch Doctor.

An ideal type → the tribal boss → Attila

An ideal type → the tribal religious leader → Witch Doctor

The Witch Doctor has intuitive feelings and beliefs that (more likely than not) are not in accord with reality. The Witch Doctor wants his feelings and beliefs to somehow trump reality. He uses induced or actual guilt over tribal members, who then need special religious ceremonies to be in good standing with both "the gods" and the tribe. The Witch Doctor helps Attila maintain order through spiritual control over tribal members. The Witch Doctor asserts superior supernatural guidance vis-à-vis his fellow tribal members, and has historically tended to use some type of **sympathetic magic** in an attempt to help the tribe and/or individuals achieve their goals. Sympathetic magic can be thought of as engaging in an act of sacrifice wrapped in a ritual so as to achieve divine empathy, with the result being divine help on the earth – the achievement of the

petitioner's wishes. The Witch Doctor is typically a concrete perceptual feeler, not an abstract conceptual thinker, hence the categorization of anti-conceptual mentality from Branden and Rand. The Witch Doctor tends to perceive information concretely and process it reflectively, i.e., how do they feel the new information will affect them and other tribal members. Truth tends to become whatever makes you feel better.

The Witch Doctor → hopes → feelings + beliefs  
> reality (the laws of nature)

The Witch Doctor → asserts → superior supernatural guidance > tribe members

The Witch Doctor → uses → guilt + access to special ceremonies → to influence or control → tribe members

The Bible warns Gentile converts about not going back to strange tribal religious practices, which is worshipping gods that are not gods:

"But then, indeed, not knowing God, **you served as slaves to those not by nature being gods.** But now, knowing God, but rather are known by God, how do you turn again to the

weak and beggarly elements to which you desire to slave anew?" Galatians 4:8, 9, MKJV

"For all the gods of the nations are idols; but the LORD made the heavens."  
Psalms 96:5, MKJV

"They [the Israelites] did not destroy the nations as the LORD commanded them; but were mixed among the nations, and learned their works [and philosophy and laws]. And they served their idols, which were a snare to them. Yea, **they sacrificed their sons and their daughters to demons**, and shed innocent blood, even the blood of their sons and of their daughters, whom they sacrificed to the idols of Canaan; and the land was defiled with blood." Psalms 106:34-38, MKJV

Characterizing Attila, he is the tribal leader. In all likelihood he is an action-oriented warrior-thug who will do whatever he considers necessary to maintain his rule and protect his tribe. Attila is a perceptual, concrete-bound, man of action – **an irrational activist**. Concepts and theories are of no great use to him, hence his designation as having an anti-conceptual mentality. He perceives information concretely and then he will process that

information by taking action and seeing what happens. If valuable individual men die it does not so much matter because death is part of life and the safety of the tribe and his own personal rule are considered paramount. Truth is whatever works – **amoral pragmatism**. If his actions offend other tribes and set the stage for the next war, so be it. The conceptual limitations of rational and objective ethics, natural rights, or long-term thinking do not much matter to him. He must take whatever action he considers necessary now in order to safeguard his own rule and his tribe. Attila thinks force, fraud, and war are practical. If one of his plans goes wrong, he will just try something else to, once again, see what happens.

Attila → believes → banding together into a collective + force > reality (the laws of nature)

Attila → asserts → truth = whatever works  
(amoral pragmatism)

Attila → believes → force + fraud → practical

Attila → warlord → believes in intimidation + superior force

Attila → short-term “thinker”

Attila → war = a part of “life”

Attila → death is a part of life + if individual tribe members die → sad, but → not an insurmountable problem as → death is a part of life + the tribe is more important than the individuals who comprise it

Attila → uses → threats + people-control techniques / practices + force → to influence or control → tribe members

Attila → may not see or regard → individual tribe members

Attila → sets the goal → for the tribe → without regard for → individual tribe member’s personal goals

Attila → an irrational activist → disregards → objective ethical principles + economic laws → and hopes → his actions → will somehow work ... they will not → violation of ethical principles + economic laws → incur penalties → and those penalties will be paid

If tribe members will just “check their brain at the door” then Attila, supported by the Witch Doctor, will keep them safe. Traditions, in the form of memorized rules of behavior, are designed to maximize the well being of the tribe. A tribe member violates them at his/her own peril. Catch phrases, symbols, and emotional slogans are utilized as an attempted substitute for principled thinking. And many times tribal leaders make the mistake of reasoning from metaphors. But metaphors are not substitutes for facts or logic. The proper use of a metaphor is to help make a strictly limited teaching point – not as a building block of some intellectual edifice. Nevertheless, all actions have consequences, even collective tribal actions. There is no escape from reason, responsibility, and reality – not even with a “tribe membership in good standing card.” The Witch Doctor’s faith, beliefs, and feelings are no match for reality and neither is Attila’s force.

Traditions → in the form of → memorized rules of behavior → tribal conformity

Catch phrases with emotional impact + symbols → are attempted as a substitute → for principled thinking

All actions have consequences, even tribal collective actions = True

There is no escape from → reason + responsibility + reality

A tribal “membership in good standing card” → does not immunize a tribe member → who blindly obeys → either Attila, or the Witch Doctor → from the penalties → built into → the violation of the laws of nature, or the violation of divine laws

Reality > the Witch Doctor’s beliefs + feelings

Reality > Attila’s force + fraud

Attila conquers and rules over those members of the tribal society who have the brains, courage, work ethic, and ability to be productive. The Witch Doctor, as priest or philosopher provides Attila with an intuitive rationalization for his actions and tribe members with a justification for their servitude to the tribal collective. Attila keeps the Witch Doctor safe from reality. The Witch Doctor delivers the people to Attila for slaughter, if necessary.

Attila → a warlord parasite → conquers → productive men → who provide → the necessary human fuel for → Attila's unprincipled, arbitrary actions

The Witch Doctor → rationalizes → Attila's evil

Attila needs → men who take orders → human cannon fodder

Tribe member's → obedience → fuels Attila's evil actions → and leads to → their own demise

The Witch Doctor needs the tribe members to believe that he has a superior intuitive inner voice to "the higher reality" and the Witch Doctor needs the tribe members' obedience to his shamanisms. If he has to use deception or fraud to convince "the misguided," so be it (a version of Plato's noble lie). Attila needs men who take orders. He needs human cannon fodder. If a war is deemed necessary, even one waged against Attila's own people, so be it.

Attila the warlord → decides if → war is necessary, against either → outsiders OR his own people

Tribalism, in whatever form, is a rebellion against reason and reality. Tribalism kills men made in God's image and has, for the moment, largely thwarted God's purpose in creating mankind. Most tribal members, though not physically dead yet, are lacking in the intellectual and moral virtues. They have been trained to respond to catch phrases, symbols, and emotional slogans, which inculcate loyalty to the tribe, instead of to truth and universally applicable right principles. An individual tribe member is expendable.

Attila + the Witch Doctor → condition tribe members with → symbols + catch phrases + emotional slogans → loyalty to the tribe > truth + universally knowable ethical principles

Attila + the Witch Doctor regard → an individual tribe member as expendable = True

Those educated in the West can laugh at tribalism, but even most of Europe has always been tribal. And the ideological aspects of tribalism are to be found in Statism everywhere, which Statism is really tribalism writ large.

The ideological aspects → of tribalism → are found in Statism

## Statism = tribalism writ large

Your author learned of a lady member of a tribe, who performed work at a small boutique hotel near the tribal land. Most of the tribe members did not have such a job earning cash. Unfortunately, for the lady with a job earning cash, the other tribe members knew what day she got paid. And they always had a lot of ideas about how her earnings should be allocated to help her fellow tribe members' wants and needs.

In any discussion about why there is a lack of justice, tribalism has to be discussed because most of the world is tribal – in mindset if not in actuality. Any collective mindset that is anti-conceptual (in this case tribalism) is not likely to recognize or appreciate natural laws, natural rights, the purpose of law, the purpose of government, etc. Tribal rules, unchecked by rational ethical principles and not necessarily tied to reality, are bound to hurt the individual tribe member's personal development – not to mention set the stage for inter-tribal wars that last for centuries.

Most of the world = tribal → in mindset, if not in actuality

Tribal rules → unchecked by rational ethical principles + not tied to reality → hurt the individual tribe member's personal development

#### **4.5.6 The Role Of A King – Past & Future**

As previously mentioned, God originally wanted Israel to be ruled by a judge using known laws. When the people rejected Samuel, they were really rejecting God. And the people were asking to be governed like the other nations who had kings. What the Israelites did not realize (or care about if they realized it) was that a government, with a king as its head, is a government that is set up for war and not for peace. But war shreds man's natural rights and destroys all of the things that enable life.

"And Samuel told all the words of the LORD to the people who asked a king of him. And he said, This will be the privilege of the king who shall reign over you. He shall take your sons and appoint them for himself, for his chariots, and his horsemen. And they shall run before his chariots. **And he will appoint commanders over thousands, and commanders over fifties, and some to plow his ground and**

**reap his harvest, and make his weapons of war and weapons for his chariots."**

1 Samuel 8:10-12, MKJV

**"And we shall be, also we, like all the nations, so that our king may judge us and go out before us and fight our battles."**

1 Samuel 8:20, MKJV

The above two scriptural excerpts are excellent prophecies of the type of society that kings rule over, which is a feudal society. A feudal society, headed by a king, is a society structured for war making, which is exactly what the above scriptures foretell. As a concrete example of this, your author quotes one of the main authorities on English law, Sir William Blackstone, from his *Commentaries On The Laws Of England In Four Books, Volume 1*:

"Upon the Norman conquest **the feudal law** [feudal law] was introduced here [England] in all its rigour, the whole of which is built on a military plan. I shall not now enter into the particulars of that constitution, which belongs more properly to the next part of our commentaries; but shall only observe, that, in consequence thereof, all the lands in the kingdom were divided into what were called

knights' fees, in number above sixty thousand;  
and for every knight's fee a knight or soldier,  
miles, was bound to attend the king in his wars,  
for forty days in a year; in which space of time,  
before war was reduced to a science, the  
campaign was generally finished, and a kingdom  
either conquered or victorious. By this means  
the king had, without any expense, an army of  
sixty thousand men always ready at his  
command."

A feudal society → headed by a king → is a  
society → structured for war making

Of course, it is actually worse than the above  
because in a feudal society set up for war no  
one is ever really safe. If invading armies come  
to kill, enslave, burn cities, etc., in one country,  
it is only a matter of time before retaliation  
occurs in their country. Men's lives are literally  
wasted because an entire nation is set up for  
war making. It was a "kill before you are  
killed," a "might makes right," and a "winners  
write the history" mentality. Perversely, war,  
which leads to death, was considered a way of  
life.

In a society structured for war making → no one  
is ever really safe

War making → creates enemies

Retaliation is coming = True

Blackstone went on to explain how the king could never be considered wrong - at law. If the king gave a charter (a government monopoly privilege) and the man or group receiving the charter failed, then the king was obviously a victim of fraud. Ergo, hold the private party responsible, not the king. If it was obvious the king made a mistake or abused his power, then since the king could not be wrong at law, Parliament would hold the king's advisors accountable for giving the king bad advice – as if the king was a child who could not have overridden the advice of his advisors.

At law (feudal law) → the king → never wrong

All men are men = True

All men can and do err = True

Feudal law → pertaining to → the king never being wrong = False (2 Samuel 12)

Blackstone further gave a list of the king's revenues, which are astounding in their length and breadth - but beyond the scope of this section of the book. Blackstone further expounded other king-favored legal rationalizations such as "the king owns the forests" because forests are deemed as waste grounds thus belonging to the king.

Blackstone pointed out that, in essence, the law of nations in our Western world was feudalism. Without understanding feudalism, one cannot understand the laws that regulate England's landed property. The land was allocated based on military conquest and was a conditional reward based on an oath of fealty (loyalty). The grand maxim of feudal tenure was that all lands were granted by the king and were therefore beholden to him, directly or indirectly.

In substance → the law of many nations → in the Western world → was feudalism based

Feudalism → explains landed property → based on military conquest → a conditional reward AND beholden to → the king

Instead of using their minds and recognizing the natural rights of men, entire cultures and nations set themselves up to make war. Instead of producing something of value and trading for what you would like, but don't have, entire nations had a plunder mentality. And the average man ended up being fodder for all of this.

Entire nations + cultures → set themselves up → to make war

In so doing → they followed Satan the warlord  
NOT the two Jehovahs, the life givers

Reading Blackstone about kings and what this led to in terms of laws, etc., is eye opening. The scope of this section of the book precludes a detailed history of rationalizations for monarchy, such as Machiavelli's early political and ethical writings, *The Prince*, or arguments for "the divine right of kings," or detailed explanations of feudalism's workings. Your author will quote a few paragraphs from Murray Rothbard's, *Economic Thought Before Adam Smith*, pertaining to Machiavelli, in order to illustrate what kings were taught regarding maintaining the power of their kingdom.

"Niccolo Machiavelli was reviled throughout Europe during the sixteenth century and on into the next two centuries. He was considered to be someone unique in the history of the West, a conscious preacher of evil, a diabolic figure who had unleashed the demons in the world of politics. The English used his given name as a synonym for the Devil, 'Old Nick'. ..."

"Well, which was Machiavelli, a teacher of evil or a value-free political scientist? Let us see. At first glance, *The Prince* was very much like other mirror-of-princes advice-books of the late fifteenth century humanists. The prince was supposed to seek *virtu[e]*, or excellence, and was supposed to pursue honour, glory and fame in the development of such excellence. But within this traditional form, Machiavelli wrought a radical and drastic transformation, creating in this way a new paradigm for political theory. **For what Machiavelli did was to redefine the critical concept of *virtu[e]*.** For the humanists, as for Christians and classical theorists alike, *virtu[e]*, excellence, was the fulfilment of the traditional classical and Christian virtues: honesty, justice, benevolence, etc. For Old Nick, on the contrary, *virtu[e]* in the ruler or prince and for the late humanists, after all, it was only the prince who counted

was, simply and terribly, as Professor Quentin Skinner puts it, 'any quality that helps a prince to keep his state.' In short, the overriding, if not the only goal for the prince was to maintain and extend his power, his rule over the state. Keeping and expanding his power is the prince's goal, his virtue, and therefore any means necessary to achieve that goal becomes justified."

Niccolo Machiavelli → the founder of modern political science

Machiavelli → redefined virtue → any quality that helps a prince (king) → keep his state

"Modern social scientists, in contrast, pride themselves on being realistic and value-free. But in this, ironically, they are far less realistic or perhaps less candid than their Florentine mentor. For, as Machiavelli knew full well, in taking on their role of adviser to the rulers of state, the 'value-free scientist' is willy-nilly, committing himself to the end, and therefore to the overriding morality, of strengthening the power of those rulers. In advocating public policy, if nowhere else, value-freedom is a snare and a delusion; Old Nick was either too honest

or too much of a realist even to consider thinking otherwise.

Niccolo Machiavelli, therefore, was both the founder of modern political science and a notable preacher of evil. In casting out Christian or natural law morality [the two most important checks on government power], however, he did not presume to claim to be 'value-free' as do his modern followers; he knew full well that he was advocating the new morality of subordinating all other considerations to power and to the reasons of state. Machiavelli was the philosopher and apologist par excellence for the untrammelled, unchecked power of the absolute state."

Your author quotes the below paragraph, out of Rothbard's order, so as to bring to an end this brief interlude on Machiavelli and how his line of state apologetics led to a further corruption of the kings of Europe and also contributed to the corruption of political science to this day.

"In all this, modern social science is a faithful follower of the wily Florentine opportunist. But in one important sense the two differ. For Niccolo Machiavelli never had the presumption - or the cunning - to claim to be a true scientist

because he is 'value-free.' There is no pretend value-freedom in Old Nick. He has simply replaced the goals of Christian virtue by another contrasting set of moral principles: that of maintaining and expanding the power of the prince. As [Professor Quentin] Skinner writes:

'it is often claimed that the originality of Machiavelli's argument. ... lies in the fact that he divorces politics from morality [i.e. value-free political science], and in consequence emphasises the 'autonomy of politics' ... [but] the difference between Machiavelli and his contemporaries cannot adequately be characterized as a difference between a moral view of politics and a view of politics as divorced from morality. **The essential contrast is rather between two different moralities** - two rival and incompatible accounts of what ought ultimately to be done.'"

Machiavelli → one morality for the prince (king)  
VERSUS → the normal morality for everyone else

Quoting Rothbard again:

"... But still the seductive nature of the new morality, of the justifying of evil means by the

allegedly overriding end of maintaining and advancing state power, began to take hold among various writers. In Italy, a group of Machiavellians appeared during the sixteenth century, headed by Giovanni Botero (1540-1617), and his treatise of 1589, *The Reason of State*.

"... While beginning by paying lip service to the importance of the prince's cleaving to justice, Botero quickly goes on to justify political prudence as crucial to all government, then defines the essence of prudence that 'in the decisions made by princes, **interest** will always override every other argument'; all other considerations, such as friendship, treaties or other commitments must go by the board. The overall view of Botero is that a prince must be guided primarily by 'reason of state,' and that actions so guided 'cannot be considered in the light of ordinary reason.' **The morality and justification for actions of the prince is diametrically opposed to the principles that must guide the ordinary citizen.**'"

Botero, following Machiavelli → the prince (king)  
→ must be guided by → "reason of state"  
(another incorrect version of polylogism)

While Machiavelli, in essence, advocated for → two kinds of morality → one for king and another one for normal people

Botero, in essence, advocated for → two kinds of reason → one for king (reason of state) and another one for normal people

Botero's reason of state → state interests > friendships AND state interests > treaties AND state interests > prior contractual agreements

After Machiavelli redefined morality and Botero redefined reason and other intellectual followers came along, many further author-philosophers came forth with additional and various rationalizations for kings having absolute power. They, of course, all wanted to obtain a position of status, such as king's advisor, for themselves. For example, a man named Jean Bodin taught law at the University of Toulouse in France, and taught the rationalization that, from Rothbard:

"Since the sovereign is the maker or creator of the [positive] law [human legislation], he must therefore be above that law, which applies only to his subjects and not to himself. The

sovereign, then, is a person whose will creates order out of formlessness and chaos."

Bodin → state apologist → the king creates law (human legislation) → and is not bound by it = king > law

The king → creates order out of chaos

To your author it almost sounds like Satan (using a human king) wants to pass positive statutory laws without regard to divine law or natural law, based on "a new morality" and/or "a new reasoning" in order to keep men from exercising their natural rights - particularly the right to be free. In your author's opinion, man being free is chaos to Satan. Satan hates what God did in creating man, including giving man free will, and Satan wants to control this perceived chaos by any means available.

Divine law > human legislation = True

Natural law, including natural rights > human legislation = True

Machiavelli + Botero + Bodin + all other apologists for kings or parliaments passing human legislation → wishing to miraculously

step outside of reality → where somehow →  
human legislation > reality = a human life-gutting or destroying disaster waiting to happen

Adam Blackwood, a Scot, provided a further rationalization for the absolute power of a king. Rothbard explains: "The will of the prince, for Blackwood, becomes just virtually by definition." Blackwood denounced natural law. Per Rothbard, Blackwood also pushed forward the king's rights to tax:

"It was, indeed, Adam Blackwood who uniquely and radically reached the clarity of consistency on the ruler's right to tax. For if property rights are important, and the king has the absolute right to tax or otherwise seize private property at will, then this must mean that [Rothbard quotes from William Farr Church in single quotes] 'All lands were originally held by the king and were granted by him to others ... And the granting of fiefs by the king was but a partial transfer; all lands owed tribute to him and remained subject to his authority.' In short, in an odd version of the state of nature, only the king had original or continuing property rights; all other seeming property rights are simply allowances by the king, temporary possessions

that are regulatable by the king and revocable by him at any time."

Blackwood → only the king has property rights

Blackwood → all the land is beholden to the king

Blackwood → the king can tax or seize private property at will

Blackwood + any king following him → rejects original appropriation → by extension → rejects the two Jehovahs owning the universe

Blackwood + any king following him → rejects A = A; all men are men → rejects divine law → rejects natural law and natural rights → rejects the two Jehovahs → rejects the plans the two Jehovahs have for all men

And Rothbard explains the "divine right of kings" as follows:

"Jean Bodin's exaltation of sovereignty struck French political thought like a thunderclap; here at last was a way to justify and expand the ever-increasing powers of the Crown. In particular, the new view was adopted

and subtly transformed by writers who were far more absolutist, in practice, than was Bodin himself. The one element that Bodin's veneration of sovereignty lacked was the Protestant notion of divine sanction; for to Bodin absolute sovereignty was simply a fact of nature. Other politiques, however, soon added the missing ingredient, since they had long been accustomed to think of rule as by divine right. The idea of the king's rule being commanded by God was a familiar one in the sixteenth century; none, however, had extended kingly rule to the notion of absolute sovereignty created by Bodin.

The most important immediate follower of Bodin was Pierre Gregoire, in his *De republica* (1578). The king, for Gregoire, was God's appointed vicar in the temporal sphere, and his rule was under the constant influence of God's will. The king's command was therefore equivalent to God's, and was equally owed absolute obedience by his subjects. 'The prince is the image of God, in power and in authority,' wrote Gregoire."

Gregoire → the king's command = equivalent to God's command ... = False (Deuteronomy 17:14-20) (the king is subject to divine law)

The divine right of kings = False

The abuse of kings and their advisors is beyond dispute and a matter of the historical record. There are always going to be Attila the Huns who want to exert rule over the masses – promising everything, but doing whatever is necessary to consolidate and keep their power. And there are always going to be Witch Doctors and/or philosophers who want to be around the throne of power, grabbing onto whatever status, wealth, and power they can – while providing their evil rationalizations for state power. And neither Attila, as king, nor the Witch Doctor, as his philosopher apologist, wants to be regarded as limited by either divine law or natural law. What to do? **Redefine morality, virtue, and reason** and go from there. Satan likely says, "Good job," Machiavelli and friends.

Attila → promises a lot → but then → does whatever is necessary → to keep + exert power

The Witch Doctor → seeks for → proximity to power + status → paid for by → rationalizations for evil

Of course they can redefine morality and hold themselves as not subject to divine law or

to natural law, but there is an entire Psalm of warning to kings and their evil advisors, which is Psalm 2.

"Why do the nations rage? Why do the people waste their time with futile plans? The kings of the earth prepare for battle; the rulers plot together against the LORD and against his anointed one. 'Let us break their chains,' they cry, 'and free ourselves from this slavery.' [The kings and their advisors regard being subject to God and divine law and natural laws, including respecting individual natural rights, as slavery.] But the one who rules in heaven laughs. The Lord scoffs at them. Then in anger he rebukes them, terrifying them with his fierce fury. For the LORD [God the Father] declares, 'I have placed my chosen king [Jesus Christ] on the throne in Jerusalem, my holy city.'

The king proclaims the LORD's decree: "The LORD [God the Father] said to me, 'You are my son [Jesus Christ]. Today I have become your Father. Only ask, and I will give you the nations as your inheritance, the ends of the earth as your possession. You will break them with an iron rod and smash them like clay pots.'"

Now then, you kings, act wisely! Be warned, you rulers of the earth! Serve the LORD with reverent fear, and rejoice with trembling. Submit to God's royal son, or he will become angry, and you will be destroyed in the midst of your pursuits - for his anger can flare up in an instant. But what joy for all who find protection in him!" Psalms 2:1-12, NLT

God's opinion of kings not being subject to divine law and, by extension, to natural law, is different from the kings and their advisors. The time is almost up, but the two Jehovahs offer Psalm 2 as an offer of reconciliation to the kings and governments of the world.

When Jesus Christ returns to this earth (Revelation 19) the role of kings will change. We can know this by now understanding the implication inherent in the below scriptural passage:

"And it shall be, in the last days the mountain of the LORD's house [the Kingdom of God] shall be established in the top of the mountains [governments], and shall be exalted above the hills; and all nations shall flow into it. And many people shall go and say, Come, and let us go to the mountain of the LORD, to the

house of the God of Jacob. And He [Jesus Christ] will teach us of His ways, and we will walk in His paths. For out of Zion shall go out the Law [instruction], and the word of the LORD from Jerusalem. And **He shall judge** among the nations, and shall rebuke many people; and they shall beat their swords into plowshares, and their spears into pruning-hooks. Nation shall not lift up sword against nation, **neither shall they learn war any more.**"

Isaiah 2:2-4, MKJV

Just by looking at the few verses above, we can see that the role of a future king will be to judge according to the law (both divine law and natural law, as there is no conflict properly understood). Further, we can know that a king in the future will not mean a militarily ordered and structured society of warriors and serfs. There will be no evil rationalizations for unwarranted state power, complete with a new "morality" or a new "reason" (of state), which violates both divine and natural laws. The role of a king will change to that of being a righteous judge - judging according to ethical and logical principles. And it will no longer be allowed for nations to structure themselves toward the catastrophically destructive purpose of fighting wars. Natural rights will be respected. All men

and women will be valued as made in God's image and likeness.

"And I will restore your judges as at first,  
and your counselors as at the beginning;  
afterwards you shall be called the city of  
righteousness, the faithful city."  
Isaiah 1:26, MKJV

The kings in the Kingdom of God will not be allowed to abuse the men they govern, or to teach war, nor will they rationalize evil.

"... **Peace** and **righteousness** will be your leaders!" Isaiah 60:17, NLT

"But Jesus called them together and said,  
"You know that in this world kings are tyrants,  
and officials lord it over the people beneath  
them. But among you it should be quite different. Whoever wants to be a leader among you must be your servant,"  
Matthew 20:25, 26, NLT

Jesus Christ's view of a king (in this world) → a war-mongering tyrant (this effectively vetoes any idea of "the divine right" of kings.)

You cannot serve someone by redefining morality and virtue. You cannot serve someone by redefining reason. You cannot serve the people by asserting that only the king has property rights, not all men. You cannot serve the people by using them as cannon fodder for senseless wars, which only invite future retaliatory wars. Etc.

As mentioned in an earlier section of this book, a king basically functions as a garbage man, taking out the human trash. It may sound cold, but the purpose of government is to deal with those who are wicked – those who initiate force and fraud against the peaceful and productive.

**"Take away the wicked** from before the king [and from before the citizens, too], and his throne shall be founded in righteousness."  
Proverbs 25:5, MKJV

"A king who sits in the throne of judgment scatters away all evil with his eyes."  
Proverbs 20:8, MKJV

The future king (post Jesus Christ's return) must and will use wisdom to decree justice.

"By Me [wisdom, also a reference to God] kings reign and princes decree justice."  
Proverbs 8:15, MKJV

Justice, as previously mentioned, is a necessary first step toward reconciliation, social harmony, social cooperation, and peace.

In short, the future king will be a judge who is righteous. A king will recognize and live by both divine and natural law. The future king will not teach war nor allow war. Instead peace will be taught and all men's natural rights will be respected. The future king will instruct the people in order to build them up and will decree justice so as to lead to social harmony, social cooperation, peace, and life. And, when necessary, the future king will be the garbage man and take out the human trash, all the while hoping that the wrongdoer will wake up and change for the better. If the wrongdoer changes for the better they, too, can become a righteous and productive person and rejoin society.

#### **4.5.7 The corruption of law**

Ayn Rand once mentioned, (in so many words), the only way to deal with men is by persuasion; but if their minds are not active you

must leave them to the consequences of their actions. Nature has to be dealt with by force, as nature does not have a mind. It is not practical to deal with men, as with nature, i.e., by force. She also mentioned men are free not to think but not to escape the consequences of not thinking. In addition, she further mentioned that false premises grow inside a man and a society until they reach their logical conclusion.

Nature → must be dealt with → by force

Men → must be persuaded

Each man learns → one concept at a time

If a man → does not think → he will have to learn → the hard way → by experiencing → the penalties the two Jehovahs placed inside of nature

And so it is with men not being willing to live under either divine law or natural law. By being unwilling to live under divine law and by also being unwilling to live under the check and balance of respecting each other's natural rights, legal systems and governments have been created that have destroyed (and are destroying) men made in God's image.

Students of philosophy have noted that when philosophers attempted to break ethics free from God they ended up substituting the state or society for God. This, along with the various rationalizations for increased state power, enabled the ruling elite of the state power structure to become empowered to sacrifice some men to others in furtherance of their arbitrarily chosen goals. The men in control of the state power will attempt to use phrases like the "common good" in order to give themselves moral sanction and to win the support of the majority of the people. The concept of "good" relates to an individual, however, not a group. There is no "common good" or "group good" as the concept of good implies "good to an individual," and groups are simply composed of individuals. And if you are one of the individuals sacrificed to the "politically favored" of the state rulers, it is not "good" to you. This is one of the main problems of democracy. Voting blocks and special interests attempt to gain control of the governmental power structure so they can legalize wealth transfers. They can never make such wealth transfers moral. They can only make them legal. It makes control of the government something to fight over and so men do just that – fight over control of the

government. Corrupt men want to steal the property of other men so they can be closer in time to achieving their goals. They do this instead of producing and trading and saving and investing themselves, which is harder work and takes longer. Unthinking men, with no objective rational ethics, no respect for the fact that all men are men, and no respect for natural rights, fight for control of government power so they can use this power against other men. When this unchecked governmental power is used against one group of citizens to benefit another group of citizens, it is in actuality the initiation of governmental force against men who have done nothing wrong. It is institutionalizing injustice. And all this sets the stage for a descent into hell on earth.

A government unchecked by: 1) divine law and 2) natural law (including a respect for each individual man's natural rights) → ends up → institutionalizing → injustice

Political power blocks → fight over control of government → in order to → legalize wealth transfers → to themselves + their friends

A philosophical rationalization of the legalized wealth transfer → will invoke → "the common good" (or some such irrational, empty slogan)

Governmental legalized wealth transfers are not moral = True (other than restitution to a victim of a crime) (other than to pay for a minimal government to catch and deal with the bad guys)

It is a descent into hell for various reasons. The first reason, again provided by Ayn Rand, amongst others, is because if there is no recognition of individual natural rights it means there are NO rights and now that particular society is ready for a dictator or democratic mob rule – which generally leads to a dictator. The dictator will not hesitate to sacrifice men to achieve his arbitrary or mystical ends. He will be an Attila who will do what he thinks is necessary without concern about reason or ethics or the individuals who are sacrificed. It should be obvious, but evidently is not, that there is no salvation by tyranny. The second reason is because there is no proper understanding of the purpose of law, the purpose of government, or the importance of complying with divine and natural law, the politicians in power will pass a plethora of

human statutory laws (with the accompanying bureaucratic regulations) in a futile attempt to: change human character, overturn economic laws, build wasteful monuments, pry into other nation's business, have a strong military, reward the politician's financial supporters, redistribute wealth, etc., etc. The third reason follows from the second reason. It is deficit spending by the government due to government growing beyond the ability or willingness of its citizens to pay for all of the "pie in the sky" government programs. Vested interests get created who demand the government spending continue and/or grow. Once government taxes citizens to a certain point, productivity stops growing (and may decrease) as societal capital formation is crippled and tax collection sort of reaches a "maximum," which government spending exceeds. Debt ensues and typically grows to the point that only the interest on the debt can be included in the government budget, and then it gets worse from there as desperate measures such as inflation are resorted to. Politicians are notorious short-term thinkers (your author uses the word "thinkers" charitably here). If they can pass a law and borrow money to build a pet monument they will claim they created jobs – which is false. The falseness of this statement, the effects of government-caused and sponsored

inflation, and other such matters will be explained in more detail in an upcoming section of this book pertaining to economics. The short answer to the falsity of the government claim that jobs were created is that jobs were diverted to the pet monument at the expense of producing goods and services of value that the participants of the marketplace would have actually wanted instead. Further, the fourth reason, is that the politicians and social do-gooders set up national retirement and health schemes, disability schemes, unemployment insurance schemes, welfare schemes, and educational schemes which incur trillions of dollars of government political promises. But the government can only get money for one group by taking it from another. It is easy to make promises, especially if a politician will not be in office to watch the overburdened government attempt to make good on the promises. Let your author assure you:

**Promises have been made that will not be kept.**

At any rate, to summarize, politicians in a democracy: pass statutory laws, require implementing bureaucratic regulations, which require an army of regulators, which hinder the productivity of business, which demoralize the

honest productive members of society, and they meddle in other nation's business which means there is a need for a larger than otherwise necessary military industrial establishment. They set up huge welfare, retirement, and educational schemes that cannot be paid for in terms of honest money. And so un-payable debt is incurred which burdens current and future generations. Money (substitutes) then gets created out of nothing. We now have what amounts to "post-modern money" - money that does not represent anything, e.g., a certain amount of gold or silver. This debt and money creation will eventually lead to either an inflationary depression (a depression in real terms) or a deflationary depression (the normally thought of depression in nominal terms), international trade wars, actual wars and dictators, and somewhere along the way there will be a currency collapse which wipes out the honest productive savers of society – who the government was supposed to protect. It is a moral, intellectual, legal, and economic train wreck waiting to happen. During this chaotic, destructive descent into actual hell ... laws will be passed, that instead of protecting natural rights, will make it virtually impossible for the productive saver/investors of society to protect

themselves from government confiscation of their lives and property.

Government → unchecked by divine law or by a respect for natural law / natural rights → expands via human legislation → legislation + regulations multiply → an army of bureaucratic regulators come with the legislation → the productive individuals in society are burdened by the taxes and regulations of the unchecked governmental growth → deficits are incurred → debt is issued to an un-payable level → money is created to keep things going → more legislation and people-control efforts are instituted → productivity is further hindered → interest payments on the debt consume a larger and larger share of the governmental budget → a deflationary depression OR an inflationary depression OR a currency collapse ensue → capital is consumed and human lives are destroyed to pay for the violation of moral and economic laws

During the above → mob rule (unchecked democracy of the unprincipled and unthinking masses wanting something for nothing) → will likely lead → to a dictator emerging (who will also be immoral and unthinking and ignore

divine and natural laws) (and who is certainly not a savior) → hell on earth

During the above there comes to be → fiat money AND fiat property → instability

During the above → almost everyone becomes → short-term “thinkers”

Big problems come from fundamental errors that compound themselves over a period of time. A lack of respect for divine law and a lack of respect for natural rights are what enabled things to get to this point. Could all of the above have been predicted and avoided? Yes.

As previously mentioned, God scattered the Israelites among the nations (who the Israelites wanted to be like) and those nation's laws, judgments, and methods did not lead to LIFE – nor do they still.

“I also lifted up My hand to them [the ancient Israelites] in the wilderness, that I would scatter them among the nations and scatter them through the lands, because they had not done My judgments, but had despised My sabbaths and had profaned My sabbaths, and their eyes were after their fathers' idols.

Also I gave them statutes not good, and judgments by which **they should not live.**"  
Ezekiel 20:23-25, MKJV

The two Jehovahs foretold, via various scriptures, that the law would be perverted, debt would be incurred, the purchasing power of money would be inflated away, etc. There is nothing new under the sun (Ecclesiastes 1:9) and the two Jehovahs warned ancient Israel what would happen if they adopted the corrupt and evil laws of other nations. The evil laws could happen as a result of a monarchy, a democracy, or any other form of human government that does not respect both divine and natural laws, including natural rights. The below scriptures are telling indeed:

"Shall the throne of iniquity have fellowship with You, which frames mischief by a law?"  
Psalms 94:20, MKJV

"Woe to those who make unjust laws, to those who issue **oppressive decrees,**"  
Isaiah 10:1, NIV

"And the people shall be crushed, every man by another, and every man by his neighbor [this sounds like democracy and the legal system run

wild to your author]; the boy shall act proudly against the old man, and the low against the honorable.” Isaiah 3:5, MKJV

“Don’t be surprised when you see that the government oppresses the poor **and denies them justice and their rights** [**institutionalized injustice**]. Every official is protected by someone higher, and both are protected by still higher officials [the bureaucracy takes care of its own at the expense of the people].” Ecclesiastes 5:8 TEV (Good News Bible)

“When there is moral rot within a nation, its government topples easily. But with wise and knowledgeable leaders [and good laws], there is stability.” Proverbs 28:2, NLT

“He [God] takes away the wisdom of rulers and makes leaders act like fools.” Job 12:17 TEV (Good News Bible)

“If God decided to do nothing at all [because mankind has rebelled against him and rejected both divine and natural law], no one could criticize him. If he hid his face, we would be helpless. There would be nothing that nations

could do to keep godless oppressors from ruling them." Job 34:29–30 TEV (Good News Bible)

"And the land is defiled under its [immoral and unthinking] people [who want something for nothing]; because they have transgressed the laws, changed the ordinance, and have broken the everlasting covenant. **Therefore the curse has devoured the earth**, and they who dwell in it are deserted; therefore the people of the earth are burned, and few men left."

Isaiah 24:5, 6, MKJV

"... the curse without cause shall not come." Proverbs 26:2, MKJV

"Foreigners who live in your land will gain more and more power, while you gradually lose yours. They will have money to lend you, but you will have none to lend them. In the end they will be your rulers. All these disasters will come on you, and they will be with you until you are destroyed, because you did not obey the LORD your God and keep all the laws that he gave you. They will be the evidence of God's judgment on you and your descendants forever." Deuteronomy 28:43–46 TEV (Good News Bible)

"I will turn against you, so that you will be defeated, and **those who hate you will rule over you**; you will be so terrified that you will run when no one is chasing you."

Leviticus 26:17 TEV (Good News Bible)

"So now today we are slaves here in the land of plenty that you gave to our ancestors! We are slaves among all this abundance! The lush produce of this land piles up in the hands of the kings [rulers] whom you have set over us because of our sins. They have power over us and our cattle [property]. We serve them at their pleasure, and **we are in great misery.**"

Nehemiah 9:36, 37, NLT

""Evildoers live among my people; they lie in wait like those who lay nets to catch birds, but **they have set their traps to catch people.** Just as a hunter fills a cage with birds, **they have filled their houses with loot. That is why they are powerful and rich,** why they are fat and well fed. **There is no limit to their evil deeds.** They do not give orphans their rights or show justice to the oppressed. But I, the LORD, will punish them for these things; I will take revenge on this nation.""

Jeremiah 5:26–29 TEV (Good News Bible)

"Everyone, great and small, tries to make money dishonestly; even prophets and priests cheat the people." Jeremiah 6:13 TEV (Good News Bible)

"Listen, earth! As punishment for all their schemes I am bringing ruin on these people, because they have rejected my teaching and have not obeyed my words."

Jeremiah 6:19 TEV (Good News Bible)

If the reader would like a relatively concise Biblical quote that directly addresses why there is no justice, read on:

"No one cares about being fair and honest [immoral]. Their lawsuits are based on lies [fraud]. They spend their time plotting evil deeds and then doing them. They spend their time and energy spinning evil plans that end up in deadly actions [force]. They cheat and shortchange everyone. **Nothing they do is productive [parasites]**; all their activity is filled with sin. Violence is their trademark [war]. Their feet run to do evil, and they rush to commit murder. They think only about sinning [immoral]. Wherever they go, misery and destruction follow them [bad results]. They do not know what true peace is or what it

means to be just and good [wrong value system]. They continually do wrong, and those who follow them cannot experience a moment's peace [internal turmoil + war].

It is because of all this evil that deliverance is far from us. That is why God doesn't punish those who injure us. No wonder we are in darkness when we expected light. No wonder we are walking in the gloom. No wonder we grope like blind people [bad theories] and stumble along [bad results]. Even at brightest noontime, we fall down as though it were dark. No wonder we are like corpses when compared to vigorous young men [non-abundant lives]! We growl like hungry bears; we moan like mournful doves. **We look for justice, but it is nowhere to be found [institutionalized injustice through bad government]**. We look to be rescued, but it is far away from us. For our sins are piled up before God and testify against us [people get the government and legal/justice system they deserve]. Yes, we know what sinners we are. We know that we have rebelled against the LORD. We have turned our backs on God. We know how unfair and oppressive we have been, carefully planning our deceitful lies. **Our courts oppose people who are righteous, and justice is nowhere**

**to be found.** Truth falls dead in the streets,  
and fairness has been outlawed. Yes, truth is  
gone, and anyone who tries to live a godly life is  
soon attacked [the honest and productive are a  
prey]. **The LORD looked and was displeased**  
**to find that there was no justice.”** Isaiah  
59:4-15, NLT

“I have thought deeply about all that goes on  
here in the world, where people have the power  
to hurt each other [because divine law is  
violated and there is no respect or regard for  
individual natural rights].” Ecclesiastes 8:9, NLT

“You will plant plenty of seed, but reap only  
a small harvest, because **the locusts** [see  
below] will eat your crops.”  
Deuteronomy 28:38 TEV (Good News Bible)

The above scripture could refer to actual  
locusts which eat agricultural crops, or just as  
likely, depending on context, notice what God  
calls government bureaucrats and officials in the  
below scripture:

**“Your [government] officials are like a**  
**swarm of locusts that stay in the walls on a**  
**cold day. ...”** Nahum 3:17 TEV (Good News  
Bible)

The two Jehovahs → regard government officials  
→ enforcing human legislation in excess of >  
divine law / natural law / natural rights → as  
destructive locusts

“And He said, **Woe to you also, lawyers!**  
For you load men with burdens grievous to be  
carried, and you yourselves do not touch the  
burdens with one of your fingers.”  
Luke 11:46, MKJV

“Woe to those who call evil good and good  
evil; who put darkness for light and light for  
darkness; who put bitter for sweet and sweet for  
bitter!” Isaiah 5:20, MKJV

“Therefore the law has become helpless, and  
justice does not always go forth. For the wicked  
entraps the righteous; therefore justice goes  
forth, being perverted.” Habakkuk 1:4, MKJV

“You have planted much but harvested little.  
You have food to eat, but not enough to fill you  
up. You have wine to drink, but not enough to  
satisfy your thirst. You have clothing to wear,  
but not enough to keep you warm. Your wages  
disappear as though you were putting them in  
pockets filled with holes! [This comes true due

to the combination of inflation and income tax withholding.]” Haggai 1:6, NLT

The governments of the world → defraud laborers → through inflation + income tax withholding

“Look here, you rich people, weep and groan with anguish because of all the terrible troubles ahead of you. Your wealth is rotting away, and your fine clothes are moth-eaten rags. Your gold and silver have become worthless [this is likely a reference to the rich people’s created money becoming worthless – in other words a currency collapse]. The very wealth you were counting on will eat away your flesh in hell. This treasure you have accumulated will stand as evidence against you on the day of judgment [because it was gained through force and fraud and not earned honestly through genuinely serving others]. For listen! Hear the cries of the field workers whom you have cheated of their pay. **The wages you held back** [likely a reference to income tax withholding] cry out against you. The cries of the reapers have reached the ears of the Lord Almighty. You have spent your years on earth in luxury, satisfying your every whim. Now your hearts are nice and fat, ready for the slaughter. You

have condemned and killed good people who had no power to defend themselves against you. [This is a likely reference to the corruption of the legal system and the corruption of judges and government.]” James 5:1-6, NLT

Whoever controls life, liberty, and property controls men because men need their natural rights in order to live upon this earth. Divine law and natural law both lead to justice, social harmony, social cooperation, peace, and life. The corruption of law, whether through kings and their advisors or legislatures and democracy run amuck, has now occurred so that the legal system has little or nothing to do with justice. Even worse, the legal system engages in institutionalized plunder. As Bastiat would say in so many words: **the present day delusion is an attempt to enrich everyone at the expense of everyone else.** Some men will always want to live at the expense of others. A purpose of the law was to prevent this from happening, if possible. If not possible, then it was to put the damage back onto the head of the offender and to provide restitution as quickly and inexpensively as possible for the victim. This no longer happens. The two Jehovahs foresaw it all a long time ago, as evidenced by the plethora of scriptures quoted above.

In addition to the corruption of law in an effort to legalize immoral and irrational wealth transfers, positive (statutory) laws have been enacted to try and reform mankind. Bastiat astutely asks this of legislators, "Why don't you reform yourselves? That task would be sufficient enough." Bastiat reports that legislators (many times influenced and pressured by utopian do-gooders) believing in social and human reform through the passing of statutory laws, have three hypothesis: 1) the total inertness of mankind, 2) the omnipotence of the law (legislation properly understood), and 3) the infallibility of the legislator. Your author would contend that all three hypotheses are wrong. Bastiat further humorously remarks that the voters are highly intelligent when choosing legislators, but soon after, are stupid and need to be governed. Bastiat adds, that positive law substitutes the will of the legislator for the will of the people. Now the people no longer need to think, plan, compare, etc. Intelligence becomes a useless prop for the people. Bastiat further asks that if the natural tendencies of mankind are so bad that it is not safe to permit them to be free, then how is it that the tendencies of the social organizers and reformers are always good? Are not the legislators and their

bureaucratic agents also members of the human race? And so Bastiat would like to see titles to their superiority and would like them to prove their superior intelligence and virtue. Your author applauds and would add that just as A = A, all men are men.

Richard Maybury has said in so many words, that positive statutory law (human legislation) is political and primitive. This is unlike the common law, where a judge scientist using objective and rational principles of justice would discover the law and apply it to the context of the situation at hand. Political power is the privilege of using force on persons who have not harmed anyone. It is "positive" force - something done to someone. And the government is a group of politicians and bureaucrats who are gradually conquering the country (he was speaking of America, but it could apply to any country). The first industry a government nationalizes is the justice industry because governments want to exempt themselves from law. The law and government are two different institutions.

Government leaders → nationalize the legal industry → to exempt themselves → from the legal consequences of → their immoral

(violations of divine law) (violations of natural rights) + irrational (not according to natural laws) → arbitrary, unscientific, politically-inspired actions

Government leaders → are NOT exempt → from the judgments of the two Jehovahs → NOR from → the penalties the two Jehovahs → built into the logical structure of the universe

It is literally the blind → “leading” → the blind

Law and government are two different things = True

Your author would add that legislative statutory law is man-made and political, which is to say “might makes right.” It routinely violates natural law and disregards natural rights. It routinely violates divine law. It works against justice, social harmony, social cooperation, and peace and thus usually leads to war. It is lacking in ethics, logic, and truth. It is arbitrary and not scientific. It sets all against all, both within a country and also in regards to international law.

The same group of national “leaders” has consistently worked together throughout history.

Loosely speaking, this group of leaders consists of some or all of the following: a king, a president, or a tribal leader; the leader's advisors; a parliament, legislature, or religious council; philosopher, Witch Doctor, or religious leader apologists for the king/government/tribe; economic apologists; leading businessmen; lawyers and judges; bankers; accountants; and military leaders. Not all governments/tribes have the same grouping, but the above list of group members is typical, and will be referred to hereafter as **the "government leadership team."** Long ago, starting from a tribal Attila and a Witch Doctor to a modern cadre of specialists, the above government leadership team formed. Each group member has their own interests to look out for so sometimes they internally fight ... for a time. They are all afraid of reality and God, the ultimate reality, and so they end up banding together in an attempt to live off of the masses. The way to control the masses is to control the masses' natural rights of life, liberty, and property. This is not to say the masses are of good intellectual and moral character. People generally get the government they deserve. But the above government leadership team has now had centuries to perfect their people-control techniques – which they do not hesitate to

utilize. And the masses are denied justice and end up being exploited by them.

The government "leadership" team → some or all of the following → government leader + the leader's advisors + parliament (in the modern era) + religious council (formal or informal depending on the nation) + secular and religious intellectuals apologizing for, i.e., rationalizing for the government + economist apologists + leading businessmen (particularly those with large governmental connections and contracts) + lawyers and judges (implementers of the legal apparatus) + bankers + accountants + military leaders

Each of the above group members, in addition to wanting to stay in good standing as a government leadership team member → has their own interests

The governmental leadership team → controls the masses → through controlling their natural rights to life, liberty, and property

The governmental leadership team → attempts to perfect → people-control techniques BUT → the two Jehovahs gave all men free will →

resulting in ongoing tension between → the rulers and the ruled

Government bureaucrats and military foot soldiers, including lower level officers, are not part of the government leadership team, and so were not included above. The bureaucrats and foot soldiers follow orders. They are not leaders.

Obeying orders → will not save anyone → from the two Jehovahs → who know all men's thoughts (Psalm 94:11) and → who will judge all men (Matthew 5:21, 12:36, Revelation 20 and throughout the Bible)

Sir William Blackstone, in his *Commentaries On The Laws Of England In Four Books, Volume 1*, provides some history and some clues to what has transpired. Though Blackstone has a nice discussion of natural laws and provides them very nice lip service, his justification for the supremacy of Parliament is that the citizenry has socially contracted away their absolute natural rights in exchange for state privileges – which state privileges can be lost if the state maintains that the individual in question violated the state's municipal laws. He provides no explanation why anyone in their

right mind would make such a contract (trading rights for privileges) nor is any evidence of such a contract provided – because there is none. It is a rationalization for England’s legal system. That is all. Blackstone further explains that despite a long list of taxes and revenues for the king, the king would overspend his revenues, usually due to wars, and would need to borrow money. The king was already taxing people to the limit Parliament would approve. The additional funds could somewhat be procured by borrowing from the wealthier segment of the population, but the borrowed funds were not enough to fund the king’s wars and special projects, along with the normal costs of government. So the Bank of England, a private bank, got created and soon after money (substitutes) started being “created,” (think printed) - whether it was actually printed or occurred via a bookkeeping entry. This created money (substitutes) was then lent to the king, resulting in additional debt. Per Blackstone, the king was able to access this additional source of debt financing by pledging his tax and revenue stream to secure the debt. The reader will please remember that under a feudal land system all property ownership is basically by grant or permission of the king. And, per Blackstone [emphasis mine]:

"It was therefore the policy of the times to anticipate the revenues of their posterity [borrow against the tax revenues of their children and grandchildren], by borrowing immense sums for the current service of the state, and to lay no more taxes upon the subject than would suffice to pay the annual interest of the sums so borrowed: by this means converting the principal debt into a new species of property, transferable from one man to another at any time and in any quantity; a system which seems to have had its original in the state of Florence, ad 1344 ..."

"By this means the quantity of property in the kingdom is greatly increased in idea, compared with former times; yet, if we coolly consider it, not at all increased in reality [there are artificially created claims on real goods and services which exceed the real goods and services]. We may boast of large fortunes, and quantities of money in the funds. But where does this money exist? It exists only in name, in paper, in public faith, in parliamentary security; and that is undoubtedly sufficient for the creditors of the public to rely on [for a time]. But then **what is the pledge which the public faith has pawned for the security of these**

**debts?** The land, the trade, and the personal industry of the subject [the people, their liberty, and their property were pledged to secure the creditors. In other words, the people lost their natural rights because the government overspent and pledged the people themselves as collateral, including the people's children and future posterity]; from which the money must arise that supplies the several taxes. In these, therefore, and these only, the property of the public creditors does really and intrinsically exist; and of course the land, the trade, and the personal industry of individuals, are diminished in their true value just so much as they are pledged to answer. If A.'s income amounts to 100l. [100 money units] per annum, and he is so far indebted to B. that he pays him 50l. [50 money units] per annum for his interest; one-half of the value of A.'s property is transferred to B. the creditor. **The creditor's property exists in the demand which he has upon the debtor, and nowhere else; and the debtor is only a trustee to his creditor for one-half of the value of his income.** In short, the property of a creditor of the public consists in a certain portion of the national taxes: by how much therefore he is the richer, by so much the [people of the] nation, which pays these taxes, is the poorer."

The king (or government) overspends its revenue stream and “needs” more money, but Parliament will not approve more taxes on the people = True

The Bank of England, a private bank, gets created to create money substitutes, which will be lent to the king = True

The Bank of England was granted the legal status of “creditor” and the king pledged his subjects (legally demoted to “debtors”), their liberty, and the land of the kingdom as security to the government creditors = True

The people of the land + their progeny (future children, grandchildren, etc.) lose their individual natural rights by an unnatural legal agreement and process = True

The people of the land → must now function → as Trustees, in effect, → for the government creditors → and are legally obliged → to work for the government creditors → instead of themselves

Government debt → becomes, as it were → a new species of property → BUT → it is, in effect → trading in the proceeds of slave paper

From a societal point of view, using an accounting metaphor, it looks much like this:

**Debit** War (unwanted by the people)

**Credit** Debt (unpayable debt) OR

**Debit** Monuments (unwanted by the people)

**Credit** Debt (unpayable debt) OR

**Debit** Governmental waste (standing army,  
bloated bureaucracy, etc.) (unwanted by  
the people)

**Credit** Debt (unpayable debt)

RESULTING IN →

**Debit** Slavery (being pledged for debt)

**Credit** Natural Rights OR

**Debit** Privileges (which can be revoked)

**Credit** Natural Rights (irrevocable)

The government leadership team + the creditors  
→ exceeding both divine law AND natural law →  
betrayed their citizens and became → the  
enemies of God and man

No man has a right to coerce another man into assuming his risk - in this case his investment risk, which is what the government creditors have done to all other men = True

Blackstone's intricate and excellent mapping of the English legal system gave away what happened. The government (in this case the king and Parliament) pledged the property of the land, the people themselves, the people's children (and posterity), and any taxes upon the same to the creditors of the government. Instead of the government safeguarding the natural rights of the citizens, it sold them off to the government's creditors. And now, as Blackstone further astutely observed, the citizen is really only a trustee for the government creditors for about one-half of his income. The citizen lost his natural rights and is now pledged and enslaved to government creditors. It is a betrayal of the worst kind. The citizen lost his rights so the government leadership team could pay for wars he does not want, government projects (monuments) he does not want, and a bureaucracy he does not want. The citizen lost, but the government leadership team members got temporary and short-sighted benefits through military increases, an artificial boosting of the economy, governmental

contracts for the privileged, government perks and pay for the bureaucracy, privileged work for bankers, lawyers, and accountants, all via an unnatural and unlawful source of seemingly easy money creation and credit, etc.

While Blackstone does not comment directly on the citizens being co-guarantors of the government debt (co-suretyship, as it were) it is clear that the government creditors and government leadership team hold that **each citizen is a co-guarantor of ALL of the government debt**. Because the government debt is not payable, each citizen can expect to be a now-enslaved debtor for the rest of their lives and they can expect the same for their children and grandchildren, etc. It is perpetual slavery. The Bible comments on this, where in the below scripture the government creditor very much qualifies as the "stranger" in the verse. The government creditor cares nothing for God, divine law, the citizens, or their natural rights.

**"He who is surety for a stranger [behind the scenes government creditor] shall be ruined; and he who hates suretyship is safe."**  
Proverbs 11:15, MKJV

Blackstone also mentioned that one of the duties of the king was to "**maintain the established religion.**" Please keep reading.

Blackstone, in his commentaries, further mentioned something very interesting regarding bankrupts. Someone who has been cleared of his debts through bankruptcy **had a mark put upon them.** And Blackstone also mentioned that bankruptcy fraud was **punishable by death.** This reminded your author of the prophecy in Revelation where the Beast system (at the end of this present age) required a mark to buy or sell, i.e., in order to participate in commerce. This is pure speculation, but your author wonders if the government creditors, after a financial collapse, will have not been paid their interest they regard as being due on the government debt outstanding. (Of course, the principal is way beyond repayment.) Could this lead to a financial and governmental reorganization - a financial and legal reboot as it were? This speculated financial and governmental reboot would be necessary because of the financial collapse causing havoc. And it would imply that all men everywhere, who were co-guarantors of the government debt, would get a new issue of created money, but the debtor governments and their citizens

would be deemed to have defaulted on the debt. In other words, the citizen co-guarantors (as co-sureties) would be regarded the same as a bankrupt. In order to be given the privilege of participating in the newly restructured economy, each must receive **a bankrupt's mark** and **accept the "established religion."**

"And there was given to it [the second beast] to give a spirit to the image of the beast, so that the image of the beast might both speak, and might cause as many as would not worship the image of the beast to be killed [not practicing the established religion]. And it causes all, both small and great, rich and poor, free and bond, **to receive a mark** on their right hand, or in their foreheads, even that not any might buy or sell except those having the mark, or the name of the beast, or the number of its name."

Revelation 13:15-17, MKJV

Oliver Wendell Holmes, Jr. had some insights that are helpful in explaining the corruption of law and justice we find ourselves living under today. These below paraphrases of Holmes are found in his book, *The Common Law*. Holmes, under the influence of Darwin's natural selection, believed that the law ends up reflecting the interests of a dominant class (like

the government leadership team and their creditors) and not the interests of the community at large. **In other words, law was an instrument and a result of natural selection.** The law was an instrument to accomplish certain material ends and not necessarily moral. The lawyer (fraudulently) and the soldier (forcefully), dutifully representing their causes, were advancing truth. In this case truth has nothing to do with honesty. Truth means being on the winning side, i.e., assisting evolution, via a "natural selection process" in favor of the government creditors. **It is truth by conquest, not by principle.**

The government creditors → view control of the legal system + control of the monetary system → as proof of → their superior natural selection → to rule over men - in place of the two Jehovahs

Satan → government creditors → outsmart government leadership teams → control of governments through the legal and monetary systems → control of men + their liberty + their property → becomes the god of this world (2 Corinthians 4:4 and other places) ... HOWEVER

If Satan and his team, the government creditors, want to play the → “we are the creditors” game THEN

When the two Jehovahs → the original appropriators of the universe → who in right and in truth → own the entirety of the universe AND are therefore → **THE CREDITORS** → assert their rightful, honest ownership over all → then Satan, the fallen angels, and men pledged to them, e.g., the government creditors → are as good as DEAD (they will have to be exterminated from the universe because they are not open to reasoned persuasion (argumentation) and only respecting superior force they will experience the superior force which the two Jehovahs’ possess and will use) (Revelation 12:7-9 below and Isaiah 27:1)

“And there was war in Heaven. Michael and his angels warring against the dragon [Satan and his angelic team]. And the dragon and his angels warred, but did not prevail. Nor was place found for them in Heaven any more. And **the great dragon was cast out**, the old serpent called Devil, and Satan, who deceives the whole world. He was cast out into the earth, and his angels were cast out with him.”  
Revelation 12:7-9, MKJV

Holmes further observed that no society (he means government) has ever admitted that it could not sacrifice individual welfare to its own existence. Holmes further disclosed that **the ancient surety was a hostage, but his liability was transferred into a money payment.** To your author this sounds like the "Organic State" eating its citizens to stay alive.

Holmes admitted that the law was administered in the interest of the upper classes (who are part of the government leadership team). For example, Holmes disclosed that the common carrier was presumed against in law, aka everything is negligence in a common carrier that the law does not excuse. The law presumes against the common carrier. Your author believes that the citizen-debtors are presumed to be common carriers (for the government creditors) by the government creditor-inspired legal system, and that is a large reason why the citizens routinely are ruled against by judges.

Holmes further disclosed that over time mutual promises became consideration (thus weakening contract law) and this led to all of the liabilities of a bailee being considered as

founded on a contract. A bailee is someone to whom goods have been delivered and who is then liable for their safekeeping. It is likely that the legal system regards the citizen as a bailee for government creditor property (the average citizen still believes it is his property, but the courts rule against the citizens). The title remains with the owner who transferred the goods. And Holmes also disclosed that the law defends possession of goods against everything except for better title. (And now the government creditors have been granted title to everything by the corrupted legal system.)

Your author believes that contracts have been entered into between governments and their creditors where the government creditors now have a de facto title (or a superior security interest as good as title) to all the government citizens' life, liberty, and property, including the life, liberty, and property of the citizens' posterity. Everything has either been re-titled or had a creditor lien placed upon it. This is not to say that the changeover of ownership or lien rights granted to the government creditors is all public record. Any such agreements entered into with government creditors would enrage the citizenry, and so these agreements will never see the light of day. The government creditors

likely regard themselves as the legal system winners by natural selection (a form of “might makes right” without regard to principle), and now the legal system serves them and enslaves the debtor citizens. Holmes’s disclosures, combined with Blackstone’s disclosures, make this a more than likely scenario. At any rate, as the two Jehovahs predicted long ago, men that hate us rule over us (Leviticus 26:17) and we have, for the moment, lost our natural rights.

How this all got accomplished legally is likely through a process where the old Law Merchant (laws between traders, their lenders, their shippers, their investors, etc.) got combined with common law and then statutory law. At this point in time common law has basically been excised from the legal system and divine law and natural rights are substantially disregarded. The government creditors, with the government-granted “right” to create money, have bought the legislatures and thereby the legal system. Judges now rule for creditors (the government creditors) and against debtors (citizens, the co-guarantors of the government debt). In other words, by a perversion of what government leaders are supposed to do, which is to safeguard their citizens’ natural rights, instead of pledging them

for what looked like an easy source of new government funding, there has been a turning upside down of law, justice, government, and natural rights. Now citizens have the "right" and the "liberty" to obey the Organic State government and the real rulers of that government - the government's creditors. And speaking of perversion in law, words have precise definitions. The way positive statutory law is crafted is many times purposely linguistically deceitful. Definitions to ordinary language words are changed and also hidden in strange places in the statutes so that a careless reading of the statute deceives the reader. Only the attorneys, judges, some members of the legislature, some staff members, and the government creditors know where the real definition has been placed into the statute. Instead of everyone knowing what the rules are, it perverts the law into a coded maze, not for the uninitiated. It is deception, fraud, and a perversion of the worst kind. The government creditors and their knaves now control the legal systems and the monetary systems of the world. With the banking and legal systems already under their control they can buy, or effectively control, the media, the educational system, the militaries, mercenaries, and anything else they think will help them enslave mankind and take it

all for themselves. All this is what God was referring to in Isaiah 10:1:

“Woe to those who decree unrighteous decrees, **and to the scribes who write toil [force men to work excessively hard, e.g., slavery];**” Isaiah 10:1, MKJV

Attorneys have become, for the most part, representatives of the government creditors, and the courts have become a wealth transfer mechanism. The judges, paid by government, rule, over time, for expanded government power and against natural rights. It has been frequently said and is usually true that “the policies of the monarch are always those of his creditors.” And this saying includes all forms of government. With control of the legal system the government creditors can license, regulate, tax, restrict labor, restrict property usage through zoning, etc. The people are now controlled for government creditor benefit. If the citizens understood why their life was hard, and if the citizens were also moral, neither of which is likely true, they would probably rise up against both the government leadership team and the government creditors in an attempt to regain their natural rights. But people do not understand why their life is hard. They

complain about their life being hard, but they do not understand why it is so. Wanting something for nothing always has its price and that price will be paid. In this case the “wanting something for nothing” started with the people wanting a king and a king wanting a bigger government than he could pay for. But it also includes members of the governmental leadership team wanting big government with its created jobs of status and privilege along with government contracts. And many run-of-the-mill citizens want a big government dispensing government benefits which, of course, have to be taken from Peter before they can be given to Paul.

The government creditors have created and installed an elaborate legal system and banking system which functions as a trapper’s net to catch men and to take their property and their energy from them. This was all described, long in advance, by the two Jehovahs in Habakkuk:

“Moneylenders oppress my people, and their creditors cheat them. My people, your leaders are misleading you, so that you do not know which way to turn.” Isaiah 3:12 TEV (Good News Bible)

"Therefore the law has become helpless, and justice does not always go forth. For the wicked entraps the righteous; therefore justice goes forth, being perverted." Habakkuk 1:4, MKJV

"Must we be strung up on their hooks and dragged out in their nets while they rejoice? Then they will worship their nets and burn incense in front of them. "These nets are the gods who have made us rich!" they will claim." Habakkuk 1:15, 16, NLT

Your author believes it likely that at least some of these very worldly government creditors are actually in league with Satan to take over the earth and deliver it to him. Satan cannot destroy or hurt the two Jehovahs. He tried that and failed already (Isaiah 14:13-15). So Satan would now like to destroy men and/or enslave men made in God's image as a means to do so to God in effigy. All this is leading up to the final rebellion described in Revelation 13, already mentioned above. The two Jehovahs long ago anticipated that **the rich men government creditors** of the earth would do all they have done and **the two Jehovahs have a prophecy specifically for them.** Perhaps this is a partial fulfillment, in principle, against those who encumber men's lives and

property as recorded in Nehemiah 5:1-13, particularly the curse recorded in verse 13. At any rate, they are in trouble as they have been painted with divine radar and are as good as dead.

"Because you have said, We have made a covenant with death [a covenant with Satan], and we have made a vision with hell [a joint plan with Satan to enslave men and take over the world]; when the overwhelming rod shall pass through [of correction from God], it shall not come to us; **for we have made lies our refuge [fraud], and we have hidden ourselves under falsehood [a corrupted legal system]**, therefore so says the Lord Jehovah, Behold, I place in Zion a Stone for a foundation, a tried Stone, a precious Cornerstone [Jesus Christ, King of Kings and Lord of Lords Revelation 19:16], a sure Foundation [morality + rationality]; he who believes shall not hurry. Also I will lay judgment to the line, and righteousness to the plummet; and the hail shall sweep away the refuge of lies, and the waters shall overflow the hiding place [the rich men have prepared hiding places, to no avail, Job 34:22]. **And your covenant with death shall be wiped out, and your vision with hell shall not stand**; when the

overwhelming rod shall pass through, **then you shall be beaten down by it.**" Isaiah 28:15-18, MKJV

#### **4.5.8 Summary of the section pertaining to justice and law**

Law is a very broad topic and your author has endeavored to provide an overall point of view as to why there is no justice. Some of the main reasons for a lack of justice today, along with a general summary of several of the main points of this section of the book, are:

The widespread rejection of natural law and natural rights has left mankind without a rational secular inter-personal, intra-societal, inter-religious, inter-cultural, and inter-governmental check and balance against the initiation of force or fraud and against the breaking of contracts. If Maybury's two laws were followed there would be minimal, if any, need for treaties between governments.

The lack of understanding that respect for natural rights leads to peace and abundant life, whereas a rejection or abuse of natural rights sets the stage for the next feud or war. War is catastrophic in that it entails a civil war of man

versus man, no matter who is fighting. And war is catastrophic because it leads to the destruction of all of the things necessary for life, including life itself for those who die as a result of the war. The keeping of the two laws, as formulated by Richard Maybury, would provide a way for individuals to interact peacefully – even for individuals of different cultures, nations, and religions. For the reader's ease these two laws are: "Do all you have agreed to do. Do not encroach on other persons or their property."

There is a lack of understanding as to the purpose of societal law. Societal law is the collective organization of the individual right to self-defense and societal law is to therefore safeguard each man's natural rights. If successful, societal law will have utilized the principles of justice, such as restitution to the victim and the placement of damage and harm back onto the offending individual, and this will provide a path back to enable social harmony, social cooperation, and peace. Peace is, of course, the goal of societal law as otherwise there will be a feud or war, if not now, then soon. Most human law is statutory, man-made, and politically inspired law that routinely violates natural law, natural rights, and divine law. This causes a lack of justice to be institutionalized

which leads to a breakdown of social harmony, social cooperation, and peace. It is non-scientific, arbitrary law without truth or logic behind it and without justice in mind. It enshrines the errors of largely unprincipled politicians in the legal system and it is a disaster for mankind.

There is a lack of understanding of the purpose of government. Government has a non-exclusive delegation of authority from the citizens to function as the collective organization of the individual right to self-defense. Your author says, "non-exclusive," because the individual citizens retain the right to defend themselves, if necessary. The government cannot be everywhere at all places and times. The government workers, as agents of the citizen principals, do not have the right to violate rights. No one does. They must follow agreed upon and reasonable due process rules to safeguard the natural rights of the citizens. The government legislatures must realize that the laws they pass should be few and with the purpose of government in mind. Any laws they pass are subject to both divine law and natural law. To the extent that government tries to do things it cannot and should not do, and to the extent that the government becomes large,

costly, and bureaucratic, the government itself becomes an instrument of, now institutionalized, injustice.

Men all over the world, including their established religions, reject the two Jehovahs and their divine law. They do this at their peril. The purpose of divine law is to show man what is right and what is wrong and in doing so it establishes societal norms. If mankind did not reject the two Jehovahs, particularly the Israelites, life would have been a lot better for all of mankind. The rejection of divine law will only be allowed for a relatively short time longer. After Jesus Christ returns to the earth (Revelation 19) all nations will be expected to ultimately learn and live by divine law (Zechariah 14 below). Any nations and their citizens who do not live by divine law will be punished:

"And it shall be, everyone who is left of all the nations which came up against Jerusalem [the survivors of the end-time judgments, plagues, wars, etc.] shall go up from year to year to worship the King, the LORD of hosts, and to keep the Feast of Tabernacles. And it shall be, whoever will not come up from all the families of the earth to Jerusalem to worship the

King, Jehovah of hosts, even on them shall be no rain. And if the family of Egypt does not go up, and nor come in, they shall have no rain, but the plague with which the LORD shall strike the nations who do not come up to keep the Feast of Tabernacles. This shall be Egypt's offense, and the offense of all the nations who do not come up to keep the Feast of Tabernacles [as a concrete example of divine law]."

Zechariah 14:16-19, MKJV

The principles behind divine law will be taught and people will develop their judgment in applying them to the dynamic situations they experience from living life. In your author's opinion, the priests will be instructed to not fall into the trap of only being what amounts to glorified Metaphor Men. Instead, they themselves will understand natural law and natural rights and they will teach principles and core values to mankind. They will find techniques and methods to teach people with different learning styles, helping those with an anti-conceptual learning style to, nevertheless, get the main points of the divine law and to apply these core principles in their own lives. The priests will teach the holy versus the profane and help men learn to live holy lives; all the while keeping in mind that mankind is God's

workmanship (Ephesians 2:10). Whether people initially appreciate the wisdom of divine law or not, they can at least understand and acknowledge the very simple doctrine of original appropriation which gives the two Jehovahs permanent ownership and control of the entire universe. Since we are guests in their universe we should abide by and respect their divine law.

The mentality of tribalism has allowed for anti-conceptual, action-oriented Attila the Huns to emerge as warrior leaders and for anti-conceptual, wish-oriented, intuitive Witch Doctors to come together into a proto-typical tribal leadership team. This tribal leadership team has spiritually, mentally, and physically led men to their deaths, or to a greatly diminished existence on this earth. Actual tribalism destroys tribe members and fellow tribes, as there never is real peace - only an interlude before the next war. Even worse, the modern-day intellectual tribal mentality puts sophisticated weaponry in the hands of intellectual and ethical infants. The tribal mentality is an unmitigated disaster for men made in God's image and a chief cause of destructive wars with all their attendant effects.

In times past, a society with an active king (non-figurehead) is usually a feudal society that was structured for military activity, i.e., war, i.e., as Satan the warlord would structure something. Historically, there was even a war season where men were fodder for kings' delusions of grandeur. In such a society, there was a bifurcation of men where most men were serfs living on, most likely, someone else's land. All of this was a violation of virtually all men's natural rights. The war society led to big government and rationalizations for big government from men who wanted to endear themselves to the king in the hopes of becoming one of his advisors, or perhaps THE advisor. Machiavelli redefined virtue and morality so that a king (prince) could expand his power and state any way he thought best. The king, who issued laws, became above the law. Natural law and divine law were no longer any check against the abusive growth of state power. Without natural law and without divine law there simply is no check against institutionalizing injustice – so the lack of justice becomes widespread.

The growth of state power led to the king overspending and this led to the creation of a private central bank in England, since followed in most parts of the world. The private central

bank was granted the power to create money substitutes, also functioning as money, and lend it to the king. All of the king's receipts, including tax revenues, were pledged against the repayment of the debt. Even worse, since in a feudal society all land was beholden to the king and so were the citizens, the king pledged the land and lives and liberties of his citizens to the royal bankers, and this included the citizens' posterities (children). The citizens then found themselves in the position of being co-sureties for a debt that can never be repaid. They further found themselves as de facto trustees (common carriers, a bailee) over what should have been their own income and property – trustees for the benefit of the king's creditors. Sir William Blackstone gave the example that a citizen, if he had to pay 50% of his income to the government in order for the government to pay interest and any principal on the debt, was basically working most of the time for the creditors of the government. This shifted creditor investment risk onto the taxpaying citizens. The government creditors, with control of the money and banking systems in hand, then insisted on a remake of the legal system for the benefit of themselves. This remake of the legal system naturally favored creditors over debtors, which effectively gave them control

over all of the land and even over the citizens themselves. No doubt there are also likely agreements, kept private between the government creditors and the king/ government, which will never see the light of day and which make perpetual **this evil system of human enslavement** and confiscation of property. Some of these evil government creditors likely work directly with Satan (Ephesians 6:12 and 2 Corinthians 4:4), as they certainly are not on the two Jehovahs' team. Cleverly written commercial laws are crafted with legal lexicon definitions hidden, or difficult to find, in order to obfuscate what has happened. All of these things are a universal denial of life, liberty, and property to the average man – who has been betrayed by his own government, which was supposed to protect its citizens' natural rights. This universal, almost unchecked, institutionalized denial of natural rights is a perpetual lack of justice and it is making living a good life almost impossible for the average man. The governmental leadership team members who sold the average man out, work together to derive special benefits for themselves that are denied to the average man.

Your author speculates that this perverse legal system could be used in an implementation of

the mark of the beast system mentioned in Revelation 13. Time will tell.

What is without doubt is that the two Jehovahs have painted all of the men and institutions behind this system with divine radar and they are as good as dead (Isaiah 28:15-18).

The role of a king will be changed to be more like that of a judge. The king-judge will judge by core logical, just, and true ethical principles. War will not be taught any longer. Societies will not be structured for war (Isaiah 2:2-4). They cannot learn war any longer because **there is no social theory of violence**, nor can there ever be. Violence is a "might makes right" and "the winners write the history" mentality. This mentality leads to war, which results in death, slavery, and the destruction of property. In short, the war mentality and resulting violence results in hell on earth, or wherever else violence is initiated. The king will still, when necessary, function as a glorified Garbage Man taking out the human trash, but the king will not lord it over people as human governments do now:

"But Jesus called them together and said,  
"You know that in this world kings are tyrants,

and officials lord it over the people beneath them. But among you it should be quite different. ..." Matthew 20:25, 26, NLT

"... My rulers shall never again oppress My people. ..." Ezekiel 45:8, MKJV

Of course the people need to change and become righteous and rational themselves. The Bible foretells a time when the people will cooperate with the two Jehovahs, i.e., actually paying attention to divine law and changing for the better.

"Your people will all do what is right, And will possess the land forever. I planted them, I made them, To reveal my greatness to all."  
Isaiah 60:21 TEV (Good News Bible)

Ayn Rand astutely observed and commented, (in your author's paraphrasing words): There is no escape from justice. In point of fact, **nothing can be unearned and unpaid for in the universe**. And nothing includes both in terms of matter and in terms of spirit. Fortunately, Jesus Christ's creation of the universe and his sinless life, sacrificial death, and resurrection have qualified him to rule, having paid the full price, as Lord of lords and

King of kings forever (Ephesians 3:9 and Revelation 17:14 and Revelation 5:12, 19:16). And so as his government extends and expands there will finally be justice.

"Of the increase of his [Jesus Christ's] government and **peace there shall be no end**, upon the throne of David, and upon his kingdom, to order it, **and to establish it with judgment and with justice from henceforth even for ever**. The zeal of the LORD of hosts will perform this." Isaiah 9:7 TEV (Good News Bible)

## **4.6 The Elite - Secular And Religious:**

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Going back at least as far as the Biblical Nimrod (Genesis 10), there have always been men who considered themselves destined to rule, or entitled to rule, or who wished to help a

leader rule. For our purposes, we shall refer to them as “the elite.” And there have been many rationalizations put forth as justification for their rulership. The purpose of the next section is to examine some of the principle rationalizations that have been utilized to justify their rulership, so as to see if any of them make sense from either a Biblical (divine law) basis or a natural law (rational) basis.

#### **4.6.1 Supposed justifications for “elite” status**

There cannot be a **biological reason** for an “elite” classification, as no anthropologist or biologist has ever examined man and decided there should be: *Homo sapiens sapiens Elite* and *Homo sapiens sapiens Regular*. Anyone who attempted to do so at a scientific symposium would be laughed out of the room. This is because there are no physiological differences that would warrant such a reclassification of *Homo sapiens sapiens* into two further subspecies: Elite and Regular. If a member of the elite, upon their death, were autopsied for brain size, for example, their brain would be the same as for any other man. All of their biological functions would be the same. There is no

biological basis for an “elite” classification of man. All men are men.

Homo sapiens sapiens Elite = False

Man = man

No biological basis for elite status = True

If **superior mental gifting** were to be utilized as an attempted justification, then anyone making such an argument would be **ironically wrong** for at least the following reasons: 1) they would not understand the actual context of the human situation, which is explained in Chapter One of this book, i.e., that the two Jehovahs made the universe, made the earth as a special habitation for man, and made all men in their image and likeness; 2) they also would not understand that the reason the human brain became a mind was because the two Jehovahs gave to each man a spirit in man, enabling the minds of all men to have a logical structure which corresponds to the logical structure of the universe and 3) since the two Jehovahs gave the same spirit in man to all men there is no Biblical reason for an intellectual “elite” classification for some men and a “regular” classification for the rest. All men are

capable of thought. Not knowing the actual context of the situation is a misidentification and an intellectual error. Not understanding all men and women are made in the image and likeness of God is an intellectual error. Not understanding the actual solution to the mind-body problem (ironically being ignorant) means one missed the fact that all men have the ability to think. It is not intellectual superiority to misidentify the most important context of the situation pertaining to life, to not realize that all men are men in that all men can think, and to be ignorant pertaining to the actual solution to the mind-body problem.

The two Jehovahs gave the spirit in man to all men = True

All men can think = True

The elite are wrong on many critical points = True

No intellectual basis for elite status = True

Since biology will not sustain an “elite” classification for these pseudo-leaders, and since superior intelligence will not allow for it either, the next abortive attempt is to rationalize that

**superior breeding over time** enables the cream to rise to and stay at the top. All of the rationalizations for an elite status are intellectually embarrassing to their proponents, once examined, but this attempt is perhaps the most embarrassing of all. This attempt relies mainly on superior education and to some extent, breeding – but the heart of the attempt is superior education over time. Various problems with this approach present themselves. Problem one is that all men can think since all men are men. Ergo, all men can learn whatever it is that the elite think only they have learned. However, since whatever it is that the elite think only they have learned is also learnable by all other men, this means there is no reason for an “elite” classification. It might mean, if what the elite learned is true and important, there is a reason for better education for all men, but it in no way scientifically justifies a *Homo sapiens sapiens* Elite classification. Second, we will get to what the elite think they have learned in the next part of this section, but for now your author wants to point out that breeding has nothing to do with intellectual capacity because intellectual capacity comes as a gift from the two Jehovahs via the spirit in man. It is not as if the two Jehovahs look down on an “elite” couple conjugating with

each other and decide to give more of "the spirit in man" to their offspring because the elite couple's offspring will have a larger brain and therefore need more of "the spirit in man." Men are not farm animals where breeding over time matters because the most important thing about each man is their ability for principled thought.

**Thought cannot be bred.** And morals are choice-based, not bred. To believe that thought is somehow capable of being bred is intellectual error. To believe that morals are not choice-based is intellectual error. To not realize that a central and important thing about man is his capacity for principled thought and action is intellectual error. For all these reasons and more, the superior breeding argument is laughable, but also pathetically tragic. There is no Biblical, natural scientific, or other reason to reach this completely unwarranted conclusion.

**There is no evidence** for any of this. There is no credible theory. And there is no empirical evidence, either. Many or most times, the great intellectual breakthroughs of the world come from regular men, like Einstein. Your author concedes that proper upbringing, good manners, sound education, etc., are important in human development. However, since all men can benefit from, say, a sound education, there is no reason for an "elite" classification – just a

reason for better education and training. To briefly address the superior breeding part of this argument, the wannabe elites do not win all of the gold medals at the Olympic games, do not live longer life spans, are not immune from severe health problems, etc. And some of the children of the elite are below average and beset with human problems. All of the "elites" physically die because they are men and it is appointed once for all men to die (Hebrews 9:27). Again, breeding is not scientifically justified for any Homo sapiens sapiens Elite classification or status. Education benefits (or can benefit) all men because all men are men. There is no intellectual transfer that automatically transpires between generations because each man has to learn, from his youth onwards, each fact and concept one fact and concept at a time. No baby is born with inherited knowledge. The spirit in man, given to all men, is what allows for all human brains to become minds – and thus capable of principled thought. None of the superior breeding argument for "elite" status is sustainable or makes any kind of rational sense. It is just asserted (not proven) and then acted on as if it were true – which it is not.

All men have physiological limitations and health challenges and all men die = True

Superior breeding, via genetics, cannot be used to justify an "elite" status = True

No baby is born with inherited knowledge = True

The two Jehovahs give the spirit in man, enabling thought, to all men = True

Men are not farm animals, where breeding over generations is important, because the most important part of a man is his capacity for principled thought and action = True

Morals are choice-based, not bred = True

Thought cannot be bred = True

Since all men can think, a sound education would benefit all men = True

Genius cannot be bred or predicted = True

Some of the elite, primarily governmental leaders (or the men behind the scenes of governments, but ruling them) believe they have achieved elite status through the process

of **natural selection**. They hold that there is no god, evolution explains life, and natural selection is how some species adapt and survive and other species go extinct. And the elite have banded together, to adapt and survive and thrive through manipulating their way into controlling the monetary and legal systems of the world. This was explained in the previous section on the corruption of law. And now that this elite has control via this form of natural selection, the classification status becomes, in essence, Homo sapiens sapiens Elite Creditor Masters (the elite) over Homo sapiens sapiens Debtor Slaves (regular men). And there are, no doubt, some men who actually believe this. Of course, evolution is false. And using fraud and force (Satanic values and methods) to gain control of the monetary and legal systems of the governments of the world as proof of natural selection being true for humans, is going to get the elite killed by the two Jehovahs. Here is why, with your author putting the argument into the elite's own terms. The elite who believe in natural selection are making at least these serious errors: 1) if there is no God, then all men are going to die, including the elite, and the lives of all men, including the elite, in broad universal terms, are basically pointless; 2) by using force and fraud to gain control over other

men, disregarding both divine law and the individual natural rights of other men in the process, the elite have made actual or potential enemies of all other men and this is not a good survival strategy; 3) by disregarding divine law and violating other men's natural rights, they have made the two Jehovahs their enemies and this is really not a good survival strategy; and 4) since the actual context of the human situation is that the two Jehovahs are bringing to fruition unique, moral, reasonable, and productive eternal beings, **this divine individualism process**, recast into the elite's way of thinking, **IS the two Jehovahs' natural selection process**. AND the elite are not going to be selected by the two Jehovahs because they refuse to acknowledge the two Jehovahs as the original appropriator owners (creditors) of the entire universe and because the elite have utilized the methods (force and fraud) of Satan the devil, the enemy of the two Jehovahs, in order to smash God's potential divine masterpieces (all other men). In short, the elite, thinking they are the winners via natural selection, ... are going to be selected for external extermination by the two Jehovahs. This goes back to, once again, the sad irony that the elite are ignorant while thinking they are wise. This goes back to intellectual error, and you cannot

be considered elite if you are committing gross and ongoing intellectual errors. The elite are the blind pseudo-leaders of the blind (Matthew 15:14). The elite's natural selection rationalization has A) made the two Jehovahs their enemy and B) made regular men their actual or potential enemies and C) has gotten them targeted for external extermination, via not qualifying to become a MRP divine individual – via missing out on the real natural selection process.

The elite → believing in natural selection → use force + fraud → gain control of legal + monetary systems → to rule → other men

The two Jehovahs → "natural selection process" → divine individualism

The elite have made actual or potential enemies of all other men + must live in fear of being found out + acted against = True

The elite have made enemies of the two Jehovahs = True

The elite are known to → the two Jehovahs → and have been targeted + will be killed by them = True\*

\* Unless they repent of their evil, accept Jesus Christ as Savior, acknowledge the two Jehovahs as the original appropriator owners (Creditors) of the universe, and change their ways

Some of the elite believe in → natural selection and → use it as a rationalization for → elite status → they are wrong in so doing = True

Some of the elite do believe in god, but unfortunately, it is the wrong god, who is not a real god - Satan, the god of forces. And these elite have, as mentioned in a previous section, made a covenant with death (Isaiah 28). Once again, let us examine the intellectual prowess of these elite: 1) they have the wrong god; 2) the god they have selected and serve is the god of forces and this god of forces, while good at making war and cheating people out of their lives, cannot give eternal life; 3) they are relying on force and fraud (their god's values) and making enemies for themselves as a result; 4) as previously shown, it is irrational to be evil – one has missed the good either intellectually or morally, or both, and so the elite are irrational and therefore not really elite; 5) he who lives by the sword (force) will die by the sword (superior force) (Matthew 26:52); 6)

when the two Jehovahs paint you with, as it were, divine radar, they do not miss. There are no countermeasures effective against the two Jehovahs when they decide to act. Satan, their god of forces, does not have enough force to stop the two Jehovahs and protect them; 7) the two Jehovahs know all men's thoughts (should they choose to) (Psalm 94:11); 8) the two Jehovahs are not fooled by the lies of the elite or their elaborate systems constructed to hide behind fraud (Isaiah 28:15); 9) the two Jehovahs know the hiding places the elite have prepared and those hiding places will do the elite no good (Jeremiah 51:53, Job 34:22); 10) there are historical, Biblical examples of the two Jehovahs striking down men who refuse their rulership, including the firstborn in Egypt at the time of the Exodus (Exodus 12) and there are also prophecies for the future. The first of the prophetic passages of scripture, below, has God placing a mark on those who serve him, and this mark saves them from being killed. In this case, it is **a positive mark** from God. The second of the prophetic passages of scripture pertains to those taking the mark of the beast (**a negative mark**) in the end times:

"And the LORD said to him, Go through in the midst of the city, in the midst of Jerusalem,

and set a mark on the foreheads of the men  
who are groaning and are mourning because of  
all the abominations that are done in her midst.  
And He said to those in my hearing, Go over in  
the city after him, and strike. Let not your eye  
spare, nor have pity. Fully destroy old men,  
young men and virgins, and little children and  
women. But do not come near any man on  
whom is the [divine] mark. And begin at My  
sanctuary. And they began at the old men who  
were before the house. And He said to them,  
Defile the house, and fill the courts with the  
slain. Go out! And they went out and killed in  
the city." Ezekiel 9:4-7, MKJV

"And a third angel followed them, saying  
with a great voice, If anyone worships the beast  
and its image, and receives a mark in his  
forehead or in his hand, he also will drink of the  
wine of the anger of God, having been mixed  
undiluted in the cup of His wrath. And he will be  
tormented by fire and brimstone before the holy  
angels, and in the presence of the Lamb. And  
the smoke of their torment goes up forever and  
ever. And they have no rest day or night, those  
who worship the beast and its image, and  
whoever receives the mark of its name. Here is  
the patience of the saints. Here are the ones

who keep the commandments of God and the faith of Jesus." Revelation 14:9-12, MKJV

What the Exodus 12 (not quoted), Ezekiel 9, and Revelation 14 scriptures mean is that the two Jehovahs can either positively mark and save those who serve them or target and kill those whom Satan and his system have marked. The Isaiah 28 scriptural passage (quoted in a previous section) further shows that there is no escape from being identified by the two Jehovahs and being dealt with accordingly. The two supreme minds in the universe have no trouble, whatsoever, with accurate identification – unlike the elite and unlike Satan the warlord, whom the elite follow to their deaths.

The elite, who believe in god → have the wrong god → Satan = True\*

\* And some elite believe in the God of the Bible, but they do not understand the logic of action, praxeology, from which derive the laws of the social sciences. These elite, who abuse men, are likely ignorant, but think they do God service. The errors in their thinking will be shown in the coming chapters pertaining to Israel and economics.

The two Jehovahs → know both → the good + the bad → and can kill the bad → at any time

To summarize where we are so far, the biological argument, the intellectual argument, the superior breeding over time argument, the natural selection argument, and the “we have the real god, the god of light and wisdom” argument, are all incapable of rational persuasion, in any attempt to achieve or sustain an “elite” classification or status. If it were all not so tragic ... your author would be laughing at the “superior intellects” of the elite.

Another important point is as follows: The only way for a human being to live on into eternity is to cooperate with the two Jehovahs in their divine individualism process. The divine individualism process is open to individuals. There is no eternal life offered to any collective, as only individuals think and only individuals make moral choices. You cannot turn in a special collective membership card or a stack of collective membership cards at the judgment seat and expect to be exempt from having your thoughts, words, and deeds examined. You, as an individual, are not going to receive eternal life because you were in the correct collective. In other words, there is no safety for anyone

from banding together into - pick one: a religion, a church, a citizen of a nation, a labor union, a profession, etc., or a believer in an "ism," e.g., Socialism or progressivism, or communism, etc. The two Jehovahs know your thoughts. There is no place to hide. No collective can save you. There is no eternal life offered to any collective. The confusion regarding "all Israel shall be saved" (Romans 11:26) will be explained in a later chapter. No collective can save you. No gang can save you. No leader of a gang, e.g., Attila, can save you. No leader of a religion, e.g., a Witch Doctor, can save you. You are either going to acknowledge and accept the only name under heaven whereby men can be saved, Jesus Christ, and participate with the two Jehovahs in their divine individualism process, or you are going to die for all eternity. The reason for your author pounding this into the ground is because many men and women seek to escape from personal responsibility by giving their time and energy to some collective in the hopes that the collective will keep them safe. There is no long-term safety apart from cooperating with the two Jehovahs in becoming an MRP divine individual. The elite, once again, ironically miss this. They tend to have a very pronounced belief in human beings sticking together going all the way back

to the Tower of Babel (Genesis 11) and continuing to the present day via the various "isms," religions, tribes, and nation-states, etc. It is NOT a good strategy to mouth off to the two Jehovahs, "If you are not for us, you are against us."

The divine individualism process is open to individuals = True

Automatic eternal life → is NOT offered to any collective → for its members = True

"Correct" collective membership → cannot automatically get you → eternal life = True

When the elite advocate for world Socialism, and many do, they show further intellectual error. This is because economists have shown the impossibility of Socialism functioning rationally. The short reason, and there are others, is because socialist central planners would be unable to calculate and rationally allocate societal resources without a market pricing system. Economists have further shown that progressivism (known to economists as interventionism) must lead to Socialism. Any form of progressivism, Socialism, or communism leads to misallocations of capital, lower

productivity, and wasted human lives, amongst other terrible things. And yet, most elites advocate for progressivism (big government interventions) or for some form of Socialism. In doing so they show they do not know what they are talking about pertaining to economics. And most world churches, e.g., the World Council of Churches, or the USA National Council of Churches are for Socialism. The elite are intellectually wrong on how society and government should function. This will be explained in more detail in a later chapter. For now, any of the elite who advocate for progressivism, Socialism, or communism are wrong intellectually, yet again. Collectives deny and/or severely restrict human freedom, which brings us to the next big problem for the elite.

The two Jehovahs granted all men free will. They did so because they want MRP divine individuals – not eternal people-bots. The two Jehovahs know that each man and each woman needs moral space and also intellectual space. The choices human beings make matter to the two Jehovahs. And since the two Jehovahs are using a divine individualism process to achieve their goals for man, they had to give free will, as previously explained. And men are without excuse because the logical structure of the

universe, examined via reason by the mind of man, would show that liberty is a necessity for all men. This too, was previously explained. By both divine law and by natural law, knowable by reason, the two Jehovahs made it clear that each man needs liberty and they gave it to them. Further, when someone repents of their sins, accepts Jesus Christ as Savior, and starts cooperating with the two Jehovahs in their divine individualism process, then that person receives the Holy Spirit. The receipt of the Holy Spirit means one is sealed with a promise (Ephesians 1:13) until the day of redemption (Ephesians 4:30 below). This means that while we are going through the divine individualism process we are sealed with a future promise of resurrection (1 Corinthians 15) and until that time are uncondemned before God (Romans 8:1).

“And do not grieve the Holy Spirit of God, by whom you are sealed until the day of redemption [resurrection].”  
Ephesians 4:30, MKJV

This creates a big problem for the elite. Here is why: The elite, through their various governmental, religious, philosophical “isms,” etc., are continually denying the individual and,

even worse, using up valuable individuals to sustain themselves and their Organic State, corporate church, or other collective. In doing so they obviate human liberty, which is a violation of individual natural rights. Without the Holy Spirit a human being is not complete, even with the spirit in man enabling thought. And the Holy Spirit is necessary for the divine individualism process. And the divine individualism process being started and completed is necessary for eternal life. And without eternal life, nothing lasting matters. The dead do not value. The dead are dead – they know and do nothing - they cease to exist. And so the Holy Spirit is a critical personal means for each one of us. And here is one of the critical points regarding the Holy Spirit:

“And the Lord is that Spirit; and **where the Spirit of the Lord is, there is liberty [not slavery to a collective].**”  
2 Corinthians 3:17, MKJV

Man + the Holy Spirit = Christian → someone undergoing the divine individualism process = True

The Holy Spirit is necessary for the divine individualism process = True

The divine individualism process → necessary for eternal life = True

The Spirit of the Lord = Liberty

The only way to eternal life → uses Liberty = True

Any collective → fighting against liberty → fights against divine individualism → the only process that leads to → eternal life

Any collective → fighting against liberty → opposes → the two Jehovahs

Where the Spirit of the Lord is, there is liberty. When an individual receives the Holy Spirit they have both the Spirit of the Father in them and the Spirit of Jesus Christ in them. This has been previously explained. How could it be otherwise? No one can enslave either the Father or the Son. And when the Holy Spirit is in an individual, coupled with the individual natural right of liberty, there can be no other correct conclusion except liberty for the individual. The elite operators of any collective routinely violate the individual natural right of liberty and thus miss the truth. Or, the elite

think the two Jehovahs erred when they granted men liberty (free will). And so now the elite will attempt to correct the two Jehovahs' error by using both force and fraud. But by engaging in force and/or fraud to correct "the error" of the two Jehovahs, the elite do Satan's bidding. Satan, who knows he cannot fool or overpower the two Jehovahs, got himself some disposable elite to try and do it for him. And for a while, the elite will think they are succeeding. In reality, the only success such elite nitwits have achieved is to get themselves painted with divine radar. Unless they repent, they are as good as dead.

Summary so far: The elite are not biologically or intellectually superior. Their good breeding argument proves nothing – not physically, intellectually, or environmentally. The elite who believe in their rationalization of natural selection are, in the larger divine context, going to be "naturally selected" by the two Jehovahs for eternal extermination. Those elite who believe they, in serving Satan the warlord (the god of forces), are going to be on the winning team will find out that Satan and all who follow him are going to be exterminated by the superior force of the two Jehovahs. The elite who rationalize for a collective and safety

through numbers will find out that eternal life is only offered to individuals. They will also find out that most collectives are a group attempt to rebel against both reason and reality and they are actually rebelling against the two Jehovahs – who are the ultimate reality. The elite who, through people-control systems of the various collectives, try to obviate the two Jehovahs' granting of free will, will find out that they have used their own free will to line up on the wrong side of the universal line of scrimmage in the service of the wrong god, and that they have incorrectly and immorally made a covenant with death. And since nothing is unearned and unpaid for in the universe, they will get what they deserve from a covenant with death – death. In short, the elite are wrong on every major point: wrong god, wrong value system – force and fraud, wrong theories, wrong on collective versus individuals, and they have made the two Jehovahs their enemies. And billions of people follow these "elite" pseudo-leaders to their deaths. And Satan is laughing, for now. And moral, reasonable, and productive men are crying, for now.

At this time, your author wants to interject a writing promise, because this entire chapter on evil is such a tough topic. It somewhat relates

to what was pointed out earlier in this chapter regarding the two Jehovahs stacking the universal deck of cards in favor of the good guys. Later in this book, your author will explain, as best he can, how the billions who have seemingly followed Satan to their eternal deaths, are not necessarily done for. In other words, the two Jehovahs have a comprehensive plan to not lose their potential divine masterpieces to Satan the destroyer. Right now, in the “big game” of life, things do not look so good. However, the two Jehovahs are not going to lose to Satan. Satan is not going to ultimately steal your loved ones. Your eternity is not going to be empty because the ones you love are gone forever. In the meantime, please stick with me while these tough current topics are covered. The explanation will be in one of the later chapters of this book.

#### **4.6.2 Why the worst get on top**

Nobel prize winning author, Friedrich Hayek, wrote a book entitled, *The Road to Serfdom*, which was originally published in 1944. One of the most famous chapters in that book is entitled, “Why The Worst Get On Top.” This is the subject of this section of the book, along

with a brief explanation of some of the methods used by such men.

In The Institute For Economic Affairs (iea – non-capitalized letters, per their logo) publication of a condensed version of *The Road to Serfdom* was a Forward by Edwin J. Feulner, Jr., a past President of both the Heritage Foundation and The Mount Pelerin Society. Quoting from that Forward [emphasis mine]:

"Hayek employed economics to investigate the mind of man, using the knowledge he had gained to unveil the totalitarian nature of Socialism and to explain how it inevitably leads to 'serfdom'. His greatest contribution lay in the discovery of a simple yet profound truth: man does not and cannot know everything, and when he acts as if he does, disaster follows. He recognized that Socialism, the collectivist state, and planned economies represent the ultimate form of hubris, for those who plan them attempt – with insufficient knowledge – to redesign the nature of man. In so doing, would-be planners arrogantly ignore traditions that embody the wisdom of generations; impetuously disregard customs whose purpose they do not understand; and blithely confuse the law written on the hearts of men – which they cannot change –

with administrative rules that they can alter at whim. For Hayek, such presumption was not only a '**fatal conceit**', but also '**the road to serfdom**'."

Because it is in the nature of individual men and women to pursue personal goals, they are a challenge (from a wannabe utopian's point of view) to "herd." In fact, they are impossible to herd because they are men, not animals. Men choose. Domesticated animals are herded. Because of this ... quoting from the iea's publication of a condensed version of *The Road to Serfdom* [emphasis mine throughout]:

"Just as the democratic statesman who sets out to plan economic life will soon be confronted with the alternative of either assuming dictatorial powers or abandoning his plans, so the totalitarian leader would soon have to choose between disregard of ordinary morals and failure."

The democratic statesman → who wants to reconstruct society → per his utopian vision → confronts men with free will → either he must:  
1) abandon his utopian scheme or 2) assume dictatorial powers

If he picks dictatorial powers → he confronts morality, e.g., individual natural rights (other people's lives, liberty, and private property) → then he must either → 1) disregard ordinary morals or 2) fail (abandon his scheme)

The utopian schemer → to "succeed" → must 1) abandon morality AND 2) become a dictator

The utopian schemer → becomes →  
1) unprincipled + 2) domineering → a monster

The worst → get on top

"... What is promised to us as the Road to Freedom is in fact the Highroad to Servitude. For it is not difficult to see what must be the consequences when democracy embarks upon a course of planning. The goal of the planning will be described by some such vague term as 'the general welfare'. There will be no real agreement as to the ends to be attained, and the effect of the people's agreeing that there must be central planning, without agreeing on the ends, will be rather as if a group of people were to commit themselves to take a journey together without agreeing where they want to go: with the result that they may all

have to make a journey which most of them do not want at all."

Who will lead that journey? It will be the worst of mankind. Why? Because the suppression of democratic institutions (like individual natural rights, due process, etc.) and the creation of a totalitarian regime require a number of things, which Hayek thoroughly explains in his, "Why The Worst Get On Top" chapter of his *The Road to Serfdom* book. Your author will intersperse quotes from some of the key sequencing from his book [emphasis mine throughout]:

There is a stage where there is a "general demand for quick and determined government action," due to perceived failures of the current system. It becomes "action for action's sake [as] the goal." Then it is "the man or the party who seems strong enough and resolute enough 'to get things done' who exercises the greatest appeal." "Strong" ... means not a numerical majority – it is the ineffectiveness of parliamentary majorities with which people are dissatisfied. What they will seek is somebody with such solid support as to inspire confidence that he can carry out whatever he wants. It is here that the new type of party, organized on

military lines, comes in." ... "The chance of imposing a totalitarian regime on a whole people depends on the leader's first collecting round him a group which is prepared voluntarily to submit to that totalitarian discipline **which they are to impose by force upon the rest.**"

"Although the socialist parties [who failed in Europe, leading to Nazi and Fascist dictators in Germany and Italy] had the strength to get anything if they had cared to use force, they were reluctant to do so. They had, without knowing it, set themselves a task which only the ruthless ready to disregard the barriers of accepted morals can execute."

The Socialists were "unwilling wholeheartedly to employ the methods to which they had pointed the way." If there is not a group large enough to, in essence, impose its plan "for the organization of the whole of society" then how can it "be created and who will succeed in creating it."

Death Chart → the sequence of paragraphs below (particularly the highlighted portions)

Quoting again from the ieas condensed version [emphasis mine throughout]:

"There are three main reasons why such a numerous group, with fairly similar views, is not likely to be formed by the best but rather by the worst elements of any society.

First, the higher the education and intelligence of individuals become, the more their tastes and views are differentiated. If we wish to find a high degree of uniformity in outlook, we have to descend to the regions of lower moral and intellectual standards where the more primitive instincts prevail. This does not mean that the majority of people have low moral standards; it merely means that the largest group of people whose values are very similar are the people with low standards.

Second, since this group is not large enough to give sufficient weight to the leader's endeavours, he will have to increase their numbers by converting more to the same simple creed. He must gain the support of the docile and gullible, who have no strong convictions of their own but are ready to accept a ready-made system of values if it is only drummed into their ears sufficiently loudly and frequently. It will be those whose vague and imperfectly formed ideas are easily swayed and whose passions and

emotions are readily aroused who will thus swell the ranks of the totalitarian party.

Third, to weld together a closely coherent body of supporters, the leader must appeal to a common human weakness. It seems to be easier for people to agree on a negative programme – on the hatred of an enemy, on the envy of the better off – than on any positive task.”

“The contrast between the ‘we’ and the ‘they’ is consequently always employed by those who seek the allegiance of huge masses [if you are not for us, you are against us – tribalism]. The enemy may be internal, like the ‘Jew’ in Germany or the ‘kulak’ in Russia, or he may be external. In any case, this technique has the great advantage of leaving the leader greater freedom of action than would almost any positive programme.

Advancement within a totalitarian group or party depends largely on a willingness to do immoral things. The principle that the end justifies the means, which in individualist ethics is regarded as the denial of all morals, in collectivist ethics becomes necessarily the supreme rule. There is literally nothing which

the consistent collectivist must not be prepared to do if it serves 'the good of the whole', because that is to him the only criterion of what ought to be done.

Once you admit that the individual is merely a means to serve the ends of the higher entity called society or the nation, most of those features of totalitarianism which horrify us follow of necessity. From the collectivist standpoint intolerance and brutal suppression of dissent, deception and spying, the complete disregard of the life and happiness of the individual are essential and unavoidable. Acts which revolt all our feelings, such as the shooting of hostages or the killing of the old or sick, are treated as mere matters of expediency; the compulsory uprooting and transportation of hundreds of thousands becomes an instrument of policy approved by almost everybody except the victims.

To be a useful assistant in the running of a totalitarian state, therefore, a man must be prepared to break every moral rule he has ever known if this seems necessary to achieve the end set for him. In the totalitarian machine there will be special opportunities for the ruthless and unscrupulous. ..."

The highest positions in a totalitarian state are for those who are willing to do anything, including acts outside of normal morality. Ergo, the worst rise to the top. "You [God] will destroy those who tell lies. The LORD detests murderers and deceivers." Psalms 5:6, NLT

The highest positions → in a totalitarian state → are for those who will obey any orders → including orders killing or hurting other men, lying, stealing property, etc. → and so the worst → rise to the top

Hayek also points out that "collectivism on a world scale seems to be unthinkable – except in the service of a small ruling elite." And it is noted that collectivism means an end of the truth. This is because propaganda is used to persuade people to accept the goals for the collective as chosen by its elite and because the meaning of concepts is changed in order to attempt to convince the masses that they have always believed what the elite now want them to believe. When truth is disregarded and language is corrupted, thought is corrupted, as are values and the masses themselves.

A collective must be run by → a small ruling elite → who will use propaganda + lies → to deceive and convince the masses

When language is corrupted → thought is corrupted

The iea's version has several further brilliant points, including one illustrating the corruption of language and thought: "**'Collective freedom'** is not the freedom of the members of society, but the unlimited freedom of the planner to do with society that which he pleases. This is the confusion of freedom with power carried to the extreme."

"...There must be no spontaneous, unguided activity, because it might produce results which cannot be foreseen and for which the plan does not provide."

The elite want to override individual free will via their collective plan + they hope that their collective plan will somehow be > God's plan for man, which allows for free will (individuals plan) → the elite will ultimately fail

... "There is one aspect of the change in moral values brought about by the advance of

collectivism which provides special food for thought. It is that the virtues which are held less and less in esteem in Britain and America are precisely those on which Anglo-Saxons justly prided themselves and in which they were generally recognized to excel. These virtues were independence and self-reliance, individual initiative and local responsibility, the successful reliance on voluntary activity, non-interference with one's neighbour and tolerance of the different, and a healthy suspicion of power and authority."

Hayek basically showed why, if individuals are not respected and their individual natural rights are not legally recognized, there will, over time, be a utopian-schemer clamor for a collective effort to solve societal problems. And if the utopian-schemer can achieve critical mass, or take advantage of some crisis, there will be a change in morality and an abandonment of the virtues. "The principle that the end justifies the means is in individualist ethics regarded as the denial of all morals. In collectivist ethics it becomes necessarily the supreme rule."

Those who are willing to implement that rule are the worst – the amoral, the non-empathetic, the power-crazed utopian-schemers, the intellectual

and moral sellouts, and those who are willing to follow orders – of whatever kind – in order to advance and to have more power and status. In short, they are the morally corrupt and intellectually incorrect elite and their obedient followers.

Individualist ethics → “the end justifies the means” → a denial of morals

Collectivist ethics → “the end justifies the means” → becomes → the supreme rule

At the human level → “good” only counts as actually being good if it is achieved in the right way (one may not do evil that good may come)

Quoting Hayek again: “To be a useful assistant in the running of a totalitarian state, it is not enough that a man should be prepared to accept specious justification of vile deeds; he must himself be prepared actively to break every moral rule he has ever known if this seems necessary to achieve the end set for him. Since it is the supreme leader who alone determines the ends, his instruments [obedient followers] must have no moral convictions of their own. They must, above all, be unreservedly committed to the person of the

leader; but next to this most important thing is that they should be completely unprincipled and literally capable of everything. They must have no ideals of their own which they want to realize; no ideas about right or wrong which might interfere with the intentions of the leader.  
..."

And so, the unprincipled dictator, whose society-reshaping utopian ideas requires that he obtain and use power on other men, is supported by a host of other men who are completely committed to the leader, willing to do literally anything for him, and who are unprincipled and obedient in their performance of their assigned immoral tasks. This is why gas chambers get built. This is why the worst get on top and get the help they need. The worst in society (without virtue, or abandoning virtue) form a collective gang, rationalize evil, quell all opposition by any means necessary, and destroy whoever stands in their way. They serve Satan the warlord, and destroy valuable individual men and women made in the image and likeness of God. In this system of rationalized evil, per Hayek, "there will be special opportunities for the ruthless and unscrupulous." It is they who will rise to the top.

Your author has noticed there is a way those in power seem to act in their efforts to achieve their goals – a methodology used by those who got on top – the dominant. And that way follows from Satan the warlord, whom they emulate. Here, in your author's opinion, is the Satanic, parasitical, unethical way to attempt to get what you want:

- Notice an object and desire it
- **Ask** for the object and if the rightful owner says, "No" then ...
- Perhaps **offer to trade** for the object (if the desirer has something to trade, which the owner might be willing to accept), if still, "No" then ...
- **Threaten** the owner with harm, or with negative exposure via blackmail and
- **Impose ignorance** to the owner (the owner's judgment of value should align with the covetous parasite's judgment of value)
- **Imply the owner is a reactionary** who is impeding progress (progress being defined as the parasite moving toward the achievement of his goals and not the owner continuing to own the object as part of the owner's achieving his goals)
- Imply the owner is **selfish**
- Imply the owner is **stupid**

- Imply the owner is **evil**
- **Rationalize** forcing the reactionary, ignorant, selfish, evil owner to capitulate and give the parasite what he wants and
  - After the rationalization for evil is complete, in order that the covetous parasite can somehow magically feel good about what they are about to do, then
  - **Take what you want by force** in the name of: the common good; progress, science, or the necessity of the moment (the impatient parasite could simply not wait any longer)
  - If the owner resists, **imprison or kill him**, and **demonize his moral legacy**
  - The rationalization and the theft being complete ... **act as though you are a benefactor of mankind**, a great leader, instead of the evil, lying, covetous, murderous, parasitical thief you are in reality.

A further tactic of evil attempting to achieve its goals via pretended or supposed "negotiations" is to demand another person, governmental entity, etc., to take a meeting. It takes two non-coerced parties to really agree to a meeting. Then, as a condition of the meeting where "negotiations" will take place, demand that the domineered party agree in advance to various pre-conditions of the domineering

demander. If not, force will be used upon the person or entity demanded upon. And so the person or entity demanded upon is forced to a meeting and forced to agree in advance to a negotiation structured in favor of the domineering demander. It is force, with no respect for individual natural rights. After such a meeting, where the domineering demander is obviously going to get all or most of what they want, it is a rationalization of evil to say that there was an honest negotiation between all parties.

Evil, being by nature non-productive, can only survive by tricking or coercing others into doing its will. And so the best at fraud and force rise to the top.

#### **4.6.3 Governments versus individuals – the secular elite**

In your author's previous book, *Divine Individualism*, it was explained that governments, who are supposed to safeguard their citizens' individual natural rights, end up largely disregarding them. Per the previous section, those governments tend to be ruled by the worst. The discussion below is largely taken

from the chapter, "Government Versus Individuals."

If a government has become corrupted and perversely enlarged, to where it is now considered an out-of-control Organic State, then there is the implication, via using the term "organic," that it is alive. And if the Organic State government is alive, it raises the analogous question, "What does it eat to stay alive?" **The unpleasant and obvious answer is: men made in God's image.** Governments, whether tribal, monarchial, or the modern Organic State government, eat individual men in order to stay alive. Some men are chopped up and used as fuel and other men are chopped up and eaten. And this is why governments and their power elites have made themselves enemies of the two Jehovahs. Whatever clever or evil rationalizations are used on the citizenry, to justify this egregious misuse of government power, the two Jehovahs are NOT fooled and they are not happy. Throughout history, human governments have always exceeded their bounds. They have always used valuable individual men as fuel to sustain themselves. Satan is behind it all, as he wants to see men destroyed and enslaved. Sadly, because mankind as a whole does not understand divine

individualism, many men actually cooperate with Satan in his idiotic and evil rebellion. As was previously quoted, but it fits again right here, an entire Psalm warns the end-time governments of the world that they are in direct opposition to the two Jehovahs and their divine individualism process:

“Why do the nations rage, and the peoples meditate on a vain thing? The kings of the earth set themselves, and the rulers plot together, against the LORD [God the Father] and against His anointed [Jesus Christ], saying, Let us break their bands in two and cast away their cords from us [we will not be limited by either divine law or natural law or respecting individual natural rights]. He who sits in the heavens shall laugh; the LORD shall mock at them. Then He shall speak to them in His anger, and trouble them in His wrath. Yea, I have set My king on My holy hill, on Zion. I will declare the decree of the LORD. He has said to Me, You are My Son; today I have begotten You. Ask of Me, and I shall give the nations for Your inheritance; and the uttermost parts of the earth for Your possession. You shall break them with a rod of iron; You shall dash them in pieces like a potter’s vessel. And now be wise, O kings; be instructed, O judges of the earth [who do not

rule according to divine and natural law]. Serve the LORD with fear, and rejoice with trembling.  
Kiss the Son, lest He be angry, and you perish from the way, when His wrath is kindled in but a little time. Blessed are all who put their trust in Him.” Psalms 2:1-12, MKJV

The kings and governments of the world are instructed to yield to God the Father and to his son, Jesus Christ, who is coming to rule the entire world (Revelation 19). You cannot rebel against the two supreme beings in the universe and thumb your nose at them and get away with it. The two Jehovahs created and own everything (Isaiah 42:5, Ephesians 3:9, Genesis 1 - 2 and many other places). They are the original appropriator owner-operators of the universe. They get to establish the rules. All of us are guests in their universe. If we want to be good guests, we acknowledge them and what they are doing. We live by their rules. And we cooperate with them in what they are doing – for our purposes, the process of divine individualism. If any government, or a group of men, or any individuals think that they can fool the two Jehovahs, they are deluded. If the kings or the power elite controllers of the governments of this world think they can chop up men and use them for both fuel and food and

think that this is somehow all right with the two Jehovahs (when the two Jehovahs' workmanship are unique and valuable men) they are crazy and/or evil. It would be like walking into an outstanding and famous sculptor's studio and picking up his sculptures and then smashing them onto the ground and then expecting the sculptor not to take action in retaliation.

Individual men, potentially divine and eternal individuals, are the two Jehovahs' workmanship. Notice how the New Living Translation has it:

"**For we are God's masterpiece.** He has created us anew in Christ Jesus, so that we can do the good things he planned for us long ago." Ephesians 2:10, NLT

As was previously mentioned, the power elite behind governments has been painted with divine radar and they are as good as dead. Being painted with human radar and targeted would be scary enough. Perhaps a human missile would somehow miss. The two Jehovahs do not miss. They devoted two entire chapters of the Bible (Jeremiah 23 and Ezekiel 34), amongst other places, pertaining to criticisms stemming from destroying their potential divine individual masterpieces, portions of which are excerpted below:

"I will send disaster upon the leaders of my people - the shepherds of my sheep - for they have destroyed and scattered the very ones they were expected to care for,' says the LORD. This is what the LORD, the God of Israel, says to these shepherds: 'Instead of leading my flock to safety, you have deserted them and driven them to destruction. Now I will pour out judgment on you **for the evil you have done to them.** But I will gather together the remnant of my flock from wherever I have driven them. I will bring them back into their own fold, and they will be fruitful [they will learn to have the moral and intellectual virtues] and increase in number. Then I will appoint responsible shepherds to care for them, and they will never be afraid again. Not a single one of them will be lost or missing [notice how each individual is important to God],' says the LORD. 'For the time is coming,' says the LORD, when I will place a righteous Branch on King David's throne. He will be a King who rules with wisdom. He will do what is just and right throughout the land. And this is his name: 'The LORD Is Our Righteousness.' [This is a reference to Jesus Christ returning and ruling over the earth to safeguard his masterpieces.] In that day Judah will be saved, and Israel will live in safety. 'In

that day,' says the LORD, 'when people are taking an oath, they will no longer say, 'As surely as the LORD lives, who rescued the people of Israel from the land of Egypt.' Instead, they will say, 'As surely as the LORD lives, who brought the people of Israel back to their own land from the land of the north and from all the countries to which he had exiled them.' Then they will live in their own land.'''  
Jeremiah 23:1-8, NLT

"Then this message came to me from the LORD: 'Son of man, prophesy against the shepherds, the leaders of Israel. Give them this message from the Sovereign LORD:  
**Destruction is certain for you shepherds**  
who feed yourselves instead of your flocks. Shouldn't shepherds feed their sheep? You drink the milk, wear the wool [shear the sheep], **and butcher the best animals** [accomplished, moral independent-thinking men are always a threat to the state and to any organized religion], but you let your flocks starve. You have not taken care of the weak. You have not tended the sick or bound up the broken bones. You have not gone looking for those who have wandered away and are lost. Instead, **you have ruled them with force and cruelty.** So my sheep have been scattered without a [real]

shepherd. They are easy prey for any wild animal. They have wandered through the mountains and hills, across the face of the earth, yet no one has gone to search for them.'

'Therefore, you shepherds, hear the word of the LORD: As surely as I live, says the Sovereign LORD, you abandoned my flock and left them to be attacked by every wild animal. Though you were my shepherds, you didn't search for my sheep when they were lost. You took care of yourselves and left the sheep to starve [what is left after taxes and tithes and offerings is the sheep's problem]. Therefore, you shepherds, hear the word of the LORD. This is what the Sovereign LORD says: I now consider these shepherds my enemies, and I will hold them responsible for what has happened to my flock. [Try getting out of that one, plus the 'destruction is certain' phraseology above, hence your author has mentioned they are painted with divine radar and as good as dead.] I will take away their right to feed the flock, along with their right to feed themselves. I will rescue my flock from their mouths; **the sheep will no longer be their prey** [no more Organic States and no more abusive churches]." Ezekiel 34:1-10, NLT

Since time immemorial tribal leaders have paired with religious leaders in order to, in essence, jointly rule over the tribe members. Human governments have followed this pattern for millennia. Your author has heard religious leaders, whom we come to in the next section of this chapter, try and characterize Jeremiah 23 and Ezekiel 34 as pertaining to secular governmental leaders. Of course, secular governmental leaders view the prophetic divine warnings as pertaining to the religious leaders. Since the tribal leader and the religious leader have always ruled together, this is logically wrong. Further, it is Biblically wrong, which is a particularly pathetic comment on any religious leader's reasoning skills to not know and understand this. Perhaps they do understand this but are too corrupt or ashamed to acknowledge it. A powerful passage of scripture, directly from Jesus Christ's own mouth, traps BOTH governmental and religious leaders for all time:

"Then the mother of James and John, the sons of Zebedee, came to Jesus with her sons. She knelt respectfully to ask a favor. 'What is your request?' he asked. She replied, 'In your Kingdom, will you let my two sons sit in places of honor next to you, one at your right and the

other at your left?' But Jesus told them, 'You don't know what you are asking! Are you able to drink from the bitter cup of sorrow I am about to drink?' 'Oh yes,' they replied, 'we are able!' 'You will indeed drink from it,' he told them. 'But I have no right to say who will sit on the thrones next to mine. My Father has prepared those places for the ones he has chosen.' When the ten other disciples heard what James and John had asked, they were indignant. But Jesus called them together and said, 'You know that in this world kings are tyrants, and officials lord it over the people beneath them. **But among you it should be quite different.**' ... " Matthew 20:20-26, NLT

"But Jesus called them and said, You know that **the rulers of the nations exercise dominion over them [their citizens]**, and they who are great exercise authority over them. However, **it shall not be so among you**. But whoever desires to be great among you, let him be your servant [a government official should be an agent of the people and serve the people, their principal] [a religious leader should not lord it over the ekklesia, but serve them, not himself]." Matthew 20:25, 26, MKJV

By using the decidedly negative example of this world's kings and government officials and how they lord it over the people beneath them, Jesus Christ both identified and explicitly condemned their practice. This effectively identifies governmental secular leaders as being tied to Jeremiah 23 and Ezekiel 34, as governmental leaders are types of shepherds. However, in addition, Jesus Christ forbade this type of sheep-brutalizing organizational structure for the church (ekklesia, called-out ones, aka the body of believers). This point-blank identification and condemnation of such an organizational structure effectively ties church leaders into Jeremiah 23 and Ezekiel 34 – if they have such a church structure or if they are Organic State apologists (accomplices). No intellectual rationalizing or wiggling is going to get either abusive and cruel governmental leaders nor abusive and cruel religious leaders out of the dilemma they have foolishly put themselves into – which is to say, they have made themselves the enemies of God the Father and of Jesus Christ. **You cannot destroy their divine individual masterpieces and think you can get away with it.** You cannot. The two Jehovahs are not going to be taken in - either by secular governmental leaders attempting to point the finger at religious

leaders or religious leaders attempting to point the finger at governmental leaders, both thinking they will safely deflect blame away from themselves. They are both guilty of the same crime against the brutalized individuals and against the two Jehovahs and they will both be held accountable. **Both have actively destroyed potentially divine masterpieces.**

Christ condemned → this world's kings (government rulers) → as tyrants (Matthew 20:25-26) → who exercise authority upon → their citizens

Christ forbade → this type of organizational structure → for the ekklisia (church) (Matthew 20:25-26)

The two Jehovahs → prophecy in Ezekiel 34:1-10 → considers abusive leaders as their enemies + destruction is certain

Government leaders are warned in Psalm 2, Jeremiah 23, and Ezekiel 34 = True

Religious leaders are warned → if they emulate abusive governmental leaders (Matthew 20:25-26), OR → if they assist abusive governmental leaders → they are guilty, too = True

Government leaders → attempting to escape divine retribution → by blaming religious leaders  
→ will not work

Religious leaders → attempting to escape divine retribution → by blaming governmental leaders  
→ will not work

There is no escape from the two Jehovahs = True, → except → repentance → which means → accepting BOTH divine law + natural law limitations on actions (including respect for individual natural rights) → which means → renouncing abusive power structures

Christ explicitly calling out this world's kings as exercising authority in a wrong way is a divine rejection of any so-called "divine right of kings"  
= True (Matthew 20:25-27, Luke 22:25-26)

There is always **a governmental leadership team.** It is usually composed of approximately the same cast of characters. It would normally include any number, or all, of the following: executive leaders, legislators, judicial leaders, religious leaders, lawyers, bankers, leading businessmen, leading academics, etc. Because they are unwilling to

submit themselves to the limitations pertaining to the proper functioning of government, they cross the line and start using men as a fuel source to keep their governmental fire going. They do this instead of safeguarding men. And since they usually feel that their tribe, their government, or their religion is correct, ironically and sadly, they usually end up in this place:

“.. But an hour is coming that **everyone who kills you will think that he bears God service.**” John 16:2, MKJV

Thinking they are serving God, they are actually making God their enemy, because they are destroying God’s workmanship – his individual masterpieces.

Governments have assigned men to peel potatoes in soup kitchens, to dig ditches, to build public monuments, and other wasteful tasks, etc., who could otherwise possibly: have discovered a cure for cancer, found new ways to harness energy, learned how to grow more and better food, figured out how to build safer, less expensive, and better shelter, etc., etc., etc. There is no telling where mankind would be if these countless lives had not been wasted. Left

free, men would have worked on solving important problems. Left free, men would have worked more effectively to find ways to increase the standard of living for all. Instead, bureaucrats who cannot even manage their own lives attempt to tell geniuses what to do. Geniuses, of course, will not ask permission to use their minds from anyone – especially a bureaucrat, who is their intellectual inferior. Producers find themselves having to ask for permission to produce from men who could not run a lemonade stand. Instead of government costing a relatively insignificant amount of money, e.g., ten percent, it costs 50 percent, or more, plus government debt on top of that - which forever acts as a drag on the producers.

Excessive government OR misdirected government → wastes men's lives + prevents/hinders the solutions to important human problems

Bureaucrats → attempt to direct and control → the actions of geniuses

Excessive taxes + regulations + government debt → heavily burdens → productive people

The government further works against the two Jehovahs by creating a dependent class of citizenry - those permanently receiving welfare. The recipients of such aid will not develop to their full potential. They will not learn to use their minds and to take the actions necessary to be productive and useful citizens. They will not develop properly as human beings. Another class of welfare recipients, not usually thought of, are the pseudo-entrepreneur businessmen, whose only or main business comes from using political connections to get government contracts. By taking from Peter to pay Paul, the government inserts itself into the economy, to the detriment of all. Resources are diverted into unproductive programs and monuments and men's lives are wasted and ruined as a result. Instead of the productive people possessing what they produced and then spending the proceeds as they see fit, the government takes 50 percent or more of what is produced and then politically diverts the spending to what the governmental leaders desire. The societal spending pattern gets distorted. Worse than that, lives are ruined: the honest producers (the tax-payers who are stolen from) and the tax-receivers (who are corrupted) are both negatively affected. All of these things work against the two Jehovahs and their divine

individualism program. Instead of a potential cancer cure and a certain higher standard of living, we have slogans, propaganda, monuments, public relations spin, and corrupted and harmed citizens.

Government welfare programs → create (in effect) → a dependent class of citizenry

Government spending > the limited and necessary purposes of government → burdens producers + distorts societal spending patterns + creates a dependent class of citizenry + incurs government debt (which will function as an ongoing drag on honest producers)

Government spending > the limited and necessary purposes of government → allows for some men, who receive government contracts → to pretend they are real entrepreneurs → but they are pseudo-entrepreneurs - in substance

What the government leaders need to understand is that they have no right to violate a right. There is no right to enslave, or to destroy, or to kill, or to lie, or to steal. The two Jehovahs will be explaining this to the government and religious leaders in a very unmistakable way – hopefully in the very near

future. Whenever anyone claims the right to violate a right, however cleverly rationalized, they are putting themselves outside of ethics, outside of logical thought, outside of what is truly practical, and onto Satan's anti-God team. Principle and truth have been abandoned. Now, it is "might makes right," which comes from the god of forces – Satan. The Daniel 11 scripture quoted below is likely referencing the end-time Antichrist.

No one has the right to violate a right = True  
If someone claims the right to violate a right (even if acting as a government official or a religious official) → they identify themselves as a hypocrite AND they make the two Jehovahs their enemy AND put themselves outside of ethics, logical thought, and what is truly practical → they join Satan's anti-God, anti-man team

Force violates → individual natural rights

Fraud violates → individual natural rights

Anyone advocating → force OR fraud → advocates for Satan

"For you are the children of your father the Devil, and you love to do the evil things he does. He was a murderer from the beginning and has always hated the truth. There is no truth in him. When he lies, it is consistent with his character; for he is a liar and the father of lies." John 8:44, NLT

If one believes in "might makes right" and one believes in lies in order to manipulate, one is now serving Satan, the god of forces. Human governments have almost always used lies, threats, force, and human beings for fuel in order to sustain themselves and maintain their power. And they are going to pay for it. None of their symbols (e.g., flags), slogans (like "land of the free and home of the brave"), songs (like national anthems), national monuments (like a pyramid), etc., will enable them to prevail against the real God. Brainwashed citizens, being patriotic in support of unprincipled "might makes right" or lying evil, are going to find out that it is not going to end any better for them than it did for German citizens in World War II and after. Governmental leaders, who are ethical infants, now have their hands on the controls of modern weaponry. As philosopher-historian-economist Dr. Murray Rothbard once observed, "Unbridled power makes the world a

slaughterhouse." Potentially divine individuals are going to physically die. The governmental leaders do not see and recognize individual, unique men who have hopes and dreams and who are potentially divine individuals. They only recognize collective man. Individual men are like cells in a body to them. They routinely sacrifice individual men to the collective - the Organic State. Philosopher Dr. Tibor Machan, in his book, *Classical Individualism: The Supreme Importance Of Each Human Being*, has the following illuminating passage [emphasis mine throughout]:

"In contrast to individualism, even loosely conceived, collectivism amounts to the view that some *grouping* of individuals is of primary – though by no means exclusive – value in politics and law. Here family, tribe, clan, neighborhood, religion, race, sex, nation, and humanity are candidates for what takes political priority. Collectives do things, cause [some of] what is worthwhile in human life, are to be blamed for [some of] what is wicked, and most of all require loyalty from us at every turn. [But which collective grouping should have preeminence? Each collective tends to believe that it should have preeminence, whether it is a nation, a religion, a workers guild, etc., and they

act accordingly, many times not in accord with ethical principles.] Within this framework, the individual is, basically, a cell in the larger whole of, for example, society or humanity – which Karl Marx called an 'organic whole' or 'organic body.' Or, as Auguste Comte, another advocate of collectivism [and coiner of the word 'sociology'], puts it:

**'Everyone has duties, duties towards all; **but rights in the ordinary sense can be claimed by none.** ... The only principle on which Politics can be subordinated to Morals is that individuals should be regarded, not as so many distinct beings, but as organs of one Supreme Being.'''**

Comte believes that politics cannot be subordinated to morals unless individual men, who have no rights, are regarded only as parts of one Supreme Being (Collective Man). This point of view is why the followers of the roughly Satan - to Plato - to Plotinus - to Hegel - to Comte - to Marx philosophical thought chain see no individual men. Marx believes that there is a Collective Man, an organic body, which is why if a cell of a body has to die to keep the body alive it is no big thing – unless you are the one who was sacrificed to this fictitious and nonsensical Collective Man false god. That either Comte or

Marx could be considered scientists is beyond the pale for your author as they are completely clueless to the correct methodology of the social sciences. To disregard individual men in favor of a false-god Collective Man is idiotic.

Individual cells in a body do not have minds, they do not make choices, and they do not set goals, choose means, and take individual actions – all based on human choice to achieve those individual goals. Cells in a body do not behave this way. Again, that Comte or Marx could be given the designation “scientist” is beyond your author. False secular prophets would be a far more accurate designation. When individual men are ruled and lorded over, it steals from them the best part of their being.

Individual men ≠ cells in a body

Cells → do NOT think AND do NOT take independent action

Individual men ≠ organs of a body

Organs → do NOT think AND do NOT take independent action

When an individual buys into Organic State slogans and willingly subordinates himself to

that Organic State, OR an Organic State leadership elite undertakes policies which perpetuates the ongoing existence of the Organic State, ... then valuable, unique, potentially divine individuals are needlessly sacrificed to both the secular false god of the Organic State and unwittingly, to the actual false god of forces - Satan. Governments, when acting upon the above, waste the very lives they were supposed to safeguard. This very large problem is the major reason why **mankind ends up with castles and monuments instead of quality human beings**. Those very precious wasted lives will have to be accounted for to the two Jehovahs. It is not too much of an exaggeration, if at all, to note that everywhere throughout the world, for all prior and current time periods, it has been **governments versus individuals**, instead of strictly limited and principled governments safeguarding individual natural rights and protecting valuable individual men. Governments have bullied and pushed their way into the two Jehovahs' divine sculptor studio and literally smashed into pieces the two Jehovahs' masterpieces - uniquely valuable, individual men.

Castles + monuments → are no substitute for → quality human beings

Human history → unfortunately records → governments versus individuals

#### **4.6.4 Religions versus individuals – the religious elite**

Major portions of the following section were taken from your author's previous book, *Divine Individualism*, particularly the chapter entitled, "Religions Versus Individuals."

Intuitive religious leaders, the religious elite, tend to have various and sundry ideas about how to make the world a better place. They tend to call their own intuitive ideas – the work of God. Sadly, with irony and pun intended, they are on ... **a self-appointed mission from God**. They almost always forget, if they ever even knew, the real work of God (Ephesians 2:10).

Proper religion is supposed to help each individual man and woman of God become that divine masterpiece of integrity, ability, and passion (MRP individuals) that would please the two Jehovahs. Instead, the world's religions

have committed the same basic error that secular governments have always made. They have used valuable and unique human beings as fuel for their religious fires. In substance, and in essence, religions chopped up men – and some of the men were used to fuel a fire, which was used to cook other men, who were eaten. Or, they left the men alive, but then sheered them like sheep. **They mistook God's potential masterpieces for farm animals.** To use human beings as fuel for a fire and food for the religious leaders, all the while attempting to do some intuitively inspired pseudo-work of God is not just irony. It is working for Satan, who hates men, and working against the two Jehovahs, who love men. Your author says, "pseudo-work," because the real work of God is divine individualism. In doing their self-appointed pseudo-work they are burning up God's masterpieces.

Let us say, by way of analogy, that the two Jehovahs had an art studio, with beautifully sculpted woodcarvings. And let us further say, for our analogy purposes, that each beautifully sculpted woodcarving represented a unique and valuable and irreplaceable human being – one of God's masterpieces. Would any religious leader, or religion as a whole, if they understood divine

individualism, dare to enter the two Jehovahs' art studio, seize some woodcarvings, and then use those sculptures as firewood? Your author is guessing, "No." But, if any dared to do so, they would be literally burning up the masterpieces of the two Jehovahs. All too often, throughout human history, this is the actual work that religion has accomplished – working for Satan and against God. And that is why this section of the book is entitled, "Religions versus individuals – the religious elite."

"Men never do evil so completely and cheerfully as when they do it from religious conviction." Blaise Pascal

Implicit in the Matthew 20:20-26 discussion in the previous section, Jesus Christ criticized secular leaders and any religious leaders who mimic them or apologize for them, both. The same point-blank scripture covers both the principle and the principle in application. Any who engage in the destruction of individuals are working for Satan and not the two Jehovahs.

Jesus Christ's criticism → of abusive leadership found in Mathew 20:25-26 → applies to: 1) secular government leaders AND to 2) any

religious leaders who emulate them AND to 3) any religious leaders who apologize for them

The correct attitude of a religious leader should be to not only shepherd the 99 in a flock who are doing fine, but to go out of the way to find and safeguard the temporarily lost individual. The individual is not to be disregarded, or regarded as insignificant, or regarded as an acceptable loss, or used as fuel for a fire. He is to be sought after, found, and helped. This is a completely different mindset from what most religions engage in. Most religions regard individual men as disposable - like one cell in an entire human body. They do not grieve over the loss of a single unique and irreplaceable individual man. Jesus Christ thought differently, correcting this misconception, per the following:

"For the Son of man [Jesus Christ] has come to save that which was lost. What do you think? If a man has a hundred sheep and one of them strays, does he not leave the ninety and nine and go into the mountains **and seek the straying one?**" Matthew 18:11-12, MKJV

A single individual = important → to Jesus Christ

Whether someone has good intentions or not, their choices and actions will have consequences. Those consequences will affect the lives of real people. Your author mentioned religious leaders who are on a self-appointed mission from God. These intuitives are sometimes quite sincere, but if they are wrong then their actions have negative consequences in the lives of those foolish enough to follow them. God's plan is written down and is not going to change. Your author has previously written a book containing this point, amongst others, entitled: *What Now?* If a religious intuitive comes along and abuses the people he is supposed to be shepherding, or if a religious intuitive comes along and speaks their own words, then the Bible has the below warning:

"My heart [Jeremiah] is broken because of the false prophets, and I tremble uncontrollably. I stagger like a drunkard, like someone overcome by wine, because of the holy words the LORD has spoken against them. For the land is full of adultery, and it lies under a curse. The land itself is in mourning - its pastures are dried up. For the prophets do evil and abuse their power. 'The priests are like the prophets, all ungodly, wicked men. [This is clearly a specific reference to religious leaders.] I have

seen their despicable acts right here in my own Temple,' says the LORD. 'Therefore, their paths will be dark and slippery. They will be chased down dark and treacherous trails, where they will fall. For I will bring disaster upon them when their time of punishment comes [They have made God their enemy because of their wickedness and abuse of power]. I, the LORD, have spoken! 'I saw that the prophets of Samaria were terribly evil, for they prophesied by Baal and led my people of Israel into sin. But now I see that the prophets of Jerusalem are even worse! They commit adultery, and they love dishonesty. They encourage those who are doing evil instead of turning them away from their sins. These prophets are as wicked as the people of Sodom and Gomorrah once were.'

Therefore, this is what the LORD Almighty says concerning the prophets: 'I will feed them with bitterness and give them poison to drink. For it is because of Jerusalem's prophets that wickedness fills this land. This is my warning to my people," says the LORD Almighty. 'Do not listen to these prophets when they prophesy to you, filling you with futile hopes. **They are making up everything they say.** They do not speak for the LORD! [Intuitives with passion on self-appointed missions from God.] They keep saying to these rebels who despise my word,

'Don't worry! The LORD says you will have peace!' And to those who stubbornly follow their own evil desires, they say, 'No harm will come your way!' 'But can you name even one of these prophets who knows the LORD well enough to hear what he is saying? Has even one of them cared enough to listen? Look! The LORD's anger bursts out like a storm, a whirlwind that swirls down on the heads of the wicked. The anger of the LORD will not diminish until it has finished all his plans. In the days to come, you will understand all this very clearly. 'I have not sent these prophets, yet they claim to speak for me. [They are either intuitives who are incorrect, or liars.] I have given them no message, yet they prophesy. If they had listened to me, they would have spoken my words and turned my people from their evil ways.' Jeremiah 23:9-22, NLT

"I have heard what the prophets said, who prophesy lies in My name, saying, I have dreamed, I have dreamed [In other words, the Lord has given me a word]. How long shall this be in the heart of the prophets who prophesy lies? But **they are prophets of the deceit of their own heart,**" Jeremiah 23:25-26, MKJV

It is clear that the above passage is in reference to religious leaders. It is also clear that some of these men are evil and some of them are sincerely confused, ergo, "they are prophets of the deceit of their own heart." These intuitives really think they have a message from God, but their own heart is deceived and they do not know it. Whether the religious leader is evil, abusive, or deceived does not really matter – in this sense - any who follow them are in for negative consequences.

Jeremiah 23 clearly applies → to religious leaders = True

Good intentions < divine law

Good intentions < natural law

Good intentions provide NO immunity → from negative consequences → incurred due to bad choices → based upon incorrect theories = True

"And the word of the LORD came to me, saying, Son of man, prophesy against the shepherds of Israel. Prophesy and say to them, So says the Lord Jehovah to the shepherds: Woe to the shepherds of Israel who feed themselves! Should not the shepherds feed the

flocks? You eat the fat and clothe yourselves with the wool; you kill the fat ones, but you do not feed the flock. You have not made the weak strong, nor have you healed the sick, nor have you bound up the broken. You have not brought again those driven away, nor have you sought that which was lost; but **you have ruled them with force and with cruelty.** And they were scattered for lack of a shepherd. And they became food to all the beasts of the field, when they were scattered. My sheep wandered through all the mountains and on every high hill. Yea, My flock was scattered on all the face of the earth, and none searched nor sought for them.

Therefore, shepherds, hear the word of the LORD: As I live, says the Lord Jehovah, surely because My flock became a prey, and My flock became food to every beast of the field, because there was no shepherd. Nor did My shepherds search for My flock, but the shepherds fed themselves and did not feed My flock; therefore, O shepherds, hear the word of the LORD. So says the Lord Jehovah: Behold, I am against the shepherds, and **I will require My flock at their hand,** and cause them to cease from feeding the flock. Nor shall the shepherds feed themselves any more; for **I will deliver My**

**flock from their mouth, and they will not be food to devour [religions eat men]."**

Ezekiel 34:1-10, MKJV

"Is it a small thing to you to have eaten up the good pasture, but you must trample the rest of your pastures with your feet? And to have drunk of the clear waters, but you must foul the rest with your feet? [no empathy from those who were supposed to love others as themselves Matthew 22:29] And My flock, they eat what your feet have trampled, and they drink what your feet have fouled. So the Lord Jehovah says this to them: Behold I Myself will even judge between the fat lamb and the lean lamb. Because you have thrust with side and with shoulder, and have pushed all the weak with your horns until you have scattered them to the outside, therefore **I will save My flock, and they shall no more be a prey.** And I will judge between lamb and lamb. And I will set up one Shepherd over them, and He shall feed them, My servant David. He shall feed them, and He shall be their Shepherd. And I the LORD will be their God, and My servant David a ruler among them. I the LORD have spoken. And **I will make a covenant of peace with them, and will send the evil beasts out of the land.**

And they shall dwell safely in the wilderness and sleep in the woods." Ezekiel 34:18-25, MKJV

Two Jehovahs will make a covenant of peace with men = True

A covenant of peace → no war = no military structured governments or churches

The evil beasts likely include → predator-monsters → government elites + religious elites mimicking or apologizing for them → banished from the land

The references to the religious leaders eating men and sheering them (financially) could not be any plainer. Further, there is a direct tie to Matthew 18:11-12 where the shepherds were supposed to seek out the lost individual, but did not. And, per the above, they were supposed to take care of the main portion of the flock, but they did not do that either. Your author was not making up the fact that religions eat men (see Ezekiel 34:10 above) and use them as fuel for their intuitive fires. It is the point of view of the two Jehovahs, who are not amused. The religious leaders seem to end up "eating the good pasture" and by the time the average man pays all their governmental taxes and religious

tithes and offerings they do not have much left to take care of their own needs. However, God says he is going to place a future king over his people, a resurrected David, who will have a shepherd's heart and who will actually care about individual sheep, i.e., potentially divine individuals. Also, God in the person of Jesus Christ will reign over all the earth (Isaiah 2:1-5 and other places). Kings and religious leaders will no longer be allowed to use men as fuel for building their grandiose monuments, castles, and cathedrals, or any other dictator-like or intuitively-inspired projects which waste men's lives.

For a scripture that gives God's point of view pertaining to bad religious leadership, bad secular leadership, and corrupted citizens – all in the same society, please see Ezekiel 22:25-29, quoted below. This scripture makes it impossible for religious leaders to feel they are safe if what they are doing actively participates in or apologizes for unethical behavior:

"Your princes [secular leaders] plot conspiracies just as lions stalk their prey. They devour innocent people, seizing treasures and extorting wealth. They increase the number of widows in the land. Your priests [religious

leaders] have violated my laws and defiled my holy things. To them there is no difference between what is holy and what is not. And they do not teach my people the difference between what is ceremonially clean and unclean. They disregard my Sabbath days so that my holy name is greatly dishonored among them. Your leaders are like wolves, who tear apart their victims. **They actually destroy people's lives for profit!** And your prophets announce false visions and speak false messages. They say, 'My message is from the Sovereign LORD,' when the LORD hasn't spoken a single word to them. They repair cracked walls with whitewash! Even common people oppress the poor, rob the needy, and deprive foreigners of justice."

Ezekiel 22:25-29, NLT

When your author traveled to Europe, he was amazed to see that seemingly each town had two main buildings that still remain – a castle and a large cathedral, or church building. The castle is symbolic of the secular waste of life, including wars. And the grandiose church building is symbolic of the religious waste of life. A good part of the lives of thousands of valuable individuals was poured out onto the ground to build these monuments. If governments and religions knew their proper place and function

then the lives of precious men would not have been wasted in their construction.

A castle → can symbolize → the secular waste → of men's lives

A cathedral → can symbolize → the religious waste → of men's lives

A government building → for the proper function  
+ of the proper scale = OK

A psychically non-coerced → religious building → of the proper function + proper scale = OK

Your author has nothing against the construction of a necessary government building. And your author has nothing against the construction of a place of worship IF the materials and labor were donated, similar to the construction of the Tabernacle in ancient Israel. However, if the labor or materials are coerced physically, it is wrong. And if the labor or materials are spiritually or mentally or emotionally coerced (via a false promise of heaven or a false warning about hell), it is wrong. If a building is really needed then the community can come together and build it for the right reasons, at the right scale, and any

such building can be administered for the good of the community – not just for the good of the secular or religious leaders of a community. If men's lives are commandeered either physically or psychically to build it, then it is wrong. Your author believes that the two Jehovahs are more interested in smaller government/religion and bigger people. You will not get big people if most of their lives are coerced and wasted in building monuments, including the ongoing costs of the annual maintenance for those monuments.

The maintenance costs → of unneeded governmental and religious buildings → are ongoing societal burdens IN ADDITION TO the initial construction costs

A positive religious culture is supposed to be transmitted from generation to generation, but it should be understood that the only way this actually happens is via one concept into one mind at a time, in an ongoing way. Ancient Israel largely failed in this regard. The purpose of religious culture is for it to be useful in building up and developing people, because the real work of God is divine individualism. To the extent that any religion, instead, uses unique irreplaceable individual men as fuel for their fire

they are working against God and making the two Jehovahs their enemy. And they will pay for it. Each person currently participating with the two Jehovahs in their divine individualism process has a portion of their Holy Spirit in them and they are individually regarded as a temple of God. The warning, given in 1 Corinthians 3:16-17, is given toward the individual themselves AND toward any others who are thinking of destroying one of God's masterpieces.

"Don't you know that you yourselves are God's temple and that God's Spirit lives in you? If anyone destroys God's temple, God will destroy him; for God's temple is sacred, and you are that temple."

1 Corinthians 3:16-17, NIV

Neither the individual person themselves, nor any religion in the name of any God, is to defile or hurt individuals. If they do, God says, they shall be destroyed. To put it in modern vernacular, you cannot expect to go busting into the art studio of the two Jehovahs and destroy their masterpieces and expect that nothing will happen to you. What will happen is both very just and very ironic. Per the scripture above, the destroyers will be destroyed, but the broken

masterpieces will be resurrected back to life (1 Corinthians 15). When religions or loony, misguided intuitives rationalize the misuse and cruel abuse of valuable individuals directly against God's will, it reminds your author of some of the words from an old Jim Croce song - these foolish men are "tugging on superman's cape" and "spitting into the wind" when they directly work against the two Jehovahs by hurting individual men.

"Don't be afraid of those who want to kill you. They can only kill your body; they cannot touch your soul [life]. Fear only God, who can destroy both soul and body in hell [eternal death]." Matthew 10:28, NLT

One of the main purposes of a good culture is to inculcate the value system pertaining to life. In a good culture men are to live according to virtue. Religion is supposed to teach morality - morality being a code of conduct or principles concerning the distinction between right and wrong or good and bad behavior. If any religion does not know what to value, its code of morality will be antithetical to the two Jehovahs, to life, and to the individuals it is supposed to be serving. This is because the two Jehovahs, life, and individuals made in their image are what is

important. When religious leaders or secular leaders, who both are supposed to be cultural leaders, rationalize the destruction of individual men or rationalize the wasting of substantial portions of individual lives, they either do not know their job, or are evil. The consequence of their not knowing their job or being evil and not caring about doing their proper job, is that individuals are destroyed – in substance, if not in actuality.

Men must be taught to value properly = True

What is valuable? → the two Jehovahs, life, the unity of the package of values that pertain to life, the importance of each individual person, the divine individualism process, the moral and intellectual virtues → are some very core values

Men are to be taught by religious leaders to know the difference between the holy and the profane and to live holy lives. This means **men must be taught to value properly**. God, life, the package of values that come with life, the importance of each individual person, the divine individualism process, and the acquisition and use of the intellectual and moral virtues are all supposed to be the central part of a good culture with good religious leadership. For the

most part, throughout human history, this has not happened. Religions have failed mankind, which is why this section of the book is titled "Religions Versus Individuals." Religions (religious leaders) do not understand what the two Jehovahs are really doing. They do not understand the divine individualism process. Instead, the religious leadership rationalizes ways of keeping the religion itself going, without much regard for individual lives. But there is no divine authority for any religion or for any self-appointed religious leader to use men as fuel for any religious fire. The below scripture has a very harsh take on religious leaders who steal from and kill men. Take note that you can also effectively, not literally, kill men by taking away their freedom, and/or their time, and/or their money. God even says the corrupt religious leaders do it on purpose:

"The priests are like a gang of robbers who wait in ambush for a man. Even on the road to Shechem they commit murder. And they do this evil deliberately." Hosea 6:9 TEV (Good News Bible)

In many cases religious leaders rationalize that their members should tithe to them. Basically, to tithe means to pay ten percent.

Evidently not realizing the self-contradiction, sometimes they start out their money-plea messages with a passing reference to Zechariah 4:6 "... Not by might, nor by power, **but by my Spirit**," - and then they ask for money. However they decide to ask for tithes, they ask for them despite the fact that tithing was part of a system where each family, Levites excluded, received free land. The Levites, as God's designates, would receive ten percent of the increase from the land. The Levites would then give ten percent of the ten percent they received to the priests. This meant the priests, therefore, received one percent of the increase from the land ( $10\% \text{ of } 10\% = 1\%$ ). No religious leaders (of the modern era) can honestly say: 1) we are in the land of Israel; 2) they provide education and judicial and other such services to the people, i.e., services that modern secular governments provide; 3) they are physical Levites; or 4) that they participated in a God-ordained and directed process where each family was given free land. Tithing is part of a system and that system is not in place today. No family gets free land. Your author will attempt to further help these intuitive, self-appointed on a mission-from-God, non-clear thinkers out just a little bit. The MOST that any honest religious leader could say in the present day is that they

provide spiritual training. They do not provide any secular governmental services and there is no free land given to each family. Even being charitable, the most that rationalizing and spiritualizing religious leaders could argue is that they are fulfilling the role of a priest in providing religious instruction. Even if we were to charitably accept such an argument, the religious leaders have to face this (unpleasant for them) fact: They would only be entitled to one percent of any increase, not the ten percent that many of them rationalize and preach. The priests only received one percent of the increase, not ten percent. Sorry, that's the way it is.

Modern religious leaders → err → when they rationalize → receiving a tithe → from their flock

Tithing was: 1) part of a system of free land given to each family AND 2) the Levites provided many services now provided by secular governments AND 3) priests received 1% for spiritual services to the community, not 10%

No modern religious leader → provides 1) free land + 2) the secular services governments provide

In actuality, the Bible does speak about the proper supporting of a true and good religious leader. At the same time, it also shows what the attitude of the religious leader should be toward both the people and the support:

"Or is it only Barnabas and I [Paul] who have no authority to cease working? Who serves as a soldier at his own wages at any time? Who plants a vineyard and does not eat of its fruit? Or who feeds a flock and does not partake of the milk of the flock? Do I say these things according to man? Or does not the Law say the same also? For it is written in the law of Moses, 'You shall not muzzle the mouth of the ox treading out grain.' Does God take care for oxen? Or does He say it altogether for our sakes? It was written for us, so that he who plows should plow in hope, and so that he who threshes in hope should be partaker of his hope. If we have sown to you spiritual things, is it a great thing if we shall reap your carnal [physical] things? If others have a share of this authority over you, rather should not we? But we have not used this authority, but we endured all things lest we should hinder the gospel of Christ. Do you not know that those who minister about holy things live of the things of the temple? And those attending the altar are

partakers with the altar. Even so, the Lord ordained those announcing the gospel to live from the gospel." 1 Corinthians 9:6-14, MKJV

Paul, a great religious leader, worked as a tentmaker at times so as not to financially, or otherwise, burden a local congregation (Acts 18:3, 1 Corinthians 4:12, 2 Corinthians 11:7-9 and other places). Many other men, who actually care about individual people, donate their time to pastor and do other works of religious benefit for their fellow men. If a man is doing a good spiritual work, then individual men and women can decide, without being psychically coerced, to support such an effort, including a reasonable salary package. Coercion can be in many forms, whether by spiritual threat, or false arguments, etc. Any such attempted coercion can be safely ignored as the two Jehovahs, throughout their word, show that they love individual men and will deal with those who abuse them later. The attitude of a religious leader should be like Paul, who took pains not to abuse the people he was serving.

Many religious leaders directly state, or imply, that if other people are not under their authority then those others are not in good standing with God – or, are even in bad

standing with God. That Matthew 20:20-26 speaks against religions being set up in an authoritarian manner is problem number one with this point of view. The great religious leader's point of view directly contradicts Jesus Christ, his supposed boss. Another big problem with this point of view is ironic. It is ironic because the great religious leader is taking a position that directly contradicts the Bible. In short, the great religious leader is a clueless, Biblical illiterate, in direct opposition to his supposed boss, Jesus Christ. In addition to the **seven** churches mentioned in Revelation 2-3, there is the below passage of scripture which shows that no one man even knows who is in the body of called out ones, the ekklesia, aka the church:

"I am the Good Shepherd [Jesus Christ, the divine head of the church]. The Good Shepherd lays down His life for the sheep [the correct pastoral religious example]. But he who is a hireling and not the shepherd, who does not own the sheep, sees the wolf coming and leaves the sheep and runs away. And the wolf catches them and scatters the sheep. The hireling flees, because he is a hireling and does not care for the sheep. I am the Good Shepherd, and I know those that are Mine [but no one man

knows them all], and I am known by those who are Mine. Even as the Father knows Me, I also know the Father. And I lay down My life for the sheep. And **I have other sheep who are not of this fold**. I must also lead those, and they shall hear My voice, and there shall be one flock, one [divine] Shepherd [who actually does know who all of the sheep are and where they are].”  
John 10:11-16, MKJV

Per Jesus Christ → no religious leader → even  
knows → all who are Christ's

No religious leader → can speak → for all  
Christians

Many religious authorities believe that what God wills is correct and man's duty is simply to listen to and then obey divine revelation. They beat up on anyone who would think about principles and how to apply them – especially if such an application goes outside the strict letter of the law. (Christ had many fights with the Pharisees regarding this point, e.g., in Matthew 12 and 23.) In other words, man ought to obey God. This is man's ethical duty - end of story. Ethical principles can only be given to man by supernatural revelation. This is man's only way to know ethical or religious truth. This is what is

known, speaking philosophically, as fideism – previously shown to be, ironically, non-Biblical.

To these misguided religious leaders anyone using their own minds to apply eternal, rational principles to the dynamic conditions of life is a threat. After all, this might lead to “their” flock doing the same – which is to say thinking and acting for themselves – even (dare your author say it) without formal religious hierarchy permission. In actuality, the two Jehovahs need men to think, take action, and learn lessons so as to develop good judgment, which is one of the weightier matters of the law:

“Woe to you, scribes and Pharisees, hypocrites! For you pay tithes of mint and dill and cummin, and you have left undone the weightier matters of the Law, judgment, mercy, and faith. You ought to have done these and not to leave the other undone.”  
Matthew 23:23, MKJV

If any religious leaders make the arrogant decision to think for “their” flock, they are actually, once again, working against the two Jehovahs. The two Jehovahs gave man a nature, and part of that nature is that we are the thinking animals. Part of the life value

package is that men have to both think and to take action in order to be able to live on this earth - in order to have dominion over it. The Bible does NOT give religious leaders the authority or command to think so that other men do not have to. All men have to think. If any religious leader thinks otherwise, they betray their own very poor thought process and they, once again, put themselves into opposition to the two Jehovahs and their divine individualism process.

All men must think = True

One of the weightier matters of the law (instruction) = judgment

All men are to develop good judgment = True

No religious leader → can think → for all Christians

There is a post-millenarianist point of view, held by some, that Christians should take over the world for Christ. Philosopher, historian, and economist, Dr. Murray Rothbard, in his excellent treatise, *Economic Thought Before Adam Smith*, explained the idea of this view, fairly succinctly:

"Seemingly tiny divergences in premises often have grave social and political consequences, and such was true of disagreements among Christians on the apparently recondite question of eschatology, the science or discipline of the Last Days. Since St Augustine, the orthodox Christian view has been amillennialist, that is, that there is no special millennium or Kingdom of God in human history except the life of Jesus and the establishment of the Christian Church. This is the view of Catholics, of Lutherans, and probably of Calvin himself. The ideological or social conclusion is that Jesus will return to usher in the Last Judgment and the end of history in His own time, so that there is nothing that human beings can do to speed the Last Days. One variant of this doctrine is that after Jesus's return He will launch a thousand years of the Kingdom of God on earth before the Last Judgment; in practical terms, however, there is little of a significant difference here, since Christianity remains in place, and there is still nothing man can do to usher in the millennium. [Rothbard is saying that the real difference that matters, for his and our discussion purposes, is with the post-millennial views. See below.]

The crucial difference comes with chiliastic ideas such as those of Joachim of Fiore, where not only was the world coming to the end soon, but man must do certain things to usher in the Last Days, to prepare the way for the Last Judgment. These are all post-millennial doctrines, that is, that man must first set up a Kingdom of God on earth as a necessary condition either for Jesus's return or for the Last Judgment. Generally, as we shall see further in the Protestant Reformation, post-millennial views lead to some form of theocratic coercion of society to pave the way for the culmination of history." ...

The idea of **a theocratic coercion of society** is a bad one. It leads to faith plus force. And now, instead of a ministry of reconciliation (2 Corinthians 5:18), you have "ethical warriors," or "ethical manipulators," or political animals. You have religions trying to gain control of governments, or working in league with governments. Governments have power. Government is organized force. If your goal is going to be an attempt to force a change in world conditions to usher in the millennium, you might "need" to force any who do not listen to your religious arguments to submit - via governmental force, if necessary. If all this goes

far enough, it can actually lead to religion leading the way to the death or enslavement of all who are different. At the human level this is bizarre, sets all against all, and will not work. And bizarre as all of this may sound, many people actually believe in it. They believe it, even though there are numerous Bible scriptures showing otherwise – meaning that Christ will return to rule for 1,000 years at the beginning of a 1,000 year time period (Revelation 20:4,6). Your author does not want to dwell on this. What your author does want to point out is that instead of a ministry of reconciliation, the post-millenarianist doctrine has some Christians wanting to take over the world for Christ – using force, if necessary. Other religions are also guilty.

“And all things are of God, who has reconciled us to Himself through Jesus Christ, **and has given to us the ministry of reconciliation**; whereas God was in Christ reconciling the world to Himself, not imputing their trespasses to them, and putting the word of reconciliation in us.”

2 Corinthians 5:18-19, MKJV

Faith plus force is a far different cry from a ministry of reconciliation. If one truly

understood the two Jehovahs and their “choose life” command with all that it entails, then they would not be out trying to use force to uphold the principle of life. Satan is the god of forces.

The two Jehovahs are the two supreme intellects, the two beings with perfect moral character and the two most powerful (forceful if necessary) beings in the universe. In dealing with other beings they use force as a last resort, not as the initial attempt. The banner of Christ is a ministry of reconciliation. Reconciliation is part of social harmony. Using force starts wars, and war is anti-life. As previously explained, the social science causal chain sequence is:

justice → social harmony → peace → life

You cannot further God’s efforts by adopting Satan’s tactics. Faith plus (offensive) force will fail – at the human level, which is the level we are at. Having faith in force is having faith in the wrong god and in the wrong method.

Force = Satanic method (primarily)

Faith + force = faith + Satanic method

Having faith in force is having faith in the wrong god and in the wrong method = True

Perhaps the most classic example of intuitive religious failure (from their point of view) was the killing of Jesus Christ – which was an example of faith plus force in action. The governmental and religious elite leadership team was comprised of the usual groups of people, including the Chief Priest, the Pharisees, the Sanhedrin, scribes, elders such as lawyers, business leaders, bankers, etc., (Matthew 26, John 11 and many other places).

"And one of them, Caiaphas, being the high priest of that year, said to them, You do not know anything at all, nor do you consider that it is expedient for us **that one man should die for the people**, and not that the whole nation perish. And he did not speak this of himself, but being high priest that year, he prophesied that Jesus should die for the nation; and not for that nation only, but also that He should gather together in one the children of God who were scattered abroad. Then from that day they took counsel together that they might kill Him."  
John 11:49-53, MKJV

And so the great intuitive leaders commenced to plot and kill Jesus Christ (an individual) so as to protect their religion. They did so in the name

of God. The only problem was, these great spiritual leaders did not know that the man they were killing was their God. **Jesus Christ was the God of the Old Testament** – the God these spiritually clueless leaders supposedly served. Please compare 1 Corinthians 10:1-4 with 2 Samuel 22 and other scriptures like Deuteronomy 32:4:

“and all [the ancient Israelites] drank the same spiritual drink; for they drank of the spiritual Rock that followed them, and that Rock was Christ.” 1 Corinthians 10:4, MKJV

“He is the Rock; His work is perfect. For all His ways are just, a God of faithfulness, and without evil; just and upright is He.”  
Deuteronomy 32:4, MKJV

The intuitive religious giants, upholding and supposedly worshipping their great God, thinking they were advancing his work on earth, unwittingly killed him. And while God the Father worked it all for good (Romans 8:28), this was faith plus force at its most ironic.

“But, we speak wisdom among those who are perfect; yet not the wisdom of this world, nor of the rulers of this world, that come to

nothing. But we speak the wisdom of God in a mystery, which God has hidden, predetermining it before the world for our glory; which none of the rulers of this world knew (for if they had known, they would not have crucified the Lord of glory)." 1 Corinthians 2:6-8, MKJV

It was literally, "he who kills you thinks he does God service" (John 16:2) at its all-time most ironic. **Faith plus force posterizes itself for all time.**

Your author could go on and on, but what is the point? Force means just what it always does, which is, "Do what we say or we will beat you into submission or kill you!" Anyone who thinks that faith plus force is the way of the two Jehovahs (when the two Jehovahs are the life-givers in the universe) is a clueless truther or a clueless intuitive. They do not have even the remotest idea of what the two Jehovahs are really doing, which is divine individualism. And that is why they kill irreplaceable and uniquely valuable individuals, in God's name, actually believing they are doing the work of God. And that is why they engage in lies, half-truths, and outright fraud as their way to uphold the truth, which is the truth as they see it, not as the two Jehovahs teach.

Basically, the entire history of mankind's religions is a history of faith plus force, or faith plus manipulation. This is because Satan, in his battle with the two Jehovahs, has deviously maneuvered to get religions to use his lying, murderous tactics (John 8:44), or to outright worship him (2 Corinthians 4:4). Instead of a positive culture of life, along with the correct values, combined with individual men being respected and free so they could cooperate with the two Jehovahs in their divine individualism process, we have religions versus individuals.

#### **4.6.5 Cultural transmission of negative (anti-life) values**

Cultures can be metaphorically thought of as **value transmission devices**. Obviously, your author is not attempting to pass an anthropology final exam here - only to help men see an aspect of where we have gone wrong. Cultures produce groupings of ideas, mental models or schema, as it were.

The easiest way for a nation, religion, tribe, etc., to grow is organically – through having children. And then those children need to be taught. Teaching entails learning how to think,

and so the parents of children, government leadership teams, tribal leaders, and the religious elites, amongst others, are very interested in education and the dissemination of information. Ideas matter. They shape cultures and societies. This section of the book is not just on the education of children, per se, but on how a society, nation, religion, tribe, parents, etc., can wittingly or unwittingly actually miseducate their citizens, tribe members, parishioners, and children, etc., as the case may be. Thinking, as previously explained, is thinking logically or it is not thinking. And a concept has to be adequately connected to reality, or it goes awry. As previously explained, Satan has attacked thought because thought is so very important to man. Thought enables the recognition and the choice of the true and the good, i.e., the right. Thought enables proper valuation and effective action. If thought becomes corrupted, thinking becomes corrupted, and language and communication become corrupted. And then bad decisions result in bad consequences to the hurt of man. Not only have all too many men been, in effect, miseducated, many men do not sustain their thinking - they accept what their culture gives them, even if what it gives them is wrong. The Bible actually refers to this:

" ... your vain manner of life handed down from your fathers [vain traditions via cultural transmission]," 1 Peter 1:18, MKJV

Cultures → can be thought of as → value transmission devices

All thinking is logical or it is not thinking = True

Concepts must be adequately connected to reality or they go awry = True

Thought enables accurate identification = True

Thought enables identifying the true and the good = True

Thought is critical to man = True

If thought becomes corrupted → language + communication become corrupted = True

If thought becomes corrupted → the true will not be known → the good will be misidentified → bad values will be thought of as good values → bad choices → bad consequences → confusion + pain + suffering + death

The elite (both secular and religious) → want to control or heavily influence → education + the dissemination of information (ideas)

Philosopher and author, Paul Rosenberg, teamed with Sean Hastings to write an important book entitled, *God Wants You Dead*. By "God" they do not mean the real God. They mean a "**Higher Power**" whom men give their time, energy, and money to because they believe in it – not because they have rationally examined it. The real God, the two Jehovahs, would probably call the "God" in the title of Rosenberg's and Hastings' book ... **an idol**. Because their book helps explain how valuable individuals could end up in a place where they vainly sacrifice themselves to a Higher Power, some of their ideas will be discussed and "quoted" below [any emphasis mine].

A Higher Power could be any of the following, or more: The Idea of God; a Prophet speaking for this God; a religion; Honorable Ancestors; a nation; a race of people; an "ism," e.g., Socialism; Mother Nature; a corporation, etc. Their book "explains how these Higher Powers operate and why their goals are rarely aligned with your [any individual's] best interests."

Paul Rosenberg, in his Introduction, attempts to keep himself from being burned at the stake by explaining, "Now, a few additional words on our seemingly blasphemous title: God Wants You Dead. The 'God' in our title is not the big guy on the heavenly throne. It is the idea of God we are talking about – an idea that exists, almost as an independent entity, in the minds of billions. We call these shared mental patterns **Distributed Identities** and describe them as **idea-organisms**. ... These ideas are what stand in the place of the big guy on the throne, at least in the minds of most people." ... "The Distributed Identities that we will refer to in this book have a strong presence in your thoughts, ..."

Their book uses the example of a female suicide bomber who destroys her life and murders many other people in the process. How is it possible that a human being, in complete denial of the need to survive that each of us has, gives her life in the service of a Higher Power - in this case, a religion? The short answer is that she believes (has faith) that her act is good in the sense that it advances her Higher Power's cause because it hurts other human beings who do not ideologically accept

her Higher Power. Unfortunately, none of us can get too comfortable in our pronounced condemnatory judgment of this individual because ...

The suicide bomber → believes → her act is good → because it advances her Higher Power's cause → in that it hurts other human beings → who do not ideologically accept her Higher Power

The suicide bomber acts against her rational self-interest as an agent of death in her Higher Power's service = True

"As incomprehensible as her actions may seem, they are just an extreme case of a type of behavior that is common to almost everyone. You probably do things that, while not nearly as extreme, are just as incomprehensible from a viewpoint of rational self-interest. Just like this girl, and just like almost every other human being on the planet, at some time you will almost certainly allow your actions to be directed by a collective ideology that has little care for individual human lives.

Two of the questions that we will explore with you in this book are:

1. How are you different from a suicide bomber?
2. How can you become even more different from a suicide bomber?

The simple answer to the first question is not particularly comforting:

The only real difference between you and the suicide bomber is the extent to which you allow yourself to make the same kind of mental errors.

More specifically, it is a question of how willing you are to accept a large number of ideas, represented by a single name or flashy icon. Can you question the individual ideas separately, once they are grouped together into an ideology, or do you feel that any given philosophy must be either all good or all bad?

This makes the simple answer to the second question a more useful one:

The less you deny your own mind, the less you believe in voices of authority without question, the less you substitute faith for reason; the less of yourself you will sacrifice to any Higher Power.”

Formula for not being a human sacrifice → for not being abused by a Higher Power Idol → 1) do not deny your own mind, i.e., think for yourself + 2) do not assume authority has your interests in mind, i.e., question authority (respectfully if possible) + 3) do not elevate faith over reason (as this is an unnecessary false dichotomy because faith should be in the two Jehovahs and their word, the Bible, but since the two Jehovahs created the universe with a logical structure there is nothing in the universe, properly understood, that conflicts with faith in the two Jehovahs and their word) (in other words → divine law and natural law known by reason, are not in conflict → real faith and reason are ultimately not in conflict either)

The authors define "Higher Powers" as: "Icons [idols] to which people grant greater authority than they would to any individual human being." And since you cannot directly talk to a Higher Power, any communication with Higher Powers is indirect, which is also part of the author's definition. Your author observes this then opens the door to those who claim to represent a Higher Power on the earth - a religious elite or a government leadership team elite to use the Higher Power to sustain the collective they rule to the benefit of that

collective and, quite possibly, to the detriment of the individuals comprising that collective.

An explanation for what amounts to human sacrifice to the Higher Power are the following elements: it tends to be the most unprincipled who rise to the top echelon of collective governance (to remember Hayek's point), combined with individuals granting more authority to a Higher Power than they would to any individual, combined with the desire of the Higher Power governing elite to sustain the collective at the expense of the individual members of that collective, combined with individuals being willing to give their time, money, and energy to the Higher Power Idol ... can lead to what amounts to human sacrifice. This is advantageous for Satan and dangerous for mankind.

A Higher Power = Icons [Idols] to which people grant greater authority than they would to any individual human being

Direct communication with the Higher Power is not possible = True

An elite or a prophet → representing the Higher Power → speaks for → the Higher Power

Individuals tend to → grant more authority to the Higher Power → ranging up to the maximum of → almost total blind obedience

There is a tendency for → the worst to get on top → to become the elite rulers/leaders of the Higher Power = True

Recipe for human sacrifice → 1) Higher Power Idol (Icon) + 2) commands coming from misguided or corrupted elite speaking for the Higher Power + 3) the Higher Power elite believing some form of collective > individuals + 4) obedience by followers / worshippers of the Higher Power

"In order to receive guidance from the Higher Powers, we must either decide that we know deep in our hearts what they are telling us, accept the word of some other individual who claims to know, or read writings which we believe contain their wisdom. In all of these cases the actual communication comes from an individual human being. Either it originates in our own thoughts (we are talking to ourselves), is presented to us by another individual, or is in the words that were written by the hand of another individual human being. It cannot be

demonstrated that these communications really do originate from the Higher Power."

Higher Powers have great influence over the thoughts and actions of those believing in them. If pronouncements in the name of the Higher Power are not checked against BOTH divine law and natural law, there is a danger that the individuals believing in the Higher Power could be manipulated or encouraged by the elite representing the Higher Power to sacrifice their life or otherwise harm themselves in service to the Higher Power. The harm can be through loss of time, energy, money, family, former friends, the believer's actual life, etc. Your author would also share with you, dear reader, that this is one of the main reasons why the two Jehovahs warned against the worship of idols in their divine law:

"I am the LORD your God, who has brought you out of the land of Egypt, out of the house of bondage [I brought you out of slavery so do not go back into it]. You shall have no other gods [Higher Power Idols] [Collectives] before Me. You shall not make to yourselves any graven image [Icon], or any likeness of anything that is in the heavens above, or that is in the earth beneath, or that is in the water under the earth.

You shall not bow yourself down to them, nor serve them [do not give your valuable lives in service of what amounts to a Higher Power Idol]. For I the LORD your God am a jealous God, visiting the iniquity of the fathers upon the sons to the third and fourth generation of those that hate me [setting up a culture with Higher Power Icons can ruin generations to follow]," Exodus 20:2-5, MKJV

The two Jehovahs repeatedly attempt to instruct man as to what to do and why and what not to do and why, but mankind does not listen and then pays the price for violating divine and natural laws.

Back to the two authors: "Even when no individual is manipulating the voice of a Higher Power, blind obedience is still a problem. Once we give up our right to question, no improvement in our thinking on the subject is permitted. We have given up on our own judgment and adopted the judgment of another. Bear in mind that an actual powerful entity wouldn't need to be protected from examination. On the other hand, an ephemeral impostor would certainly desire such protection." This is why Satan hates thought – rational examination leading to truth, because it will ultimately

expose and defeat error. Truth by intimidation (force) and truth by propaganda can both be tied back to Satan, the father of lies.

One can think of a Higher Power as a collection of ideas represented by an icon of some sort. Since none of these Higher Powers actually exist, how is it that we can even recognize or write about them? They exist as a collection of ideas in the minds of an individual, or dozens, or thousands, or millions, or billions of people. The Higher Power has what is known as a **Distributed Identity** in those minds. These ideas of the Higher Powers in people's minds are "**Collective Idea Organisms**," which your author would call an idol. The two authors use the word "organism" as a borrowed metaphor from the natural sciences. They know it is not really an organism, but the Higher Power can kind of act like one. Your author would offer the idea of an "Organic State" as an example. The state is not really organic, but it basically does eat people to stay "alive," like an organism would. At any rate, the Higher Power (idol) is a collection of ideas represented by an icon(s) and in this way is sort of like a "collective idea organism." Your author will, more often than not, just use **Higher Power Idol** as he thinks it is a bit easier to understand.

Higher Power = a collection of ideas represented by an icon → an Idol

Distributed Identity → of the Higher Power → the collection of ideas about the Higher Power → in people's minds

Collective Idea Organisms → the ideas of Higher Powers → in people's minds

There are several great dangers posed by Higher Power Idols. One is in the composition of the collection of ideas comprising the Higher Power Idol. This is because while some of the ideas are good and some are neutral, almost certainly some of the ideas are harmful to individual human beings. "When these ideas help you achieve your individual goals of survival and growth, they are symbiotic organisms [the good ideas]. When they do not, they are parasitic organisms [the bad ideas]. Blind acceptance of an unseen authority creates a fertile environment in which parasitic ideas can thrive. In such an environment, they are separated from reality, and are not held to an objective examination. This is precisely how every seemingly insane mania works, from Nazism to suicide cults." The danger is that it is

very hard to find a set of ideas where all of the ideas are moral and rational and productive for human beings.

Symbiotic idea → helps individuals in their efforts to → survive and grow

Parasitic idea → hurts individuals in their efforts to → survive and grow

Another great danger of Higher Power Idols is that they tend to act as propagating organisms – they try to spread as far as they can in order to ensure their best chance of survival. In actuality, as the Higher Power Idol is not really alive and not capable of thinking itself and taking action itself, it is the elite representing the Higher Power Idol and those individuals subscribing to it that take the actions to propagate the Higher Power Idol. The way this is done and the way the Higher Power Idol spreads is from one human mind to another. The easiest way for a Higher Power to spread is for parents to teach their children. Another relatively easy way for a Higher Power to spread is for the Higher Power's "official authorities," e.g., the government leadership team, to take over public education, mandate that all children go to school, mandate a recognized and

approved teaching curriculum, certify public school teachers, and then wait for children to learn **the approved collection of ideas.**

Another, less easy way for a Higher Power to spread, is for religions to have missionaries and evangelists. Higher Power political parties can have spokesmen that feed information to sympathetic journalists who write newspaper and magazine articles and blog posts, or sympathizers with radio talk shows, television shows, etc. The authors' idea here is that the Higher Power Idol wants to replicate far and wide, if possible. The danger to human lives is if they are given in service to a Higher Power Idol that is actually harmful to the individuals themselves or to mankind. And then those lives, in service to that Higher Power Idol, were largely wasted.

Higher Power Idols → are spread from human to human → by the leaders + believers of that Higher Power

Another danger of the Higher Power Icon is the incorrect idea (not recognized by its proponents) that the collection of ideas representing the distributed identity of the Higher Power Idol must be an indissoluble and complete set. In other words, take the

authorized, orthodox complete set of ideas and do not attempt to analyze them one by one to see which ones are good for man, which ones are neutral for man, and which ones are bad for man. There is no picking and choosing if you want to really be a member in good standing of the collective represented by the Higher Power Idol. This is obviously dangerous, e.g., you end up with a Nazi set of beliefs including ... it is all right to throw Jews into gas chambers. You, dear reader, would like to think, "No one would be so stupid or callous or evil," but empirical evidence from history vetoes that thought.

A grave danger → Higher Power Idols → the idea, wrongly held → that the composition of the collection of ideas (beliefs) of the Higher Power → must be accepted as a whole → individual ideas in the orthodox composition of ideas are not subject to critical examination → bad ideas in the composition → are not challenged and eliminated → the bad ideas are acted upon → harmful consequences to individual human beings

Another danger represented by Higher Power Idols is their polarizing influence between those who agree with the Higher Power Idol and those who do not. The thought processes become

binary, such as, "You are either for us, or against us." What if we are neither, i.e., neutral? This kind of thinking obviously leads to wars and endless preparations for wars that destroy men's lives, liberty, and property.

Higher Power Idols → polarize → believers and non-believers

Another danger represented by Higher Power Idols is that they tend to act as a barrier to individual human thought. The elite representing the Higher Power Idol do not usually accept line-by-line criticism of the collection of ideas. As mentioned above, the collection of ideas is the received, evolved, or however rationalized correct set of ideas (orthodox) – not to be messed with, without penalty. Any individual human thinking in an attempt to examine, clarify, correct, or obviate a particular idea, set into the indissoluble collection of ideas, is most unwelcome. And this acts against an individual actually thinking about what they believe in and why, and can what they believe in be tied to the logical structure of objective reality. If the set of ideas representing the Higher Power Idol is so ideal for its followers ... it should be capable of withstanding critical examination. If any such examination is never

to be permitted then the elite behind the particular Higher Power Idol have to have some doubts themselves. And then the followers of the Higher Power find themselves in a place where there are politics over principles and emotional appeals to unity over reasonableness. To further help obviate independent thinking most Higher Power Idols have some combination of: a flag or other symbol(s), a song, catchy slogans (that appeal to emotion, inflame the passions, and are easy to remember), recognized prayers, official holidays, rituals, etc. Inflamed emotions and unexamined ideas can equate to human beings spending their lives trying to help propagate the set of ideas comprising the Higher Power Idol. "These ideas can cause a person to do things that are against their own best interests – perhaps even things that will directly result in a person's own death." People influenced by complex idea-organisms will labor to infect others with these ideas. They will try hard to make sure that their children have the same beliefs. They will donate money to organizations that spread the word. They will stand on street corners handing out pamphlets."

Higher Power Idols → work against independent human thought

Higher Power Idols → refusing idea by idea rational examination → devolve toward → politics > principles → AND unity > reasonableness (according to reason, balanced virtues)

Higher Power Idols → usually have some combination of the following thought-inhibiting items → flags, or other symbols → anthems, or songs → slogans → rituals → holidays or holy days, etc.

"They [believers under the influence of a Higher Power Idol] also act to oppose competing ideas. They tend to be closed-minded and unwilling to listen to logical arguments. They will often become uncomfortable or angry when their beliefs are questioned. They sometimes ban or burn books containing competing ideas. They will even engage in bloody warfare to destroy other large groups of people who hold different beliefs."

The elite + believers → a Higher Power Idol → get angry or uncomfortable when their beliefs are questioned → act to oppose competing ideas → sometimes ban or burn books with opposing ideas → sometimes act to engage in bloody warfare to kill non-believers

... "The extremist aspects of two warring Higher Powers are intensified with each act of violence. One act of violence provokes retaliation, which provokes counter retaliation, until it is almost impossible to sort out who started what. The aggressive nature of ideas on each side is thus increased, and moderate ideas within each population are silenced.

As more innocent people are dragged into the violence, more ill will is created in people who would otherwise have never chosen to participate in such a conflict. Thus many additional fertile minds, ripe for infection by these violent idea-organisms, are cultivated. Suicide bombing lends itself particularly well to this process.

When the person who commits a violent act is removed from the equation, it almost guarantees that retaliation will be escalated above the level of personal vengeance, to the impersonal level of competing ideologies."

A war (literal, or an intellectual war of words) between the believers of two different Higher Power Idols → intensifies extremist aspects of each Higher Power Idol → increasing hostilities

via attack and counter-attack → both sides become guilty of wrong-doing → moderate (reasonable) ideas within each population → are silenced

The war between Higher Power Idols → an ideological war → with casualties

Innocent neutrals → negatively affected or disgusted → can join the cause on one side or the other → swelling the ranks of one or both of the Higher Power Idols → leading to a bigger war

... "When a Higher Power inspires a member of a group to sacrifice herself in this way [the female suicide bomber], it may gain far more than it loses. The loss of one faithful believer is likely to be compensated by greater faith in many of the previously less faithful. This cycle of 'violence begets violence' strengthens and furthers the goals of two Higher Powers at war. They are secret allies, helping each other enslave more minds."

Higher Power Idols → engaging in ideologically-inspired war → strengthen each other → both sides experience → 1) greater faith in their cause + 2) larger numbers join their cause

Another danger from Higher Power Idols is that they set groups of men against other groups of men who have different, but important to them, Higher Power Idols – but they do so in a way where it is not really possible for moral, rational, and productive men to reach an agreement – even if the agreement is to disagree. Civilized discourse becomes extremely difficult because both sides look at the other side as ignorant, immoral, or as an infidel. There is no peace. There is only an interlude before the next war. And this is catastrophic for man as Satan has mankind fighting one civil war after another in an endless series of civil wars going far back into human history. The elites behind each Higher Power Idol, knowing they are either in a clash of civilizations, a clash of religions, or a clash of tribes/nations, etc., act like military commanders and demand unconditional, blind obedience from their underlings. This is terrible for human thought and destructive of human lives. And the elite believe they “do God service” when they sacrifice vast numbers of individual men to keep their collective going strong. It amounts to a tragic clash of immoral and irrational desires.

The elite → for conflicting Higher Power Idols → function like military commanders → demanding unconditional, blind obedience

Civilized discourse → even to agree to disagree → becomes very difficult

Reasonable moderates → on both sides → treated like traitorous sellouts

The worst → on both sides → get on top → escalate the war → vast numbers of individuals are sacrificed to the cause of → the Higher Power Idols

All of this is different from what the two Jehovahs had in mind for mankind. For example, built into the logical structure of the universe and knowable to all men who choose to think are the laws of nature, including any ethical derivatives from the same, e.g., individual natural rights. The individual natural rights can be understood via divine law and via natural law. Some of their formulations have already been written about earlier in this book. To refresh the reader's memory, they are, at a minimum: 1) "love your neighbor as yourself"; 2) Maybury's two laws – "do all you have agreed to do and do not encroach on other men or their

property"; 3) respect another man's life, liberty, and property and keep your voluntarily agreed upon, fully-disclosed contracts; and 4) it is necessary for all men to think and take action because I must think and take action in order to stay alive, ergo, so must other men, as well, because all men are men. Just taking #3, above, if all men recognized individual natural rights and adjusted their behavior to respect their fellow man's natural rights then this would act as a purging device to excise any parasitic ideas from the list of any and all Higher Power Idols. Now, the believers in any Higher Power Idol would have to rely on persuasion instead of force and persuasion instead of fraud in order to continue to exist and to propagate. And men could live in peace with each other instead of either preparing for war or actually fighting a war, or calling each other names, or regarding others as intellectual inferiors, immoral, or parasitical, etc. The respect for individual natural rights would also help each individual learn that they are responsible for their own lives and should use their life energy to think, to take action, and to be productive within the universally valid ethical guideline of individual natural rights. Learning to think means questioning what one is taught, including what one is taught by a Higher Power Idol. If men

used respect for individual natural rights as an ethical veto upon proposed actions, then there could be a livable peace between: 1) man and man (intra-societal peace); 2) nation and nation (inter-societal peace); 3) religion and religion (inter-religious peace); 4) race and race (inter-racial peace); and 5) men and women (inter-gender peace), etc. **Not initiating force and/or fraud and keeping one's contracts are not that difficult to learn and to understand or to apply.** And think what it would mean to any Higher Power Idol and its proponents if it openly advocated for any of the following: A) we reserve the right to initiate force against you – to hurt, enslave, or to kill you in order to force you to do what we believe is right; or B) we reserve the right to lie to you in order to defraud you so that we can get something for nothing from you, or we do not believe there is such a thing as knowable truth or knowable morals so we cannot promise you anything in your dealings with us because we might change our core values from one moment to the next, including by majority vote of our believer/followers; or C) even if we make a contract with you, only you have to perform under the terms of the contract – we reserve the right to protect our interests, irrespective of any contractual terms and if you do not like it,

tough. Any man, group of men, or any Higher Power Idol, who publicly admitted either A, B, or C, above, would mark themselves and their Higher Power Idol as, what amounts to, untrustworthy Satanic monsters – outlaws in the universe.

Built into the logical structure of the universe → knowable to all men who choose to think → the laws of nature → including any ethical derivatives from same → e.g., individual natural rights = True

Individual natural rights → could act as a bad-idea-excising device → any collection of ideas held by believers in → a Higher Power Idol

Respect for → individual natural rights → would require believers → a Higher Power Idol → to rely on persuasion rather than → force + fraud → to propagate their ideas

Respect for → individual natural rights → livable peace → intra-societal among men + inter-societal between nations, religions, cultures, etc.

**Not initiating force and/or fraud + keeping one's contracts → is not that difficult to learn + to understand → or to apply**

Any nation, religion, tribe, or individual, etc., who did not agree to respect individual natural rights effectively mark themselves as predator-monsters waiting to strike, as outlaws from moral, rational, and productive society = True

Your author previously mentioned that the ancient Greek concept “unity of virtues” was important to helping understand why the two Jehovahs are so great – they have all of the virtues. Your author also offered the idea of the utilization of knowledge vetted by the wise (**endoxa**) should be thought of as applying to the Bible. In other words, the words of the two Jehovahs, the two supreme minds in the universe, should be considered as THE ENDOXA and used by all men. Divine law, if so used, would also function as the same check and balance that individual natural rights did, as described above. Your author is fully aware that in using the Bible as endoxa, some would accuse the Bible or the persons of the two Jehovahs as simply being different forms of a Higher Power and that neither is strictly provable. Perhaps. But this book is not for everyone. It can only function as Life Charts for those who want to understand where they are and where they would like to go. Just because something is not

strictly provable, from a philosophical point of view, does not mean that a totality of reasoning should not be utilized in order to get the best possible answer. Your author, being only a man and not a prophet, can only write as best as he can. It is up to you, dear reader, to consider the totality of the arguments made and to draw your own conclusions. It has to be so, as you are responsible for your life as I am for mine.

The best source of endoxa → vetted knowledge  
→ the wise → is the minds of the two Jehovahs

The best source of endoxa → The Bible → divine law (instruction)

Divine law → also a check on intra-societal and inter-societal → bad ideas and actions

War kills, maims, destroys, and sets the stage for future retaliatory wars, such that there is no real and lasting peace. And then there is no effective development of the individuals comprising the human race. War is Satan's methodology. Peace is the two Jehovahs' methodology. Rejection of blind obedience to Higher Power Idols and the elite running them, and the examination of each and every single individual idea in the compositional set of ideas

of Higher Power Idols is a good idea for all human beings. Any ideas found wanting, bad ideas, parasitical ideas, etc., should be formally excised from the group. The leaders and followers of any Higher Power Idol that refuse (overtly or by silence) to affirm individual natural rights are a threat to the entire human race – whether it be a nation, a tribe, a religion, an “ism,” or whatever. Force and/or fraud and the destruction they engender are a pledge of allegiance to Satan the warlord and an affront to the real God, the two Jehovahs. Our lives are too valuable to each of us personally to waste in serving idols. And our lives are too valuable to each other in the sense that time spent vainly serving a Higher Power Idol could have been devoted to solving the numerous problems of the human race and to facing the various challenges pertaining to developing an abundant life now.

However Higher Power Idols have managed to come into being, the elite running them have now taken advantage of the distributed set of ideas pertaining to that collective and are using men made in God’s image and likeness as human fuel for various nations, religions, “isms,” etc. The elite are only men. Thinking they do the real God service, they kill men and waste

their lives in the service of their Higher Power Idols.

"They shall put you out of the synagogue [a member in good standing of their Higher Power Idol]. But an hour is coming that everyone who kills you will think that he bears [their] God service." John 16:2, MKJV

"Woe to those who call evil good and good evil; who put darkness for light and light for darkness; who put bitter for sweet and sweet for bitter!" Isaiah 5:20, MKJV

The collective set of ideas → pertaining to each Higher Power Idol → can and do function → as ideologies → ideologies that → if unchecked by divine and natural law → can cause a clash of civilizations

And so a culture can negatively transmit "values" via a Higher Power Idol's compositional set of ideas, obscured by its symbols, flags, songs, pledges of allegiance, holidays, rituals, emotional slogans, etc. If the "values" being transmitted are unexamined and they do not stand up to either divine law or natural law scrutiny, they are not real values. They are, in effect, wrong and hurtful values serving the god

of forces, the father of lies, Satan the warlord as he tries to kill men made in the image and likeness of the real God, because he knows he cannot affect the real God directly. Further, the collective set of ideas pertaining to each Higher Power Idol can and do function as ideologies - ideologies that can cause a clash of civilizations.

#### **4.7 Evil will end**

It turns out that it takes a lot of work - organized thought and words - to even make the attempt to expose evil and darkness. And, of course, many good men have written on exposing what could be considered the spiritual side of evil and its horrible practices.

"Take no part in the worthless deeds of evil and darkness; instead, rebuke and expose them." Ephesians 5:11, NLT

Your author's efforts were more along the lines of explaining and exposing evil from a charted out point of view, in terms of its effects upon man and its opposition to the two Jehovahs. And also how evil has always had helpers – some witting and some unwitting.

The end result of Satan being allowed to be the god of this world for thousands of years (2 Corinthians 4:4), and innumerable decisions based upon his force-and-fraud-based value system is prophesied to be as follows:

"You should also know this, Timothy, that in the last days there will be very difficult times. For people will love only themselves and their money. They will be boastful and proud, **scoffing at God** [believing in God is a sign of mental illness to some philosophers], disobedient to their parents, and ungrateful. They will consider nothing sacred. **They will be unloving and unforgiving** [basically a war of all against all]; they will slander others [use fraud] and have no self-control [be completely missing a critical virtue]; they will be **cruel and have no interest in what is good** [moral and intellectual virtues are both out the door, as is being honestly productive]. They will betray their friends, be reckless, be puffed up with pride [though lacking in goodness], **and love pleasure rather than God** [short-term, immoral, irrational]. **They will act as if they are religious, but they will reject the power that could make them godly** [they will not participate with the two Jehovahs in their divine individualism process]. You must stay away

from people like that [who will be almost everywhere, unfortunately]. They are the kind who work their way into people's homes and win the confidence of vulnerable women [and many men] who are burdened with the guilt of sin and controlled by many desires. Such women are forever following new teachings, but they never understand the truth. And **these teachers** [philosophers and intellectuals and some religious leaders] **fight the truth** just as Jannes and Jambres fought against Moses. **Their minds are depraved, and their faith is counterfeit.** But they won't get away with this for long. Someday everyone will recognize what fools they are, just as happened with Jannes and Jambres." 2 Timothy 3:1-9, NLT

Contrast the above prophesied horror show, where many people are basically ethical and rational infants seeking to satisfy their boundless desires at the expense of whoever they can inflict damage on (while falsely believing they can get away with it), with the below admonition:

"See that none gives evil for evil to anyone, but always pursue the good, both towards one another and towards all."

1 Thessalonians 5:15, MKJV

Aristotle, in so many words, observed that it is never our duty to love evil or to become like what is bad.

Ayn Rand made a nice point when she observed (in so many words) that in any compromise between good and evil, it is evil that wins.

Many others have observed that you cannot compromise a principle you can only abandon it.

The two Jehovahs wanted to make man in their image and likeness and ultimately bestow upon man the gift of a moral, reasonable (rational), and productive eternal life. To do so, they had to grant free will and so they were themselves constrained by men's choices and also by angelic choices. They were also constrained by logic in that they had to logically structure the universe (the environment) and they also had to give to man an ability - the logical structure of the human mind that could identify and use the truths contained in the logical structure of the universe. The two supreme minds in the universe knew that some men and angels would sin – make bad choices, or choices for "the bad." But, they could not

redo the universe or the mind of man, nor could they take away the free will they gave. They did what they could do which is to provide mercy and forgiveness and a fresh start to those wanting to change (Acts 2:38, Romans 8:1) to those wanting to participate with them in their divine individualism process. They also work to bring good out of tough circumstances (Romans 8:28), even if the good amounts to hard lessons learned. They also have promised that there will come a day when evil will end. The below several paragraphs are from your author's, *The Source Of Evil*, book.

The two Jehovahs will use their override button (their free will) to eventually get things the way they want, but some men and angels will resist them to the end. Satan and his evil team may think time is on their side, but they are contingent beings, not eternal beings like the two Jehovahs. Time is on the side of the two Jehovahs, not the other way around. And there will be an end. In other words, God's general plan for the world and universe will largely succeed (Revelation 21 and 22 and many other places), but not everyone will be around to enjoy it. God does want everyone to make it, but not all will.

"He that overcometh shall inherit all things; and I will be his God, and he shall be my son. But the fearful, and unbelieving, and the abominable, and murderers [force], and whoremongers, and sorcerers, and idolaters, and all liars [fraud], shall have their part in the lake which burneth with fire and brimstone: which is **the second death.**"

Revelation 21:7, 8, KJV

Right now it is a struggle for mankind and, in particular, for the ekklesia (church, called out ones) as the below scripture section highlights:

"Put on the whole armour of God, that ye may be able to stand against the wiles of the devil [Satan]. For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places. Wherefore take unto you the whole armour of God, that ye may be able to withstand **in the evil day**, and having done all, to stand." Ephesians 6:11-13, KJV

The above scripture takes on a different meaning when it's viewed against the backdrop of a cosmic war. Satan, the fallen angels, and humans in league with them are making choices

designed to thwart God and his purposes and they are making choices to hurt the ekklesia. Satan has erected entire governmental, religious, and other systems designed to wear down mankind. Satan wants to either con, or force, or bribe men into serving him, or to attempt to actually kill the resisters. Fortunately, God sets limits on how far Satan can go (Job 1:12 and other places). Also, fortunately, Jesus Christ overcame Satan (Mathew 4 and other places). And Jesus Christ, in the Lord's Prayer, told us to pray concerning evil:

**"And lead us not into temptation, but deliver us from evil:** For thine is the kingdom, and the power, and the glory, for ever. Amen."

Matthew 6:13, KJV

Jesus Christ knew that Satan's basic method of operation leads to: "Serve Satan, or die (Revelation 13 and other places)." What else would you expect from a murderer and the god of forces? Satan and his team are serious and the evil they engender is so very hurtful and painful to all of us. But, as previously mentioned, the source of this evil is Satan and his team and the decisions they make. They are the ones who are responsible for it. Some evil

also comes from men not in league with Satan, but who sin through weakness, or ignorance, or bad character traits. All of this has created a hostile environment for peaceful, productive, God-loving people.

Will evil ever end? Yes, evil will end. In the meantime, the Bible says we should do the following:

"Submit yourselves therefore to God. Resist the devil, and he will flee from you."  
James 4:7, KJV

As previously mentioned, the two Jehovahs gave each being (angels and men) so much freedom and so much time and then the time is up. And then we have to give an account for our lives. Time will also be up for Satan and he will be, at the first, bound and chained for 1,000 years. Then, after being loosed for a little season, time is finally up for him.

"And I saw an angel come down from heaven, having the key of the bottomless pit and a great chain in his hand. And he laid hold on the dragon, that old serpent, which is the Devil, and Satan, and bound him a thousand years, And cast him into the bottomless pit, and

shut him up, and set a seal upon him, that he should deceive the nations no more, till the thousand years should be fulfilled: and after that he must be loosed a little season."

Revelation 20:1-3, KJV

Some people assume that because Satan and the fallen angels are spirit they cannot die. Your author is not so sure about that. Take a look at the following scriptures:

"And fear not them which kill the body, but are not able to kill the soul: but rather fear him which is able to destroy both soul and body in hell." Matthew 10:28, KJV

"Then shall he say also unto them on the left hand, Depart from me, ye cursed, into everlasting fire, prepared for the devil and his angels:" Matthew 25:41, KJV

"In that day **the LORD** with his sore and great and strong sword shall punish leviathan the piercing serpent, even leviathan that crooked serpent; and he **shall slay the dragon** (Revelation 12:9) that is in the sea."

Isaiah 27:1, KJV

Jesus Christ will return to the earth (Revelation 19) and teach men to objectively choose the values of God the Father and Jesus Christ (the two Jehovahs). He will start with converting Israel (Jeremiah 31 and other places), but he will also teach all mankind how to live differently (Isaiah 2:2-4 and other places). He will teach men that their decisions flow from their values and if they want good consequences then they have to objectively pick the right values, make decisions according to those right values, and then they will get good consequences. Jesus Christ will heal men, and the earth, as many scriptures show. Here is an example:

"Thus saith the Lord GOD; In the day that I shall have cleansed you from all your iniquities I will also cause you to dwell in the cities, and the wastes shall be builded. And the desolate land shall be tilled, whereas it lay desolate in the sight of all that passed by. And they shall say, **This land that was desolate is become like the garden of Eden**; and the waste and desolate and ruined cities are become fenced, and are inhabited." Ezekiel 36:33-35, KJV

One of the great things about the two Jehovahs and their supreme minds is that they

have the ability, the power, the intelligence, etc., to heal. They can clean things up, restore them, and make a land that was desolate become like the Garden of Eden. People can be healed physically, spiritually, and emotionally. They can also learn to value properly, they can obtain and use the moral and intellectual virtues, and learn how to be productive. Your author actually wrote an entire book discussing healing entitled, *Go To The Healer*, which explains this in more detail. The main point is this:

**The two Jehovahs are not going to lose to Satan.** For the most part, whatever Satan and his team of evil-spreading dominators and consorts destroy, the two Jehovahs can rebuild. And then, once Satan and all who are consciously and willfully evil are destroyed, it will most likely be like they never existed. Of course, lessons will have been learned from their rebellion, but they will not be missed. There is no long-term place in the universe for the immoral, the irrational, or the parasitical. The two Jehovahs will undo practically all of Satan's work. The two Jehovahs will succeed. Satan will fail. The universe and the earth will be healed and men will be healed, if alive, or resurrected if dead (see next Chapter for more details). Good will triumph over evil because the two Jehovahs will not surrender their universe to

it. They will not surrender their earth to it. They will not surrender men made in their image to it. They have stacked the universal deck of cards so that good > evil. Only the good can be sustained. Whatever evil does not burn out by itself will be burned up by the two Jehovahs (see the 2 Peter 3:7-13 scripture a few paragraphs below).

Evil will end with Satan and his team being either completely destroyed or completely imprisoned (your author believes they will be completely destroyed). Either way, they will no longer be a factor in the functioning and operation of the universe. **Satan, the father of evil, will have his person and his ways completely repudiated.** He will see his team destroyed or imprisoned.

The two Jehovahs will be completely victorious as they have the power to heal physically, and they will (Mathew 4 and numerous other scriptures). They have the power to heal spiritually, and they will (Jeremiah 31, Hebrews 10, and many other scriptures). They can heal the earth and make it like a Garden of Eden, and they will (Ezekiel 36, Genesis 2 and other places). And eventually the two Jehovahs will resurrect the faithful to

eternal life (1 Corinthians 15, 1 Thessalonians 4).

Further, the two Jehovahs will recreate the heavens and the earth so that there will be a new heavens and a new earth. Only the righteous shall remain with the two Jehovahs.

"And God has also commanded that the heavens and the earth **will be consumed by fire** on the day of judgment, when ungodly people will perish.

But you must not forget, dear friends, that a day is like a thousand years to the Lord, and a thousand years is like a day.

The Lord isn't really being slow about his promise to return, as some people think. No, he is being patient for your sake. He does not want anyone to perish, so he is giving more time for everyone to repent. But the day of the Lord will come as unexpectedly as a thief. Then the heavens will pass away with a terrible noise, and everything in them will disappear in fire, and the earth and everything on it will be exposed to judgment.

Since everything around us is going to melt away, what holy, godly lives you should be living! You should look forward to that day and hurry it along - the day when God will set the

heavens on fire and the elements will melt away in the flames. But **we are looking forward to the new heavens and new earth he has promised, a world where everyone is right with God.**" 2 Peter 3:7-13, NLT

"A world where everyone is right with God" means MRP divine individuals.

"Then I saw a new heaven and a new earth, for the old heaven and the old earth had disappeared. And the sea was also gone. And I saw the holy city, the new Jerusalem, coming down from God out of heaven like a beautiful bride prepared for her husband. I heard a loud shout from the throne, saying, "Look, the home of God is now among his people! He will live with them, and they will be his people. God himself will be with them. He will remove all of their sorrows, and there will be no more death or sorrow or crying or pain. **For the old world and its evils are gone forever.**""

Revelation 21:1-4, NLT

For now, morally compromised and confused men - men poisoned by Satan's nature (presently known as human nature) are wittingly and unwittingly helping their own enemy, Satan the destroyer. Just like Hitler

needed help from a lot of people, Satan, in his war against God and man, has needed a lot of help. Unfortunately, until now, he has gotten it.

## **Chapter Five**

### **Ancient Israel's Failure And Its Effects**

If someone gets the answer to three key Bible-related questions incorrect, they probably will not understand the Bible – at least not as well as they could have. As previously mentioned, if you have the wrong theory you get the wrong answers. And it is likely that the correct answer will present itself once the problem is clearly formulated, or the correct question is asked. In order to help clarify the matter, regarding the case presented in this chapter, your author will suggest better phraseology for an important word. As a further caveat, it must be understood that the subject matter of God and Israel covers the entirety of the Bible. Ergo, your author must chart out certain key points and leave you, dear reader, to read the rest of the story in the Bible itself.

The three questions needing to be clear in one's mind in order to better understand the Bible are as follows: 1) Is **determinism** or free will correct?; 2) Is **dominionism** (post-millennialism) correct, or not?; and 3) Is **dispensationalism** correct, or not? Your author calls them, the three D's.

Free will is correct and determinism is false. And the omniscience of God, when dealing with contingent beings is false. This was explained in the prior chapters and so the only thing your author wants to touch on here is why it would even be a question for many. Determinism has been believed in, in various cultures, going back into history. The idea that God controls everything is not new. The determinist idea, for Christians, got a new lease on life from Calvinist theology. Quoting from Wikipedia's entry on "John Calvin" [emphasis mine]:

... "He [John Calvin] was a principal figure in the development of the system of Christian theology later called Calvinism, aspects of which include the doctrine of **predestination** and **the absolute sovereignty of God [monergism]** in salvation of the human soul from death and eternal damnation. In these areas Calvin was influenced by the Augustinian tradition. Various

Congregational, Reformed and Presbyterian churches, which look to Calvin as the chief expositor of their beliefs, have spread throughout the world."

Quoting from Wikipedia's entry on "predestination" [emphasis mine]:

"Predestination, in theology, is the doctrine that all events have been willed by God, usually with reference to the eventual fate of the individual soul. ... Explanations of predestination often seek to address the "paradox of free will", whereby God's omniscience seems incompatible with human free will. In this usage, predestination can be regarded as a form of religious determinism; and usually **predeterminism**."

Determinism = False

Religious determinism → predeterminism = False

Predestination, in Calvinist terms, amounts to the position that God has determined, in advance, who will be saved and who will not be. The absolute sovereignty of God is known as

monergism. Quoting from the Wikipedia entry on "monergism" [emphasis mine]:

"Monergism states that the regeneration of an individual is the work of God through the Holy Spirit alone, as opposed to Synergism, which, in its simplest form, argues that the human will cooperates with God's grace in order to be regenerated. To most synergists, regeneration is a process that begins when a man responds to God's initiative, repents, and begins the labor of loving God and his neighbor. Monergists believe that regeneration takes place as a single act in which God regenerates a man from his fleshly state and, thus now enabled, a man can believe, and that he inevitably and invariably will do so."

While most synergists hold that God initiates all the work but that the work of salvation requires man's "free will," monergists maintain that God alone initiates and completes all the work of salvation. ..."

The central point is that monergists do not believe in free will regarding an individual being able to repent and change. It is religious determinism or religious predestination in terms of ultimate salvation. They are clearly wrong.

The two Jehovahs gave man free will in both spiritual matters and in physical matters. Human choice, in cooperating with the two Jehovahs, is a central part of divine individualism. Determinism can only be regarded as true from the viewpoint that there are consistent laws of nature. Pertaining to God and man, determinism, particularly religious determinism pertaining to salvation, is false. Choice matters to contingent beings - men and angels.

The second key question one needs to get correct in order to better understand the Bible is this: Is **dominionism** correct, or not? It is not. Quoting from Wikipedia's entry on "Dominion Theology" [emphasis mine]:

"Dominion Theology [dominionism] is a grouping of theocratic ideologies that seek to institute a nation governed by Christians based on understandings of biblical law. Extents of rule and ways of achieving governing authority are varied. For example, Dominion Theology can include theonomy, but does not necessarily involve advocating Mosaic law as the basis of government. The label is applied primarily toward groups of Protestants in the United States."

Prominent adherents of these ideologies are otherwise theologically diverse, including Calvinist Christian Reconstructionism, Charismatic/Pentecostal Kingdom Now theology, New Apostolic Reformation and others. Most of the contemporary movements labeled Dominion Theology arose in the 1970s from religious movements reasserting aspects of Christian nationalism."

Dominion theology, dominionism, is wrong and dangerous. Some "on fire" adherents to dominionism go so far as to want to take over the whole world for God – in other words, not just establish a nation governed by their understanding of divine law. The spirit and substance of dominionism can be extended much further than the Dominion theology believers in the USA. In a sense, it could be argued that it is not just some Protestants in the United States who believe in dominionism, but also some important members of the Catholic Church. Further, from a Judaism point of view, some Zionists believe in it for their religion. Even further still, some adherents of Islam are, in substance and effect, dominionists (a believer in their flavor of dominionist theology). And the dominionist who actually "succeeds" for his god

of forces, the Antichrist (Revelation 13), does so for only 42 months (verse 5) and at horrific cost to the peoples of the earth. The danger here is that religious zealots, believing they are "doing God service," start violating both divine and natural laws in their religiously-motivated attempt to take over the nation or the world for their God. However, the real God, the two Jehovahs, do not need anyone's help to take over the world when it is time - God's time - to actually assert their rightful ownership and dominion over the earth (Revelation 19:11-21).

Dominion theology → dominionism = False + dangerous

Dominion theology → of whatever flavor → invariably → comes down to some version of → righteousness through force (Satanic method)

The two Jehovahs use → Holy Spirit (of love, peace, patience, etc.) + free will → righteousness

Dominion theology + competing religions = religious wars → loss of life, liberty, & property

"And I saw Heaven opened. And behold, a white horse! And He sitting on him was called

Faithful and True [Jesus Christ]. And in righteousness He judges and makes war. And His eyes were like a flame of fire, and on His head many crowns. And He had a name written, one that no one knew except Himself. And He had been clothed in a garment dipped in blood, and His name is called **The Word of God**. And the armies in Heaven followed Him on white horses, clothed in fine linen, white and clean. And out of His mouth goes a sharp sword, so that with it He should strike the nations [the nations of the earth evidently do NOT heed the offer of reconciliation offered by the two Jehovahs in Psalm 2; further, the dominionists, who are wrong, have failed]. And He will shepherd them with a rod of iron. And He treads the winepress of the wine of the anger and of the wrath of Almighty God. And He has on His garment, and on His thigh a name written, KING OF KINGS AND LORD OF LORDS. And I saw one angel standing in the sun. And he cried with a great voice, saying to all the birds that fly in mid-heaven, Come and gather together to the supper of the great God, so that you may eat the flesh of kings, and the flesh of commanders, and the flesh of strong ones [military force is powerless against the two Jehovahs and will not save the government leadership teams, nor their armies], and the flesh of horses, and those

sitting on them, and the flesh of all, both free and slave, both small and great. And I saw the beast [the Antichrist], and the kings of the earth and their armies, being gathered to make war against Him who sat on the horse, and against His army. And the beast was taken, and with him the false prophet doing signs before it, (by which he deceived those who had received the mark of the beast), and those who had worshiped his image. The two were thrown alive into the Lake of Fire burning with brimstone. And the rest were slain by the sword of Him who sat on the horse, it proceeding out of His mouth. And all the birds were filled from their flesh."

Revelation 19:11-21, MKJV

The Antichrist (The Dominionist of all time), the government leadership teams (the elite), the false prophet and the various other religious elites, and the militaries of the nations supporting this dominionist attempt to take over the world for their god, the god of forces, are going to be killed by Jesus Christ ... when it is time. All of the other junior dominionist attempts to take over the world, mentioned in the paragraphs above, will fail, too. The post-millennialists, a type of post-millenarianism previously discussed in a prior chapter, are a form of dominionism. Dominionism, of whatever

flavor, is false. There is no Biblical mandate to take over the world.

The last of the three D's can be called **dispensationalism**. The basic idea of dispensationalism is that after ancient Israel failed God, then God put down Israel and, after Christ, picked up the church. In overly simplistic but understandable terminology there was physical Israel and an Old Testament, but now there is a church and a New Testament. This idea, too, **is false**, and correcting it will take a bit of effort, so please stay with your author as he attempts to explain this as simply as possible.

Quite a lot of the Bible is history, particularly the history of the Israelites. And a lot of the Bible is prophecy; particularly what God will do with and through Israel. And much of commonly held Christian doctrine could be considered as a reaction to ancient Israel's failure to do what the two Jehovahs instructed. Not understanding ancient Israel's failure and its effects (the title of this chapter) has led to not understanding God's special and frustrating relationship with Israel – including his future plans for them. Ancient Israel frustrated God and failed mankind (and failed God so far). And

this needs to be explained, because the effects of that failure are being felt to this day, throughout the earth. Sometimes your author might also use the phrase “secular Israel” to describe ancient Israel. This is to contrast the Israelites who did not do what God said with those Israelites, in the future, who will do so.

It is important to understand that the Bible refers to “the fathers” in two different ways when referring to Israel’s fathers. One way the Bible uses “the fathers” is in reference to **the good fathers** who actually pleased God and who therefore have a special relationship with him. They are Abraham, Isaac, and Jacob. Jacob’s name was changed to Israel after successfully wrestling with God. His descendants are known as the Israelites.

“And Jacob was left alone. And a Man [actually God appearing in the form of a man; keep reading] wrestled there with him until the breaking of the day. And when He saw that He did not prevail against him, He touched the hollow of his thigh. And the hollow of Jacob’s thigh was out of joint as he wrestled with Him. And He said, Let Me go, for the day breaks. And he said, I will not let You go except You bless me. And He said to him, What is your name?

And he said, Jacob. And He said, **Your name shall no longer be called Jacob, but Israel;** for like a prince you have power with God and with men, and have prevailed. And Jacob asked and said, I pray You, reveal Your name. And He said, Why do you ask after My name? And He blessed him there. And Jacob called the name of the place Peniel; for **I have seen God face to face,** and my life is preserved."

Genesis 32:24-30, MKJV

The good fathers → Abraham, Isaac, and Jacob

Jacobs's name → changed to Israel → by God

Israel's (Jacob's) descendants → the Israelites  
(through his twelve sons 1 Chronicles 2:1-2)

The second way that the Bible refers to "the fathers" is not so good. They could be designated, at this time, and for the most part, as **the bad fathers.** The bad fathers are those who were at Mount Sinai and promised to do what God said, including teach God's ways to their children, but did not. Your author will use some of his previous book, *What Now?*, to help clarify this important distinction, starting with Malachi 3:7:

"Even from the days of your [bad] fathers ye are gone away from mine ordinances, and have not kept them. Return unto me, and I will return unto you, saith the LORD of hosts. But ye said, Wherein shall we return?"  
Malachi 3:7, KJV

This question, in reality, gets comprehensively answered a few verses later in Malachi 4:4:

"Remember ye the law of Moses my servant, which I commanded unto him in Horeb [Mount Sinai] for all Israel, with the statutes and judgments." Malachi 4:4, KJV

Of course part of the message of the Bible is that the ancient Israelites were present at Mount Sinai – in one sense the religious founding of Israel. In that sense they were present at the founding and could be considered as fathers (like the founding fathers of a country). Those present promised to obey God; they confirmed the covenant. And they promised to teach their children and their children's children, etc. But, history shows most of these "fathers" failed and were not even allowed into "the promised land." They died in the wilderness, other than Joshua and Caleb (Numbers 14). And so the Bible

sometimes refers to these men as “the fathers,” but usually not in a good way. The “good fathers,” that the Bible is actually talking about, are Abraham, Isaac and Jacob (Israel). The ancient Israelites being present at Mount Sinai was in part due to the promises made to Abraham, Isaac, and Jacob. Only in that sense, and because of the ancient history involved, were the ancient Israelites present at Mount Sinai regarded as fathers – not because they actually followed God’s program like they were supposed to, because they did not. Abraham, Isaac, and Jacob did follow God and it is because of God’s graciousness to them and because they exhibited faith and righteousness that they are “the good fathers” from the Bible point of view. This will be made plain as we go through some scriptures. Whether the Bible is using the phrase “the fathers” in a good way, as pertains to Abraham, Isaac, and Jacob, or in a bad way as pertains to those present at Mount Sinai who disobeyed God, depends on the context of what was written.

The fathers → Biblically bad way → those present at Mount Sinai who confirmed the covenant → but rebelled → and who were not allowed into the Promised Land

"Now these are the commandments, the statutes, and the judgments, which the LORD your God commanded to teach you, that ye might do them in the land whither ye go to possess it: That thou mightest fear the LORD thy God, to keep all his statutes and his commandments, which I command thee, thou, and thy son, and thy son's son, all the days of thy life; and that thy days may be prolonged. Hear therefore, O Israel, and observe to do it; that it may be well with thee, and that ye may increase mightily, **as the LORD God of thy fathers** hath promised thee, in the land that floweth with milk and honey."

Deuteronomy 6:1-3, KJV

"And thou shalt love the LORD thy God with all thine heart, and with all thy soul, and with all thy might. And these words, which I command thee this day, shall be in thine heart: And thou shalt teach them diligently unto thy children, and shalt talk of them when thou sittest in thine house, and when thou walkest by the way, and when thou liest down, and when thou risest up. And thou shalt bind them for a sign upon thine hand, and they shall be as frontlets between thine eyes. And thou shalt write them upon the posts of thy house, and on thy gates. And it shall be, when the LORD thy God shall have

brought thee into the land which he sware **unto thy fathers, to Abraham, to Isaac, and to Jacob**, to give thee great and goodly cities, which thou buildest not,”  
Deuteronomy 6:5-10, KJV

“He [God] made known his ways unto Moses, his acts unto the children of Israel.”  
Psalms 103:7, KJV

God made known to us his ways through Moses and he wants us to follow him the way Abraham, Isaac and Jacob followed him (the good fathers). God codified what he wanted them to do, through Moses, and he did it face to face and he dictated every word. And then he said to not add to what he said and to not take away from what he said (Deuteronomy 4:2). God also identified, in Deuteronomy 6:10, who the fathers were, i.e., Abraham, Isaac, and Jacob. And he told the Israelites to teach their children and their children after them such things as ... Who God is, what his program is, who “the fathers” are, (who the Israelites are to emulate, i.e., the good fathers, not the bad fathers of Israel), was made very clear. There is no doubt whatsoever who the good fathers are.

“And thou shalt do that which is right and good in the sight of the LORD: that it may be well with thee, and that thou mayest go in and possess the good land which the LORD sware unto thy fathers,” Deuteronomy 6:18, KJV

“And the LORD shewed signs and wonders, great and sore, upon Egypt, upon Pharaoh, and upon all his household, before our eyes: And he brought us out from thence, that he might bring us in, to give us the land which he sware unto our fathers.” Deuteronomy 6:22, 23, KJV

The two Jehovahs wanted the Israelites to emulate the good fathers, Abraham, Isaac, and Israel (Jacob), who are in the Bible Hall of Fame (Hebrews 11), and not to emulate the bad fathers, the fathers who were physically present at Mount Sinai and promised to obey God, but were not even allowed into the Promised Land.

The two Jehovahs wanted → the Israelites to emulate → the good fathers → NOT the bad fathers → so they would make it into → the Promised Land

Another important point regarding God and Israel needs to be interjected here. And that point is that the plan of God is not going to

change – pertaining to divine law and God's special relationship with the good fathers and their descendants, the Israelites. This must be clarified, which it will be below. Again, your author will utilize some of his previously published, *What Now?*, book.

If a prophet comes along, claiming to be speaking for God, there is **a Biblically mandated test:** 1) of that prophet and 2) of their message. This is important because some false prophets can work miracles to back their message and this can and does confuse people into believing the wrong things. The main purposes of the paragraphs following is to drive home the point that there is not going to be a change of God's plan, i.e., NO DISPENSATIONALISM.

"And I beheld **another beast** coming up out of the earth; and he had two horns like a lamb, and he spake as a dragon [Satan]. And he exerciseth all the power of the first beast before him, and causeth the earth and them which dwell therein to worship the first beast, whose deadly wound was healed. **And he doeth great wonders, so that he maketh fire come down from heaven on the earth in the sight of men, And deceiveth them that dwell on**

**the earth by the means of those miracles**  
**which he had power to do** in the sight of the beast; saying to them that dwell on the earth, that they should make an image to the beast, which had the wound by a sword, and did live.”  
Revelation 13:11-14, KJV

The first beast, commonly referred to as the Antichrist, will be given 42 months (Revelation 13:5) to teach “great things,” which, to God, are blasphemy. This is likely the concurrent time period as God’s two witnesses are given (Revelation 11:3). Another second beast, commonly referred to as the false prophet, will also teach mankind wrong things (Revelation 13:11-18). And this second beast will also back his evil message by miracles that deceive, which he will have the power to do, via Satan, his master.

Antichrist + false prophet = Satan’s two counterfeit witnesses

False prophet → works miracles → to deceive

Per the two Jehovahs → Antichrist’s message → blasphemous

Per the two Jehovahs → false prophet's message  
→ deceives

The real two witnesses (God's two witnesses) will teach mankind the truth and offer a ministry of reconciliation, which if rejected, becomes a warning message from God to mankind (Revelation 11). They will work miracles from God to back their teaching and message. They will be encountered by Satan's two beasts, which effectively function as Satan's two counterfeit witnesses, who will also teach great things and back their message by evil miracles from Satan. Notice one of the evil miracles they will be able to perform is to call fire down from heaven, the same miracle as God's two witnesses will have the power to do (Revelation 11:5, 13:13). Further, God will ultimately allow Satan's two beasts to kill God's two witnesses, which will further confuse people who are trying to make up their mind as to who is right and who should be followed (Revelation 11:7-10). For a few days it will look like Satan has won. It will look like Satan is stronger than God. But, looks can be deceiving, and often are.

This will create what seems like quite a dilemma. Fortunately, God knew long ago that false prophets would come. And he gave the

physical Israelites (and us) guidelines we can follow to know who is really from God and who is a pretender working for Satan. These guidelines can be found in the last part of Deuteronomy 12 and the first part of Deuteronomy 13 and also in Deuteronomy 18.

"Observe and hear all these words which I command thee, that it may go well with thee, and with thy children after thee for ever, when thou doest that which is good and right in the sight of the LORD thy God. When the LORD thy God shall cut off the nations from before thee, whither thou goest to possess them, and thou succeedest them, and dwellest in their land; Take heed to thyself that thou be not snared by following them, after that they be destroyed from before thee; and that thou **enquire not after their gods**, saying, **How did these nations serve their gods? even so will I do likewise.** Thou shalt not do so unto the LORD thy God: for every abomination to the LORD, which he hateth, have they done unto their gods; for even their sons and their daughters they have burnt in the fire to their gods. What thing soever I command you, observe to do it: thou shalt not add thereto, nor diminish from it.

If there arise among you a prophet, or a dreamer of dreams, and giveth thee a sign or a wonder, **And the sign or the wonder come to pass**, whereof he spake unto thee, saying, Let us go after other gods, which thou hast not known, and let us serve them; Thou shalt not hearken unto the words of that prophet, or that dreamer of dreams: for the LORD your God proveth you, to know whether ye love the LORD your God with all your heart and with all your soul. Ye shall walk after the LORD your God, and fear him, and keep his commandments, and obey his voice, and ye shall serve him, and cleave unto him. **And that prophet, or that dreamer of dreams, shall be put to death; because he hath spoken to turn you away from the LORD your God**, which brought you out of the land of Egypt, and redeemed you out of the house of bondage, to thrust thee out of the way which the LORD thy God commanded thee to walk in. So shalt thou put the evil away from the midst of thee.

If thy brother, the son of thy mother, or thy son, or thy daughter, or the wife of thy bosom, or thy friend, which is as thine own soul, entice thee secretly, saying, Let us go and serve other gods, which thou hast not known, thou, nor thy fathers; Namely, of the gods of the people which

are round about you, nigh unto thee, or far off from thee, from the one end of the earth even unto the other end of the earth; Thou shalt not consent unto him, nor hearken unto him; neither shall thine eye pity him, neither shalt thou spare, neither shalt thou conceal him: But thou shalt surely kill him; thine hand shall be first upon him to put him to death, and afterwards the hand of all the people. And thou shalt stone him with stones, that he die; because he hath sought to thrust thee away from the LORD thy God, which brought thee out of the land of Egypt, from the house of bondage. And all Israel shall hear, and fear, and shall do no more any such wickedness as this is among you." Deuteronomy 12:28-13:11, KJV

"But the prophet, which shall presume to speak a word in my name, which I have not commanded him to speak, or that shall speak in the name of other gods, even that prophet shall die. And if thou say in thine heart, How shall we know the word which the LORD hath not spoken? When a prophet speaketh in the name of the LORD, if the thing follow not, nor come to pass, that is the thing which the LORD hath not spoken, but the prophet hath spoken it presumptuously: thou shalt not be afraid of him." Deuteronomy 18:20-22, KJV

All of the above is important to consider, because if you've got a charismatic leader, the beast, backed by evil miracles, and teachings that sound good, many can and will be deceived. I say evil miracles and not false miracles because the miracles actually happen. So I will classify the miracles by the beast, or false prophet, as evil miracles. I personally believe these two beasts will be masters of manipulating human psychology and human nature and they will no doubt use clever emotional appeals, various rationalizations using slogans like "the common good," scientific breakthroughs, and anything else at their disposal to gain control of mankind and lead them to Satan and destruction.

We therefore need a benchmark and a reality check to keep ourselves from being caught up in it all. Fortunately God gave us such a reality check in Deuteronomy 12, 13, and 18, quoted above. The three major checkpoints, or criteria to be considered and used, are as follows:

1. If the prophet predicts something that does not come true, he is not from God and the prophet has shown himself as a false prophet

who should not be followed, or feared.  
Deuteronomy 18:20-22.

2. If the prophet predicts something, which comes true, or works a miracle, but then teaches against the God of the Bible, or teaches against the program of God as outlined in the Bible (divine law), that prophet is not from God and should not be followed. Deuteronomy 12:28-13:11.
3. And since God repeatedly gave ancient Israel clear instructions to not add to, nor diminish from, his program (Deuteronomy 12:32 as one instance) this means that the written word of God is itself the benchmark for the people of God to follow. In other words, oral traditions or teachings are not part of the false prophet test because they cannot be used to know whether someone claiming to be a prophet is really sent by God, or not. Oral traditions move the goalpost, so to speak. Oral traditions modify the word of God. It would not have made sense for God to give ancient Israel this "follow the program of God as outlined in the word of God" test for a false prophet if the false prophet could claim he has new teaching that must now be followed and that teaching

deviated from what was in the written word of God. Or, that his teaching now modified the written program of God to make it "more complete," or "relevant for the modern times in which we now live," etc. God headed this one "off at the pass" and said, "No way." Even though our understanding of God's values and program may improve over time, his values and program do not change and so the people of God can use his written word as a benchmark. God says we must. If a prophet says anyone other than the God of the Bible is God, or says anything other than what is in the program of God as contained in the Bible, he is not from the real God and is a false prophet. End of discussion.

"God, who at sundry times and in divers manners spake in time past unto the fathers by the prophets, **Hath in these last days spoken unto us by his Son**, whom he hath appointed heir of all things, by whom also he made the worlds;" Hebrews 1:1, 2, KJV

"In the beginning was the Word, and the Word was with God, and the Word was God. The same was in the beginning with God. All things were made by him; and without him was not any thing made that was made."

John 1:1-3, KJV

**"And the Word was made flesh, and dwelt among us,** (and we beheld his glory, the glory as of the only begotten of the Father,) full of grace and truth." John 1:14, KJV

Jesus Christ is and was the Word who God the Father used to create the universe, the earth, and mankind (Ephesians 3:9). Hebrews 1:2 makes plain that God has spoken to us by his Son, the Word of God, in these last days. The written word of God, the Bible, is our benchmark now and ever. It is our anchor in the coming storm. If someone says different, they are not from the real God and cannot be trusted.

To summarize, if someone claims to be a prophet sent by God and makes a prediction that does not come true, they are not from God. If they make a prediction and it comes true, or they work a miracle, but then teach that some other god, besides the God of the Bible is god, they are not from God. Or, if they make a prediction that comes true, or they work a miracle, but then say something that contradicts what is in the written word of God, they are not from God. I can see a situation arising where a

false prophet proposes something as follows: "These are tough times and God sent me to tell you that, based on our very difficult current situation, there needs to be a change of plan." God has already told us the plan is the written word of God, the Bible (Psalm 103:7). **There is not going to be a change of plan.** And so we can now judge accordingly and wisely.

We can and must conclude two very important things about all of this. **One**, God's written word has precedence, because it's the benchmark he gave us to measure the message by. **Two**, there can be no change of plans, because the written word is not fluid. There is not going to be any change of plan. Ergo, if someone comes along and says anything different, then they are to be considered as a false prophet. And their words and "isms" can be disregarded, e.g., dispensationalism and dominionism.

The above can still use some further clarification and your author hopes to provide it. There is nothing wrong with the descriptor, "**Christian.**" The Bible uses the term favorably below:

"But if one suffers as a Christian, let him not be ashamed, but let him glorify God because of this." 1 Peter 4:16, MKJV

Perhaps phraseology that would be clearer would be the use of the two-word phrase "**spiritual Israelite**," instead of Christian. Again, there is nothing wrong with Christian, but the use of the two-word phrase "spiritual Israelite" would gut the incorrect idea of dispensationalism, which negatively plagues modern Christianity.

A suggestion: Christian = spiritual Israelite

Abraham is "the father of the faithful." The below verses, mainly from the New Testament in order to make a point, hearken back to their Old Testament counterparts. They show the mind of God pertaining to the good fathers, e.g., the promise of a Savior was made to Abraham, Isaac, and Israel (through Israel's son, Judah).

"The God of Abraham and of Isaac and of Jacob, the God of our fathers, has glorified His son Jesus, whom you delivered up, denying Him in the presence of Pilate, when he had decided to let Him go." Acts 3:13, MKJV

"You are the sons of the prophets and of the covenant which God made with our fathers, saying to Abraham, "And in your Seed shall all the kindreds of the earth be blessed.""

Acts 3:25, MKJV

"nor because they are the seed of Abraham are they all children. But, "In Isaac [not Ishmael] shall your Seed be called.""

Romans 9:7, MKJV

"The scepter shall not depart from Judah [Israel's son], nor a Lawgiver from between his feet, until Shiloh [Christ] come. And the obedience of the peoples to him."

Genesis 49:10, MKJV

Abraham → Isaac → Israel (Jacob) → Jacob's twelve sons → the physical Israelites

Abraham → Isaac → Israel → Judah → Shiloh (Savior)

The below scripture shows the Israelite-lineage part of the plan of God:

"And He gave him [Abraham] the covenant of circumcision. And so Abraham fathered Isaac and circumcised him the eighth day. And Isaac

fathered Jacob, and Jacob the twelve patriarchs." Acts 7:8, MKJV

And please notice how God introduced himself to Moses:

"saying, "I am the God of your fathers, the God of Abraham, and the God of Isaac, and the God of Jacob." But Moses trembled and dared not look." Acts 7:32, MKJV

The Bible refers to Abraham as the father of the faithful (Christians) (spiritual Israelites).

"Therefore it is of faith so that it might be according to grace; for the promise to be made sure to all the seed, not only to that which is of the Law, but to that also which is of the faith of **Abraham, who is the father of us all**"  
Romans 4:16, MKJV

Abraham → regarded as the father → of the spiritual Israelites

This is important as Abraham believed God and obeyed God, and both are important:

"For what does the Scripture say? "Abraham believed God, and it was counted to him for righteousness." Romans 4:3, MKJV

"Was not Abraham our father justified by works when he had offered Isaac his son upon the altar? Do you see how faith worked with his works, and by the works faith was made complete? And the Scripture was fulfilled which says, "Abraham believed God, and it was imputed to him for righteousness, and he was called the friend of God." You see then how a man is justified by works, and not by faith only." James 2:21-24, MKJV

The James 2 scripture, above, **destroys the false idea of spiritual predestination** as Abraham not only needed to believe, but he also obeyed God. He did both - became the father of the faithful and also the friend of God.

Just like there are "the good fathers" and "the bad fathers" there are spiritual Israelites and physical Israelites. **This distinction is important.**

"For I myself [Paul] was wishing to be accursed from Christ for my brothers, my kinsmen according to the flesh, who are

Israelites [the physical Israelites]; to whom belong the adoption, and the glory, and the covenants, and the giving of the Law [instruction], and the [Tabernacle/Temple] service of God, and the promises; whose are the fathers, and of whom is the Christ according to flesh [one of the promises to the good fathers was Shiloh (Christ) would be physically descended from them], He being God over all, blessed forever. Amen. Not however that the word of God has failed, **for not all those of Israel are Israel;** nor because they are the seed of Abraham are they all children. But, "In Isaac shall your Seed be called." That is, **not the children of the flesh are children of God;** but the children of the promise are counted for a seed." Romans 9:3-8, MKJV

The above scripture explains a lot. The point your author wants to make in the above scripture is NOT just clarifying that Ishmael is not part of the Abraham-to-Christ lineage, and that the correct way to understand the Abraham-to-Christ lineage is that it goes through Isaac, which it does. **The main point is this:** the children of the flesh, any flesh, are not ultimately considered the children of God AND being a descendent of Jacob, a physical Israelite, will not save you. This is important

because some seemingly intelligent men, who happened to be physical Israelites, were confused on just this point. They thought they did not have to repent and change and go through the divine individualism process because they were physical Israelites. They were wrong.

"Therefore bring forth fruits worthy of repentance, and do not begin to say within yourselves, We have Abraham for our father. For I say to you that God is able to raise up children to Abraham from these stones."

Luke 3:8, MKJV

It is not whether you are a physical Israelite that matters, because not all Israelites are real spiritual Israelites – in God's eyes. God is looking for those who will follow Abraham's example of both believing and obeying. **God is looking for spiritual Israelites.** And the good news for the human race is that becoming a spiritual Israelite is open to all men and all women.

The two Jehovahs → desire → spiritual Israelites

"What shall we say then? That the nations [non-physical Israelites], who did not follow

after righteousness have taken on  
righteousness, but a righteousness of faith.”  
Romans 9:30, MKJV

“Brothers, truly my heart’s desire and prayer to God for Israel is for it to be saved. For I bear record to them that they have a zeal of God, but not according to knowledge [bad theory, bad results]. For they, being ignorant of God’s righteousness and going about to establish their own righteousness, have not submitted themselves to the righteousness of God [the divine individualism process in order to become a spiritual Israelite]. For Christ is the end [result, goal] of the law [divine law instruction] for righteousness for everyone who believes [cooperates with the two Jehovahs in their divine individualism process].”  
Romans 10:1-4, MKJV

“Because if you confess the Lord Jesus, and believe in your heart that God has raised Him from the dead, you shall [ultimately] be saved. For with the heart one believes unto righteousness, and with the mouth one confesses unto salvation. For the Scripture says, “Everyone believing on Him shall not be put to shame.” For there is no difference both of Jew [representing physical Israelites] and of Greek

[representing all nations, i.e., non-physical Israelites], for **the same Lord over all is rich to all who call on Him**. For everyone, "whoever shall call on the name of the Lord will be saved." Romans 10:9-13, MKJV

There is no need for Arabs to fight Jews, or for other non-Israelite nations to fight any other Israelites. **Any man and any woman can become a spiritual Israelite AND that is what matters.** In fact, properly understood, it is the only thing that matters. This is because in a true dichotomy, not a false one, either you are going to become a spiritual Israelite (Christian) who successfully goes through the divine individualism process, OR you will ultimately end up being put to eternal death, as previously explained. And being a physical Israelite will NOT save you. It is merely an accident of birth. Religiously inspired jealousy is evidence of a non-mature mind and it is not necessary in any way. The two Jehovahs believe in peace, not religious war, and not jealousy leading to religious war.

Any man and any woman → can become → a spiritual Israelite

Becoming a spiritual Israelite → is what matters

And this gets us back to the false doctrine of dispensationalism. The Bible point-blank refutes it.

"I [Paul] say then, Did not God put away His people [Israel and pick up the church]? **Let it not be said!** For I also am an Israelite, of the seed of Abraham, of the tribe of Benjamin."  
Romans 11:1, MKJV

Paul goes on to explain that God enabled the gospel message to go to the nations in an attempt to make the physical Israelites jealous.

"I say then, Did they [the physical Israelites] not stumble that they [permanently] fall? Let it not be! But by their slipping away came salvation to the nations [non-physical Israelites], to provoke them [the physical Israelites] to jealousy [so they would hopefully return to God]." Romans 11:11, MKJV

Paul goes on to explain, throughout most of the balance of Romans 11 that those of the nations who have become spiritual Israelites should not boast over the currently non-believing physical Israelites. This is because God is not done with them yet, as shall be explained later in this

book, and God can graft the currently non-believing physical Israelites back in again.

"And those also, if they [the currently non-believing physical Israelites] do not continue in unbelief, will be grafted in. For God is able to graft them in again." Romans 11:23, MKJV

No matter what race or nation, etc., a man or woman is born into, an accident of birth as it were, they can become a spiritual Israelite – a member of "the Israel of God."

"For in Christ Jesus neither circumcision has any strength, nor uncircumcision, but a new creation. And as many as walk according to this rule, peace and mercy be upon them and upon **the Israel of God**." Galatians 6:15, 16, MKJV

A spiritual Israelite → is part of → the Israel of God

There is some confusion about the below scripture, which your author hopes he can help clear up:

"And so all [spiritual] Israel shall be saved;  
..." Romans 11:26, MKJV

Of course all Israel will be saved, if the meaning is applied to spiritual Israelites. The two Jehovahs want men and women of whatever race to acknowledge them as God and to believe and obey them – to participate in their divine individualism process.

“Do not lie to one another, having put off the old man with his deeds and having put on the new, having been renewed in knowledge according to the image of Him who created him, where there is neither Greek nor Jew, circumcision and uncircumcision, foreigner, Scythian, slave or freeman, but Christ is all things in all. Therefore, **as the elect of God [spiritual Israelites]**, holy and beloved, put on tender feelings of mercy, kindness, humbleness of mind, meekness, long-suffering, forbearing one another and forgiving yourselves, if anyone has a complaint against any. As Christ forgave you, so also you do. And above all these things put on love, which is the bond of perfectness. And let the peace of God rule in your hearts, to which you also are called in one body [the commonwealth of Israel, see below], and be thankful.” Colossians 3:9-15, MKJV

If someone needs further evidence that those who will ultimately be saved are to be known as spiritual Israelites, here it is:

"Therefore remember that you, the nations [non-physical Israelites by birth], in time past were in the flesh, who are called Uncircumcision by that which is called the Circumcision in the flesh made by hands; and that at that time you were without Christ [before you became a spiritual Israelite], **being aliens from the commonwealth of Israel**, and strangers from the covenants of promise, having no hope, and without God in the world."

Ephesians 2:11-12, MKJV

The New Testament phrases → "being aliens from the commonwealth of Israel" + "without God in the world" → show that God works through Israel → dispensationalism = False

"Now therefore you are no longer strangers and foreigners, but **fellow citizens** with the saints, and **of the household of God,**"

Ephesians 2:19, MKJV

When an individual → accepts the sacrifice of Christ → they become → a citizen of the

commonwealth of Israel → a spiritual Israelite →  
a future MRP eternal divine individual

There is not going to be a change in the divine  
plan, but there is going to be a change in  
administration from physical to spiritual = True

Dispensationalism = False

When someone accepts the sacrifice of Christ  
they are now considered **a citizen of the  
commonwealth of Israel** – in other words, **a  
spiritual Israelite**. They are now citizens of  
the household of God. In other words, the  
household of God is the commonwealth of  
spiritual Israel. And once one understands that  
the better phraseology for “Christian” would be  
“spiritual Israelite,” it helps to realize how  
foolish dispensationalism is. **There is not  
going to be a change in the plan of God.**

There is going to be a change of  
administrations, from a physical administration  
to a spiritual administration. It was important to  
discuss this earlier in the book, but it is so  
important your that author feels it necessary  
and wise to topically include it again, below,  
believing it might possibly be better understood  
now:

... the central question concerning divine law is: What administration do you want to live under? There are two choices. One choice is **the physical administration**. And the other choice is **the spiritual administration**. ...

Under the physical administration the lawbreaker personally pays the penalties for breaking the law (Leviticus 1-7 as an example). Under the spiritual administration Jesus Christ's sacrifice pays for our sins (Hebrews 9:26). Also, under the physical administration, you cannot keep the law perfectly (Romans 3:23), so you run the risk of eternal death (Romans 6:23). Under the spiritual administration Jesus Christ, through his Holy Spirit, lives inside of us and helps us live the right way (Galatians 2:20) and there is the sure promise of eternal life (1 Corinthians 15). Under the physical administration there are literal and numerous rules, memorized rules of behavior, (Exodus - Deuteronomy). Under the spiritual administration we are to learn general core principles and then judge individual dynamic situations correctly. This does not mean believers will do this perfectly, only that they ought to (1 Corinthians 6). Further, under the physical administration, there is physical circumcision (Leviticus 12:3). Under the

spiritual administration believers are to have their heart circumcised (Deuteronomy 10:16, Romans 2:29). And under the physical administration there is a human and sinful high priest who himself must sacrifice to even go before God (Leviticus 16). Under the spiritual administration we have a perfect High Priest, Jesus Christ, (Hebrews 8-9). Under the physical administration animals were sacrificed due to sin (Leviticus 1-7). Under the spiritual administration Jesus Christ as High Priest and perfect offering actually do accomplish what the physical sacrifices could not (Hebrews 10).

Pertaining to divine law: the spiritual administration > the physical administration

Israel's failure, under the Old Covenant (the physical administration for most), and their prophesied future success are found in both Jeremiah 31 and Hebrews 10.

""This is the covenant that I will make with them after those days, says the Lord; I will put My laws [instructions] into their hearts, and in their minds I will write them,""  
Hebrews 10:16, MKJV

“Behold, the days come, says the LORD, that I will cut a new covenant with the house of Israel, and with the house of Judah, not according to the covenant that I cut with their fathers in the day I took them by the hand to bring them out of the land of Egypt; which covenant of Mine they broke, although I was a husband to them, says the LORD; but this shall be the covenant that I will cut with the house of Israel: After those days, says the LORD, I will put My law in their inward parts, and write it in their hearts; and I will be their God, and they shall be My people. And they shall no more teach each man his neighbor and each man his brother, saying, Know the LORD; for they shall all know me, from the least of them to the greatest of them, says the LORD. For I will forgive their iniquity, and I will remember their sins no more.” Jeremiah 31:31-34, MKJV

In fact, the promise of a new covenant in Hebrews 10 is taken from Jeremiah 31, which is a prophecy of God spiritually converting the physical Israelites. God tends to work through physical Israel first and, after that, the other nations. This is clear from reading both the Old and the New Testament. There is one word of God, the Bible, in its entirety (2 Timothy 3:15-16). Your author simply uses the wording of

“Old Testament” and “New Testament” in order to communicate as most men’s minds have been taught to think in that way. In point of fact the New Testament does not have priority over the Old Testament. They are both the word of God. If anything, the New Testament must be read in light of the Old Testament because the plan of God is not going to change.

God → works with → 1) Israel → 2) the nations (non-Israelite other nations)

God + Israel → versus → Satan + Babylon (Revelation 17 – 18 and other places)

The New Testament → not > the Old Testament

The New Testament → must be read in light of → the Old Testament

Pertaining to the ongoing confusion about administrations, your author previously pointed out that there was an element of grace in the Old Testament, but it is generally read over. The New Testament, ironically, confirms this, as does the Old Testament, in numerous places:

Grace → was always a part of → divine law

"Of which salvation the prophets have enquired and searched diligently, **who prophesied of the grace** that should come unto you:" 1 Peter 1:10, KJV

"And the LORD said to Moses, I will do this thing also that you have spoken. For you have found grace in My sight, and I know you by name. And he said, I beseech You, let me see Your glory. And He said, I will make all My goodness pass before you, and I will proclaim the name of the LORD before you. And I will be gracious to whom I will be gracious, and will have mercy on whom I will have mercy."

Exodus 33:17-19, MKJV

A further point might help clarify the end of dispensationalism. It is that the physical Israelites were considered to be a body of witnesses, by God. They were supposed to be, in effect, the light to the other nations, to set an example of how to live and worship God. In other words, the ancient Israelites were supposed to be the church of God on the earth, but failed. This is explained in detail, starting with lesson 27 of the Old Testament section, on the website [www.teachingthelaw.org](http://www.teachingthelaw.org).

Mordakhai Joseph, a Bible teacher, takes his time going through the entirety of the Bible to

explain this in detail – 91 lessons in all. For our purposes, because this book is going to be rather long as it is, your author will just use one scripture, below:

"I am the LORD, and there is no other Savior. First I predicted your deliverance; I declared what I would do, and then I did it--I saved you. No foreign god has ever done this before. **You are witnesses that I am the only God," says the LORD.**" Isaiah 43:11, 12, NLT

The physical Israelites were supposed to be →  
God's witnesses

God rescued the ancient Israelites from Egypt (Exodus) in order to be his witnesses upon the earth. They failed him and they also failed mankind. Previously in this book, your author explained some aspects of divine law. A part of that explanation will be utilized, below, in order to make several additional points.

The hallmark "beginning" of God's relationship with an entire people was his *Torah Story* deliverance of the ancient Israelites from their Egyptian slavery, via Moses (Exodus). It was also God's delivering of the Torah at Mount Sinai. Of course, some men knew about God's

divine laws prior to Mt. Sinai, e.g., Abraham. And those laws were structured in that there were statutes even back then, prior to Moses.

"... because Abraham obeyed My voice and kept My charge, My commandments, My statutes, and My laws." Genesis 26:5, MKJV

The divine laws → existed → before Mt. Sinai

Because Abraham believed God (Romans 4:16) and obeyed God (James 2:21), he thereby became the father of all who believe in Christ.

Many times the word "law" (Strong's word 08451 torah) could actually be better translated as "**instruction**," or "**direction**." The idea of instruction, or of giving directions, is to help man learn how to become like the two Jehovahs. And your author has previously pointed out that the Bible should be considered as endoxa – the vetted knowledge of the wise, in this case the wise being the wisest of the wise - the two Jehovahs. There is an interesting scripture in Job 36:22 that speaks of God as being the greatest teacher of all.

"Remember how great is God's power; **he is the greatest teacher of all.**" Job 36:22 TEV  
(Good News Bible)

And so it always puzzles your author why people would reject instruction or directions from "the greatest teacher of all" – but they do, to their own hurt. The word "torah" will also be shown, later in this chapter, to be an adjective describing a story involving God and man.

Unfortunately, for the most part, the Israelite descendants of Abraham did not do what Abraham did. God wanted Israel to be a special nation and a light to the world. They refused to obey God and did what they wanted. This resulted in the northern ten tribes ultimately being carried away captive by the Assyrians, and Judah and Benjamin being carried away much later by the Babylonians (Ezekiel 23 and Psalm 78). There are numerous prophecies that show God eventually bringing all of Israel, not just Judah, back to their own land and forcing them to do the job they were originally given, but failed at. Ezekiel 39 is one such passage of scripture, as is the more famous Jeremiah 31.

"And the nations [non-physical Israelites] shall know that the house of Israel was exiled for their iniquity. Because they sinned against Me, therefore I [God] hid My face from them and gave them into the hand of their enemies. So they all fell by the sword. According to their uncleanness and according to their sins I have done to them, and have hidden My face from them [God pulled back and let the Israelites suffer and go into captivity]. Therefore so says the Lord Jehovah: And I will return the captivity of Jacob [return means to bring the Israelites back to their land], and will have mercy on the whole house of Israel [not just one tribe, the Jews], and will be jealous for My holy name [they will get with the divine individualism, light-to-the world program]; after they have borne their shame and all their sins by which they have sinned against Me, when they dwell securely in their land and no one terrifies; when I have brought them again from the peoples, and gathered them out of their enemies' lands, and am sanctified in them in the sight of many nations; then they shall know that I am the LORD their God who exiled them among the nations. But I have gathered them to their own land, and have not left any of them there. Nor will I hide My face from them any more, for **I**

**have poured out My Spirit on the house of Israel**, says the Lord Jehovah.”  
Ezekiel 39:23-29, MKJV

“For you [the physical Israelites] are a holy people to the LORD your God. The LORD your **God has chosen you to be a special people** to Himself above all people that are upon the face of the earth.” Deuteronomy 7:6, MKJV

God will restore the physical descendants of Israel to their land, work with them first, and then work with the rest of the nations. The entire Bible is full of scriptures showing this important fact. Believing in dispensationalism makes it very hard to know what the Bible is talking about. God is going to reign over Israel after Jesus Christ returns to the earth. The below scripture speaks to that determination.

““You say, ‘We [the Israelites] want to be like the nations all around us, who serve idols of wood and stone.’ But what you have in mind will never happen. **As surely as I live**, says the Sovereign LORD, **I will rule you with an iron fist in great anger and with awesome power.** With might and fury I will bring you out from the lands where you are scattered. I will

bring you into the wilderness of the nations, and there I will judge you face to face.”  
Ezekiel 20:32-35, NLT

... “For on my holy mountain, says the Sovereign LORD, the people of Israel will someday worship me, and I will accept them. There I will require that you bring me all your offerings and choice gifts and sacrifices. When I bring you home from exile, you will be as pleasing to me as an offering of perfumed incense. And **I will display my holiness in you as all the nations watch.** Then when I have brought you home to the land I promised your ancestors, you will know that I am the LORD. You will look back at all your sins and hate yourselves because of the evil you have done. You will know that I am the LORD, O people of Israel, when I have honored my name by treating you mercifully in spite of your wickedness, says the Sovereign LORD.””  
Ezekiel 20:40-44, NLT

The general rule for God dealing with man is:

The two Jehovahs → Israel first → then the nations

This is important to remember. Just because there is a time lag between when the physical Israelites were first given a job to do and when they actually do the job thousands of years later does not matter too much to the two Jehovahs – who are eternal beings. They will stick with working with physical Israelites until they learn to become spiritual Israelites, circumcised in heart, too, not just physically circumcised.

A thousands-of-years time lag → does not overly trouble → determined eternal beings, the two Jehovahs

The thousands-of-years time lag → has greatly injured → mankind (explained further below)

After Moses died, God used Joshua to largely conquer the Promised Land. After Joshua died there was a fairly lengthy period of the Judges. The normal pattern was along the lines of while the current judge lived the Israelites would largely obey God. When the judge died, the Israelites would forget about and disobey God and soon thereafter find themselves in captivity or tribute to a neighboring people. After a while they would cry out for deliverance and God would send a new judge to rescue the Israelites. It is interesting that a judge would provide

leadership according to known laws of the land.  
There was no king and no large government structure - just a judge, known laws, and God.  
No doubt, if the Israelites had understood how well they had it, and had cooperated with God and the judges, they would have developed common law long before the English. And it would have no doubt been a much higher level and wiser form of common law. But the people kept clamoring for a king. This prompted Gideon, one of the more famous judges, to decline.

"And Gideon said to them, I will not rule over you, neither shall my son rule over you. The LORD shall rule over you." Judges 8:23, MKJV

The ancient Israelites could have developed → common law → long before the English → but failed

Eventually the Israelites rejected Samuel, another judge, for a king. God told Samuel that the Israelites had not rejected him, but God himself. And God warned that a human king would bring so many problems with him that the Israelites would rue the day.

When the ancient physical Israelites → asked for a king → they rejected God → and settled for → an inferior and merely human ruler

**This crushes the idea of a king ruling by divine right.** They very idea of a king, instead of God, ruling is not: 1) the original intent of God + 2) a gigantic societal retrogression

God originally gave divine laws to Israel, in a codified form, through Moses at Mount Sinai. And when the people came into the land they were to be judged by these known rules by a judge, or judges. If the people followed the rules it would go well with them and there would not be much work for the judge to do. If the people did not do well then there would be too much work for the judge(s) to do and it would not go well with them. The blessings and cursings associated with keeping or not keeping divine laws are elaborated in Leviticus 26 and Deuteronomy 28. One of the more point-blank curses is found in Leviticus 26:18: "... **those who hate you shall rule over you.**" All of the curses are terrible and it would have been much better for Israel to keep the divine laws and to not ask for a king.

The Israelites each got a portion of land to own, other than the Levites and priests. But the Levites received a tenth of the increase from the land and the priests received a tenth of what the Levites received (Numbers 18). And the Levites did receive some cities and a limited amount of land around those cities (Numbers 35). In essence, the people received free land in exchange for giving a tenth of the increase to the Levites. And the people paid a small annual Tabernacle tax or Temple tax as the case may be (Exodus 30:13). God knows that taxes cost men their lives and he kept the burden small, and contingent on increase. Each Israelite further received a little bit more land than he normally would have because the Levites did not receive an allotment of land, other than their cities. And the Levites and priests provided Tabernacle services, counseling services, educational services, etc., as part of their receiving the tithe. The nation did not have a huge welfare system and corresponding costly bureaucracy to administer it. The family land likely functioned as the societal economic shock absorber. If an individual experienced hard times he could always return home to the family land and be taken care of. The nation did not have a standing army to be paid for, as the citizens were, in essence, the army. **The**

**government was small and the rules were**

**known.** Every seven years, in addition to ongoing training, the people were to have the law read to them at the fall feast. The citizenry knew what the rules were.

"And Moses commanded them, saying: At the end of seven years, at the set time of the year of release, in the Feast of Tabernacles, when all Israel has come to appear before the LORD your God in the place which He shall choose, you shall read this law before all Israel in their hearing." Deuteronomy 31:10, 11, MKJV

Further, the ancient Israelites had the benefit of obtaining direct answers from God through the High Priest's use of the Urim and Thummim (Exodus 28:30).

With all of these things going for them, the Israelites failed. They were set up in the ancient trading crossroads between Asia, Africa, and Europe and were to be a nation on a hill, a light to the world, as it were. Their failure has hurt all mankind. If the people of the world could have seen the sustained success of Israel and learned what it meant to be ruled by honest and intelligent judges, using known laws, in a small

government blessed with divine favor – who is to say what would have happened? But Israel failed and got thrown off of the land.

The ancient Israelites → who already had what men in other nations can only dream of → in their quest to reject God's laws + to adopt the practices of non-Israelite nations → alienated God → and got thrown off of the land

The two Jehovahs tried → Israel failed → mankind has suffered

If the ancient physical Israelites would have consistently obeyed God, then they could have been a major beneficial factor for mankind. They did not. They were to be a body of witnesses located at the center of the world. With the benefit of a small government, and personal freedom constrained only by divine and natural laws, the ancient Israelites could have developed into something like an England or an early America 3,000 or more years ago. And they would have been located right in the middle of the earth, between Europe, Asia, and Africa.

The ancient Israelites would have discovered many of the laws of nature because they would have learned that they needed to use their

minds in order to successfully have dominion over the earth. They likely would have discovered and developed what is called **two-value logic**. Two-value logic is philosopher-speak for: every declarative proposition is either true or it is false. A proposition is philosopher-speak for a sentence. This may not sound like much of a discovery, but it turns out to be very powerful in discovering and utilizing the laws of nature. Because logic is truth-ascertaining and truth-preserving it allows for moderate realism - used here to mean that the truth is built up over time via reasoning in what amounts to a communal effort to comprehend an empirically knowable reality. It is also very powerful in developing judgment and in learning and applying divine laws. Please let the reader be aware (or remember) that a lot of the world, in addition to being tribal, believes in pantheism. Most of the peoples of Asia, and also Africa, which is a huge percentage of the world's population, have pantheistic beliefs. Per Wikipedia [emphasis mine]:

“Pantheism is the belief that all of reality is identical with divinity, or that everything composes an all-encompassing, immanent god. Pantheists thus do not believe in a distinct personal or anthropomorphic god.”

In other words, believers in pantheism hold there is not a distinct, personal god - which belief is false. Further, they believe that all of reality is actually part of an all-encompassing and immanent god. This is also false.

Two-value logic is not just of use pertaining to discovering the laws of nature and applying them. Two-value logic, it turns out, would also be of use, in substance, in understanding and applying divine law. For example, the job of the priest was to teach the difference between: 1) the holy and the profane (Leviticus 22:2), 2) the clean and the unclean (Leviticus 10:10), and 3) between acceptable behavior and sin (Exodus 20, Deuteronomy 5, and throughout the Bible). Further, almost incomprehensibly to a Western mind (such as your author's), 4) the difference between God and man. The pantheistic-influenced mind might regard a butterfly landing on the branch of a tree, a bird trying to eat the butterfly, and a man watching it all as substantially non-distinct – all are aspects of the divine, but this is false.

Two-value logic → useful for → discovering + utilizing the truths of nature

Two-value logic → also useful for → ethical truths + their applications

This is logical → the two Jehovahs → embedded logical truths AND ethical truths → into nature

"Even for a distinction between the holy and unholy, and between the unclean and clean"  
Leviticus 10:10, MKJV

If the ancient Israelites, at the center of the world, would have: A) retained a small government with known laws, judges, and no king; B) became skilled in learning and applying divine law; C) became skilled in learning and applying natural law; and D) self-limited their behavior by, e.g., not violating each other's individual natural rights and honoring contracts, then they might have developed the scientific and economic breakthroughs contained in the agricultural revolution, the industrial revolution, etc., thousands of years ago. Their society could have been so advanced in the use of two-value and other logical principles they would have been able to explain to the citizens of the world ethics from both a divine law and a natural law point of view. They could have discovered scientific breakthroughs long before modern man AND been moral and rational

throughout. It should be noted that the spiritual and non-material elements of a culture are what give it its distinctive character. After all, it is relatively easy for other cultures to copy material achievement, at least to some extent. The ancient Israelite civilization that could have occurred, but did not, would have been like a beacon of light in the middle of the earth for the citizens of all of the other nations to see and behold.

Many citizens of the other nations would have wanted to learn from AND emulate the successful Israelites. And the Israelites were commanded to welcome in strangers (citizens of other nations) who wanted to join with them so long as the stranger agreed to come under divine law.

“One law and one way shall be for you and for the stranger that lives with you.”  
Numbers 15:16, MKJV

“And when a stranger shall stay with you, and desires to keep the Passover to the LORD, let all his males be circumcised, and then let him come near and keep it. And he shall be as one that is born in the land. And no uncircumcised person shall eat of it.” Exodus 12:48, MKJV

"The stranger that dwells with you shall be to you as one born among you, and you shall love him as yourself. For you were strangers in the land of Egypt. I am the LORD your God."

Leviticus 19:34, MKJV

If the ancient Israelites had done their job, their civilization would have made huge advances morally, intellectually, and materially (moral + rational + productive). **Their culture would have been the greatest positive value transmission device in the history of mankind.** They would have been the leading nation on earth in every way that matters. And they would have attracted some of the best and the brightest from around the world to live among them. However, your author is quite certain that would-be immigrants would not have been allowed to come to Israel for the results they could experience if they were not willing to accept the idea of being moral, reasonable, and productive human beings (Ezekiel 20:38). **Societal positive results come from societal positive causes.** Those causes are moral, reasonable, and productive people embracing the two Jehovahs as the life-givers. They are also embracing the correct unity of values that pertain to life and being

willing to pay the moral and intellectual and productive costs associated with obtaining and using the moral and intellectual virtues and learning how to productively serve each other. Ancient Israel, cooperating with the two Jehovahs thousands of years ago, would have been a light and a witness for God. And **Israel would have been a safe haven on the earth for the best of mankind.** But they failed. And mankind has suffered greatly for their failure. Physical Israel's failure has cost mankind thousands of years and billions of wasted lives. Bad fathers generate bad consequences to those counting on them.

Ancient Israel → could have been → God's cultural witness → to the nations → of how to be moral + rational + productive

Ancient Israel → could have been → a safe haven → for the world's best and brightest

Bad leadership + bad followers → bad societal consequences

Good leadership + good followers → good societal consequences

The people who will not fail the two Jehovahs (or mankind) are the spiritual Israelites. And now the below scripture should hopefully make more sense:

"But you are a chosen generation, a royal priesthood, **a holy nation**, a people for possession, so that you might speak of the praises of Him who has called you out of darkness into His marvelous light;"

1 Peter 2:9, MKJV

The spiritual Israelites have been called out of darkness into God's marvelous light and they will know how to help the rest of humanity learn to do what they did.

There is a need for → humanity → to accept Christ → participate in the divine individualism process → and become → spiritual Israelites

**Becoming a spiritual Israelite is open to all.**  
Your birth nation, sex, race, etc., do not matter.

All → can become → a spiritual Israelite

Spiritual Israelite > physical Israelite

There is no reason → to be jealous of → physical Israelites → who largely failed both God and man

In previously quoted sections of Revelation 21:8 and 22:15 it is not members of a certain race or sex or nation who are excluded from the new heavens and new earth, it is the immoral, the irrational (unreasonable), and the parasites. Spiritual Israelites will survive and live on into eternity. Physical Israelites who do not cooperate with the two Jehovahs in their divine individualism process will not. It is also true that any other person of any nation who also refuses to go through the divine individualism process will not live on into eternity, either.

It is true that the two Jehovahs decided to work through physical Israel in the hopes that the descendants of the good fathers, Abraham, Isaac, and Jacob (Israel), would cooperate with them and be a light to the world. But they did not, and so were thrown off of the land. However, this is not the end of the story concerning God and the Israelites. There is something going on with God, Israel, and mankind that could be called "**The Torah Story**" (italicized below). Your author explained this *Torah Story* at the end of his previous book,

*Honor*, and will utilize some of that material below.

God honored human beings, via our physical appearance; and also by giving us minds that can create, and reason; and we have rehearsed how important it is that we are to cooperate with God, purifying ourselves so that we can ultimately be resurrected to eternal life incorruptible. It is now time to take a look at another big picture idea. And this big picture idea is that God is a Master Novelist writing something that could be called, *The Torah Story*. However, unlike a human novelist, he is writing *The Torah Story* in real life and in real time and he has been so doing for eons.

God → a Master Novelist → writing → *The Torah Story* → in real life and in real time

The fact that God was writing *The Torah Story* first came to my attention, in the late 1970s, via a Bible scholar and linguist by the name of Dr. Charles V. Dorothy - who I had the privilege of studying under and also becoming friends with. Later, he (and others) also used the Latin phrase "magnalia Dei." When translated from Latin into English this phrase essentially means "the mighty works of God," or "the mighty acts

of God.” It can also mean “the great things of God” and also, “the wonders of God.” Google Translate’s free online Latin to English translator translates “magnalia Dei” into “**wonderful works of God.**” In other words, “magnalia Dei” is, in essence, the Latin phrase that corresponds to the idea of *The Torah Story*. As Dr. Dorothy taught me, *The Torah Story is the story of the great things that God has done and is doing for his people.*

The Torah Story → magnalia Dei → the story of the wonderful works God has done AND is doing for → his people

Acts 2:11 uses the very phrase “wonderful works of God” and this is from the actual fulfillment of the day of Pentecost. To get the full impact of Acts 2:11 we also need to read verses 1-12 as well:

“And when the day of Pentecost was fully come, they were all with one accord in one place. And suddenly there came a sound from heaven as of a rushing mighty wind, and it filled all the house where they were sitting. And there appeared unto them cloven tongues like as of fire, and it sat upon each of them. And they were all filled with the Holy Ghost [Spirit], and

began to speak with other tongues, as the Spirit gave them utterance.

And there were dwelling at Jerusalem Jews, devout men, out of every nation under heaven. Now when this was noised abroad, the multitude came together, and were confounded, because that every man heard them speak in his own language. And they were all amazed and marvelled, saying one to another, Behold, are not all these which speak Galilaeans? And how hear we every man in our own tongue, wherein we were born? Parthians, and Medes, and Elamites, and the dwellers in Mesopotamia, and in Judaea, and Cappadocia, in Pontus, and Asia, Phrygia, and Pamphylia, in Egypt, and in the parts of Libya about Cyrene, and strangers of Rome, Jews and proselytes, Cretes and Arabians, we do hear them speak in our tongues the wonderful works of God [magnalia Dei]. And they were all amazed, and were in doubt, saying one to another, What meaneth this?"  
Acts 2:1-12, KJV

God wanted all those gathered to hear "the wonderful works of God," the magnalia Dei, *The Torah Story*, so he worked at least three very big miracles on that special fulfillment of Pentecost. First, he gave his Holy Spirit. That

would be amazing enough, but then he worked two further miracles. The next miracle was having each person hear and understand in his native language. And the third miracle is what each man heard. He heard of "the wonderful works of God," i.e., the magnalia Dei, aka *The Torah Story*.

*The Torah Story* is many times referred to and recited as to how God intervened to establish the nation of Israel by destroying Egypt and taking the Israelites out through the Red Sea. There are many important reminders in scripture concerning "the mighty acts of God" – to remember *The Torah Story*. Numerous times God says he did something great with "his mighty hand" and "his outstretched arm."

*The Torah Story* → God used → his mighty hand and outstretched arm → to deliver the ancient Israelites from Egypt → a wonderful work of God

*The Torah Story* → ongoing

It needs to be pointed out that God's mighty acts are not just about national deliverance for Israel. **His wonders and his mighty acts are also deeply personal**, such as: a miracle birth; a personal healing; the personal forgiveness of

sins and the receiving of the Holy Spirit; finding a loving mate, etc. God's *The Torah Story* is meant to touch our lives on many levels. And if we let it, it does. And every time God exhibits one of his wonders for us, it is an ongoing addition to his writing of *The Torah Story*. The fact that *The Torah Story* is also sometimes personal for us makes this great story all the more meaningful.

Personal additions to → *The Torah Story* → God does ... something for you

God's *Torah Story* is meant to touch our lives on many levels = True

Moses spoke of *The Torah Story* to the children of Israel, as follows:

"Therefore thou shalt love the LORD thy God, and keep his charge, and his statutes, and his judgments, and his commandments, alway. And know ye this day: for I speak not with your children which have not known, and which have not seen the chastisement of the LORD your God, his greatness, his mighty hand, and his stretched out arm, And his miracles, and his acts, which he did in the midst of Egypt unto Pharaoh the king of Egypt, and unto all his land;

And what he did unto the army of Egypt, unto their horses, and to their chariots; how he made the water of the Red sea to overflow them as they pursued after you, and how the LORD hath destroyed them unto this day; And what he did unto you in the wilderness, until ye came into this place; And what he did unto Dathan and Abiram, the sons of Eliab, the son of Reuben: how the earth opened her mouth, and swallowed them up, and their households, and their tents, and all the substance that was in their possession, in the midst of all Israel: **But your eyes have seen all the great acts of the LORD which he did.**"

Deuteronomy 11:1-7, KJV

The remembrance of *The Torah Story* was so important that **its recital was commanded**, in essence, upon the occurrence of certain events, e.g., the below offering of the firstfruits. We read about this in Deuteronomy 26:1-11:

"And it shall be, when thou art come in unto the land which the LORD thy God giveth thee for an inheritance, and possessest it, and dwellest therein; That thou shalt take of the first of all the fruit of the earth, which thou shalt bring of thy land that the LORD thy God giveth thee, and shalt put it in a basket, and shalt go unto the

place which the LORD thy God shall choose to place his name there. And thou shalt go unto the priest that shall be in those days, and say unto him, I profess this day unto the LORD thy God, that I am come unto the country which the LORD sware unto our fathers for to give us. And the priest shall take the basket out of thine hand, and set it down before the altar of the LORD thy God. **And thou shalt speak and say before the LORD thy God**, A Syrian [a wandering Aramean in some translations] ready to perish was my father, and he went down into Egypt, and sojourned there with a few, and became there a nation, great, mighty, and populous: And the Egyptians evil entreated us, and afflicted us, and laid upon us hard bondage: And when we cried unto the LORD God of our fathers, the LORD heard our voice, and looked on our affliction, and our labour, and our oppression: And the LORD brought us forth out of Egypt with a mighty hand, and with an outstretched arm, and with great terribleness, and with signs, and with wonders [the Israelite national Torah Story]: And he hath brought us into this place, and hath given us this land, even a land that floweth with milk and honey. And now, behold, I have brought the firstfruits of the land, which thou, O LORD, hast given me. And thou shalt set it before the LORD thy God, and

worship before the LORD thy God: And thou shalt rejoice in every good thing which the LORD thy God hath given unto thee [your personal *Torah Story*], and unto thine house, thou, and the Levite, and the stranger that is among you."  
Deuteronomy 26:1-11, KJV

A global search of the King James Bible turned up 17 listings of the phrase "mighty hand" and you could also search for "outstretched arm", "wonders", etc., to get more listings, which are interspersed throughout the Bible. For example, Psalm 106 is about *The Torah Story*.

*The Torah Story* is also mentioned in Psalm 145, verses 3-12, in particular:

"Great is the LORD, and greatly to be praised; and his greatness is unsearchable.  
**One generation shall praise thy works to another, and shall declare thy mighty acts.**  
I will speak of the glorious honour of thy majesty, and **of thy wondrous works.** And men shall speak of the might of thy terrible acts: and I will declare thy greatness. They shall abundantly utter the memory of thy great goodness, and shall sing of thy righteousness.  
The LORD is gracious, and full of compassion;

slow to anger, and of great mercy. The LORD is good to all: and his tender mercies are over all his works.

**All thy works shall praise thee, O LORD;**  
and thy saints shall bless thee. They shall speak of the glory of thy kingdom, and talk of thy power; **To make known to the sons of men his mighty acts, and the glorious majesty of his kingdom.” ...**

“He will fulfil the desire of them that fear him: he also will hear their cry, and will save them.” Psalms 145:3-12, 19, KJV

Psalm 145 has some very interesting messages in it. First, *The Torah Story* is referenced quite explicitly throughout. Second, verse 4 says that the teaching about God, from one generation to another, is specifically to include *The Torah Story*. Third, when teaching non-believers about God, verses 11 and 12 instruct that *The Torah Story* and God’s coming kingdom are to be part of what is taught.

*The Torah Story* → should be → taught to children AND non-believers

*The Torah Story* → part of cultural value transmission → to children AND the nations

To further make my point about *The Torah Story* being used to explain to our children why we serve God and follow his instructions please see Deuteronomy 6:20-25, which says:

“And when thy son asketh thee in time to come, saying, What mean the testimonies, and the statutes, and the judgments, which the LORD our God hath commanded you? **Then thou shalt say unto thy son, We were Pharaoh’s bondmen in Egypt; and the LORD brought us out of Egypt with a mighty hand: And the LORD shewed signs and wonders, great and sore, upon Egypt, upon Pharaoh, and upon all his household, before our eyes: And he brought us out from thence, that he might bring us in, to give us the land which he sware unto our fathers.** And the LORD commanded us to do all these statutes, to fear the LORD our God, for our good always, **that he might preserve us alive** [a purpose of divine law is to keep us alive and thriving], as it is at this day. And it shall be our righteousness, if we observe to do all these commandments before the LORD our God, as he hath commanded us.” Deuteronomy 6:20-25, KJV

The late Dr. Dorothy also taught me that each of us was "a slave in Egypt," so to speak, because we are all sinners and under the death penalty. Just as the ancient Israelites needed to be delivered from slavery in Egypt, each of us needs to be delivered from death! So it is encouraging that *The Torah Story* continued in a big way when Jesus Christ came to the earth to become our Savior. While here, he continued his miracle-working ways, thus continuing to add to *The Torah Story*. Mathew 21:14-15 says:

"And the blind and the lame came to him in the temple; and he healed them. And when the chief priests and scribes **saw the wonderful things that he did** [the wonders of God], and the children crying in the temple, and saying, Hosanna to the Son of David; they were sore displeased," [not everyone likes *The Torah Story*] Matthew 21:14, 15, KJV

A huge addition to → *The Torah Story* → Jesus Christ coming as Savior → to deliver us from death

In Acts 3 *The Torah Story* continued on when a man who was lame from birth was

healed, which got Peter and John in trouble with the religious leaders of their day.

"And beholding the man which was healed standing with them, they [the religious leaders] could say nothing against it. But when they had commanded them to go aside out of the council, they conferred among themselves, Saying, What shall we do to these men? for that indeed a notable miracle hath been done by them is manifest to all them that dwell in Jerusalem; and we cannot deny it." Acts 4:14-16, KJV

Continuing the story in verses 18-20:

"And they called them, and commanded them not to speak at all nor teach in the name of Jesus [the static-thinking religious elite wanted no further additions to *The Torah Story*]. But Peter and John answered and said unto them, Whether it be right in the sight of God to hearken unto you more than unto God, judge ye. For we cannot but speak the things which we have seen and heard." Acts 4:18-20, KJV

Static-thinking → religious elite → thinking they do God service → attempted to ban dissemination → of an important addition to → *The Torah Story*

Static thinkers want to freeze the universe in place = True

Freezing a society, or the world, or the universe in place → no growth (no new fruit) = True

However, Peter and John were going to do what Psalm 145:12 says to do, which is: "To make known to the sons of men his mighty acts, and the glorious majesty of his kingdom." John, in particular, noted at the end of his gospel account that he personally witnessed so many wonders and mighty acts, i.e., additions to *The Torah Story*, that you could scarcely write them all down in books:

"And there are also many other things which Jesus did, the which, if they should be written every one, I suppose that even the world itself could not contain the books that should be written. Amen." John 21:25, KJV

The Apostle Paul credentialized himself, as follows, in 2 Corinthians 12:12 (the mentioned wonders were obviously done by God, using Paul):

"Truly the signs of an apostle were wrought among you in all patience, in signs, and **wonders, and mighty deeds.**"

2 Corinthians 12:12, KJV

Psalm 150:2, KJV says, "**Praise him for his mighty acts:** praise him according to his excellent greatness."

It is an author's prerogative to categorize and so there is an incomplete, but important, listing below of some of the major events forming a core portion of *The Torah Story*. Further, on the individual level it is clear that God creating us, sustaining us, and ultimately delivering us is of crucial importance to each of us personally. Some of the major mighty acts I want to specifically reference, pertaining to the wonders of *The Torah Story*, are as follows:

Creation

Abel's life story

Enoch's life story

Noah's life story and the flood

The Tower of Babel and the thwarting of Nimrod

Abraham's life story  
Isaac's life story  
Jacob's life story  
Saving Joseph in Egypt and his life story  
Saving Moses in Egypt and his life story  
The 10 Plagues and the destruction of Egypt  
Delivering Israel through the Red Sea  
Feeding Israel with manna  
The giving of The Law at Mount Sinai  
Joshua and the conquest of The Promised Land  
The Judges and their stories  
David and Goliath  
David's life story  
Elijah and the prophets of Baal

The life story of the other prophets  
Esther's story and the deliverance from Haman  
Daniel, his story, and his saving from the lions  
Shadrach, Meshach, and Abednego being saved  
John the Baptist's life story  
Jesus Christ coming in the flesh  
Jesus Christ's life, death, and resurrection  
The giving of the Holy Spirit at Pentecost  
The apostles and their life stories  
The transformation of Saul to the Apostle Paul  
The Apostle Paul's amazing trials and life story  
**God's intervention in our lives to call us out**  
The promised future resurrection  
The promised future New Heaven and New Earth

As a writer your author could go on and on - which is basically what John was saying when he said you could not write enough books to describe it all. And so I will stop with the above listing.

In actuality, there is no way any one human being can apprehend it all, particularly since a big part of *The Torah Story* is the fact that it is also personal to every man and woman. And your humble writer friend can in no way even begin to understand all the wonders that God has done and is doing for you.

In Exodus 3:4, where God revealed his name to Moses, we learn something important that pertains to *The Torah Story*. The something important is that *The Torah Story is ongoing*. When God says his name is "I AM THAT I AM" it could also be translated as, "**I will be what I will be.**" And every time he does another one of his mighty acts, it adds to *The Torah Story*.

"And God said unto Moses, I AM THAT I AM: and he said, Thus shalt thou say unto the children of Israel, I AM hath sent me unto you." Exodus 3:14, KJV

Because there is a real *Torah Story*, the two Jehovahs need real characters for it. One of those characters can be you. ... Your author has written an entire book entitled *Creating Characters With Character*, which explains more about this. For now, the important point is that you can be included in God's *Torah Story*.

The two Jehovahs' → need → characters → for their *Torah Story*

One of those characters → can be you = True

A large part of *The Torah Story* revolves around the two Jehovahs' festivals. Your author will use generic phraseology to describe them as "holy days." These days are found throughout the Bible, including the New Testament (Acts 2:1, 18:21, 20:6, 20:16, 27:9, and 1 Corinthians 11:20-34), and particularly in Leviticus 23. Because this book is going to be rather long, your author will call out the holy days, in broad terms, and give his best understanding as to their meaning. It turns out that they are important in helping human beings learn and remember and celebrate the plan of God contained in *The Torah Story*.

The two Jehovahs' → holy days (Leviticus 23) → help humans to → learn + remember + celebrate → the plan of God contained in *The Torah Story*

The first thing we can notice, in verse two and verse 44 of Leviticus 23, is that these are **the feasts of the LORD** – not the feasts of any one people. At any rate it really would not matter if these holy days were to be considered “Jewish only” or “Israelite only,” as each of us is either going to become a spiritual Israelite and keep these days or not ultimately obtain eternal life and mercifully be put to eternal death.

The holy days → the feasts of the LORD → NOT → the feasts of any one people (the Jews only)

“And the LORD spoke to Moses, saying,  
Speak to the sons of Israel and say to them,  
**The feasts of the LORD**, which you shall proclaim, holy convocations [believers are supposed to get together with other believers on these days] [ancient Israel had Tabernacle or Temple gatherings on these days], even these are **My appointed feasts**. Six days shall work be done, but the seventh day is the sabbath of rest, a holy convocation. You shall not do any work. It is **a sabbath to the LORD** in all your

dwellings. These are the appointed feasts of the LORD, holy convocations which you shall proclaim in their appointed seasons."

Leviticus 23:1-4, MKJV

The seventh day (Saturday per the modern calendar) → a Sabbath to the LORD

The second thing we can notice is that the seventh day is a day of rest for the Israelites, not just the Jewish people – who are only one of the twelve tribes of Israel. The seventh day can, at a minimum, 1) point back to the original creation week (Genesis 2:1-3) and 2) it can point forward to the time when Jesus Christ has returned to the earth and is ruling all nations for 1,000 years (Revelation 20:4-6) (the millennium). The 1,000 years is important for mankind and will be explained later in this chapter. On the Sabbath day believers are supposed to congregate together, if possible, and the ancient Israelites had either Tabernacle or Temple services depending on the time period in which they lived.

The rest of the feasts of the LORD are explained throughout the balance of **Leviticus 23**, which you can read for yourself. There are a number of churches who keep these days and

many of them have booklets on the topic, which can explain the below in more detail. Anything that a church teaches should be compared to the Bible as a check on the accuracy of the teaching. Some of the below festivals of the Lord have commanded days of rest (like the weekly Sabbath) included as part of that festival. And some churches technically designate the "holy days" as only applying to the commanded rest days contained within those festivals which have such commanded days of rest associated with them. Your author is using "holy days" in a more generic way so as to make it easier to understand for those in the world unfamiliar with the festivals of the Lord. The main point is the meaning of the festivals and their place in helping explain the plan of the two Jehovahs. That said (to the best of your author's understanding) the balance of the feasts of the LORD, are as follows (with a brief explanation of each):

Passover – verse five, symbolizing the perfect sacrifice of Jesus Christ

Seven days of unleavened bread – verses 6-15, not eating leavened bread that puffs up symbolizing putting prideful sin out of our lives and also the eating of unleavened bread

symbolizing putting Jesus Christ into our lives (John 6:33). During the seven days of unleavened bread there is a wave sheaf offering which likely symbolizes the resurrected Jesus Christ (the firstfruit of the spiritual Israelites, Acts 2:32, 1 Corinthians 15:20-23) ascending to heaven to become our High Priest (Hebrews 10:12, 21) (Hebrews 6:20)

Pentecost – verses 15 – 22, literally means to count 50 days (verses 15-16). Pentecost is also known as the Feast of Weeks. The Holy Spirit was given on this day to early church believers (Acts 2). Evidently, in Israelite history, the Ten Commandments were given on this day as well. The symbols could be considered to be tied together in that the instruction (the law) was codified and given on that day (but existed before then) and the divine help to our spirit-in-man minds was further given to help write that law on our minds and heart (Jeremiah 31:33 and Hebrews 10:16). The overall idea is to help us to become like Jehovah number two, Jesus Christ, the end (goal) of the instruction and directions (Romans 10:4). Further, Pentecost symbolizes the early harvest of the firstfruits (those people who receive the Holy Spirit prior to Christ's second coming), while the Feast of Tabernacles (Ingathering) represents the larger

harvest to come later (Exodus 34:22). The larger harvest to come later will be explained in more detail in "The Last Great Day" holy day explanation section below.

Feast of Trumpets – verses 23 – 25: The meaning of this day is debated. It was evidently the first day of the Israelite civil year and some believe that it was the first day of creation week. Your author personally believes, but does not know and cannot prove, that this day will be celebrated as the day in which Jesus Christ returns as King of Kings and Lord of Lords (Revelation 19), and also perhaps a celebration of those in the first resurrection of the dead (Hebrews 11:35). Your author writes, "celebrated," because Jesus Christ might return on a different day than this one. This is because, evidently, no man knows the day or the hour when he will return (Matthew 24:36). 1 Thessalonians 4:16 could be an encapsulated version of this day:

"For the Lord Himself shall descend from Heaven **with a shout**, with the voice of the archangel and **with the trumpet of God**. And the dead in Christ shall rise first."  
1 Thessalonians 4:16, MKJV

Zechariah 14 shows that both the Israelites and the non-Israelite nations will be taught to keep the Feasts of the LORD, after Jesus Christ returns to this earth to rule as King (verses 4, 9). Verses 16-19 show that anyone who does not keep the Feast of Tabernacles (see two paragraphs below), at that time, will be punished severely, e.g., their land will not receive rain. This would make no sense if the holy days were abolished at the cross and it is Christ himself, as King, who gives the order.

The Day of Atonement (for sins) – verses 26 – 32, a fast day: This day is further explained in Leviticus 16, in much greater detail. There are elaborate sacrifices depicting the human High Priest needing to be cleansed. There are offerings for the sins of the congregation. And there is the sacrifice of one goat (representing Jesus Christ) and the sending away of the other goat (the scapegoat) deemed guilty of sin (representing Satan). Satan will ultimately be exposed as the originator of sin and this day partially celebrates Satan getting his just due (Isaiah 27:1). The Day of Atonement and Passover are linked in meaning, at a minimum, in that there is an acknowledgement of sin, repentance, and sacrifices. The sacrifices are necessary because there were sins committed -

sins based on Satan's force and fraud value system.

The Feast of Booths (Tabernacles or Ingathering) – verses 33 – 43, symbolizing the ancient Israelites, of the Exodus time period, living in temporary dwellings for 40 years (verse 43). This residing in temporary dwellings also pictures the Christian (spiritual Israelite) sojourn of living out our lives while we wait for the return of Jesus Christ (2 Peter 1:13-14, 2 Corinthians 5:1-7). The seven-day time period can also represent the 1,000 years when Jesus Christ will be on the earth healing people and the entire planet (Revelation 20:4-6, Ezekiel 36, Isaiah 2, and numerous other places in scripture).

The Last Great Day (the eighth day after The Feast of Booths – verses 36 and 39). The meaning of this day is important for all mankind, and it will take some work to explain the likely meaning. Please be patient with your author as the explanation can give a lot of hope to those worried about loved ones and their eternal fate.

In Revelation 19, Jesus Christ returns to the earth. The government and religious leaders and their government elite and religious elite

management teams and minions will evidently not have taken the two Jehovahs up on their Psalm 2 offer of reconciliation. They will refuse to yield to the two Jehovahs. Finally, the Father sends Jesus Christ to take over the earth and put down the rebellion. This is detailed, starting in verse 11, of Revelation 19:

“And I saw Heaven opened. And behold, a white horse! And He sitting on him was called Faithful and True. And in righteousness He judges and makes war. And His eyes were like a flame of fire, and on His head many crowns. And He had a name written, one that no one knew except Himself. And He had been clothed in a garment dipped in blood, and His name is called The Word of God [Jesus Christ, John 1:1,14). And the armies in Heaven followed Him on white horses, clothed in fine linen, white and clean. And out of His mouth goes a sharp sword, so that with it He should strike the nations. And He will shepherd them with a rod of iron. And He treads the winepress of the wine of the anger and of the wrath of Almighty God. And He has on His garment, and on His thigh a name written, KING OF KINGS AND LORD OF LORDS. And I saw one angel standing in the sun. And he cried with a great voice, saying to all the birds that fly in mid-heaven, Come and gather

together to the supper of the great God, so that you may eat the flesh of kings, and the flesh of commanders, and the flesh of strong ones, and the flesh of horses, and those sitting on them, and the flesh of all, both free and slave, both small and great. And I saw the beast [Antichrist], and the kings of the earth and their armies, being gathered to make war against Him who sat on the horse, and against His army. And the beast was taken, and with him the false prophet doing signs before it, (by which he deceived those who had received the mark of the beast), and those who had worshiped his image. The two were thrown alive into the Lake of Fire burning with brimstone. And the rest were slain by the sword of Him who sat on the horse, it proceeding out of His mouth. And all the birds were filled from their flesh."

Revelation 19:11-21, MKJV

Jesus Christ returns as King of Kings and Lord of Lords and the Antichrist and the false prophet are thrown into the lake of fire to be burned up. The kings and their armies are destroyed (also see Zechariah 14). Remember, the Feast of Trumpets could very well celebrate the return of Jesus Christ. What happens next is very interesting.

"And I saw an angel come down from Heaven, having the key of the abyss and a great chain in his hand. And he laid hold on the dragon, that old serpent, who is the Devil and Satan, and bound him a thousand years. And he cast him into the abyss and shut him up and set a seal on him, that he should deceive the nations no more until the thousand years should be fulfilled. And after that he must be loosed a little time. And I saw thrones, and they sat on them, and judgment was given to them. And I saw the souls of those who had been beheaded for the witness of Jesus and for the Word of God, and who had not worshiped the beast nor his image, nor had received his mark on their foreheads, nor in their hands. And they lived and reigned with Christ a thousand years."

Revelation 20:1-4, MKJV

A powerful good angel catches and binds Satan the devil and puts him in jail for a thousand years, and also puts a seal on him so that Satan cannot deceive the nations any longer – during this 1,000 year time period. And the firstfruits of resurrected human beings (1 Corinthians 15 and 1 Thessalonians 4), now divine MRP individuals, will reign with (under) Christ for this time period of 1,000 years (verse 4 above). Using God's holy day layout as a guide, let us

attempt to make some correlations: 1) Christ has returned, the firstfruits of human beings have been resurrected, and the nations in rebellion will have been put down by superior divine force. And now Christ is ruling as King of Kings with help from other kings, who are resurrected human firstfruits. Christ returning as King of Kings and the resurrection of the firstfruits of the humans likely correlates to the celebration of the Feast of Trumpets (not necessarily occurring on the Feast of Trumpets). 2) Next, Satan has had hands laid upon him (angelic hands in this case) and is now in prison for 1,000 years with a seal placed upon him so he can no longer deceive the nations and their citizens during this 1,000 year time period. This likely corresponds to the scapegoat having been judged as guilty of sin and being led astray into the wilderness (away from the people) on the Day of Atonement (Leviticus 16). 3) Christ is now ruling, Satan is bound, and the restoration back to morality and rationality and productivity can begin anew. There is 1,000 years, widely known as the millennium, where the proper instructions will go out from Jesus Christ, who will relocate to Jerusalem (Isaiah 2:2-4, Ezekiel 36, 40-48, and numerous other places in the Bible). Nations will not learn war any longer (Isaiah 2:4). The earth, which will have almost

been ruined (Matthew 24:22, Luke 21:25-26), will become, over time, like the Garden of Eden (Ezekiel 36:35). Force and fraud will be out. The unity of the package of values leading to life will be in. Human development will leap forward as, over time, almost all of humanity will choose to cooperate with the two Jehovahs in their divine individualism process. The two Jehovahs will give their Holy Spirit to the physical Israelites who repent and cooperate with them and also to the citizens of all of the other nations who do so, as well.

"There is no end of the increase of His government and **peace** on the throne of David, and on His kingdom, to order it and to establish it with judgment **and with justice** from now on, even forever. The zeal of the LORD of hosts will do this." Isaiah 9:7, MKJV

Force + fraud → are out

The unity of the package of values pertaining to life + the virtues → are in

Starting in Jerusalem, with the remnant of physical Israelites, the government of Jesus Christ will keep increasing until it covers this earth (Isaiah 2:2-5). People and the earth will

be built up. Correct principles, such as the moral and intellectual virtues, will be taught and actively learned and applied. Individuals needing healing will be healed, as will the geography of the earth:

"Then the lame shall leap like a deer, and the tongue of the dumb shall sing; for in the wilderness waters shall break out, and streams in the desert." Isaiah 35:6, MKJV

Revelation 20:5-6 has some very important information contained within it. It is a transition passage of verses between verses 1-4 and verses 7-15.

"But the rest of the dead did not live again until the thousand years were finished. This is the first resurrection [the first resurrection is referring to 1 Corinthians 15 and 1 Thessalonians 4 and Revelation 19:14]. Blessed and holy is he who has part in the first resurrection [this is the better resurrection mentioned in Hebrews 11:35]. The second death [eternal death] has no authority over these, but they will be priests of God and of Christ, and will reign with Him a thousand years."

Revelation 20:5, 6, MKJV

The individuals who participate with the two Jehovahs in their divine individualism process now, and who stay faithful to the end, will be resurrected at the return of Jesus Christ. They will live on into eternity with him and the Father and the good angels. While it is appointed once for men to die (Hebrews 9:27), this physical death has no hold over them, as they will be resurrected back to life, only this time in an incorruptible and eternal spiritual body (1 Corinthians 15:53-54). The second death (eternal death) has no possible power over them any longer. They will help Christ reign on the earth for a 1,000 year time period.

"And as it is appointed to men once to die, but after this the judgment, so Christ was once offered to bear the sins of many. And to those who look for Him He shall appear the second time without sin to salvation."

Hebrews 9:27, 28, MKJV

"For this corruptible must put on incorruption, and this mortal must put on immortality. But when this corruptible shall put on incorruption, and when this mortal shall put on immortality, then will take place the word that is written, "Death is swallowed up in victory." 1 Corinthians 15:53, 54, MKJV

This raises the question, "What about everyone else?" There are two parts to the answer. First, there will be some surviving human beings who live on into the 1,000 years time period known as the millennium. They will obviously be able to learn and understand the plan of God during their remaining time as a human being – in other words, before their physical death. They will not be deceived, as Satan the deceiver will be in bad angel jail and there will be a seal put upon him so he has no communicational influence over human beings during this 1,000 year time period. Further, Jesus Christ and the first resurrection, now MRP divine individuals, will teach those surviving human beings in an easy to understand way. They will be proper kings and proper priests teaching mankind (Revelation 20:6). The Holy Spirit will be poured out on all flesh, starting with the remnant of physical Israel and then the nations (Ezekiel 39:29). So those human beings who were in the first resurrection are in the better resurrection. Those human beings who live on into the millennium will be fine if they choose to cooperate with the two Jehovahs, and it is very likely that, once no longer deceived, most will.

However, how happy will any of us be if many of those we love are lost forever, and yet, we live on into eternity? The vast majority of the human beings who have ever existed either: 1) lived without any knowledge of Jesus Christ; or 2) were deceived by Satan, the god of this world (2 Corinthians 4:4, Revelation 20:3) while the two Jehovahs basically, for the most part, stood back and allowed it; or 3) were abused slaves and tortured victims of misguided or evil governments, religions, tribes, etc. These men and women died after terrible and ignorant existences ["ignorant" is not intended to be used pejoratively, only descriptively and in context]; or 4) were so short of self-control they chose drugs or alcohol or some other addictive behavior as the incorrect means to what they thought they wanted. In substance they did not really understand life, and the idea of an abundant life was for the most part completely foreign to them. They did not possess either the thoughts or the words to even begin to know what to do. They lacked self-control and so took various shortcuts to a hell of their own making; or 5) were confused by the morality-corrupting, rationality-poisoning vain philosophies perpetrated upon the human race by corrupt intellectual sellouts and fools; or 6) died young; or 7) any other reason for a failed human life. If

the two Jehovahs do not have a plan to deal with all of these shattered and seemingly lost human beings, then Satan has won the numbers count in a landslide. Life is not a game. But if it was and we were counting people to keep score it would look, right now, like Satan has permanently crushed the two Jehovahs.

And there is a counter-intuitive further problem, which is: 8) the two Jehovahs blinded the minds of many people, and Jesus Christ spoke in parables so that people would NOT understand his teachings. Why would the two Jehovahs blind the minds and dull the thoughts of people? Before your author gets himself set upon, please consider the following scriptures pertaining to Israel and the people hearing Jesus Christ while he was on this earth:

“No one can come to Me unless the Father who has sent Me draw him, and I will raise him up at the last day.” John 6:44, MKJV

Unless God the Father called someone to Jesus, they could not understand his message – at that time.

“And the disciples said to Him [Jesus], Why do You speak to them in parables? He answered

and said to them, Because it is given to you to know the mysteries of the kingdom of Heaven,  
**but it is not given to them.”**

Matthew 13:10, 11, MKJV

At times, Jesus spoke in parables so that the crowd, in general, would not understand his message – at that time.

“And He [Jesus] said to them [his disciples], To you it is given to know the mystery of the kingdom of God. But to those outside, all these things are given in parables so that seeing they may see, and not perceive; and hearing they may hear, and not understand; lest at any time they should be converted, and their sins should be forgiven them.” Mark 4:11, 12, MKJV.

The Mark scripture explains, point-blank, that the Father and Christ’s plan was NOT to call and convert all men at that time. This is very counter-intuitive, but true. Further evidence of this in a passage of John which quotes Isaiah 44:18:

“But though He [Jesus] had done so many miracles before them, yet they did not believe on Him, so that the saying of Isaiah the prophet might be fulfilled, which he spoke, “Lord, who

has believed our report? And to whom has the arm of the Lord been revealed?" Therefore they could not believe, because Isaiah said again, "He [God] has blinded their eyes and hardened their heart, so that they should not see with their eyes nor understand with their heart, and be converted, and I should heal them."

John 12:37-40, MKJV

"What shall we say then? Is there not unrighteousness with God? Let it not be! For He said to Moses, "I will have mercy on whom I will have mercy, and I will have compassion on whom I will have compassion." So then it is not of the one willing, nor of the one running, but of God, the One showing mercy."

Romans 9:14-16, MKJV

God the Father will call those whom he wills, when he wills (John 6:44). The rest will be called later, most after their first physical life has concluded, which will be explained in the following pages, starting with how God will deal with Israel. For the most part, the general rule is that God deals with Israel first and then the nations (non-Israelites) later.

"No one can come to Me [Christ] unless the Father who has sent Me draw him, and I will

raise him up at the last day [the first resurrection, of the firstfruits]." John 6:44, MKJV

"I say then, Did not God put away His people [Israel]? Let it not be said! For I also am an Israelite, of the seed of Abraham, of the tribe of Benjamin." Romans 11:1, MKJV

The two Jehovahs are still working with physical Israelites, but only a portion of Israel at this time.

"What then? Israel [as a whole] has not obtained that which it seeks, but **the election obtained it [the elect of Israel are those relatively few called and chosen now]**, and the rest were hardened [for now] even as it is written, **God gave to them a spirit of slumber, eyes not seeing, and ears not hearing** until this day. And David said, "Let their table become for a snare and a trap and a stumbling block and a recompense to them. Let their eyes be darkened so that they may not see, and their back always bowing." I say then, Did they not stumble that they fall? Let it not be! But by their slipping away came salvation to the nations [non-Israelites], to provoke them to jealousy."

Romans 11:7-11, MKJV

God himself hardened the heart and closed the eyes of most of the physical Israelites, choosing only to work with a portion of them now, "the election" in the Romans 11 scripture quoted above. And God is also using the calling and election of a small percent of the non-Israelite nations now. The reason given was to provoke to jealousy the physical Israelites (which obviously has not worked).

Does this mean that God put down Israel and picked up the church? Already explained, that answer is an emphatic, "No."

"I say then, Did not God put away His people? **Let it not be said! [No! There is just a time delay in order that hard lessons are learned.]** For I also am an Israelite, of the seed of Abraham, of the tribe of Benjamin. God did not thrust out His people whom He foreknew. Or do you not know what the Scripture said in Elijah, how he pleaded with God against Israel, saying, "Lord, they killed Your prophets and dug down Your altars, and I am left alone, and they seek my life." But what does the Divine answer say to him? "I have reserved to Myself seven thousand men who have not bowed the knee to Baal." Even so then, also **in this present time a remnant according to the election of**

**grace has come into being [a few of the physical Israelites are called now and the rest will be called later].”**

Romans 11:1-5, MKJV

God himself admits responsibility for the blinding of the vast majority of the Israelites – for now. But God can solve the problem for all of those not called and part of an election of grace, at the present time. And God can solve the problem of all of those who were mentioned in your author’s list of items 1-7 above. God can heal. God can resurrect the dead. God can heal the dead, e.g., Lazarus (John 11), bringing them back to a second physical existence.

“For I speak to you, the nations [non-physical Israelites]; since I am the apostle of the nations, I glorify my ministry; if by any means I may provoke those who are my flesh [the physical Israelites] to jealousy, and might save some of them [Why not all of them? Please keep reading]. For if their casting away is the reconciling of the world [the opening for some of the non-physical Israelites, i.e., the nations to be called to a special election of grace now], what is the reception except life from the dead? For if the firstfruit is holy [those called now to be spiritual Israelites], the lump is also holy [the

balance of non-called-now physical Israelites]; and if the root is holy, also the branches. And if some of the branches were broken off [those physical Israelites not called and chosen now], and you, being a wild olive tree [those called and chosen of the non-physical Israelites now], were grafted in among them [the Israelites], and became a sharer of the root and the fatness of the olive tree with them, do not boast against the branches [the physical Israelites not yet called]. But if you boast, it is not you that bears the root, but the root bears you [God works through Israel which has the law (instructions/directions), the covenants, etc., Romans 9:4)]. You will say then, The branches were broken off so that I might be grafted in [called and chosen now]. Well, because of unbelief they were broken off, and you stand by faith. Do not be high-minded, but fear. For if God did not spare the natural branches, fear lest He also may not spare you either! Behold then the kindness, and the severity of God; on those having fallen, severity; but on you, kindness, if you continue in the kindness [finish the divine individualism process]. Otherwise you also will be cut off. And those also, if they do not continue in unbelief, will be grafted in. **For God is able to graft them in again [the physical Israelites not called now]."**

Romans 11:13-23, MKJV

"For if you were cut out of the natural wild olive tree, and were grafted contrary to nature [nature meaning God works through physical Israel and you are not physical Israelites] into a good olive tree; how much more **these being according to nature [physical Israelites] will be grafted into their own olive-tree [to become spiritual Israelites on their way to becoming MRP divine individuals]**? For **I do not want you to be ignorant of this mystery**, brothers, lest you should be wise within yourselves; that **blindness in part [blindness to some of the physical Israelites] has happened to Israel [admitted to be caused by God], until the fullness of the nations has comes in**. And so all Israel shall be saved; as it is written, "There shall come out of Zion the Deliverer [in the future per Revelation 19], and He will [then] turn away ungodliness from Jacob [Jeremiah 31:33-34]. For this is My covenant with them, **when** [not now] I have taken away their sins." Indeed as regards the gospel, they are enemies for your sakes [not accepting Christ as Savior now]. But as regards the election, they are beloved [God still loves the physical Israelites even though they have failed him] for the

fathers' sakes [Abraham, Isaac, and Jacob]. For the free gifts and calling of God are without repentance. [The New Living Translation has this sentence as: "For God's gifts and his call can never be withdrawn."] For as you also then disbelieved God, but now have been shown mercy through their disbelief, even so these also **have not believed now**, so that through your mercy they may also obtain mercy. **For God has shut up all in unbelief, so that He might show mercy to all.**" Romans 11:24-32, MKJV

The two Jehovahs (God) → shut up [virtually] all → in unbelief SO THAT → they might ultimately show mercy to all [virtually all]

And so there we have the answer as to why so many people seem to not care very much about God, now. God has largely blinded the vast majority of mankind, now, calling only a relatively small percentage to serve as a kind of firstfruits for all of humanity. God, in particular, blinded the vast majority of the physical Israelites. This, in effect, blinded most of humanity because God works through Israel first. And if the majority of the people he works through first are blinded now, then the balance of the human race is even more so. They do not have a historical relationship with God. The

physical Israelites were supposed to be a light to them, but failed. **However, God did all of this in order to show mercy TO ALL.** "To all" includes those called to a special election of grace now (whether physical Israelite or not) AND the physical Israelites not yet called AND those non-physical Israelites not yet called (the rest of humanity).

The two Jehovahs (God) → want to show → mercy to all

All = 1) those called to a special election of grace now + 2) the physical Israelites not yet called to the special election of grace + 3) the non-Israelite peoples of the other nations of the world, not yet called to the special election of grace

As your author pointed out (in about a 600-page Chapter Four) there is war between Satan and God, and between Satan and mankind. In a war, communications are not normal. They cannot be or the enemy will know your plans and adjust their plans accordingly. Ergo, some of the Biblical communications are in plain text and so that part of the divine communication is readable and understandable. And some of the communications are lightly coded and

understandable to some, but not others. And some of the Biblical communication is heavily coded. The heavily coded part of the Biblical communication is intended to be understood, at this time, by only a few - those called and chosen now to a special election of grace. It is even possible that some of the divine communication is not to be completely understood by any human being, for now. If so, the meaning of any such divine communication would have to be revealed by the two Jehovahs later. And so even though the Bible promises the Holy Spirit will lead us into all truth (John 16:13), it does not say when. As your author went to great lengths to point out, all of us, including your author, are ignorant – just of different things. And all of us, whether called and chosen or not, will die not knowing some aspects of the Bible. This is why there are doctrinal disagreements, divisions within churches, etc., at the present time. It is likely we will know the rest of the story after we have been resurrected to eternal life, but not until then. At any rate, for now, the Bible clearly teaches that God has blinded the minds of most so that the two Jehovahs can ultimately show mercy to almost all. Your author says "almost all" because there are always going to be some who are recalcitrant, some who refuse to submit

to the two Jehovahs and participate with them in their divine individualism process. There are at least two scriptures to help show that the two Jehovahs did not intend for men to understand exactly what they were doing because the unwitting actions of some men were necessary to help the two Jehovahs carry out their plans.

“But, we speak wisdom among those who are perfect; yet not the wisdom of this world, nor of the rulers of this world, **that come to nothing.** But we speak **the wisdom of God in a mystery, which God has hidden,** predetermining it before the world for our glory; which none of the rulers of this world knew (for if they had known, they would not have crucified the Lord of glory).” 1 Corinthians 2:6-8, MKJV

God predetermined to hide his plan from whoever was ruling the world at the time of Christ’s necessary sacrifice so they would unwittingly participate in helping to create a bridge from death to life for us, God’s characters.

“But they [the nations] **do not know the plans of the LORD,** nor do they understand His counsel. For He has gathered them like the sheaf to the floor.” Micah 4:12, MKJV

The Micah 4:12 scripture plainly says that the nations, non-physical Israelites, do not know the plans of the LORD and numerous places in the Bible, e.g., Romans 11 and Mark 4, show that God blinded the majority of the Israelites, too. In other words, per Romans 11:32, "God has shut up all in unbelief, so that he might show mercy to all." The word "all" in both places in the above sentence should be understood to mean "almost all." God has called some to a special election of grace now, ergo "almost all" pertaining to the first "all" of the Romans 11:32 sentence. And there are always going to be some people who, basically, want to die, and so they will reject God even after their minds are opened to the truth for the first time. Hence, "almost all" also pertains to the last word in the sentence.

The Bible was written so that it would not be completely understood at this time. Sorry, that's the way it is. No one can tell your author that the two supreme minds in the universe could not have written what amounts to a cookbook with recipes on how to become a future MRP divine individual. They are too smart to have attempted writing the Bible to be understood and then failing in the attempt. Any

who would disagree with your author can feel free to explain the widespread and heated disagreements pertaining to the Bible and its interpretation. No one argues about the meaning of a recipe in a cookbook. The meaning of a recipe is plain to anyone who can read. One just has to do what the recipe says to get the desired result. The Bible is not this way. The two Jehovahs did not want the Bible to be completely understood, now, because they were shutting up almost all in unbelief, now, because they want to eventually have mercy to the almost all who will cooperate with them once their minds are opened in the future.

The two Jehovahs → did not write the Bible → like a cookbook containing recipes

The two Jehovahs → wanted to hide → at least some of their plans → from mankind

The Bible is partly written: 1) in plain text, 2) some is lightly coded, and 3) some is more heavily coded

Back to the physical Israelites, it is unknowable what would have happened had they not been such a nation of rebels. They continually frustrated Moses, the other prophets

sent by God, e.g., Elijah, and the two Jehovahs. Therefore, **in order to save them later**, by **not having to condemn them now**, God blinded them. This sort of fits in with Ayn Rand, the atheist's, brilliant observation (in so many words): If men are not willing to think, then one must leave them to the consequences of their decisions. In other words, God let the physical Israelites and all mankind have it their way - the immoral, irrational, warring, lying, lustng, backstabbing way in order to allow men to live out their lives and suffer hard consequences for their immoral and irrational choices. But, as of right now, this still leaves Satan ahead in the "big game."

The two Jehovahs (God) → in order to save the bulk of mankind LATER → blinded them NOW → so as to not have to condemn them NOW → for their numerous immoral + irrational choices (sins)

Let the reader remember that God works primarily through Israel first (uses Israel as a light to the world) and then works through the nations. Ultimately, the two Jehovahs want to save mankind, not condemn mankind.

"For God did not send His Son into the world to condemn the world, but so that the world might be saved through Him." John 3:17, MKJV

If God is not going to have to engage in widespread condemnation of mankind, then what is God going to do to save the day? It is obvious, from the above scriptures, that the two Jehovahs have purposely blinded the minds of most men so they would not understand the real plan of God at the time they were alive on the earth. How can God hold these blinded men fully responsible? And, even worse, from the mainstream Christian point of view, consign all of these immoral and irrational sinful men and women to eternal torture in a never-ending hellfire? It all seems like quite a conundrum.

The answer is that the two Jehovahs cannot hold those so blinded responsible until they remove the blindness and allow these men and women to actually hear **and really understand**, for the first time in their lives, the goal of the two Jehovahs for them, i.e., divine individualism. **Further, there is no hellfire or eternal torture that will be inflicted on anyone.** This will be further explained after the Bible shows and your author explains what the two Jehovahs are yet to do regarding the vast

majority of men who have been blinded.  
Remember, God works through Israel first and  
then the nations.

Your author wrote a previous book entitled,  
*Go To The Healer*, where the most of the  
solution to those seemingly spiritually lost was  
discussed. Ergo, your author will utilize some of  
his previous book to help explain this part of the  
answer.

Some may ask one or more of the below  
questions:

- 1) "Has Satan substantially defeated God the Father and Jesus Christ in that most men who have ever lived have either not known or have not accepted Jesus Christ as their Savior?"
- 2) "What about all those who died before Jesus Christ came to the earth?"
- 3) "What about all those who died as babies, or were aborted?"
- 4) "What about all those who have never even heard of the name of Jesus Christ, the only name under heaven whereby men may be saved (Acts 4:10-12)?"

The two Jehovahs figured all this out a long time ago. They are not going to lose to Satan, their adversary. They want all men to be saved (2 Peter 3:9).

“The Lord is not slow concerning His promise, as some count slowness, but is long-suffering toward us, not willing that any of us should perish, but that all of us should [eventually] come to repentance.”

2 Peter 3:9, MKJV

As hard as this may be to believe, the answer to this seeming dilemma is a second resurrection back to physical life for those who have not willfully rejected God. This would include babies and men who lived out their lives and died without ever really understanding the plan of God. At the center of the plan of God is Jesus Christ's role in living a sinless life and then dying a sacrificial death for mankind and then being resurrected as the firstborn among many (**not a comparatively few**) brethren. It would also include those whom God has blinded. Very few men who have ever lived have actually known the plan of God and then willfully rejected God and eternal life. In other words, very few men have come to know the plan of

God and rejected it – thus preferring to pay the death penalty for their own sins themselves and therefore preferring to be dead for all eternity. Most have just lived out their physical lives and then died, not really knowing Jesus Christ or the plan of God. God is going to resurrect them back to physical life, teach them so they understand the plan of salvation, and most will then accept Jesus Christ as Savior and ultimately become part of those who are subsequently resurrected to eternal life. They will not be in the first resurrection, but they will live on into eternity as MRP unique divine individuals.

Ezekiel 37 speaks to God resurrecting the dead Israelites back to physical life and then bringing them back to their own land so they can finally learn the plan of salvation. While this chapter speaks directly to Israel, it is clear that God is going to also resurrect others, non-Israelites, back to physical life as well. This is so that all men who have ever lived can also finally learn the plan of salvation and have a very fair chance to ultimately be given eternal life. God is not a respecter of persons in this regard (Acts 10:34).

"The hand of the LORD was upon me, and carried me out in the spirit of the LORD, and set me down in the midst of the valley which was full of bones, And caused me to pass by them round about: and, behold, there were very many in the open valley; and, lo, they were very dry. And he said unto me, Son of man, can these bones live? And I answered, O Lord GOD, thou knowest. Again he said unto me, Prophesy upon these bones, and say unto them, O ye dry bones, hear the word of the LORD. Thus saith the Lord GOD unto these bones; Behold, I will cause breath to enter into you, and ye shall live: And I will lay sinews upon you, and will bring up flesh upon you, and cover you with skin, and put breath in you, and ye shall live [this is clearly a resurrection back to a second physical fleshy life]; **and ye shall know that I am the LORD.** [They will finally know God the Father and Jesus Christ and their plan of salvation.] So I prophesied as I was commanded: and as I prophesied, there was a noise, and behold a shaking, and the bones came together, bone to his bone. And when I beheld, lo, the sinews and the flesh came up upon them, and the skin covered them above: but there was no breath in them. Then said he unto me, Prophesy unto the wind, prophesy, son of man, and say to the wind, Thus saith the Lord GOD; Come from the

four winds, O breath, and breathe upon these slain, that they may live [physically again]. So I prophesied as he commanded me, and the breath came into them, and they lived, and stood up upon their feet, an exceeding great army. Then he said unto me, Son of man, these bones are the whole house of Israel [this is the solution to the Romans chapters 9-11 "problem"]: behold, they say, Our bones are dried, and our hope is lost: [in other words, metaphorically-speaking: we lived once already and physically died; we did not do what we should have done while we were alive; and so we are without hope - but they are wrong] we are cut off for our parts [we sinned and are lost - wrong again]. Therefore prophesy and say unto them, Thus saith the Lord GOD; Behold, O my people, I will open your graves, and cause you to come up out of your graves, and bring you into the land of Israel. [It is very clear that God is speaking of bringing dead Israelites back to physical life again and bringing them into the promised land where they belong.] **And ye shall know that I am the LORD** [the purpose of bringing the dead Israelites back to physical life is to help them finally know the LORD and to know his plan of salvation for them.], when I have opened your graves, O my people, and brought you up out of your graves, And shall put

my spirit in you [spiritual conversion], and ye shall live, and I shall place you in your own land: then shall ye know that I the LORD have spoken it, and performed it, saith the LORD."

Ezekiel 37:1-14, KJV

The two Jehovahs use → 1) blinding the majority of mankind now (Romans 11:32) + 2) a time delay + 3) a second physical life for those not called to a special election of grace now (Ezekiel 37, using Israel to typify all mankind) (those who are called to the special election of grace, now, need no second physical life as they will already have been changed in the first resurrection and will already be eternally saved) + 4) the opening of the minds of those previously blinded (or oblivious) to the truth of Jesus Christ as Savior and the plan of God + 5) the individual's repentance and acceptance of Jesus Christ as Savior (Acts 2:38) + 6) the giving of the Holy Spirit (Ezekiel 37:14) + 7) the divine individualism process → to convert and save (show mercy) to all (almost all)

"And David My servant shall be King over them. And there shall be one Shepherd to all of them. And they shall walk in My judgments, and

obey My laws [finally follow God's instructions], and do them." Ezekiel 37:24, MKJV

David is resurrected as a MRP divine being, in the first resurrection, and told to reign over these physical Israelites (verse 24). They will be taught the intent of the laws, how to worship the two Jehovahs, that Jesus Christ is Savior, etc. This will take a period of time, as learning is one concept at a time into one mind at a time. Then they will be given a period of time to apply the instruction (follow the directions) of the law in their lives. This takes time and effort and they will be given that time. Verse 25 of Ezekiel 37 mentions they shall dwell in the land (live in the land as physical human beings). There is no point to a spiritually resurrected David reigning over physically resurrected men if those men are just going to be given a basic explanation of Jesus Christ as Savior, the plan of God, etc., and then told to choose. After their choice they will need time, and a king to guide them, in God's way. They will need time to follow the divine instructions. David will have been resurrected, in part, to serve as their king in helping to teach and guide them. It is not just a resurrection of the Israelites and the nations back to a second physical life, giving them an up or down choice, as it were, and then their judgment. They will

be judged by how well they apply the instructions now that they finally understand the real context of the human situation. They will no longer be deceived, in fear, too young, etc. Those badly damaged in this life will almost certainly be healed (Isaiah 35:6) so they are fit to understand and properly function. Further, children who died will need to grow up to at least some level of adulthood to be held fully responsible for their choices and actions. Those of the nations, resurrected back to a second physical life, will likely be placed back into their native lands and be ruled over and taught by some of those MRP divine beings who were, like David, in the first resurrection (Revelation 20:6).

The two Jehovahs (God) will use → a second physical life → to grant a first real spiritual chance → to those not called now to a special election of grace

The resurrection back to a second physical life is not too hard of a problem for the two Jehovahs. All men who were not called now to know, understand, and participate with the two Jehovahs in their divine individualism process will simply be resurrected back to a physical life, healed, and clearly taught the real plan of God.

In order to further show that the physically resurrected Israelites depict the entire human race, Ezekiel 16 even records that the citizens of Sodom, the poster child of evil, will be restored (back to physical life for a chance at salvation). Ezekiel 16 has an entire passage of scripture criticizing Jerusalem (the southern two tribes of Israel), Samaria (the northern ten tribes of Israel), and Sodom. When they are all restored back to a second physical life and given the chance to hear and clearly understand the plan of salvation they will respond. Even though the two Jehovahs will forgive them, they will remember what they did in their first physical life, and be ashamed. Remember, God judged and destroyed the people of Sodom for their evil already (Genesis 19:24-25, 29). If they have already had their one chance, blew it, and then there is the final judgment, there is no point in resurrecting them back to a second physical life.

"You [speaking specifically to the Jews here, but applying to all men] will remember your sins and cover your mouth in silence and shame **when I forgive you of all that you have done**, says the Sovereign LORD.""  
Ezekiel 16:63, NLT

"As surely as I live, says the Sovereign LORD, Sodom and her daughters were never as wicked as you [the Jews, Jerusalem, verse 2] and your daughters. Sodom's sins were pride, laziness, and gluttony, while the poor and needy suffered outside her door. **She was proud and did loathsome things, so I wiped her out**, as you have seen. "Even Samaria did not commit half your sins. You have done far more loathsome things than your sisters ever did. They seem righteous compared to you! You should be deeply ashamed because your sins are so terrible. In comparison, you make your sisters seem innocent! "But **someday I will restore the fortunes of Sodom and Samaria, and I will restore you, too. Then you will be truly ashamed of everything you have done, for your sins make them feel good in comparison.** Yes, **your sisters, Sodom and Samaria, and all their people will be restored, and at that time you also will be restored.** In your proud days you held Sodom in contempt. But now your greater wickedness has been exposed to all the world, and you are the one who is scorned ... " Ezekiel 16:48-57, NLT

When the physical Israelites, and those others of the nations (depicted by Sodom, of all people, above), are resurrected back to a second

physical life and have the plan of God explained to them, most will repent, and God will “forgive you of all that you have done.” However, they will remember their own sins and past ways from their first physical life and be ashamed, as they should be. Since Sodom, one of the most despicable places ever to exist on the earth, such that it was destroyed by fire and brimstone from heaven (Genesis 19:24-25, 29), is prophesied to have its inhabitants physically resurrected, God wanting to forgive those evil men from the past could not be more clear. If God can physically resurrect the residents of Sodom, one of THE prototype evil cities ever, and forgive them after they repent, God can forgive your loved ones, too. Your loved ones are almost certainly not lost. You will not be living on into eternity with a gaping hole in your heart. Do not bet on Satan. Bet on the two Jehovahs.

Since the two Jehovahs → are willing to forgive → the residents of Sodom → they are willing to forgive your loved ones, too

Bet on the two Jehovahs → reject Satan

Satan may think he is winning, or has won, but it is more like half-time of the big game.

The two Jehovahs are not going to lose to Satan. All will eventually have a chance to really know God the Father and Jesus Christ and their plan of salvation. And most will repent of their sins and rebellion and accept Jesus Christ as Savior and receive the gift of the Holy Spirit (Acts 2:38). Eventually, at a time of God's choosing, they will also be resurrected to eternal life, thus avoiding the second death (Revelation 20:14) - a permanent eternal death. God the Father, Jesus Christ, and most of mankind are going to win. Satan and death are going to lose.

A second physical life → allows for the first real spiritual chance → and thus helps to avoid → the second death (a permanent eternal death)

All of the above is the substantive meaning of the Last Great Day holy day. Those thought lost will be resurrected back to a second physical life and be given their first real chance at understanding the plan of God and the only name under heaven whereby men can be saved, Jesus Christ. They will be given a period of time to learn and apply the divine law instructions / directions. It is, quite literally, a second physical life, but their first chance at accepting Jesus Christ as Savior. They will ultimately be

judged by how well they do during that time period (Revelation 20:11-13):

“And I saw a great white throne, and Him sitting on it, from whose face the earth and the heaven fled away. And a place was not found for them. And I saw the dead, the small and the great, stand before God. And the books were opened, and another book was opened, which is the Book of Life. And the dead were judged out of those things which were written in the books, according to their works. And the sea gave up the dead in it. And death and hell delivered up the dead in them. [Whether someone was buried in the sea or in the ground they will be resurrected back to physical life.] And each one of them was judged according to their works.”  
Revelation 20:11-13, MKJV

This is their second physical life, but their first real chance at salvation, and their first and final judgment. With Satan bound, their eyes open for the first time, physical and other healing available, including the receiving of the Holy Spirit, it is very likely that the vast majority will repent of their sins, accept Jesus Christ as Savior, and cooperate with the two Jehovahs in their divine individualism process. In short, virtually every human being who has ever lived

will make it. It really will be a Last Great Day when they are resurrected to eternal life as unique MRP divine beings. They are just getting there a bit later than the firstfruits, those called now to the special election of grace, after a time delay.

There will, no doubt, be a few who remain adamant in refusing to yield to the two Jehovahs. These miserable human beings will not be allowed to live on into eternity making themselves and those all around them miserable. They will be put to eternal death.

"And death and hell were cast into the Lake of Fire. This is the second death. And if anyone was not found having been written in the Book of Life, he was cast into the Lake of Fire [to be burnt up]." Revelation 20:14, 15, MKJV

Your author brings this up because many worriers are afraid that their non-Christian loved ones have already been lost to eternal torture – an eternal and horrific hellfire that burns and causes perpetual agony, but where the afflicted person lives on and is continuously suffering. There are two responses to this **false belief**. First, it is almost certain per the meaning of The Last Great Day, explained above, your loved

ones have not had their chance of salvation yet and will almost certainly take advantage of it once they are in their right minds. Second, there is no hellfire – despite what preachers and religions teach. The Bible vetoes the idea per the below very clear scriptures (the very clear scriptures should be used to interpret less clear or obscure scriptures):

“Behold, all souls are Mine. As the soul of the father, also the soul of the son, they are Mine. The soul that sins, it shall die [not live forever].” Ezekiel 18:4, MKJV

“And you shall trample the wicked [who willfully refuse to repent and change], for **they shall be ashes** under the soles of your feet [because they were burnt up completely in the lake of fire] in the day which I am preparing, says the LORD of hosts.” Malachi 4:3, MKJV

Ashes are not tormented forever and ever. Whatever is burnt to the state that it has become ash is no more.

“I tell you, No. But unless you repent, you will all likewise **perish**.” Luke 13:3, MKJV

"For God so loved the world that He gave His only-begotten Son, that whoever believes in Him should not perish but have everlasting life."

John 3:16, MKJV

"For the wages of sin is death, but the gift of God is eternal life through Jesus Christ our Lord." Romans 6:23, MKJV

It is either everlasting life or perishing – not an eternal suffering "life" in a hellfire that never burns out. **The results of being burnt up are everlasting, or permanent**, meaning they do not exist any longer and never will again.

"who shall be punished with **everlasting destruction** from the presence of the Lord and from the glory of His power," 2 Thessalonians 1:9, MKJV.

Everlasting destruction means what it clearly says. Away from the presence of the Lord means the ashes are outside of the New Jerusalem (Revelation 21:8):

"But the fearful, and the unbelieving, and the abominable, and murderers, and whoremongers, and sorcerers, and idolaters, and all liars, will have their part in the Lake burning with fire and

brimstone, **which is the second death.**"

Revelation 21:8, MKJV

In other words, these physical men and women, given a real and fair chance of salvation, reject it, and so now are thrown into the Lake of Fire and experience their second and final death. They will be no longer exist, for all eternity.

For those who say, "Wait, there is a spiritual component to man. How can that be destroyed?"

"And do not fear those who kill the body, but are not able to kill the soul. But rather fear Him **who can destroy both soul and body** in hell [the Lake of Fire]." Matthew 10:28, MKJV

The results of → the Lake of Fire → eternal death → are permanent

Your loved ones are, most likely, not lost forever. They will get their first real chance at salvation in their second physical life and, almost certainly, with shame for their prior life, will take advantage of it. For any who willfully and purposefully do not take advantage of their chance, they will be mercifully exterminated and burnt up. They will no longer exist. Well-

intentioned preachers, who think they do God service by teaching the false doctrine of a torturous hellfire, are wrong. They do not speak for the two Jehovahs. The holy days in Leviticus 23 do.

The physical Israelites failed God and man, and themselves. Their failure has really hurt mankind. They were guilty of both mental and moral malpractice - which is to say they were lacking in the intellectual and the moral virtues. If they would have taken advantage of the instructions and directions in the divine law and developed and used two-value logic, the society that likely would have developed could have been moral, rational, and prosperous and a light that was a beacon for all of mankind. It could have all happened thousands of years ago, right in the "middle of the earth." It was not for lack of effort on the part of the two Jehovahs, who had to decide to blind them so as to ultimately save them. With all so many advantages ancient Israelite society could have been the world's moral, intellectual, productive, and artistic leader. But, it was not yet to be.

## **Chapter Six**

### **Altruism, Or Proper Concern For One's Own Interests**

This chapter is important because altruism could very well be the most lethal secular “ism” of all. This is because it is frequently used as the basis for senseless self-sacrifice instead of individual human growth and development. Altruism is the rationale behind communism, socialism, and progressivism. And it is the rationale behind using potentially valuable human beings as fuel for other collectives, such as the organic state and various religions. A large part of this chapter is taken from your author’s previous book, *Divine Individualism*, and its chapter concerning altruism.

Altruism → the most deadly secular “ism” = True

Your author wants to begin this section of the book by defining “altruism” and then “selfish,” including the roots of selfish, so there is some precision in meaning when using these terms. As there is not any meaningful

controversy in regards to the definition of either altruism, nor for the definition of selfish, almost any dictionary definition will be fine for our purposes. To remind the reader, any emphasis is mine throughout.

From the dictionary that comes with the Macbook computer:

"altruism |'altrōō,izəm| noun

the belief in or practice of disinterested and **selfless** concern for the well-being of others ..."

From Wikipedia's entry for Altruism:

"Altruism or selflessness is the principle or practice of concern for the welfare of others. It is a traditional virtue in many cultures and a core aspect of various religious traditions, though the concept of 'others' toward whom concern should be directed can vary among cultures and religions. Altruism or selflessness is the opposite of selfishness.

Altruism can be distinguished from feelings of duty and loyalty. Altruism is a motivation to provide something of value to a party **who must be anyone but one's self**, while duty

focuses on a moral obligation towards a specific individual, (e.g., a god, a king), or collective, (e.g., a government). Pure altruism consists of sacrificing something for someone other than the self, (e.g. **sacrificing time, energy or possessions**) with no expectation of any compensation or benefits, either direct, or indirect, (e.g., receiving recognition for the act of giving).

Much debate exists as to whether 'true' altruism is possible. The theory of psychological egoism suggests that no act of sharing, helping or sacrificing can be described as truly altruistic, as the actor may receive an intrinsic reward in the form of personal gratification. The validity of this argument depends on whether intrinsic rewards qualify as 'benefits.'

The term altruism may also refer to an ethical doctrine that claims that individuals are morally obliged to benefit others. Used in this sense, it's usually contrasted to egoism, which is defined as acting to the benefit of one's self."

... "Religious viewpoints ...

Most, if not all, of the world's religions promote altruism as a very important moral

value. Buddhism, Christianity, Hinduism, Islam, Jainism, Judaism and Sikhism, etc., place particular emphasis on altruistic morality.”

If one → sacrifices to any and all others → time + energy + possessions, e.g., money → i.e., one's life + physical resources → what will be left for one's own personal development and goals?

Now for some dictionary definitions of “selfish.”

“selfish |'selfiSH| adjective

(of a person, action, or motive) lacking consideration for others; ... ” Macbook dictionary

“1: concerned excessively or exclusively with oneself: seeking or concentrating on one's own advantage, pleasure, or well-being without regard for others 2: arising from concern with one's own welfare or advantage in disregard of others ...” Merriam-Webster's Collegiate Dictionary

The Oxford Modern English Dictionary has one definition of selfish as “lacking consideration

for others; concerned chiefly with one's own personal profit or pleasure:"

Political scientist and advisor to rulers, Niccolo Machiavelli (1469-1527), famous for writing one of the most influential works of political philosophy ever written, *The Prince*, condemned the pursuit of private [self-] interest as "corruption." The state has followed such thinking, before and after, but with renewed self-righteous vigor post-Machiavelli.

The modern definitions of selfish are loaded with pejorative descriptors. These pejorative descriptors make sure that anyone foolish enough to advocate looking out for their own interests will be labeled as "selfish," which is to say they are condemned as a bad person. This troubled philosopher Ayn Rand, and so your author guesses that she attempted to redefine selfish based on a combination of the root words "self" and "ish." This seems like a logical conclusion, anyway. Rand redefined (or attempted to properly define) selfish as: **"concern with one's own interests."**

From thefreedictionary.com "self" is defined as follows:

- “self (slf) n. pl. selves (slvz)
1. The total, essential, or particular being of a person; the individual. ...
  2. The essential qualities distinguishing one person from another; individuality. ...
  3. One's consciousness of one's own being or identity; the ego. ...
  4. **One's own interests**, welfare, or advantage. ...”

Quoting from dictionary.com (“-ish”):

- “ISH -ish1
1. a suffix used to form adjectives from nouns, with the sense of ‘belonging to’ (British; Danish; English; Spanish); ‘after the manner of,’ ‘having the characteristics of,’ ‘like’ (babyish; girlish; mulish); ‘addicted to,’ ‘inclined or **tending to**’ (bookish; freakish); ‘near or about’ (fiftyish; sevenish).
  2. a suffix used to form adjectives from other adjectives, with the sense of “somewhat,” “rather” (oldish; reddish; sweetish).”

Quoting from Collins English Dictionary online version ([collinsdictionary.com](http://collinsdictionary.com)) (“-ish”):

"ish ... -ish

Definitions  
suffix forming adjectives

1. of or belonging to a nationality or group ⇒ Scottish
2. (often derogatory) having the manner or qualities of; resembling ⇒ slavish, prudish, boyish
3. somewhat; approximately ⇒ yellowish, sevenish
4. **concerned** or preoccupied **with** ⇒ bookish"

If we were to combine the Collins English Dictionary definition of "-ish" (concerned with), with the thefreedictionary.com's definition of "self" (one's own interests), we obtain the substantial equivalent of Rand's definition of selfish: concerned with one's own interests.

To your author's amazement, there is not one single word in the English language, (at least that your author is aware of), that has, as its definition: "**concerned with one's own interests**," or "**tending to one's own interests**." This is unfortunate, and your

author is not inclined to attempt to coin one. Rand made a valiant attempt to redefine or clarify “selfish” as having such a meaning, but the attempt has largely failed. The fact of the matter is the use of the word “selfish” has such a commonly accepted negative connotation that your author believes any attempt to use it in a potentially positive and more correct way is doomed to failure. Ergo, your author will refine Rand’s definition a little bit and use an entire phrase to make his meaning clear. Instead of using the corrected Rand definition of “selfish,” your author will use the phrase: proper concern with one’s own interests. Or, sometimes your author will use the phrase: “properly tending to one’s own interests,” or something of that ilk.

That, in the entire English language, there is not one single word, which has as one of its definitions: “properly tending to one’s own interests,” or “proper concern with one’s own interests” is a shame – and likely not an accident. Satan is the god of this world (2 Corinthians 4:4) and he has corrupted philosophy, language, and thought. This corruption of philosophy, language, and thought is part of how he deceives the whole world (Revelation 12:9). When language gets corrupted, thought gets corrupted. When

thought gets corrupted, decisions get corrupted. When decisions get corrupted, improper actions are taken – with the predictable negative results. Beyond the scope of this chapter, the previously mentioned Machiavelli redefined “virtue” to be any quality that helps a prince (ruler) keep his state. And, as previously mentioned, Machiavelli essentially redefined corruption as pursuing one’s private self-interests. Such acts, among others, were part of why many considered him a “preacher of evil.”

When language gets corrupted → thought gets corrupted (and vice versa)

When thought gets corrupted → decisions get corrupted

When decisions get corrupted → actions are taken resulting in → harmful consequences → human beings are injured or killed

Once words are redefined, and those redefinitions come to be commonly accepted, the redefinitions are almost impossible to dislodge. Usually the common acceptance occurs without too much active thought on the part of the populace, perhaps as a result of

state-sponsored, or religious-sponsored school system inculcation. Nevertheless, the harm from the commonly accepted corrupted definition affects real people and their lives. Reality, not clever definitions, always has the last word, without exception.

Reality → NOT clever definitions → always has the last word

The next paragraph → a Death Chart sequence

In essence, what proponents of altruism have done, or utilized, is the following: 1) define or implicate that “selfish” is bad – in all cases; 2) define altruism as the opposite of selfishness; 3) then conclude that altruism is therefore good – despite the fact that premise one is not established – just defined or implied; 4) ignore the logical fallacy of attempting to establish the “good” as simply being the opposite of “bad”; 5) **insist that altruism**, now presumed (essentially defined) to be the good (but not proven), **be adopted** by religions and governments and individuals **as a moral code** – which moral code they should try to live by; 6) do not explain exactly how it would be possible for any man NOT to have proper concern for his own interests; and 7) ignore or rationalize away

the negative result of human beings being effectively destroyed because they were used as fuel for various collective fires. All of the above, we shall see, is bound up with the destructive doctrine of altruism. It gets worse.

Along with the (destructive of humans) doctrine of altruism, and there being no formal word to define being properly concerned with one's own interests, there are further big problems coming from and associated with the commonly accepted notion of "duty." A careful reading of the Wikipedia definition of "altruism" contains statements that reveal the problem. Your author will re-quote the two sentences concerning "duty" from the Wikipedia entry for "altruism" below:

"Altruism can be distinguished from feelings of duty and loyalty. Altruism is a motivation to provide something of value to a party who must be anyone but one's self, while duty focuses on a moral obligation towards a specific individual, (e.g., a god, a king), or collective, (e.g., a government)."

"duty ... Definitions noun

(plural) -ties

a task or action that a person is bound to perform for moral or legal reasons  
respect or obedience due to a superior, older persons, etc ⇒ filial duty  
the force that binds one morally or legally to one's obligations" Quoted from Collins English Dictionary – (collinsdictionary.com)

One big problem with the modern concept of duty is that the emphasis or focus on duty is from the individual toward the collective. The other big problem comes from regarding either governments or religions as superior to individuals. In other words, the collective is regarded as superior to the individuals comprising it. This is true whether the collective is a god/religion (moral duty), government/king (legal duty), or any other collective that an individual might be a part of. Individuals do have duties toward God and toward proper government. Your author does not argue this point. What is out of balance is that government has a duty to individuals and that religion has a duty to individuals. **Duty goes both ways, from individual to proper religion and proper government AND from proper religion and proper government toward individuals.** And once one understands that what the two Jehovahs are really doing is the

process of divine individualism, any error on emphasis should not be toward wiping out valuable and irreplaceable, unique individual lives. In other words, proper government has an important duty to safeguard the natural rights of individual citizens and to stay within its proper bounds. And proper religion has a duty to help individuals choose to adopt the correct value system and also to help individuals learn to gain and to use the moral and intellectual virtues. Any sacrificing of individuals, as fuel for any collective fire, is wrong and works against both the individuals involved and the two Jehovahs themselves. Ironically, properly understood, it also works against the collectives themselves.

Problem one → with the concept of duty → the emphasis is on the duty of the individual → toward the collective → whether government or religion

Problem two → with the concept of duty → the collective involved is regarded as → superior to the individuals who comprise it

Duty goes from individual to collective AND from collective to individual = True

Any emphasis → regarding duty → should be →  
Individual > collective

A government collective → should safeguard,  
not destroy → individual natural rights

A religious collective → should assist in the  
development of valuable individual human  
beings → NOT → use them up and destroy them

A collective → without its members → ceases to  
exist → ergo → it cannot be true that → the  
collective > the individuals who comprise it

Any collective without its individual members  
ceases to exist = True

While the error of a wrong concept of duty  
has been around since tribalism, and extends all  
the way forward to modern religions and  
governments, the main modern philosophical  
foundation for a wrong concept of duty could be  
attributed to Immanuel Kant, the German  
philosopher who lived from 1724 – 1804. Kant  
tried to define duty and morality along the lines  
of: the individual is acting morally only when  
they suppress their natural inclinations and  
feelings and does that which they are supposed  
to do. Ergo, doing one's duty is doing

something that one is not normally inclined or willing to do. They do it because they have a moral obligation that must be fulfilled. A person is seen, per Kant, to be moral when they act from a sense of duty. Morality comes to be bound up with the motive behind the action. A moral action is an act that is done out of a respect for duty. If someone does something out of fear, or social pressure, it does not count as a moral act. Morality, per Kant, is very closely bound up with one's duties and obligations. Kant gets even more complicated because he further differentiates actions that are "in accord with duty" (not considered moral) versus actions that are done "from duty" (considered moral). A person, who acts from an inclination of duty, rather than understanding the nature of duty, is not acting morally. To further explain all of this is beyond the scope of this chapter of the book. What is not beyond the scope of this chapter of the book is to understand that, in the modern era, there is an emphasis on governments and organic states over individuals (it becomes, in essence, governments versus individuals). Also, there is an emphasis on religions over individuals (it becomes, in essence, religions versus individuals). In the modern era, in addition to governments and religions, there are, in

essence, secular religions, like Socialism, and also various metaphysical and secular Philosophies of History, and many other collectives – all vying to be able to use valuable human beings as fuel to keep themselves going. **They each need a rationale for being regarded as moral**, even though they are sacrificing men and using them as fuel for their various collective fires.

Governments and religions and secular religions, like Socialism and various Philosophies of History, and various other collectives and “isms” → need a rationale → to be regarded as moral → when they are sacrificing individual men and women → for their collective purposes

The “moral” rationale that most all of them use is the doctrine of altruism = True

However → if altruism being good = false → then the collectives using it as their “moral” rationale → are NOT moral

The next paragraph → a Death Chart sequence

Philosopher-apologists for the doctrine of altruism and for these various collectives have generally combined, or used, the following

elements, in some form, to generate their version of altruism – altruism being the modern rationale for human sacrifice: the Kantian emphasis of morality being motive-based and being bound up with duty, including acting against one's natural inclinations; the concept of duty being improperly emphasized as being from the individual toward the collective – (never the collective's duties toward the individual); the idea that the collective is superior to the individual, ergo it is owed duty; Machiavelli's (and other's) definition of it being corruption to be concerned with one's private self-interests; all possible definitions of the word "selfish" being pejorative, making "selfish" definitionally bad; the word selfish no longer, or perhaps ever, having at least one suitable meaning of "the proper concern for one's own interests"; altruism being presumed and defined to be "the good" because it is the opposite of "the selfish bad"; and altruism becoming, in effect, its own moral code. The above has been morphed into the doctrine of altruism, where "altruism is a motivation to provide something of value [sacrifice a value] to a party who must be anyone but one's self." And now, **after that intellectual-philosophical sausage factory, per the doctrine of altruism, individuals who only want to peacefully and productively tend to their**

own interests are regarded as immoral. They are regarded as immoral, in part, because altruism apologists add the further straw man that an individual who is unwilling to be sacrificed to others must therefore be intent on sacrificing others to himself. This is patently a straw man, and logically and empirically false, as there are many individuals who just wish to live peaceful and productive lives without being sacrificed to others and without others being sacrificed to them.

Altruism → incorrectly tends to regard → men who want to live peacefully → properly tending to their own interests + not being willing to be sacrificed to some collective → as immoral

One can reject → the doctrine of altruism → so as to not be sacrificed to some collective → without advocating that any other man be sacrificed to oneself = True

The result of the above is that altruism has become the moral philosophy used to rationalize the organic state government eating its own citizens. The proper purpose and scope of government is now out the window. The result is also, per Wikipedia and common knowledge, that "most of the world's religions promote

altruism as a very important moral value.” Modern religions, instead of understanding the two Jehovahs’ divine individualism process and therefore upholding the value of each individual person, unwittingly, thinking they do well, advocate for altruism. This puts modern religion in a position where it cannot effectively oppose bad government. After all, both governments and religions are operating from their version of the doctrine of altruism. In the worst-case scenario religion actually apologizes for bad government and makes itself guilty. The doctrine of altruism is used to denounce as selfish anyone who would actually dare to think and take actions for their own benefit – (selfishness). This is true even when those doing so do not violate the natural rights of their fellow men and even when those doing so honor their contracts and live peacefully and productively among their fellow men. Altruism is used to rationalize collective power over individuals. It is used to rationalize and excuse modern **human sacrifice** – in lives wasted, if not in lives actually taken. Altruism is used to rationalize people-control and it is used to rationalize using humans as fuel for various collective fires. The collectives, particularly the power elite that leads any collective, needs some method or form of moral suasion so these

"leaders" can live with themselves and also convince their followers that human sacrifice is good. It is not.

Most modern religions cannot effectively oppose  
→ bad government → because both government and religion use the doctrine of altruism → as an important part, or the main part → of their moral code

Altruism → rationalizes and allows for → collective power > individuals

Altruism → allows for and leads to → human sacrifice

The two Jehovahs desire → human development ("for we are his workmanship ... " Ephesians 2:10)

Interestingly, Kant also held the following:  
**"It is a duty to maintain one's life."** And here, Kant is correct. All living entities, particularly creatures, have natural inclinations they follow in order to stay alive. Animals have instincts. Man has reason. This is according to the laws of nature.

Kant is, of course, famous for his categorical imperative, quoted from *Philosophy Made Simple* as: "So act as to treat humanity, whether in thine own person or in that of any other, in every case as an end withal, never as a means only." A proper example of this, in application, is that all men should be equal before the law. How any particular collective can explain treating men only as "means" while using Kant (in their rationalization) who said to treat them as "ends" is a further puzzle to your author.

Your author, however, wants to get back to Kant's observation that "it is a duty to maintain one's life." Life is the senior value of all values because without life the individual is not around to value anything else. Dead men do not value anything. The altruism-believing followers of Kant tie up morality with duty and duty with service to a collective. In so doing, they have intellectual problems – one of which is fatal. One intellectual problem in using Kant's concept of duty is that they do not seem to notice that they are picking and choosing among Kant's various concepts pertaining to duty. Whether they are intellectually aware of it or not, they are using Kant's concepts of duty as either a core part of their altruism doctrine, if not as

foundational to it. And this is a big problem for them – because Kant contradicts himself pertaining to duty. They do not seem to notice that Kant's concepts of duty are contradictory, and in adopting them, they have drilled a hole in the bottom of their intellectual boat. It is true an individual has a duty to maintain their life and it is true that each individual, including the one thinking, should regard all men, including themselves, as an end, not only as a means. It is in accord with nature (natural law) and it is within natural rights that a man both thinks and takes action in order to be productive so as to sustain his life. But all of this is impossible to reconcile with acting morally, if by moral, it is meant that one does things out of duty, but duty allows for no natural inclinations toward oneself. Kant and his followers contradict themselves in that men are supposed to miraculously suppress their natural inclinations and feelings and do that which they are supposed to do, that which they have a duty to do – to sacrifice themselves to others, particularly to official collectives. But, evidently unknown to Kant, and certainly unknown to his altruistic followers, **it is not possible to act** (correctly so, by inclination, according to nature) **to maintain one's life at the same time one has a duty to take the action of sacrificing**

**one's life.** This is against logic, against the laws of nature, is not socially scientific, and sets up a "moral" code that is impossible to practice. All of this is intellectually fatal to altruism – even before we get to the further problem that **altruism is also unbiblical.** Some social scientists advocate for altruism, evidently not realizing that altruism requires self-sacrifice to all others, particularly collectives, against one's natural inclinations to stay alive. Your author would contend that it is not scientific to advocate anything that is clearly against the laws of nature, which altruism surely is.

The much larger and fatal intellectual problem for the altruism apologists is that they have a contradiction proper - and this contradiction proper is at the very heart of what it takes for a man to live on this earth. The contradiction proper comes from maintaining (or not noticing) that an individual has a duty to stay alive, while at the same time maintaining that the same individual has an obligation to sacrifice himself as a duty to others, particularly collectives.

If Kant were still alive, whether Kant could provide an intellectual soft landing for himself is highly doubtful. Kant's followers have no soft

landing. They have had to pick and choose what to accept and what to leave behind from Kant's various concepts of duty. And what they have rationalized is an unscientific and illogical contradiction. What they have rationalized is just plain wrong.

Altruism → illogical AND against the laws of nature

Altruism = logically False

Philosopher Tibor Machan has this much closer to correct: "... the individual human being is of supreme importance. He or she merits the utmost care, to be provided by that very same individual. The virtue of prudence is, after all, the first of the cardinal virtues."

Kant's categorical imperative is held in high regard, but it added nothing of substance to human knowledge. Centuries ago, the Bible said it far more simply:

"... you shall **love your neighbor as yourself.** ..." Leviticus 19:18, MKJV

What is considered good should always take into consideration the context of the situation.

The first chapter of this book was written to establish the context of the human condition. A very brief recap is in order. The two Jehovahs created and own the universe. Amongst other things they are scientists, mathematicians, and engineers who created the earth as a special environment for man, who was made in the image and likeness of God (the two Jehovahs are God). They are philosophers, creators (entrepreneurs), and artists. Possessing the correct values, they devised rational objective ethics and are righteous – they always do the right thing at the right time in the right way. They have all of the intellectual and moral virtues and are complete. They gave man a special honor in making us in their image and likeness. Mankind as a whole has a nature. Man is both a rational animal and a social being. Each individual man and woman is unique – sort of a sub-species to *Homo sapiens sapiens* (anatomically modern man). Each man and woman needs the time and space to grow. By participating in the two Jehovahs' divine individualism process, each man and woman can ultimately receive an eternal spirit body and live on into eternity as a unique and very valuable moral, reasonable/rational, and productive being. With all of this context-setting, very brief overview in mind, **the two Jehovahs forever**

**vetoed the idiotic idea that any man should be sacrificed to any other man, or group of men.** While many scriptures could be cited, the two Jehovahs, at a minimum, clearly did so when they said the following:

"And God said, Let Us make man in Our image, after our likeness. And let them have dominion over the fish of the sea, and over the fowl of the heavens, and over the cattle, and over all the earth, and over all the creepers creeping on the earth. And God created man in His image; in the image of God He created him. He created them male and female. And God blessed them. And God said to them, Be fruitful, and multiply and fill the earth, and subdue it. And have dominion over the fish of the sea and over the fowl of the heavens, and all animals that move upon the earth."

Genesis 1:26-28, MKJV

"Master, **which is the great commandment in the Law?** Jesus said to him, You shall love the Lord your God with all your heart, and with all your soul, and with all your mind. This is the first and great commandment. And the second is like it [because each man is made in God's image], **You shall love your neighbor as yourself.**

On these two commandments **hang all the Law**  
and the Prophets." Matthew 22:36-40, MKJV

The above two scriptures tell us that we have been honored to be made in God's image and likeness. They tell us to have dominion over the earth, but not each other. They tell us to love God, the two Jehovahs. They tell us, by implication, that we are to love ourselves as human step one. AND they tell us to then love others as we love ourselves as human step two. Loving the two Jehovahs, loving ourselves, and loving others is a choice we are to make. "As we love ourselves" is an equality of loving and regard for – **it is an equality of interests** – not a sacrificing of ourselves to others, or others to ourselves. And they tell us that all of the rest of the law (and prophets) hang on the two great laws. In other words, this means that all of the rest of the Bible should be read and understood in the context of these two great laws. All the rest of the man-to-man Biblical laws should be read and understood in the context of loving others as you love yourself. Clear scriptures should be used to interpret less clear scriptures. And what is very clear is that the two Jehovahs have issued a **DIVINE VETO** over the idea of men being sacrificed – whether it is individuals being sacrificed to a collective or criminal

individuals attempting to sacrifice other individuals to themselves. Human sacrifice is unbiblical. It has to be because the two Jehovahs' intent is the exact opposite - which is divine individualism. **Altruism has been divinely vetoed – not upheld.**

Man is to: 1) love the two Jehovahs AND → 2) love themselves AND → 3) love our neighbor as ourselves

Man is NOT to ... love our neighbor > ourselves

Man is NOT to ... love ourselves > our neighbors

Loving your neighbor as yourself = an equality of interests

The two Jehovahs → via divine law → VETOED altruism

The two Jehovahs → hate → human sacrifice (1 Corinthians 10:20, Leviticus 20:2, Jeremiah 32:35, Ephesians 2:10)

"And they built the high places of Baal, in the valley of the son of Hinnom, to cause their sons and their daughters to pass through the fire to Molech [literal human sacrifice to false gods];

which I did not command them, nor did it come  
into My mind that they should do this  
abomination, to cause Judah to sin."

Jeremiah 32:35, MKJV

The two Jehovahs → inside of natural laws →  
reveal altruism as illogical AND impractical

Divine law + natural law → reject altruism

Satan → deludes men → into accepting altruism  
→ so they will perform → human sacrifice (1  
Corinthians 10:20)

All of the apologists and their rationalizations of altruism come up short. They come up short due to logical contradiction, as a man cannot have a duty to maintain his life at the same time he has a duty to sacrifice his life. A man cannot do both at the same time. They come up short because the two Jehovahs have divinely vetoed their doctrine of human sacrifice. They come up short because their doctrine could never work in actual practice – it is not in accord with reality. There will be a discussion of this last point near the end of this chapter of the book. And they come up short, despite the word games and illogical presumptions utilized in their attempt to

crown altruism as moral king. Their king has no intellectual clothes on.

It will not help the advocates of altruism to narrowly define selfish so that selfish is always bad and then set their doctrine of altruism as the opposite of selfish. To narrowly define selfish so that anyone who attempts to maintain his life (as all must) by showing a proper concern for and a proper tending of his own interests is now somehow regarded as a bad person will not help them in the end. In the end word games and bad philosophy do not beat reality. **Reality always has the last and best word.** In the end, the two Jehovahs are going to overtly assert their authority over all things, including all men, and each will have to answer for their lives (Romans 14:12). Those who have rationalized human sacrifice using the doctrine of altruism and those who have actively worked against divine individualism might find themselves in for a rather rude awakening.

"So then each one of us will give account concerning himself to God."  
Romans 14:12, MKJV

The idea and the Biblical command of loving your neighbor as yourself has the implication of

an equality of interests, NOT a sacrificing of interests. Each man must have a proper concern for their own interests and each man must therefore respect the necessity of other men properly tending to their own interests. There is an equality of interests because all men are men, i.e., "A = A." All men have equal natural rights to life, liberty, and property. All men are to be equal before the law. All men have the need to think and take action so they must be free to think and take action. This is because it is a requirement of life that men be free to obtain and use property in order to maintain their life on this earth. All men are unique individuals who have the opportunity and the obligation to participate with the two Jehovahs in their divine individualism process. This forever vetoes the notion that "the good" is sacrificing either others to yourself, or yourself to others. Loving your neighbor as yourself is an equality of interests scenario - not a greater than, or a lesser than scenario. Altruism has been divinely vetoed a long time ago.

As previously mentioned, it is a correct principle to interpret a less clear scripture in the light of a very clear scripture. And there are a number of very clear scriptures, in addition to the above, which touch on the subject of man

living on this earth and having dominion over the earth, not each other.

Exodus 20:13 upholds the principle of life, as does Deuteronomy 30:19. Exodus 20:15 upholds the principle of honesty and forbids stealing what does not belong to you - not just other men's property, but also including other men's lives. Exodus 20:16 forbids the bearing of false witness, and so upholds honesty. Exodus 20:17 forbids envy, and upholds private property rights. Numbers 26:55 and Numbers 33:54 show that each family was supposed to be given some land, and so, once again, upholds private property rights.

Exodus 20:15 "You shall not steal" → includes other men's lives → not just their property

Philippians 4:8-9 has several interesting and point-blank concepts:

"Finally, my brothers, whatever things are true, whatever things are honest, whatever things are right, whatever things are pure, whatever things are lovely, whatever things are of good report; if there is any virtue and if there is any praise, **think on these things**. Do those things, which you have also learned and

received and heard and seen in me. And **the God of peace** shall be with you.”  
Philippians 4:8, 9, MKJV

Men are to think on what is honest, true, and right - not on how to enslave, trick, corrupt, and use their fellow men. A further interesting concept is that the true God is described as “the God of peace.” Peace is necessary for life, as has been previously explained. The true God is a God of peace who upholds life and who is using the process of divine individualism to give life. And that life will ultimately be an abundant and flourishing one (John 10:10). This is in contrast to Satan, the god of forces (Daniel 11:38), who believes in human sacrifice – human sacrifice in the modern era being excused and rationalized in the name of the doctrine of altruism.

Satan → the god of forces → wants 1) human death and/or 2) human sacrifice

Human sacrifice → rationalized → via altruism

“Therefore, my beloved, as you have always obeyed, not as in my presence only, but now much more in my absence, **cultivate your own salvation** with fear and trembling.”

Philippians 2:12, MKJV

This scripture does not say, "Join a collective, sacrifice yourself to it, and then you will be safe as the collective will absolve you of the guilt for all of your sins." In other words, it does not say that membership in the correct collective will gain you salvation. Salvation is a divine individualism process, for everyone.

Membership → in the correct collective → will  
NOT save you

Another very clear scriptural admonition which fits perfectly well with your author's "proper concern for one's own interests" phraseology is as follows:

**"This should be your ambition: to live a quiet life, minding your own business and working with your hands, just as we commanded you before. As a result, people who are not Christians will respect the way you live, and you will not need to depend on others to meet your financial needs."**

1 Thessalonians 4:11-12, NLT

The idea of living a quiet (peaceful) life and not being dependent on others, including a collective, is also in the above scripture.

"No matter how much a lazy person may want something, he will never get it. A hard worker will get everything he wants."  
Proverbs 13:4 TEV (Good News Bible)

"For even when we were with you, we commanded you this, that if anyone would not work, neither should he eat."  
2 Thessalonians 3:10, MKJV

"Good people leave an inheritance to their grandchildren, ..." Proverbs 13:22, NLT

It is not possible to leave an inheritance to your grandchildren, and by implication your children, if you do not have access to the private property and capital you have accumulated throughout your lifetime. It goes without saying that there would be no wealth available to leave to your progeny if every time someone achieves something, they must then sacrifice it to others. There would be nothing left to leave.

All of the above scriptures are very clear. Another clear Biblical example is the parable of

the talents (Matthew 25:14-30). In it, the man with one talent was told he should have put his talent to the money exchangers so the master could have at least earned interest on the talent so entrusted.

Another very clear scripture is as follows:

"So then **as we have time**, let us work good toward all, especially toward those of the household of faith." Galatians 6:10, MKJV

There is an implication from all of the above, and particularly in light of the Galatians 6:10 verse, that we should care about others and try to help them ... as we have time. As a first priority, we have to maintain our own lives - ergo, **have a proper concern for our own interests** (1 Thessalonians 4:11-12). Others should do the same, as all men are men. If we are fortunate, and in the nice situation of having a real surplus, both in terms of time and money, then we can use some of that surplus to hopefully help others. The Bible gives guidelines here, as well. Some clear Biblical considerations, concerning voluntary charity, are below.

The below scripture and paragraph → Life Chart

**"Do not withhold good from those who deserve it when it's in your power to help them. If you can help your neighbor now, don't say, 'Come back tomorrow, and then I'll help you.'" Proverbs 3:27, 28, NLT**

First, there is the idea that charity is local, as in "your neighbor." This idea is further narrowed to "those who deserve it." This means that the potential charitable giver likely personally knows the potential charity recipient as the giver is making a judgment about whether they deserve the help. Perhaps they are lazy and do not work and so they do not deserve the help. There is a further condition being, "when it is in your power to help them." Charity has to be out of a producer's surplus; it is secondary to production (we should not cut down the fruit trees to take the easy way of getting at the fruit). This means that there is a personal judgment, a financial and time assessment, as to whether the potentially giving person or family can afford to help the potentially receiving person or family. **Charity is local, intelligent, and has conditions.** The person in need does NOT have an unconditional mortgage on the lives of other men – especially if the person in need is lacking in the moral or intellectual virtues they should

possess. In regards to the Matthew 25 scripture, below, it should be noted that in certain ancient prisons, many times, the prisoner had to rely on family and friends to receive enough food to eat and items of clothing or blankets to be able to stay warm. Modern Western prisons are different today. When your author mentions charity is local, this is not to say that someone cannot give to an international charity, just that it is much harder to personally judge the situation in that instance. You are free to do what you will with your time and your money – after due consideration of the fact that divine and natural law constraints are always in effect.

In addition to the above, **need seems to be narrowly prescribed**, per the following:

“But godliness with contentment is great gain. For we brought nothing into the world, and it is clear that we can carry nothing out. But having food and clothing, we will be content.” 1 Timothy 6:6-8, MKJV

“If a brother or sister is naked and destitute of daily food, and if one of you says to them, Go in peace, be warmed and filled, but you do not

give them those things which are needful to the body, what good is it?" James 2:15-16, MKJV

"For I was hungry, and you gave me food; I was thirsty, and you gave Me drink; I was a stranger, and you took Me in; I was naked, and you clothed Me; I was sick, and you visited Me; I was in prison, and you came to Me."

Matthew 25:35, 36, MKJV

Abraham was and is the father of the faithful, and yet he slept in a tent – he did not have a permanent house (Hebrews 11:9).

Each Israelite was to go outside and gather manna in Exodus 16.

In Matthew 23:23, judgment is mentioned as one of "the weightier matters of the law." Each individual needs to develop the intellectual virtues and to have empathy for his fellow man and love for them. It takes time to develop good judgment. An older friend of your author taught him this statement: "You cannot put an old head on young shoulders." Developing good judgment takes time, the freedom to make your own choices, the freedom to earn and spend money, etc. Mistakes will be made, but their

cost is negligible compared to an under-developed human being.

'You cannot put an old head on young shoulders" = True

At a minimum, it takes time + the freedom to choose → to develop good judgment = True

"For, brothers, **you were called to liberty.** Only do not use the liberty for an opening to the flesh, but by love serve one another. For all the Law is fulfilled in one word, even in this, "You shall love your neighbor as yourself.""  
Galatians 5:13, 14, MKJV

Spiritual Israelites → going through the divine individualism process → were called to liberty → not the never-ending slavery → of altruism

A man's "needs" → have no claim (mortgage) → on the lives or property of other men

We were called to liberty, not the slavery of altruism – where other men's unending "needs" have a permanent first mortgage on all of our property and our time. We were called to liberty and so were all other men. And we are to serve one another. How do we serve one another?

An answer is within the context of what follows - loving your neighbor as yourself. There is no way altruism can get around any of the scriptures above, even when they have misguided religious apologists attempting to help them, which is the subject of what follows.

There are various scriptural passages, usually taken out of context, or interpreted outside of the clear scriptures cited above, that are used to Biblically argue for altruism – incorrectly so. Your author will discuss many of them below.

In Romans 12, 1 Corinthians 12, and other places, the Bible makes mention that each of us receives spiritual gifts upon the receipt of the Holy Spirit. This was discussed earlier in this book. Romans 12:4 points out that we all do not have the same function and Romans 12:6 points out that we have “gifts differing according to the grace that is given to us.” Ergo, we need to be humble enough to recognize it if someone is better than us at something and admit it and be glad for it. What they are doing is also important for the body of Christ, the ekklesia. Honesty is also a principle, though, so if someone is not good at something, and we are, we should not pretend that they are better than

us - in that instance. None of us can be good at everything. This is the meaning of Philippians 12:3 below:

“Let nothing be done through strife or vainglory, but in lowliness of mind let each esteem others better than themselves [IF they are better than us at something].”  
Philippians 2:3, MKJV

Interestingly, the New Living Translation, in Philippians 2:4, has almost the exact conceptual delineation of your author’s “proper concern for one’s own interests” and “loving your neighbor as yourself”:

“Don’t think **only** about your own affairs, but be interested in others, too, and what they are doing.” Philippians 2:4, NLT

Each of us must think about our own affairs, because there is no one else to do it. But we should not think only about our own affairs, because other people have hopes and dreams, too. Other people have talents and gifts, whose use is important to them, and all of us, too.

Another misunderstood and misused passage of scripture is Romans 15:1-2. The confusion

stems from the chapter division between Romans 14 and Romans 15. The main subject of Romans 14 is along the lines of some people knew it was Biblically all right to eat certain kinds of meat and some people did not think it correct to do so. Even though those who correctly understood that it is all right to eat certain kinds of meat (Leviticus 11 and Deuteronomy 14), the Bible advocated being careful not to offend the vegetarians (Romans 14:15, 21). The offense would be worse than tolerating their incorrect understanding – something the truth-emphasizing part of us should remember. It is against this backdrop that the discussion continues in Romans 15.

"We may know that these things make no difference, but we cannot just go ahead and do them to please ourselves. We must be considerate of the doubts and fears of those who think these things are wrong. We should please others. If we do what helps them [spiritually is the context here], we will build them up in the Lord." Romans 15:1, 2, NLT

The same basic idea is found in 1 Corinthians 10:24-33, this time in relation to meat possibly offered to, or slain, in the service for idols:

"All things are lawful to me, but not all things profit [not all things are profitable for me to do - this is not a discussion of profit in the economic sense of the word]. All things are lawful to me, but **not all things build up**. Let no one seek his own, but each one another's [spiritual well-being is being discussed here, not physical well-being]. Eat whatever is sold in the meat market, asking no question for conscience' sake; "for the earth is the Lord's, and the fullness of it." If any of those who do not believe invite you to a feast, and if you are disposed to go, eat whatever is set before you, asking no questions for conscience' sake. But if anyone says to you, This is slain in sacrifice to idols, do not eat for the sake of him who showed it, and for conscience' sake; "for the earth is the Lord's, and the fullness of it"; conscience, I say, not your own, but the other's. For why is my liberty judged by another's conscience? For if I by grace am a partaker, why am I evil spoken of for that for which I give thanks? Therefore whether you eat or drink, or whatever you do, do all to the glory of God. Give no offense [to their conscience, as that is not profitable spiritually speaking - it does not build them up, but tears them down], either to the Jews, or to the Greeks or to the church of God; even as I please all men in all things, not seeking my own

profit, but the profit of many, so that they may be saved." 1 Corinthians 10:23-33, MKJV

The idea is not to offend others who are weaker spiritually, as that is not profitable. We should not offend other's conscience so that they may be saved spiritually. Paul, the writer here, made sure he did not seek his own profit (eating meat he knew was all right to eat), but the spiritual building up (profit) of those weaker in the faith. The "let no one seek his own, but each one another's" part of the passage has nothing to do with the Biblically vetoed doctrine of altruism. It has to do with not offending each other and building each other up spiritually.

Along the same lines of helping one another spiritually, is another passage commonly misused, in particular the "bear one another's burdens" portion of Galatians 6:1-2:

"Brothers, if a man is overtaken in a fault, you the spiritual ones restore such a one in the spirit of meekness, considering yourself, lest you also be tempted. Bear one another's [spiritual is the context] burdens, and so you will fulfill the law of Christ." Galatians 6:1-2, MKJV

The New Living Translation has Galatians 6:1-2 translated as follows:

“Dear brothers and sisters, if another Christian is overcome by some sin, you who are godly should gently and humbly help that person back onto the right path. And be careful not to fall into the same temptation yourself. Share each other’s troubles and problems, and in this way obey the law of Christ.”  
Galatians 6:1-2, NLT

The 1 Corinthians 12 passage of scripture, pertaining to spiritual gifts and also the analogy of the members of the ekklesia forming the body of Christ, is pertaining to each member recognizing the value and importance of each other. It falls within the context of loving your neighbor as yourself. The NIV has verse 25 as follows:

“so that there should be no division in the body, but that its parts should have equal concern for each other [love your neighbor as yourself].” 1 Corinthians 12:25, NIV

The discussion pertaining to Philippians 2:3-4, quoted earlier, further clarifies the meaning of that part of 1 Corinthians 12:25: “ ... that the

members should have the same care for one another" (MKJV).

Another potentially misunderstood passage of scripture is the "love does not seek her own," passage from 1 Corinthians 13:5. As pointed out throughout this section of the book, each of us is forced to properly tend to our own affairs. The New Living Translation clarifies the potential confusion quite nicely:

"... **Love does not demand its own way.** ..." 1 Corinthians 13:5, NLT

Love cannot demand its own way because others must be loved as one loves oneself. Other people have hopes and dreams and ideas, too. The "love does not seek her own" could also be clarified by understanding that an omitted word is intended. The omitted word is "only". Love does not seek [only] her own. This corresponds to the Philippians 2:4 passage:

"Don't think **only** about your own affairs, but be interested in others, too, and what they are doing." Philippians 2:4, NLT

Another passage of scripture commonly used, to attempt to establish Biblical altruism, is found in 2 Corinthians 8:7-14:

"Since you excel in so many ways - you have so much faith, such gifted speakers, such knowledge, such enthusiasm, and such love for us - now I want you to excel also in this gracious ministry of giving. I am not saying you must do it, even though the other churches are eager to do it. This is one way to prove your love is real. You know how full of love and kindness our Lord Jesus Christ was. Though he was very rich, yet for your sakes he became poor, so that by his poverty he could make you rich. I suggest that you finish what you started a year ago, for you were the first to propose this idea, and you were the first to begin doing something about it. Now you should carry this project through to completion just as enthusiastically as you began it. Give whatever you can according to what you have. If you are really eager to give, it isn't important how much you are able to give. God wants you to give what you have, not what you don't have. Of course, I don't mean you should give so much that you suffer from having too little. I only mean that there should be some equality [pertaining to need, see verse 14 below]. Right

now you have plenty and can help them. Then at some other time they can share with you when you need it. In this way, **everyone's needs will be met.**" 2 Corinthians 8:7-14, NLT

"So then **as we have time**, let us work good toward all, especially toward those of the household of faith." Galatians 6:10, MKJV

The next two paragraphs → Life Charts

There are a number of points to be made regarding what Paul was advocating in the two passages quoted above. First, the context is helping another church in need. Need was previously shown to be minimally defined, mainly having to do with food and clothing. Second, these are the members of one church area seeing the members of another church in need and so they initiated a charitable project of their own accord – not because someone put a gun to their head, including a "spiritual gun." Paul urges them to follow through with it. Third, Paul was not saying they had to give, but they would show their love if they did. Fourth, Paul makes allowance for the personal judgment of each person as to whether they actually had surplus and time to give. This would be in consideration of properly tending to one's own

interests, which would include obeying the Biblical command to leave an inheritance to your children and grandchildren. It might also be a personal judgment not to empty: an education fund, a roof repair fund, a medical emergency fund, a personal retirement fund, a fund to take care of aging parents, etc. And clearly you should not give so much that you end up suffering. Fifth, Paul pointed out that, in the future, it was possible the roles might be reversed. Sixth, none of this demonstrates that the needy church had a legal or a moral lien on any surplus from the giving church. All of the giving was voluntary and self-initiated – taking personal judgment into account.

What many people do not understand is that the best “charity” one can provide is a job to another. This helps reestablish the person as a productive contributing member of society and helps them to be able to provide for their needs and the needs of their family. To provide a job, however, requires the capital fund with which to pay wages. If available capital is depleted, then there is nothing with which to pay laborers. Socialism, based on altruism, destroys societal capital. Indiscriminate giving wipes out personal capital. Charity with judgment, to voluntarily assist with genuine human need, fits within the

**Bible. Charity without judgment is outside the Bible.** Charity without judgment wipes out societal capital (the capital belonging to the individuals comprising society added together). And when societal capital is wiped out, everyone is poor, and we go back to riding horses and digging with our hands. Virtually no jobs can be offered because there is nothing to pay the workers with. And this would not fulfill the Biblical admonition for each man to work with his own hands, etc. Since capital enables greatly expanded production through the use of tools and machinery, etc., wiping out capital lowers production. With lower production there are less people able to live on the earth. And less people living on the earth is Satan's goal. This goes against the divine individualism plan of the two Jehovahs. Further, charity without judgment usually ends up actually hurting the recipients of the attempted charitable good work. It leads to reinforcing: not obtaining an education, not working, not making good decisions, not developing one's self, etc., - all of which are contrary to divine individualism.

Another passage, related to the 2 Corinthians 8 passage, is found in 1 John 3:16-18:

"By this we have known the love of God, because He [Jesus Christ] laid down His life for us. And we ought to lay down our lives for the brothers. But whoever has this world's goods and sees his brother having need, and shuts up his bowels from him, how does the love of God dwell in him? My children, let us not love in word or in tongue, but in deed and in truth."

1 John 3:16-18, MKJV

The New Living Translation has verse 17:

"But if anyone has enough money to live well and sees a brother or sister in need and refuses to help - how can God's love be in that person?"

1 John 3:17, NLT

There are a number of points to be made pertaining to this passage of scripture. When John speaks of "we ought to lay down our lives for the brothers" he is mainly speaking spiritually, in the same way as 1 Corinthians 12, Romans 12, etc., mean. Jesus Christ, the example given in verse 16, used his spiritual gifts, which were many, to teach, to heal, to miraculously feed people, and he laid down his life in a one-time special spiritual sacrifice for us all. He did not accumulate a lot of money and then give it away to the poor. We each have

spiritual gifts and talents and abilities. We are to use them to help the body of Christ – and all mankind. We are to esteem the gifts of each other as important and meaningful to both the body of Christ and the person with the gift. We are to love and respect each other. When it gets down to material possessions it is clear that one must have them to give, one must exercise charity with judgment, and that “need” is fairly narrowly defined in scripture. The “enough money” qualifier, in verse 17, requires personal judgment on the part of the giver. If a brother, in Christ, really has a need for food to stay alive and clothing to wear to stay warm it is an exercise of love to help them. And, because we love other people and would want the same help if we were the ones in actual need, we help them.

The Romans 12:1-2 scripture, quoted below, is discussing sacrificing your old, prior to repentance, way of death in order to live a new way of life, through the help of God. In essence, you sacrifice your old value system and bad habits in exchange for a new value system – the unity of values that pertain to life. And it is speaking of learning to obtain and use the moral and intellectual virtues, worshipping God properly, etc. In other words, it is a spiritual

context, where we learn how to think and behave differently than we used to. It is not speaking of sacrificing all of your worldly possessions to a collective.

"And so, dear brothers and sisters, I plead with you to give your bodies to God. Let them be a living and holy sacrifice - the kind he will accept. When you think of what he has done for you, is this too much to ask? Don't copy the behavior and customs of this world [change value systems], but let God transform you into a new person by changing the way you think. Then you will know what God wants you to do, and you will know how good and pleasing and perfect his will really is." Romans 12:1, 2, NLT

Properly understood, none of the "usual suspect" Bible verses establish anything even remotely close to altruism as a Biblical doctrine. The Bible cannot contradict itself. And there are numerous clear passages of scripture to show that each of us must properly be concerned for our own interests. We should do so without disregarding the also important interests of others. The Bible clearly allows for charity with judgment – and commends it. The Bible pretty clearly and narrowly prescribes qualifying charitable need. What is even worse, for the

Biblically illiterate advocates who rationalize for altruism, is that the two Jehovahs have DIVINELY VETOED ALTRUISM. They did so throughout the Bible, but, in particular, when they clearly laid down law #2, "love your neighbor **as yourself.**" Human sacrifice is out. Personally initiated charity with judgment is in.

God the Father and Jesus Christ should not give up their universe to Satan, who wants it, because keeping it would be considered as "selfish."

The two Jehovahs → should not give up the universe → to Satan → who wants it → because keeping the universe under their ownership and control → would be considered as → SELFISH

How about one last attempt to advocate for Socialism, based on altruism, from the Bible? Your author previously handled this one in his book on economics, entitled: *Economic Fallacies Versus Rational Thought*:

**The Acts 4 Socialism for the church fallacy** - Some who do not understand economic laws use the early church experience, summarized in Acts 4:32-37, to "show" that God wants Socialism for the ekklisia (commonly

known as the church). Doing so they ignore the private property and division of labor that is detailed throughout the entirety of the rest of the Bible – including a continuation of the Acts 4 story in Acts 5. Socialism has already been demolished intellectually, which will be shown in the next chapter. Acts 4, along with other scriptures, does reveal that, early on, the Apostles incorrectly believed that Jesus Christ would be returning to the earth in the short term. Because of this incorrect belief, the early ekklesia made a decision to not focus their attention on mundane physical things and to give themselves to prayer, to building each other up in the faith, and to speaking the words of life to the people. Ergo, they chose to sell off their physical possessions and consume the proceeds. Of course, at the point of time pertaining to Acts 4 the Apostles were wrong on this matter. Christ still has not returned (Revelation 19), almost 2,000 years later. The Apostles, filled with the Holy Spirit, made the wrong decision. And Jesus Christ, the head of the ekklesia (Ephesians 5:23), allowed them to make a bad decision and to experience the negative consequences (free will in action). Acts 4 and 5 clearly show it was within the rights of a church member to sell their private property and donate the proceeds for communal living, or not.

As former British Prime Minister Margaret Thatcher astutely observed and expounded, "The only problem with Socialism is that sooner or later you run out of other people's money." And then the party is over and you have to get back to work and rebuild – only this time on more lasting principles. (Your author is writing physically here, not spiritually). Acts 4 does not show that the Bible advocates Socialism. It just shows that the early Apostles were wrong on a spiritual matter (Christ returning in the near future) and a temporal matter (regarding consuming their capital in communal living) and that Jesus Christ, the head of the church, allowed it.

Why altruism cannot possibly work in actual practice has been the subject of numerous writings. For example, Socialism, which is based on altruism, has been intellectually demolished for over 90 years. Dr. Ludwig von Mises, the great Austrian economist, wrote a book entitled, *Socialism*, which intellectually crushed it. Your author will have an extensive section in the next chapter on that demolition, so no more will be written here. Also in the next chapter your author will detail the importance of seeing the unseen. Seeing the unseen means to understand the effects of policies and decisions

on all groups and all time periods, not just one person or group in the immediate near term.

The following paragraph → a Death Chart

Because advocates for human sacrifice (which altruism calls for) do not see the unseen, they do not understand the following causal sequence chain. Many people are lacking in the moral virtues and/or the intellectual virtues. Many people have the wrong value system. They have what economists call a very high time preference – meaning, they are short-term thinkers. They do not find a way to obtain an education. They do not save funds for emergencies, or for other purposes, because to save funds means to forgo expenditures today. Spending money today is fun and results in immediate pleasure. The thought that one might need funds tomorrow for some known or unknown purpose does not sufficiently occur to them. Ergo, the short-term thinkers tend to live hand to mouth, or they spend right up to their disposable income level - buying houses that are larger than they need and can really afford. They do the same thing pertaining to cars, etc. If something goes wrong and they lose a job, or some other bad thing happens to them, they have no financial reserves. To them, they have

“needs.” The fact that most of them put themselves into that position by poor quality thinking and choices is not something that occurs to them. It is beside the point to them. Some of the people who think and act this way find themselves “in need,” even when the overall economy is doing well. When there is an economic downturn, errors are exposed, and many people now find themselves “in need.” These people really do not want to sell their houses and downsize, or move into apartments. They do not want to sell cars and possessions. They would like it, if at all possible, for someone else to pay their bills. They would like to find a way, if possible, to be able to continue to live beyond their prudent means. And since there are more short-term thinkers than long-term thinkers there is always going to be more “human needs” than available capital. But, capital is necessary for growth and cannot be consumed lightly – especially if that capital consumption is used to, effectively, reinforce negative human behavior. Capital consumption can also discourage positive human behavior, because why should a long-term thinker produce and save if their savings is only going to be taxed away by the government and redistributed to those who did not produce the wealth?

Capital consumption → can reinforce → negative human behavior (the lack of the moral and intellectual virtues)

Capital consumption → can discourage → positive human behavior (working, producing, saving, and thinking long-term)

Capital consumption → can damage → human character

If altruism were a viable and socially or legally enforced doctrine, then the productive, saving, long-term thinking members of society would be called upon (tax levied upon) to pony up money (part of private capital) that would be redistributed to those who “needed” outside help. Once this capital redistribution (usually in the form of money) occurred, it would be almost immediately consumed. This is easier to understand if instead of thinking about private capital in the form of money the reader thinks of the societal savings being all in the form of food (just to help make the point). The surplus food would be consumed and be gone, including, if it went far enough, the seed corn for next year’s crop. The societal savings would be dissipated. The producers have much less incentive to

produce going forward as their surplus is taken away from them and given to non-producers.

The following paragraph → a Death Chart

There are unseen negatives that act to devolve society. The societal savings being dissipated is one such unseen. As previously mentioned, disincentives to produce and save and to think long-term are other negative unseen occurrences. **This negatively affects the character of human beings in that society.** Further, instead of savings being available to perform production processes that take longer and produce more in the long term, everything starts shifting to immediate consumption-oriented production. Even worse, the producers are not as motivated to produce extra. If it all goes far enough, that society has to start over at a devolved level. Jobs become much more scarce. And since using capital to provide sustainable jobs is a far better way to help a man than giving him funds, which he immediately consumes, all of society devolves downward. The destroyed capital and the resulting destruction of jobs and the societal devolution are the unseen results of altruism attempting to be practiced. The other unseen result of altruism is the destroyed human beings

who are taught that they get to eat even if they do not think or work/produce and who are taught that they can get away with not being moral. In a certain sense, this is parallel to the lack of wisdom of giving money to an alcoholic. It perpetuates the very problem that is destroying the person. This is why Biblical charity is charity with judgment, not a first mortgage on the lives of producers by the non-producers. The good intentions of the “progressive,” “feel-gooders” do not change the facts on the ground that such a society would not only not advance, it would devolve.

Altruism is unsound theoretically and also cannot work in practice, and this has been shown in numerous ways by many social scientists, some of whose thoughts will be detailed throughout the rest of this chapter.

Ayn Rand, philosopher and novelist, was a particularly harsh and effectual critic of altruism. She used logic and prudence (practical reason) in her very effective attacks. Your author will sometimes quote her, and will sometimes paraphrase some of her more salient observations pertaining to altruism, below. And your author will intersperse and add on some of his own comments as well. Many of her

thoughts are detailed in her book, *The Virtue Of Selfishness*. As previously mentioned, her definition of *selfishness* was “concern with one’s own interests,” and she always advocated a rational selfishness – not an irrational or destructive selfishness. Your author believes she titled her book in such a way as to deliberately pick an intellectual fight with the proponents of altruism - which proponents do not fare very well in the outcome of that intellectual fight:

- Altruism is an intellectual package deal. The package deal is 1) what are values and 2) who the beneficiary of values should be. Altruism holds that an action taken for others is good, but an action taken for one’s own benefit is bad. Ergo, the beneficiary of an action is the criterion of moral value. The practical result from this is that morality (which is a code of values and principles to live by – to guide man’s choices and actions) becomes man’s enemy. This is because if concern for one’s own interests is bad, and the nature of man is such that he has to be concerned with his own interests, through thinking and acting in order to stay alive, then a man’s desire to live is bad. If so, then man’s life itself is bad. Your author is

paraphrasing all this and points out that since all men are men ( $A = A$ ), how is it logical that other men's lives are good, but mine is somehow bad? At the nature of man level, we are the same. All men are men.

- "Altruism permits no concept of a self-respecting, self-supporting man – a man who supports his life by his own effort and neither sacrifices himself nor others. It means that altruism permits no view of men except as sacrificial animals ..., as victims and parasites – that it permits no concept of benevolent co-existence among men – **that it permits no concept of justice.**" Your author would point out that **in matters of productivity, justice requires proportionality**, not equality. The Bible concurs when it says that each shall be rewarded according to their works, not rewarded equally (Matthew 16:27).
- The concept of selfishness needs to be redeemed. This is why Rand defined it as "concern with one's own interests." Each man has a right to a moral existence. And each man should always act in regards to their own rational self-interest. Attempting to satisfy the irrational desires of others, and

also attempting to satisfy any of one's own irrational desires, is not a wise course of action and obviously not rational. A wise and rational course of action is to show the proper concern for one's own interests.

- Ethics, as part of philosophy, deals with discovering the proper code of values for men to live by. Philosophers tried to break ethics away from God, but they did so in such a way that they, in essence, substituted society for God. However, since society is composed of individuals, it is really a power elite ("gang in power") that makes the actual decisions for that society. And, if the power elite of a society gets to decide what is right and what is wrong, they can pursue their whims unchecked by rational and objective ethical principles. Reason (natural law) and God (divine law) have long since been discarded. The power elite (gang in power) is allowed to pursue their whims, at the expense of everyone else – as "the everyone else" is sacrificed in an attempt to attain those whims. Your author has observed that the power elite of virtually every society engages in human sacrifice and needs some type of intellectual and moral cover so they can live with themselves and convince their followers

that the course of action pertaining to human sacrifice is good, or "for the common good." Rand points out that, since none of this is rational, the sellout philosophers have decided that reason itself has failed and that ethics lays outside of reason – ergo no rational ethics can evermore be defined. This begins, and accelerates, what Rand characterizes as "the descent into hell." What Rand (no fan of religion) did not realize is that God predicted all of this a long time ago. "He takes away the wisdom of rulers and makes leaders act like fools." Job 12:17 TEV (Good News Bible). Further, "You have closed their minds to reason; don't let them triumph over me now." Job 17:4 TEV (Good News Bible)

- Rand points out the negative consequences of not thinking and not acting morally. She does so by observing that men are free not to think, but they cannot escape the consequences of not thinking, which is destruction.
- Rand points out that altruism is impossible to practice and therefore cannot be a moral code in accord with reality. It is impossible to practice because each man must think and

each man must take action in order to produce enough to sustain their life. Entities, including human beings, act for their own good in order to preserve their own life. It must be so, or all would die. Your author has previously pointed out the inherent contradiction (conflicting duties) contained within altruism. It is not possible to act on the duty to sustain your life at the same time that one is acting on "the duty" to sacrifice oneself to others. Rand clearly notices the contradiction and proclaims that altruism, as a "moral" code, is irrational and impossible to practice. And since a moral code is supposed to be all about the values and principles pertaining to guiding man's choices pertaining to what is good for man and what is bad for man, a moral code with an inherent contradiction cannot be correct. Altruism is, in fact, irrational and incorrect. It is also impossible to practice, which makes it further incorrect. Rand blasts accepting any such code of "irrational values impossible to practice." If one accepts such a moral code, and then finds it impossible to practice, now one incurs the penalty of unearned guilt. By "unearned guilt" she is not saying that accepting the wrong moral code is without guilt and consequences, but that one would

be accepting guilt for not being able to fully practice something that is impossible to practice.

- Rand observes that no society can be of value to a man's life - if the price of membership in that society is the surrender of his life. The proper tending to one's own interests does not have to (nor should it) entail human sacrifice. Most people who have carelessly, or thoughtlessly, accepted altruism as a doctrine seem to assume that if a man is unwilling to be sacrificed to others, against his will, that he intends to sacrifice others to himself – in other words, a kill or be killed jungle scenario.
- Rand notices that desire cannot be the basis for any ethical standard. If it were, the desire of one man to produce and the desire of another man to steal what the first man produced would be of equal ethical validity, which is nonsensical.
- Altruism “regards man as a sacrificial animal and that he has no right to exist for his own sake.” Your author has previously pointed out that the organic state feeds off of this doctrine by then feeling morally justified in

using human beings as fuel to be used to keep the organic state alive. Many religions have also adopted what amounts to an organic entity method of dealing with their members, also eating men as fuel to keep their religious fire burning bright. Wittingly or not, altruism is the “ism” used to rationalize or emotionalize the organic state or organic religion mentality. But, using their fellow men as human sacrifices is clearly against the two Jehovahs’ divine individualism process. Altruism is outside the context of the two Jehovahs’ created reality and desire for mankind.

- Rand observes an interesting and powerful causal chain sequence of events. She does so by pointing out that if self-sacrifice is a virtue, then the rational man must do violence to his own rational judgment. He must reverse the order of his personal hierarchy of values and turn against his own consciousness, which is to say it is to have internal conflict and to turn against his own life. Her reasoning sequence is somewhat as follows. To have to sacrifice one’s happiness is to sacrifice what one properly desires; to sacrifice what one properly desires is to sacrifice what one values; to sacrifice what

one values is to sacrifice one's own judgment and mind; and to sacrifice one's mind is to sacrifice, in effect, one's life. Your author would add, if you cannot be yourself, within the context of the two Jehovahs' rational and objective ethics, then what is the purpose of living? The two Jehovahs gave each man free will and uniqueness, but instructed that each man love God and love their fellow men as they love themselves. The two Jehovahs allowed for each man to be unique; to engage in both objective and subjective value judgments; in other words, to be different and whole. **No man can be whole if he has to spend his entire life sacrificing parts of himself to others**, including people he does not even know. This would involve sacrificing everything he wants and believes in to anyone other than himself. It is an inherent contradiction. **It is human sacrifice.** Altruism comes from the being that loves human sacrifice. Altruism is Satan-inspired. "But I say that the things which the nations sacrifice, [including human beings' lives and resources] they sacrifice to demons and not to God. And I do not desire that you should have fellowship with demons. You cannot drink the cup of the Lord and the cup of demons; you cannot be partakers of

the Lord's table and of a table of demons."  
1 Corinthians 10:20, 21, MKJV

- Rand points out that an irrational moral code is one that is set in opposition to man's nature, is set in opposition to reality, and is set in opposition to what man needs to do in order to survive on this earth. To accept such an irrational moral code, such as altruism, is to force men to choose between what is commonly accepted as moral and between what is practical and necessary to live, i.e., to think, to take action, to produce, to save for the future, and to properly tend to one's own needs – versus – sacrificing one's life by attempting to live it for anyone other than oneself. This forces man to also have to choose between his own happiness and what is commonly, but incorrectly, accepted as virtue (self-sacrifice). And it forces man to choose between altruistic idealism and becoming successful. All of the above is a lethal and false dichotomy that tears a man apart. This lethal, altruism-inspired, dichotomy forces a man to choose between performing the actual thoughts and actions that he knows are necessary to sustain his life, or being considered good by others – good because he is considered a solid self-

sacrificing member of society and therefore held to be worthy of being allowed "to live" in that society. Rand poignantly observed that the defenders of the altruistic morality excuse men for not completely sacrificing themselves (otherwise they would literally be dead). They, in effect, say that they do not expect men to be completely "moral"; they "expect them to smuggle some self-interest into their lives. We recognize that people have to live, after all." Rand wryly concludes that therefore "Hypocrisy is to be man's protector against his professed [chosen] moral convictions [code]." Your author would point out that any moral code that has hypocrisy engrained into it is a disaster - an inherent self-refuting contradiction, in and of itself.

- Your author thought he might offer the following analogy. If a man's personal hierarchy of values is item one, item two, then item three, he would normally take action to achieve item one. To strengthen the analogy, let us further add that item one is a personal need for the man, as is item two, but item three is to help someone else do something. If, inspired by altruism, however, he thought about and then re-ordered his originally desired personal

hierarchy of values to be item three in the first position, item two remaining in the second position, and item one falling to third position; because he does not want to be considered "selfish," then he has an impossibility loop problem. The impossibility loop problem is that when he re-ordered item number three upward to the first position he did so because he thinks he will get something from so doing. Perhaps he thinks he will gain social acceptance by neighborhood, church, or government. At any rate he has changed his personal hierarchy of values to gain some form of social accommodation or acceptance – at the minimum to avoid criticism. But how can he take action if his new item one gains him something? That would be selfish and altruism is the opposite of selfishness. How can he actually practice his chosen moral code? No matter how he chooses, for self, or for society, he has a personal reason for so choosing. If he chooses for self, he sustains his life on the earth. If he chooses to sacrifice himself, he receives social approval, at a minimum. Acting to achieve social approval is selfish. Because selfish has come to be definitionally bad, and altruism (defined as the opposite of selfishness) is ergo,

supposed to be definitionally good, how can the dilemma be resolved? It cannot. It cannot because any time a man takes action to achieve item one on his personal hierarchy of values he is acting to achieve what he considers his top interest is, ergo, by common vernacular, he is acting selfishly.

- Rand observed that if a man accepted altruism as a moral code, he would end up suffering from a lack of self-esteem. This is because trying to determine how to sacrifice his life, at the same time he has to do things to sustain it, would result in inner conflict, which would then torment him. He will lose respect for others because mankind as a whole will somehow be ethically entitled to sacrifice him to their collective whims. This would lead to a view of existence tantamount to a nightmare, leading to a lethargic indifference to ethical principles - because the ethics he has accepted as valid, the self-sacrifice of altruism, has failed him.
- Rand observed that altruism's human sacrifice belief system erodes from people's minds the concept of an individual human being. People start to think collectively, particularly political leaders. "Hence the

appalling recklessness with which men propose, discuss and accept 'humanitarian' projects which are to be implemented by political means, that is, *by force*, on an unlimited number of human beings." ... It results in the corrupt idea of "human lives - no object." ... It "means that the interests of some men are to be sacrificed to the interests and wishes of others." If these political leaders did not have the moral sanction of altruism they would not dare try and get away with it. "All public projects are mausoleums, not always in shape, but always in cost."

- Rand also observed that there is a deviant kind of individualism where the individual is irrational – against himself and others, too. They engage in irrational behavior that is either defiant, or destructive – following their whims and sometimes attempting to impose them on others. Your author should not have to make clear, but will, that such a person is not currently cooperating with the two Jehovahs in their divine individualism process.
- Rand also observed that altruism is anti-mind, anti-man, and anti-life. In so many

words: **It has never been possible to preach an evil notion (such as human sacrifice) on the basis of reason.** It must have a mystic base and sanction. Altruism leads to slavery, the lack of justice, and human misery. If taken far enough it leads to the Dark Ages all over again. Your author would clarify and note that the mystic base and sanction could come from either an incorrect religious concept, or an incorrect religion / bad metaphysics, or from a corrupted philosophical thought process, or rationalization.

Edmund Opitz in his, *The Libertarian Theology Of Freedom*, had an astute observation:

"An incalculable amount of harm has been done by those who have gone forth to reform society. As a matter of fact, there is no way of reforming society except by making individuals better. And no one can make individuals better except the individual himself. **If you want to be a reformer – reform yourself.** That will keep you busy for a while and lend encouragement to others. Then, when there are significant numbers of transformed individuals, society will be reformed – but not before."

Societal reformation → comes about via → individual reformation

Utopian dreamers → unlearned in divine law + unlearned in natural law → have caused incalculable damage → to potentially valuable individuals

Auguste Comte, father of Sociology, and the coiner of the word altruism, was an advocate of collectivism:

"Every one has duties, duties towards all; but rights in the ordinary sense can be claimed by none ... The only principle on which Politics can be subordinated to Morals is that individuals should be regarded, not as so many distinct beings, but as organs of one Supreme Being."

Ergo, men are not individually important. They can be sacrificed to the organic state collective (the Supreme Being) (the altruist idol) because they have no individual rights. It is moral for the power elite of the organic state to sacrifice individual human beings to keep "collective man," in the form of the organic state, alive. The only human right is the collective state "right" to sacrifice us to itself. All of this came

from the man who is credited with founding the social science of sociology and with coining the word altruism.

From economist Tom Sowell: "I have never understood why it is greed to want to keep the money you have earned, but not greed to want to take somebody else's money."

Dr. Ludwig von Mises, in his book, *Socialism* (which intellectually demolished Socialism), had this to say about a contrived system of ethics – contrived because it did not get good results and did not fit into the world as we know it:

"Moral behavior is the name we give to the temporary sacrifices made in the interests of social co-operation, which is the chief means by which human wants and human life generally may be supplied. [Mises is referring to a properly functioning limited government here, where a small sacrifice from each citizen in the short-term provides long-term good results for all.] All ethics are social ethics. ... To behave morally, means to sacrifice the less important to the more important by making social co-operation possible.

The fundamental defect of most of the anti-utilitarian [when Mises uses the word "utilitarian" he means that which gets a good result] systems of ethics lies in the misconstruction of the meaning of the temporary sacrifices which duty demands. They do not see the purpose of sacrifice and the foregoing of pleasure, and they construct the absurd hypothesis that sacrifice and renunciation are morally valuable in themselves. They elevate unselfishness and self-sacrifice and the love of compassion, which lead to them, to absolute moral values. The pain that at first accompanies the sacrifice is defined as moral because it is painful – which is very near asserting that all action painful to the performer is moral.

From the discovery of this confusion we can see why various sentiments and actions which are socially neutral or even harmful come to be called moral. ... There thus arises a negative utilitarianism: we are to regard as moral that which benefits, not the person acting, but others. An ethical idea has been set up which cannot be fitted into the world we live in. Therefore, having condemned the society built up on 'self-interest' the moralist proceeds to construct a society in which human beings are

to be what **his ideal** requires. He begins by misunderstanding the world and its laws; he then wishes to construct a world corresponding to his false theories, and then calls this the setting up of a moral ideal.

Man is not evil merely because he wants to enjoy pleasure and to avoid pain - in other words, to live. **Renunciation, abnegation, and self-sacrifice are not good in themselves.** To condemn the ethics demanded by social life under Capitalism and to set up in their place standards for moral behavior which – it is thought – might be adopted under Socialism is a purely arbitrary procedure.”

The moralist → using → false theories + arbitrary pronouncements + eventually force → ignores both → divine law (the two Jehovahs' wishes) + natural law (including individual natural rights) (other men's wishes) → attempts to change human nature → so as to create his idea of heaven on earth → actually creates hell on earth

The moralist → who has not even reformed himself → wants to reform every other human being on earth → including men and women he has never even met → by force, if necessary

The moralist reformer → hypocritical ignorance in action → does not seem to realize the truths contained in the next Life Chart

The moralist reformer's → arbitrary subjective desires → are located in → an objective reality which includes other men's ideas + divine laws + natural laws

Philosopher Tibor Machan astutely observed that the apparent conflict between an individual's need to act in their own interest in order to stay alive need not put them into conflict with all other men. This is because that same individual is also a part of mankind. In other words, that unique person has both individuality and also shares a general nature with all other men. Altruism and collectivism try to exploit this real dichotomy by pitting egoism against altruism and painting egoism as bad. This is unnecessary, however, and counterproductive. Further, as has been pointed out, above, going down this road is a disaster for man. As Machan points out in his, *The Moral Case For A Free Market Economy*:

" ... my nature and I cannot be in conflict within me because they are not in fact separate

things but aspects of the same thing. However, in the Platonic, existentialist, and Hobbesian pictures, these two parts of ourselves will possibly conflict, the general first, the individual second - or vice versa. This means that in principle we could always, in the life of any individual, witness some kind of dichotomy. And then we can ask, should one be more loyal to one's human nature, (i.e., humanity), or to one's individuality, (i.e., interests)?

We find this egoism-altruism conflict throughout the history of modern ethics, pitting our loyalty to humanity against our loyalty to our individuality. One is either a humanitarian or an egoist, one is either anti-social or sacrifices oneself to humanity. That is a very important and destructive dichotomy both metaphysically and, thus, ethically and politically."

Egoism versus altruism → a false dichotomy

This false dichotomy → is exploited by → governments AND religions

The next paragraph → an important Life Chart

The egoism-altruism conflict comes about, in large part, because there is a lack of understanding concerning the true context of the human situation. The true context of the human situation is that each man and woman is made in the image and likeness of God and has the opportunity to participate with the two Jehovahs in their divine individualism process. Understanding that we are to love our neighbor as ourselves resolves the egoism-altruism potential conflict. Each man is to have a proper concern for their own interests AND to respect the natural rights of other men as they go about having a proper concern for their own interests. The two Jehovahs gave such a "love your neighbor as yourself" command, in Executive Summary form, without explaining all of the detailed implications of it. Your author has attempted to explain some of those important implications. In giving this command they divinely vetoed, in advance, altruism. They had to because of their divine individualism process. Since each man and each woman is unique and valuable, and since there is literally no one who could ever take their place, to sacrifice such a one (via altruism) runs directly contrary to the two Jehovahs' divine individualism process.

Altruism → NOT Biblical (not according to divine law) = True

Altruism → NOT rational (not according to natural laws) = True

Altruism → destructive of → individual natural rights = True

Altruism → the moral rationale for → organic state + misguided religions and churches = True

If you needlessly sacrifice yourself → there is literally NO ONE who can take your place = True

Your life should be very valuable to you = True

As you improve your life by becoming more → moral + rational + productive → you will be a blessing to yourself → AND others = True

As you improve your life → society will be improved = True

The next paragraph → a Life Chart

Your author did not intend to write such a long chapter pertaining to altruism, but it is such a caustic, irrational, Biblically incorrect, and

catastrophic doctrine that it was necessary to do so. To briefly summarize, some of the main points are: 1) altruism has been divinely vetoed by the two Jehovahs; 2) altruism has an inherent internal conflict and logical inconsistency whereby the duty of a man to stay alive is put into conflict with a supposed duty to humanity to sacrifice himself. Tibor Machan eloquently explained this by showing that "my nature and I cannot be in conflict within me because they are not in fact separate things but aspects of the same thing." In other words there is a constitutive reasoning error involved; 3) the Bible does not uphold altruism and the scriptures that are usually used to attempt to show that it does are either taken out of context or are unclear scriptures that should be correctly interpreted in the light of many other very clear scriptures; 4) altruism cannot possibly work in practice; 5) altruism was coined as a word and rationalized as a doctrine to attempt to provide intellectual and moral cover for Socialism and other Philosophies of History that regard individual men and women as cells of Collective Man - Collective Man being important and individual men and women being disposable; and 6) understanding that we are to love our neighbor as ourselves resolves the egoism-altruism potential conflict. Each man is to have

a proper concern for their own interests AND to respect the natural rights of other men as they go about having a proper concern for their own interests.

Chapter Seven begins at the top of the next page.

## **Chapter Seven**

### **Economic Fallacies Versus Rational Thought**

Whether a man chooses to live on his own, apart from society, or whether he chooses to be a part of society, he is subject to economic laws. Human beings always want more and better things than they currently possess and these wants exceed their available resources. Thus, there is a shortage of resources and this results in having to make choices to economize them. Even if a man had good land and enough knowledge and seeds to grow his own food, and he further chose to limit his wants, he would still be short of the resource of time, as every man's human life is limited. The economic problem of economizing resources cannot be escaped from – Romantic Era authors and Progressive Era intelligentsia wishes to the contrary. While man is human, he must think, choose, and act. Every man must be free to think and to take action to provide for his material needs. Doing so conforms to the laws of nature for man.

Properly understood, **acting man** forms the correct and true subject matter of economics.

Unfortunately, many individuals, and most all governments and non-profit organizations, would like to deny the existence and operation of economic laws. This is likely because people want their wishes to be reality (evasion), or they want something for nothing (a character defect). We prefer not to be limited, (or to acknowledge a limitation), but we are limited. In prior times, the king did not want to hear there were natural laws he had to conform to, natural laws that limited his choices and methods of operation. In modern times, the state does not want to hear of the existence of economic laws, or the limits the operation of those laws place on the state. Further, in modern times, there has been an attempt to override economic laws via various collective efforts - as if that would somehow work. If a collective effort were attempted to override the law of gravity, it would be ridiculed - justly so. When collective efforts attempt to override economic laws, however, people act as if there is some chance of success. There is not.

The various collective and individual attempts to deny or override economic laws have given birth to numerous and various fallacies – too many, in fact, for this relatively short chapter to counter. However, the main fallacies, and common ways of thinking about

economics, did provide a useful organizational tool for your author to use while writing this chapter. Ergo, this chapter is organized in such a way so as to walk through and dispose of some of the main fallacies that end up making a man's life hard on this earth. A number of excellent and timeless essays and longer books on economics are referenced. They can provide a road map to further learning should the reader have the interest.

It is only natural for everyone to want to buy the things they want cheaply and to attempt to sell their services and products for the highest price possible. It is also only natural, because most people perform work to earn money and then they spend that money in the marketplace, that they believe they understand economics – at least the core aspects of it. And because most people have bank accounts, or have borrowed money, they think they understand banking. And most people do understand some aspects of economics, money, and banking. However, the subject matter of economics is very large and is a far-advanced social science that requires time, patience, determination, and a lot of logical thought to learn. In short, when it comes to economics, most people think they know more than they actually do. Even worse,

a lot of what many people think they know about economics is just plain wrong. Those people will have to unlearn some things before they can progress to a truer understanding of the subject matter.

This chapter is largely based on your author's previous book, *Economic Fallacies Versus Rational Thought*. It helps explain the economic aspect of why men's lives are hard. This chapter will attempt to show that the various fallacies pertaining to economics, and the collective attempts by mankind to override economic laws, are only hurting all of mankind. Later in the chapter, the principles of economics proper will be discussed. The core principles of economics proper will be shown to be in harmony with the core principles of how man should live his life on this earth, per the Bible. As Thomas Aquinas astutely realized, there is no conflict between divine law (the Bible) and natural law (economics proper is grounded in the laws of nature) because both are part of eternal law (everything that God knows – whether it is revealed to mankind or not).

The two Jehovahs made men free. They had to in order to develop character in us. And they gave us dominion over the earth, not each

other. And that "dominion over the earth" entails resource allocation, i.e., understanding economic laws and how those laws affect all of mankind. It is necessary that men learn how to cooperate with each other to successfully have conflict-free dominion over the earth.

Production is a necessary fact of life and how men go about producing determines how much is produced, i.e., our standard of living. Without adequate production men live much shorter and harder lives. If a man's adequate biological needs are not being met, he has a very hard time developing as well as he otherwise could have, e.g., intellectually, socially, artistically, and also even spiritually. It is important that men cooperate with the two Jehovahs in their divine individualism process.

As a housekeeping point, any quotations with spelling variations or stylistic variations different from what would be considered more modern have been quoted per the original. As a further housekeeping point, the word "Socialism" is capitalized throughout this chapter, (unless a quote from another author does not capitalize it). This is done, not as a sign of respect, but because it is recognized that Socialism, in essence, is a movement. Lastly, because this chapter will be lengthy, your author

has broken it down into, hopefully, more easily readable sections. To assist the reader, and for ease of reference, your author is going to segment this chapter into sub-topics and **bold** them.

### **7.1 The slight of hand fallacy – seeing the unseen:**

A French economist named Frederic Bastiat lived in the first half of the Nineteenth Century. In addition to being an economist, he was a pamphleteer. One of his greatest offerings was, *That Which Is Seen, And That Which Is Not Seen*, published in 1850. It can be found in the book, by the same author, *Selected Essays On Political Economy*. The reason it is important is because it is one of the best offerings ever written on avoiding common errors in thinking pertaining to economics. In short, it can help one learn how to think, especially pertaining to the field of economics.

Bastiat starts out by pointing out that most of us can easily see the immediate and visible effect of something that happens, but the difference between a good economist and a bad economist is that the good economist also sees the medium, long-term, and not so visible

effects of an occurrence. The bad economist only sees what is immediate and apparent, that is the short-term and visible effect of the occurrence. Quoting from Bastiat and his famous essay [emphasis mine, throughout]:

"In the department of economy, an act, a habit, an institution, a law, gives birth not only to an effect, but to a series of effects. Of these effects, the first only is immediate; it manifests itself simultaneously with its cause - **it is seen**. The others unfold in succession — **they are not seen**: it is well for us, if they are foreseen. Between a good and a bad economist this constitutes the whole difference - the one takes account of the visible effect; the other takes account both of the effects which are seen, and also of those which it is necessary to foresee. Now this difference is enormous, for it almost always happens that when the immediate consequence is favourable, the ultimate consequences are fatal, and the converse. Hence it follows that the bad economist pursues a small present good, which will be followed by a great evil to come, while the true economist pursues a great good to come, - at the risk of a small present evil."

An action or a law or a habit → gives birth to (causes) → a series of effects → some seen + others unseen

The immediate effect → manifests itself simultaneously → with the cause

The immediate effect → the seen

The other follow-on effects (not immediate) → are the unseen

The unseen effects → unfold in succession

A good economist → considers both → the seen + the unseen → effects

Many times → an immediate good → is followed by → greater evil (a greater bad) (unacceptable costs)

Many times → an immediate evil (bad) (short-term cost) → is followed by → greater good

Bastiat is making the point that the non-immediate effects are not visible and we have two main ways to learn about them. One way to learn about them is to ignore them and to experience the future negative results firsthand.

Unfortunately, experience is not the best teacher. It is the most painful teacher. The other way to learn about the future negative results is to think through what must happen if A causes B – to foresee. Let us say that A and B are both good, but B causes C, which then causes D. What happens, then, if it turns out that D is really bad? Do we really want to go there? We do not, even if B is seemingly good.

There are two ways → to learn about the unseen, non-immediate effects → 1) to learn the hard way, via experience, or 2) to think (to foresee)

Bastiat is a student of human nature and observes that men form habits from taking the easy way to pleasure. If a man does something and gets an immediate pleasurable result a habit tends to form – even if the habit is bad for the individual in the long-term. Unfortunately, these bad habits form easily. The formation of bad habits among men, coupled with ignorance of natural laws, helps explain the troubled condition of mankind. Bastiat further observes that most men only think of the immediate and seen consequences – not the long-term and unseen consequences. Bastiat prefers that men substitute using foresight in the process of

making their decisions, instead of using the much harsher teacher, experience.

A pleasurable action → can tend to become a habit → if the unseen effects → are not also considered

Unseen effects → have costs associated with them

Those costs → will be paid

Bastiat realizes that some illustrations would make the point more clearly and so he provides them. His first chosen illustration of the principle is his famous, "The Broken Window Fallacy." [Throughout this section of the chapter your author has changed Bastiat's quotation markings, which used normal quotation marks, to single quotation marks so as to avoid confusion.]

"Have you ever witnessed the anger of the good shopkeeper, James B., when his careless son happened to break a square of glass? If you have been present at such a scene, you will most assuredly bear witness to the fact, that every one of the spectators, were there even thirty of them, by common consent apparently,

offered the unfortunate owner this invariable consolation – ‘It is an ill wind that blows nobody good. Everybody must live, and what would become of the glaziers if panes of glass were never broken?’

Now, this form of condolence contains an entire theory, which it will be well to show up in this simple case, seeing that it is precisely the same as that which, unhappily, regulates the greater part of our economical institutions.

Suppose it cost six francs to repair the damage, and you say that the accident brings six francs to the glazier's trade - that it encourages that trade to the amount of six francs - I grant it; I have not a word to say against it; you reason justly. The glazier comes, performs his task, receives his six francs, rubs his hands, and, in his heart, blesses the careless child. All this is that which is seen.

But if, on the other hand, you come to the conclusion, as is too often the case, that it is a good thing to break windows, that it causes money to circulate, and that the encouragement of industry in general will be the result of it, you will oblige me to call out, ‘Stop there! Your

theory is confined to that which is seen; it takes no account of that which is not seen.”

Bad theory → bad decisions → bad results

“It is not seen that as our shopkeeper has spent six francs upon one thing, he cannot spend them upon another. It is not seen that if he had not had a window to replace, he would, perhaps, have replaced his old shoes, or added another book to his library. In short, he would have employed his six francs in some way, which this accident has prevented.

Let us take a view of industry in general, as affected by this circumstance. The window being broken, the glazier's trade is encouraged to the amount of six francs; this is that which is seen. If the window had not been broken, the shoemaker's trade (or some other) would have been encouraged to the amount of six francs; this is that which is not seen.

And if that which is not seen is taken into consideration, because it is a negative fact, as well as that which is seen, because it is a positive fact, it will be understood that neither industry in general, nor the sum total of national

labour, is affected, whether windows are broken or not.

Now let us consider James B. himself. In the former supposition, that of the window being broken, he spends six francs, and has neither more nor less than he had before, the enjoyment of a window.

In the second, where we suppose the window not to have been broken, he would have spent six francs on shoes, and would have had at the same time the enjoyment of a pair of shoes and of a window.

Now, as James B. forms a part of society, we must come to the conclusion, that, taking it altogether, and making an estimate of its enjoyments and its labours, it has lost the value of the broken window."

The broken window → benefits the window repairman → the seen

The broken window → hurts the shopkeeper → the unseen

The shoe seller → lost a sale → the unseen

Considering all men → society → has lost the value of the broken window

Spending → has been diverted → not stimulated

A demagogue → can point to the window repairman → and men can see the repaired window → and easily conclude → a wrong theory

"When we arrive at this unexpected conclusion: '**Society loses the value of things which are uselessly destroyed;**' and we must assent to a maxim which will make the hair of protectionists stand on end - To break, to spoil, to waste, is not to encourage national labour; or, more briefly, 'destruction is not profit.'"

Useless destruction → hurts society = True

Destruction is not profit = True

Bastiat's simple and brilliant example is something that everyone can relate to because we have all experienced having something broken that belonged to us. Common sense would tell any of us that that which is broken is not gain. It is loss. In fact, it is a dead loss. This is revealed more clearly by stopping to

realize that the man with the broken window could have been any one of us. And all of us would prefer to have our window intact so we could spend what would be the replacement cost of the window on something we really wanted. That something we really wanted is the unseen that renders foolish and invalid the amateur economist's argument. And the unseen is real, however not immediate. It most certainly is real, just not visible. It requires thought and foresight to see the unseen. Most people don't, hence the problem. Bastiat brilliantly surmised both the problem and the solution and explained both of them. Continuing Bastiat's explanation:

"... I am sorry to disturb these ingenious calculations [of a French legislator who did not understand economics], as far as their spirit has been introduced into our legislation; but I beg him to begin them again, by taking into the account that which is not seen, and placing it alongside of that which is seen. The reader must take care to remember that **there are not two persons only, but three concerned in the little scene which I have submitted to his attention.** One of them, James B., represents the consumer, reduced, by an act of destruction, to one enjoyment instead of two. Another under the title of the glazier, shows us

the producer, whose trade is encouraged by the accident. The third is the shoemaker (or some other tradesman), whose labour suffers proportionably [proportionately] by the same cause. It is this third person who is always kept in the shade, and who, personating  
[representing] that which is not seen, is a  
necessary element of the problem. It is he who  
shows us how absurd it is to think we see a  
profit in an act of destruction. It is he who will soon teach us that it is not less absurd to see a  
profit in a restriction, which is, after all, nothing else than a partial destruction. Therefore, if you will only go to the root of all the arguments which are adduced in its favour, all you will find will be the paraphrase of this vulgar saying – ['] What would become of the glaziers, if nobody ever broke windows? [']"

Bastiat reveals → the third person that would otherwise be → unseen (the shoe seller)

Bastiat then puts forth another example relating to having a standing army and its purported economic benefits to society. Whether the standing army is necessary or not, he does not argue. But, for those advocating the supposed economic benefits of having a standing army, he does show what is unseen

and he also shows the loss to society. Because so many proponents of government programs make this same society-hurting mistake, your author has chosen to quote Bastiat's section on the disbanding of troops, in its entirety below:

"It is the same with a people as it is with a man. If it wishes to give itself some gratification, it naturally considers whether it is worth what it costs. To a nation, security is the greatest of advantages. If, in order to obtain it, it is necessary to have an army of a hundred thousand men, I have nothing to say against it. It is an enjoyment bought by a sacrifice. Let me not be misunderstood upon the extent of my position. A member of the assembly proposes to disband a hundred thousand men, for the sake of relieving the tax-payers of a hundred millions.

If we confine ourselves to this answer - 'The hundred millions [Bastiat meant "thousands" here] of men, and these hundred millions of money, are indispensable to the national security: it is a sacrifice; but without this sacrifice, France would be torn by factions, or invaded by some foreign power,' - I have nothing to object to this argument, which may be true or false in fact, but which theoretically

contains nothing which militates against economy. The error begins when the sacrifice itself is said to be an advantage because it profits somebody.

Now I am very much mistaken if, the moment the author of the proposal has taken his seat, some orator will not rise and say – 'Disband a hundred thousand men! do you know what you are saying? What will become of them? Where will they get a living? Don't you know that work is scarce everywhere? That every field is overstocked? Would you turn them out of doors to increase competition, and weigh upon the rate of wages? Just now, when it is a hard matter to live at all, it would be a pretty thing if the State must find bread for a hundred thousand individuals? Consider, besides, that the army consumes wine, clothing, arms - that it promotes the activity of manufactures in garrison towns - that it is, in short, the god-send of innumerable purveyors. Why, any one must tremble at the bare idea of doing away with this immense industrial movement.'

This discourse, it is evident, concludes by voting the maintenance of a hundred thousand soldiers, for reasons drawn from the necessity of

the service, and from economical considerations.  
It is these [economical] considerations only that  
I have to refute.

A hundred thousand men, costing the tax-payers a hundred millions of money, live and bring to the purveyors as much as a hundred millions can supply. This is that which is seen.

But, a hundred millions taken from the pockets of the taxpayers, cease to maintain these taxpayers and the purveyors, as far as a hundred millions [millions] reach. This is that which is not seen. Now make your calculations. Cast up, and tell me what profit there is for the masses?

I will tell you where the loss lies; and to simplify it, instead of speaking of a hundred thousand men and a million of money, it shall be of one man, and a thousand francs.

We will suppose that we are in the village of A. The recruiting sergeants go their round, and take off a man. The tax-gatherers go their round, and take off a thousand francs. The man and the sum of money are taken to Metz, and the latter is destined to support the former for a year without doing anything. If you consider

Metz only, you are quite right; the measure is a very advantageous one: but if you look towards the village of A., you will judge very differently; for, unless you are very blind indeed, you will see that that village has lost a worker, and the thousand francs which would remunerate his labour, as well as the activity which, by the expenditure of those thousand francs, it would spread around it."

Village A lost → one man + 1,000 francs

Metz (the second location) gained → one man + 1,000 francs

Net result → - one man + one man – 1,000 francs + 1,000 francs = 0

Taken together → society looks like → it broke even (stayed substantially the same) BUT ... see the next paragraph

"At first sight, there would seem to be some compensation. What took place at the village, now takes place at Metz, that is all. But the loss is to be estimated in this way: - At the village, a man dug and worked; he was a worker. At Metz, he turns to the right about, and to the left about [he marches first forward and then back

again doing nothing much else]; he is a soldier. The money and the circulation are the same in both cases; but in the one there were three hundred days of productive labour; in the other, there are three hundred days of unproductive labour, supposing, of course, that a part of the army is not indispensable to the public safety."

The soldier's labor → in the military → unproductive (marches back and forth and is paid nonetheless)

The same undrafted worker → in his home village → productive labor (locally paid for doing something of value)

Productive labor > unproductive labor

"Now, suppose the disbanding to take place. You tell me there will be a surplus of a hundred thousand workers, that competition will be stimulated, and it will reduce the rate of wages. This is what you see.

**But what you do not see is this.** You do not see that to dismiss a hundred thousand soldiers is not to do away with a million of money, but to return it to the taxpayers. You do not see that to throw a hundred thousand

workers on the market, is to throw into it, at the same moment, the hundred millions of money needed to pay for their labour; that, consequently, the same act which increases the supply of hands, increases also the demand; from which it follows, that your fear of a reduction of wages is unfounded. You do not see that, before the disbanding as well as after it, there are in the country a hundred millions of money corresponding with the hundred thousand men. That the whole difference consists in this: before the disbanding, the country gave the hundred millions to the hundred thousand men for doing nothing; and that after it, it pays them the same sum for working. You do not see, in short, that when a taxpayer gives his money either to **a soldier in exchange for nothing, or to a worker in exchange for something**, all the ultimate consequences of the circulation of this money are the same in the two cases; only, in the second case, the tax-payer receives something, in the former he receives nothing. The result is - a dead loss to the nation."

Surplus military personnel → can be safely discharged, economically-speaking → if the costs to pay them are → returned to the

taxpayers → who will hire them to perform → productive labor → societal gain

Otherwise → surplus military personnel are → a dead loss to the nation

By extension → the same thing holds true for bureaucrats → they can be discharged, the costs to pay them returned to the taxpayers → who can hire them to do productive labor → societal gain

"The sophism [fallacious argument] which I am here combating will not stand the test of progression, which is the touchstone of principles. If, when every compensation is made, and all interests are satisfied, there is a national profit in increasing the army, why not enroll under its banners the entire male population of the country?"

Bastiat mocks his opponents → if military personnel are → a benefit to the nation → why not put everyone into the military?

The next thing Bastiat demolishes is that taxes stimulate the economy, or at least the spending of tax money does. Quoting from Bastiat's tax example:

"Have you ever chanced to hear it said,  
'There is no better investment than taxes. Only  
see what a number of families it maintains, and  
consider how it reacts on industry; it is an  
inexhaustible stream, it is life itself.'

In order to combat this doctrine, I must refer to my preceding refutation [the disbanding of troops]. Political economy knew well enough that its arguments were not so amusing that it could be said of them, repetitions please. It has, therefore, turned the proverb to its own use, well convinced that, in its mouth, repetitions teach. [Bastiat is basically saying that he has chosen to use repetition in order to get the fundamental point across.]

The advantages which officials advocate are those which are seen. The benefit which accrues to the providers [receivers of government spending] is still that which is seen.  
This blinds all eyes.

But the disadvantages which the taxpayers have to get rid of are those which are not seen. And the injury which results from it to the providers [those to whom the taxpayer would choose to spend money with should the

taxpayer be allowed to keep and spend their own money], is still that which is not seen, although this ought to be self-evident.

When an official spends for his own profit an extra hundred sous [French money at the time], it implies that a taxpayer spends for his profit a hundred sous less. But the expense of the official is seen, because the act is performed, while that of the taxpayer is not seen, because, alas! he is prevented from performing it."

The action of taxing and then spending → the government action → the seen → the permitted action

The loss of money to taxation → prevents the taxpayer from spending their money → on what they really wanted → the unseen → the prevented action

Taken into consideration → BOTH → the seen government permitted action + the taxpayer's unseen prevented action = no societal net benefit → ergo

Any economic-based argument for taxation = False

"You compare the nation, perhaps, to a parched tract of land, and the tax to a fertilizing rain. Be it so. But you ought also to ask yourself where are the sources of this rain and whether it is not the tax itself which draws away the moisture from the ground and dries it up? Again, you ought to ask yourself whether it is possible that the soil can receive as much of this precious water by rain as it loses by evaporation?

There is one thing very certain, that when James B. counts out a hundred sous for the tax-gatherer, he receives nothing in return. Afterwards, when an official spends these hundred sous and returns them to James B., it is for an equal value of corn or labour. The final result is a loss to James B. of five francs [the hundred sous].

It is very true that often, perhaps very often, the official performs for James B. an equivalent service. In this case there is no loss on either side; there is merely in exchange. Therefore, my arguments do not at all apply to useful functionaries [actually necessary limited government functions]. All I say is, - if you wish to create an office, prove its utility. Show that its value to James B., by the services which it

performs for him, is equal to what it costs him. But, apart from this intrinsic utility, do not bring forward as an argument the benefit which it confers upon the official, his family, and his providers; **do not assert that it encourages labour.**"

Government spending diverts labor, to politically-favored groups, not encourages overall societal labor = True

"When James B. gives a hundred pence to a Government officer, for a really useful service, it is exactly the same as when he gives a hundred sous to a shoemaker for a pair of shoes.

But when James B. gives a hundred sous to a Government officer, and receives nothing for them unless it be annoyances, he might as well give them to a thief. It is nonsense to say that the Government officer will spend these hundred sous to the great profit of national labour; the thief would do the same; and so would James B., if he had not been stopped on the road by the extra-legal parasite [the thief], nor by the lawful sponger [the government tax man]."

A thief's spending = unjust + hurtful to → the honest producer (the thief's victim)

The honest producer's spending (tantamount to productive labor) = just

Government spending > necessary for proper limited government functions = unproductive spending (tantamount to unproductive labor) → unjust + wasteful (does NOT stimulate the economy)

"Let us accustom ourselves, then, to avoid judging of things by what is seen only, but to judge of them by that which is not seen. ...

For instance, I want to agree with a drainer to make a trench in my field for a hundred sous. Just as we have concluded our arrangement, the tax-gatherer comes, takes my hundred sous, and sends them to the Minister of the Interior; my bargain is at end, but the Minister will have another dish [more food] added to his table. Upon what ground will you dare to affirm that this official expense helps the national industry? Do you not see, that in this there is only a reversing of satisfaction and labour? A Minister has his table better covered, it is true, but it is just as true that an agriculturist has his field worse drained [how the taxpayer would have spent the money, in this example, if allowed to]

keep it and spend it himself]. A Parisian tavern-keeper [the food provider] has gained a hundred sous I grant you; but then you must grant me that a drainer has been prevented from gaining five francs [the hundred sous]. It all comes to this, - that the official and the tavern-keeper being satisfied, is that which is seen; the field undrained, and the drainer deprived of his job, is that which is not seen. Dear me! how much trouble there is in proving that two and two make four; and if you succeed in proving it, it is said, 'the thing is so plain it is quite tiresome,' and they vote as if you had proved nothing at all."

In the last sentence of the above paragraph Bastiat laments that even though he demolished their silly "economic benefit argument," the legislator votes to continue on with taxing and government spending – supposedly to benefit the economy.

Human legislation → unchecked by both → 1) divine law + 2) natural law = irrational + unjust + hurtful

Bastiat continues with example after example of showing that the government cannot increase economic activity by taxing from one

group in order to give to a favored other group. This is because the favored group is the seen and what the taxpayers would have chosen to spend their own money on is the unseen. For every government provider receiving the tax money there is the loss of a private sector provider who did not receive the funds the taxpayer would have spent them on. To the taxpayer, the taxes are almost entirely a dead loss. **The government has merely diverted spending to politically favored groups.** The government has not increased economic activity on the whole.

Government spending → to politically-favored groups = the seen

The honest private sector producers → who do not get orders for business → because the taxpayers, having paid their taxes → lack the necessary funds to pay them = the unseen

Government spending > necessary limited government functions = unproductive spending

Unproductive governmental spending = societal waste

As there will always be men wanting to be able to pretend that they are great men, there will always be politicians who tax away funds with which to build bridges, airports, theatres, and to employ armies, etc. All of those things are the seen. **The unseen might have been the cure to cancer.** It is impossible to say because we will never know how the productive members of society would have spent their money had they been allowed to keep it and spend it for themselves. The productive members of the society whose funds are taxed away are the unseen forgotten men. The politicians have merely substituted their own arbitrarily chosen values for those of the individual members of society. **Spending has been politically diverted, not economically enhanced.** If citizens knew to ask, and were allowed to ask two important questions it would stop a lot of foolish government spending in its tracks. Of course, your author is fantasizing that the politicians would actually specifically answer the two questions. The first question to be asked, when a politician proposes a new spending program is: Instead of what? In other words, which other government budget item are you cutting to spend on this program? The second question to be asked is: At whose expense? In other words, who is going to be

asked to pay for the new program? To the extent, as Bastiat astutely pointed out, that the politicians decide to have a military larger than is really necessary then there is a dead loss to society. This is because a military larger than necessary does not engage in productive labor. It engages in unproductive labor. Sadly, this is true for most government expenditures. Any government spending, which is supposedly engaged in for solely economic reasons, could immediately be dispensed with because Bastiat demolished this chimera over 150 years ago.

Since Bastiat's arguments could not be logically defeated, he, of course, had his personal character attacked. He lamented that if one is against a government-proposed theatre, one is then falsely accused of being against the arts. If one is against government-funded schools, then one is accused of being against education. If one is opposed to government funding of religion, one is falsely accused of being against God, etc. And Bastiat, as usual, has a great quote on all of this:

"But, by a deduction as false as it is unjust, do you know what [good] economists are accused of? It is, that when we disapprove of

Government support, we are supposed to disapprove of the thing itself whose support is discussed; and to be the enemies of every kind of activity, because we desire to see those activities, on the one hand free, and on the other seeking their own reward in themselves. Thus, if we think that the State should not interfere by taxation in religious affairs, we are atheists. If we think the State ought not to interfere by taxation in education, we are hostile to knowledge. If we say that the State ought not by taxation to give a fictitious value to land, or to any particular branch of industry, we are enemies to property and labour. If we think that the State ought not to support artists, we are barbarians who look upon the arts as useless.

Against such conclusions as these I protest with all my strength. Far from entertaining the absurd idea of doing away with religion, education, property, labour, and the arts, when we say that the State ought to protect the free development of all these kinds of human activity, without helping some of them at the expense of others, - we think, on the contrary, that all these living powers of society would develop themselves more harmoniously

under the influence of liberty; and that, under such an influence no one of them would, as is now the case [under government sponsorship or control], be a source of trouble, of abuses, of tyranny, and disorder.

Our adversaries consider, that an activity which is neither aided by supplies [tax money], nor regulated by Government, is an activity destroyed. We think just the contrary. Their faith is in the legislator, not in mankind; ours is in mankind, not in the legislator."

Bastiat was an honest economist who could see the unseen and who could use foresight instead of having to rely on cruel experience. And he knew that all a government could do was to displace enjoyments. Displacing enjoyments was his way of saying to divert spending from what it would have been spent on to a government and therefore politically favored project. This is true for public works projects, for education, for military, for fine arts, for subsidies to a particular industry, that is to say for anything. What is spent on a public works project is the seen. What the taxpayers would have spent the money on is the unseen. There is no addition to societal economic activity. There is the public works project at the expense

of whatever the taxpayers would have spent the money on themselves and that is all. In addition to all this, there is no further ongoing multiplier effect on top of the supposed and fictitious increase in economic activity. The spending was diverted by government intervention from what the taxpayers would have spent the funds on, resulting in zero increased economic activity. When you multiply anything by zero you get zero as a result. Any "multiplier effect" disregards an equal and offsetting "multiplier effect" which did not occur because the taxpayers were not allowed to keep and spend their own money. Ergo, not only is there no net increase in economic activity from government spending, there is also no multiplier effect thereafter. Any supposed additive effect magically, or wishfully, or falsely attributed to government spending and then multiplied thereafter is offset, in truth, by the unseen of what the taxpayers would have spent their own funds on and then "multiplied" thereafter. It is a government and pseudo-economist con game, put over on the citizenry.

Government spending of Z – prevented private sector spending of Z =  $0 \times \text{"Multiplier Effect"}$  = 0

There is no "Multiplier Effect" = True

The citizens of most nations are bamboozled by PhD's and talking heads championing government spending as enhancing economic activity and therefore necessary. The governments can get away with it because the majority of their citizens do not see the unseen. And all of this has been known, or knowable, for over 150 years.

Beyond the scope of this section, Bastiat demolishes the idea that government subsidies save jobs. The "saved jobs" are the seen. The unseen are the jobs that would have been sustained or developed had the taxpayers kept their own money and spent it on the things they wanted instead of having the government tax away their money and give it to a politically favored industry. Jobs are merely diverted, not "saved."

Government subsidies divert jobs, not save jobs  
= True

Because many people are fearful of machines, supposedly causing jobs to be lost, Bastiat also had a nice explanation of the reality concerning machinery. And this explanation also used the seen and the unseen to get to the

truth of the matter. The same basic example could be used to dissuade the more recent modern concern over robotics eliminating jobs.

"A curse on machines! Every year, their increasing power devotes millions of workmen to pauperism, by depriving them of work, and therefore of wages and bread. A curse on machines!"

This is the cry which is raised by vulgar prejudice, and echoed in the journals [the media of Bastiat's day].

But to curse machines, is to curse the spirit of humanity!

It puzzles me to conceive how any man can feel any satisfaction in such a doctrine. ...

This is not all; if this doctrine is true, since all men think and invent, since all, from first to last, and at every moment of their existence, seek the cooperation of the powers of nature, and try to make the most of a little, by reducing either the work of their hands, or their expenses, so as to obtain the greatest possible amount of gratification with the smallest possible amount of labour, it must follow, as a

matter of course, that the whole of mankind is rushing towards its decline, by the same mental aspiration towards progress, which torments each of its members. ...

Here is the whole mystery: behind that which is seen, lies something which is not seen.  
I will endeavour to bring it to light. The demonstration I shall give will only be a repetition of the preceding one, for the problems are one and the same.

Men have a natural propensity to make the best bargain they can, when not prevented by an opposing force; that is, they like to obtain as much as they possibly can for their labour, whether the advantage is obtained from a foreign producer [imported products], or a skillful mechanical producer [someone who uses machines in manufacturing].

The theoretical objection which is made to this propensity is the same in both cases. In each case it is reproached with the apparent inactivity which it causes to labour. Now, labour rendered available, not inactive, is the very thing which determines it. And, therefore, in both cases, the same practical obstacle - force, is opposed to it also. The legislator prohibits

foreign competition [or gives government subsidies to a favored industry], and forbids mechanical competition [limits the use of technology or machinery in an industry]. For what other means can exist for arresting a propensity which is natural to all men [to do more with less], but that of depriving them of their liberty?

In many countries, it is true, the legislator strikes at only one of these competitions, and confines himself to grumbling at the other. This only proves one thing, that is, that the legislator is inconsistent. ...

We need not be surprised at this. On a wrong road, inconsistency is inevitable; if it were not so, mankind would be sacrificed.

A false principle never has been, and never will be, carried out to the end.

Now for our demonstration, which shall not be a long one.

James B. had two francs which he had gained by two workmen; but it occurs to him, that an arrangement of ropes and weights might be made which would diminish the labour by

half. Thus he obtains the same advantage [gets the same amount of work done with one worker that he used to get done with two workers], saves a franc, and discharges a workman.

He discharges a workman: this is that which is seen.

And seeing this only, it is said, 'See how misery attends civilization; this is the way that liberty is fatal to equality. The human mind has made a conquest, and immediately a workman is cast into the gulf of pauperism. James B. may possibly employ the two workmen, but then he will give them only half their wages for they will compete with each other, and offer themselves at the lowest price. Thus the rich are always growing richer, and the poor, poorer. Society wants remodelling.' A very fine conclusion, and worthy of the preamble.

**Happily, preamble and conclusion are both false**, because, behind the half of the phenomenon which is seen, lies the other half which is not seen.

The franc saved by James B. is not seen, no more are the necessary effects of this saving.

Since, in consequence of his invention, James B. spends only one franc on hand labour in the pursuit of a determined advantage, another franc remains to him.

If, then, there is in the world a workman with unemployed arms, there is also in the world a capitalist with an unemployed franc. These two elements meet and combine, and it is as clear as daylight, that between the supply and demand of labour, and between the supply and demand of wages, the relation is in no way changed.

The invention and the workman paid with the first franc, now perform the work which was formerly accomplished by two workmen [there is a gain in productivity, which is an obvious benefit]. The second workman, paid with the second franc, realizes a new kind of work. [The first workman now gets done what it used to take two men to do. This is a gain in productivity. The second workman is now free to further increase productivity, in the same field, or another field, and he does].

What is the change, then, which has taken place? An additional national advantage has been gained; in other words, the invention is a

gratuitous triumph - a gratuitous profit for mankind."

The labor-“saving” device (invention) → is a benefit for all mankind

In reality → the labor saved is → made available for → expanded production → in the same industry or in a different industry → overall production increases → society benefits

The labor-“saving” device → frees and diverts labor, but does not save labor (unless someone freely chooses to work less)

“From the form which I have given to my demonstration, the following inference might be drawn: - ‘It is the capitalist who reaps all the advantage from machinery. The working class, if it suffers only temporarily, never profits by it, since, by your own showing, they displace a portion of the national labour, without diminishing it, it is true, but also without increasing it.’

I do not pretend, in this slight treatise, to answer every objection; the only end I have in view, is to combat a vulgar, widely spread, and dangerous prejudice. ... These hands, and

this remuneration, would combine to produce what it was impossible to produce before the invention; whence it follows that the final result is an increase of advantages for equal labour.

Who is the gainer by these additional advantages?

First, it is true, the capitalist, the inventor; the first who succeeds in using the machine; and this is the reward of his genius and his courage. In this case, as we have just seen, he effects a saving upon the expense of production, which, in whatever way it may be spent (and it always is spent), employs exactly as many hands as the machine caused to be dismissed.

But soon competition obliges him to lower his prices in proportion to the saving itself; and then it is no longer the inventor who reaps the benefit of the invention - it is the purchaser of what is produced, the consumer, the public, including the workmen; in a word, mankind.

And that which is not seen is, that the saving thus procured for all consumers creates a fund whence wages may be supplied, and which replaces that which the machine has exhausted.

Thus, to recur to the forementioned example, James B. obtains a profit by spending two francs in wages. Thanks to his invention, the hand labour costs him only one franc. So long as he sells the thing produced at the same price, he employs one workman less in producing this particular thing, and that is what is seen; but there is an additional workman employed by the franc which James B. has saved [and then spends]. This is that which is not seen."

The first to benefit is the first to employ the labor-“saving” invention → the early-adaptor businessman

When other businessmen also adopt the labor-“saving” invention → competition emerges → prices tend to fall → the consumer benefits

The initial benefit of the businessman → shifts to the consumers (including the workers)

The real standard of living increases = True

The consumers, with more left over to spend, spend more on other items = True

Labor is not "saved," → it is **naturally diverted**  
→ **by progress** → a positive-for-society labor diversion = True

Government taxes and spending > necessary and proper limited government functions → an unnatural diversion of labor → a wasteful, negative-for-society labor diversion = True

If labor is going to be diverted → it should be by progress → NOT wasteful government spending

"When, by the natural progress of things, James B. is obliged to lower the price of the thing produced by one franc, then he no longer realizes a saving; then he has no longer a franc to dispose of, to procure for the national labour a new production; but then another gainer takes his place, and this gainer is mankind. Whoever buys the thing he has produced, pays a franc less, and necessarily adds this saving to the fund of wages [the consumer has one more franc to spend now and they do spend it on something]; and this, again, is what is not seen.

Another solution, founded upon facts, has been given of this problem of machinery.

It was said, machinery reduces the expense of production, and lowers the price of the thing produced. The reduction of the profit causes an increase of consumption, which necessitates an increase of production, and, finally, the introduction of as many workmen, or more, after the invention as were necessary before it. As a proof of this, printing, weaving, etc., are instanced.

This demonstration is not a scientific one. It would lead us to conclude, that if the consumption of the particular production of which we are speaking remains stationary, or nearly so, machinery must injure labour. This is not the case.

Suppose that in a certain country all the people wore hats; if, by machinery, the price could be reduced half, it would not necessarily follow that the consumption would be doubled.

Would you say, that in this case a portion of the national labour had been paralyzed? Yes, according to the vulgar demonstration; but, according to mine, No; for even if not a single hat more should be bought in the country, the entire fund of wages would not be the less secure. That which failed to go to the hat-

making trade would be found to have gone to the economy realized by all the consumers, and would thence serve to pay for all the labour which the machine had rendered useless, and to excite a new development of all the trades. And thus it is that things go on. I have known newspapers to cost eighty francs, now we pay forty-eight: here is a saving of thirty-two francs to the subscribers. It is not certain, or, at least, necessary, that the thirty-two francs should take the direction of the journalist trade; but it is certain, and necessary, too, that if they do not take this direction they will take another. One makes use of them for taking in more newspapers; another, to get better living; another, better clothes; another, better furniture. It is thus that the trades are bound together. They form a vast whole, whose different parts communicate by secret canals; what is saved by one, profits all. It is very important for us to understand, that savings never take place at the expense of labour and wares."

Money saved → leads to → money being spent on something else

In substance, over time → money saved = money spent on something else

Labor gets diverted, not lost = True

By learning to both see the unseen and to use foresight to consider all of the effects and not just the immediate and seen effect of a policy, we can avoid what your author calls "the sleight of hand fallacy." Politicians, tribal leaders, religious leaders, etc., have long used the ignorance of their followers to get them to do things they would otherwise never do if only men could see the unseen. And the unseen is seeable with some training and logical thought. And economics can be learned as well. About 100 years after Bastiat wrote his famous essay, another author, Henry Hazlitt, wrote *Economics In One Lesson* - which was basically an update of Bastiat's essay. In his book, Hazlitt emphasized training yourself to consider both the seen and the unseen, and to consider all of the individuals and groups affected by a proposed action, and to consider all time periods and not just the present time period, or the immediate future. With all that written, since your author used Bastiat so much in this section of the chapter, he can now have the last word in closing this particular section:

A good economist (or citizen) → considers → 1) the immediate seen effects + 2) the longer-term unseen follow-on effects + 3) all of the individuals/groups concerned (not just some of them)

“Thus we learn, by the numerous subjects which I have treated, that, to be ignorant of political economy is to allow ourselves to be dazzled by the immediate effect of a phenomenon; to be acquainted with it is to embrace in thought and in forethought the whole compass of effects.”

## 7.2 The socialist fallacy:

The movie, *The International*, had one of the most memorable and best movie line sequences ever. The sequence came about in response to a plea from an employee to her boss. In that plea, the investigating employee explained that all she was attempting to do was to get to the truth. The boss's response was insightful:

“I get it. But what you need to remember is: There's what people want to hear. There's what people want to believe. There's everything else. Then there's the truth.”

Socialism falls into the above category.

Virtually everything substantive and material about Socialism is wrong and has been shredded intellectually. And Socialism, put into practice, has failed empirically. And yet, many people, especially academics and government officials, still want to somehow find a way to believe in it. It is the very epitome of a false and failed secular religion. To continue to believe in it at this point in human history is, in effect, taking intellectual refuge in a delusion.

Socialism → has been shredded → intellectually

Socialism → has failed in practice → empirically

Socialism → bad theory → bad results → wasted + destroyed lives

Socialism's most famous and important advocate was, of course, Karl Marx, who wrote prolifically about economics, history, and what we would today call sociology. Marx proposed a method of structuring society that would somehow avoid the evils of capitalism. The below quotation is from Wikipedia's entry on Socialism. It should be noted that your author removed the footnote numbers from inside the quote for easier readability.

"Socialism is an economic system characterised by social ownership of the means of production and co-operative management of the economy. 'Social ownership' may refer to cooperative enterprises, common ownership, state ownership, or citizen ownership of equity. There are many varieties of Socialism and there is no single definition encapsulating all of them. They differ in the type of social ownership they advocate, the degree to which they rely on markets or planning, how management is to be organised within productive institutions, and the role of the state in constructing Socialism.

A socialist economic system would consist of a system of production and distribution organized to directly satisfy economic demands and human needs, so that goods and services would be produced directly for use instead of for private profit driven by the accumulation of capital. Accounting would be based on physical quantities, a common physical magnitude, or a direct measure of labour-time in place of financial calculation. Distribution would be based on the principle to each according to his contribution."

Marx, the most famous Socialist of all time, was politically shrewd. He knew there would be intellectual and other societal resistance to Socialism and so he put forth several strategies for his followers to hold to in an attempt to avoid fatal criticism of Socialist policies. The **first** thing he did was to attack logic itself. If logic could be weakened Marx hoped he could deflect intellectually devastating attacks upon Socialism as class-motivated and untrue for other classes of men (the masses). The **second** strategy was to place into his Philosophy Of History that Socialism was inevitable. And the **third** strategy he advocated was to not provide specific details about the “bright Socialist future,” as any such details could be analyzed and criticized via social scientific methods.

Marx → shrewd politically → attempted to keep Socialism from being analyzed by honest economists (social scientists) → 1) attacked logic itself, 2) pronounced via his Philosophy of History that Socialism was inevitable, and 3) did not provide specific implementation details, so they could not be honestly analyzed, e.g., Marx never defined “class,” – an important term concerning his theory

Marx → via his secular Philosophy Of History → made Socialism → secular metaphysics

It is beyond the scope of this short section of this chapter to intellectually put forth, analyze, and then refute Socialism, and it is not necessary for this author to do so. The great Austrian economist, Dr. Ludwig von Mises, has already done this, almost 100 years ago, in his excellent 515-page book, *Socialism*. In this book Mises gives the history of Socialism and carefully and scientifically lays out what Marx actually taught – not what his followers wish he had taught. Further, Mises painstakingly provides methods by which Socialism could attempt to be put into practice. In other words since Marx forbade his disciples to put forth how his system would work, Mises methodically details all of the various ways it would have to be attempted. And then Mises intellectually demolished all of them.

Mises → intellectually demolished → Socialism

As some will want to believe in Socialism, almost at all costs, and spend their lives advocating for it, your author has some advice. Before you waste decades of your life believing in Socialism, would it not make more sense to

take the time to read a 515-page book first? If after reading said book you still want to believe in Socialism, then do so. However, after reading said book, and thinking about it, your author believes that you will no longer be a Socialist.

Mises' most famous original criticism, of any Socialist system, Marxian or otherwise, is to show that **no system of Socialism could rationally calculate**. Any economic system has to have a way to allocate how the various factors of production are to be combined in order to foster the production of necessary goods. The economic factors of production are land (including raw materials), labor, and capital goods (tools and machines to aid production). The purpose of production is consumption. Men need to eat. Men need clothes to wear. Men need to live somewhere. Ergo, food has to be grown and transported. The materials to make clothes have to be shepherded or grown and then made into clothes, which need to be transported to where people can obtain the clothes. Sleeping bags, tents, and housing have to be manufactured for people to be able to use them.

Mises' genius argument showed that without private property (which Socialism would abolish)

**there could be no markets**, as men have to first own something in order to sell it to someone else. If there is no buying and selling, because there is no private property, there are no markets. **Without markets there are no prices.** (The use of money as a medium of exchange is also a prerequisite for market prices and this will be explained later in Chapters Seven and Eight.) Prices provide information, so without prices you have no information. Mises showed that Socialist central planners, without prices to use as information, could not rationally and effectively plan for the production of consumer goods. Far worse, from a production standpoint, Socialist central planners would have no way whatsoever to plan for the production of capital goods. And capital goods are the tools and machines that greatly increase production. Without tools and machines mankind is relegated to being basically ditch-diggers, or subsistence farmers. Even a relatively simple machine has a bill of materials with dozens or hundreds or thousands of parts necessary to make that machine. None of those parts has an individual market price in a Socialist system of production. In the discussion that follows your author will use something as simple as a ball bearing as an example of just one industrial component. It should be noted

that there are millions of industrial components existing and being utilized at any point in time in an advanced economy. There is no market price for a ball bearing in a non-Capitalist society, or for any other industrial component. In a non-Capitalist society a ball bearing is not bought and sold generating a market price that provides information as to the usefulness and desirability of making more or less ball bearings. In a non-Capitalist society, the decision to manufacture more or less or any ball bearings comes down to the fact that they are commanded to be made or not. As Mises astutely showed, any such command is a central planner's arbitrary guess. **It is not a rational calculation.** And since a committee of central planners attempting to guess their way to higher production do not know the bill of materials for even one simple production-aiding machine, much less for the production of something complicated like a modern airplane, their arbitrary guesses are gross misallocations of resources. Socialism fails as an economic system because it has to. It is structurally unsound in every way.

Socialism → no private property → no buying and selling → no market → no prices → no information with which to plan → arbitrary

decrees instead of rational calculation → wasted resources → non-produced machinery → much lower production → late production → goods in the wrong places → etc. → wasted capital → lower production → suffering lives → less people on earth → Satan laughing

Mises wrote his path-breaking essay, showing the impossibility of the rational allocation of resources under Socialism, in 1920. He published his 515-page book, *Socialism*, in 1922 in the German language. It was first translated into English in 1936. In short, after almost 100 years, there is no excuse for continuing to believe in Socialism – particularly at the academic level.

Socialists who knew of Mises' devastating attack attempted to answer him in a variety of ways, but they failed. They had to. There are no simulated markets or computer-generated guesses that can substitute for an actual market. Until and unless a man actually spends his hard-earned cash on a real item in an actual market, where both the buyer and seller actually own (not pretend to own) the item bought and sold, you do NOT have a market. You have a fiction. Socialists can no more answer Mises than someone can invalidate the laws of motion.

**Supposedly scientific and modern and inevitable Socialism lies dead at the feet of Mises.** And educated and honest social scientists have known this since at least 1922, almost 100 years ago.

Other fatal errors of Marx are many and it is almost a waste of time to even take up the topic of the viability of Socialism, post Mises. However, in the attempt to make this section of this chapter of the book a bit more complete, here are some of them:

Socialist apologists, even per the very modern Wikipedia quote above, attempt to allocate social contribution based on labor hours contributed. In the Wikipedia quote notice the term, "labor-time," was used. There are several fatal problems with attempting to use labor hours in lieu of a market price for labor. **First, there is a difference in the quality of labor,** e.g., a brain surgeon's time is worth more than a gardener's time. **Second, some labor hours are wasted on producing things that people do not actually want.** For example, if labor were to be spent on building a buggy whip, most people would not value the buggy whip. There are other problems with attempting to use "labor hours input" and Mises goes to great

length to also crush this idea, but the point is made – it is not even remotely feasible. Further, it still would not provide a way to rationally allocate the factors of production in terms of manufacturing capital goods, with their lengthy bill of materials – almost none of which has any direct consumer utility.

Marx inherited what is known as **the labor theory of value** from the classical economists, like Adam Smith and David Ricardo, and Marx did not know this theory of value was wrong.

Neither did the classical economists. Marx based his entire economic system on a theory of value, which was later shown to be incorrect. He assumed that labor created the value of the end product and if the capitalists made a profit it must have come from the backs of labor. About 1870, three different men, (the most important of which is Dr. Karl Menger, the first Austrian economist), discovered that value is subjective to the person valuing and based on the marginal unit being considered. Two other men, at about the same time, also made the discovery of this new and correct theory of value. The writings of these three men effectively crushed the labor theory of value forever. This was back in 1870, while Marx was still alive. An economist must have a correct theory of value, as it is

foundational to whatever economic edifice he attempts to build upon it. An economist cannot explain how resources are allocated so as to produce goods if he does not understand how those resources are valued. Marx's theory of value was completely wrong. And so was almost everything he wrote of import pertaining to economics because of it. To briefly and ridiculously illustrate why labor cannot be a theory of value, let us assume the following: A man is given the ingredients to make two pies so he has no cost of materials. Let us further assume he has been given the use of a kitchen, complete with appliances, so he has no facilities cost. One of the pies he makes will be a chocolate pie. The other pie will be a mud pie (literally mud). The same man works exactly one hour on each pie and then bakes both of them the same amount of time. Then the man takes the mud pie and the chocolate pie to the market to sell them. The chocolate pie would sell for more than the mud pie even though both pies have the exact labor time involved in their manufacture. Labor cannot establish the value of the end product because the end product itself might not be valued, like the mud pie above. **Value is the eye of the beholder, not in the cost of production.** If the end product finds no value in the marketplace, the labor

used to make that product, e.g., buggy whips, will not long be allocated to make such a product because the capital invested in that industry will soon be depleted (due to losses) and the laborers dismissed. The dismissed laborers will need to go and work in other industries making different products that are valued by actual customers in a real market. The achievements of the past, while laudable, cannot stand in the way of future progress.

Marx believed in the labor theory of value = True

The labor theory of value = False

Virtually everything, pertaining to economics, built upon the labor theory of value = False

Marx did not understand economics = True

Marx was further wrong in believing that workers would be paid down to the level of subsistence. This is sometimes known as "the iron law of wages." While this is likely true in a non-division of labor, non-capitalist society, e.g., a feudal or a socialist society, it is decidedly false in a division of labor, capitalist society. The truth is that the standard of living

of the workers has dramatically increased under capitalism. When, as is usual without governmental interference, the capital invested per worker increases, then production increases. The greater capital allows for innovations, particularly technological innovations to be implemented, thus increasing production. Also, under capitalism, there is a much greater division of labor and this, too, enables greater production. With the greater production, business owners have to pay out more to the workers, especially the better workers, or they will lose the workers to some other business owner who pays more. Wages rise.

The iron law of wages → in a capitalist society = False → both theoretically + empirically

In a non-capitalist society → there could be what amounts to → subsistence wages (if there are any wages at all)

Marx, following Hegel and others, devised his own Philosophy Of History, with himself as the intuitive secular prophet - who knew what would inevitably have to happen in the future. Mises, in his mainly philosophical book, *Theory And History*, demolishes the lunacy involved in any Philosophy Of History. And your author has

previously written on said topic in his, *Intellectual Warfare: The Corruption Of Philosophy And Thought*, as well as earlier in this book. To be brief, if someone proposes a Philosophy Of History they do not understand the role of human choice as a causative factor in the unfolding of time. Human beings can choose. Those choices have consequences. Those consequences write history on a linear basis as time marches on. If an intuitive mystic or a secular prophet wants to pronounce that they see and know the future, and in Marx's case, that they are also scientific – it behooves them to explain the cause of the pronounced future certainty. Marx attempted to do this with historical materialism and material productive forces, but he did not succeed as Marx confuses cause and effect. Men invent (cause) machines and tools, not the other way around. The outstanding Austrian economist, Dr. Murray Rothbard, in his second volume of economic history entitled, *Classical Economics*, has an entire section devoted to Marx's failure [emphasis mine]:

"There is no place in his system where Marx is fuzzier or shakier than at its base: the concept of historical materialism, the key to the inevitable dialectic of history.

At the base of historical materialism and of Marx's view of history is the concept of the 'material productive forces'. These 'forces' are the driving power that creates all historical events and changes. So what are these 'material productive forces'? This is never made clear. The best that can be said is that material productive forces mean 'technological methods'. On the other hand, we are also faced with the term 'mode of production', which seems to be the same thing as material productive forces, or the sum of, or systems of, technological methods."

"At any rate, these material productive forces, these technologies and 'modes of production', uniquely and monocausally create all 'relations of production' or 'social relations of production' independently of people's wills. These 'relations of production', also extremely vaguely defined, seem to be essentially legal and property relations. The sum of these relations of production somehow make up the 'economic structure of society'. This economic structure is the 'base' which causally determines the 'superstructure', which includes natural science, legal doctrines, religion, philosophies, and all other forms of 'consciousness'. In short,

at the bottom of the base is technology which in turn constitutes or determines modes of production, which in turn determines relations of production, or institutions of law or property, and which finally in turn determine ideas, religious values, art, etc.

How, then, do historical changes take place in the Marxian schema? They can only take place in technological methods, since everything else in society is determined by the state of technology at any one time. ... But then, the only way in which social change can take place is via change in technology ... .

As Marx put it in the clearest and starker statement of his technological determinist view of history, in his *Poverty of Philosophy*:

'In acquiring new productive forces men change their mode of production, and in changing their mode of production, their means of gaining a living, they change all their social relations. The hand mill gives you society with the feudal lord; the steam mill society with the industrial capitalist.'

The first grave fallacy in this farrago [confused mixture] is right at the beginning:

Where does this technology come from? And how do technologies change or improve? Who puts them into effect? A key to the tissue of fallacies that constitute the Marxian system is that Marx never attempts to provide an answer. Indeed he cannot, since if he attributes the state of technology or technological change to the actions of man, of individual men, his whole system falls apart. For human consciousness, and individual consciousness at that, would then be determining material productive forces rather than the other way round. As von Mises points out:

'We may summarize the Marxian doctrine in this way: In the beginning there are the 'material productive forces', i.e., the technological equipment of human productive efforts, the tools and machines. No question concerning their origin is permitted; they are, that is all; we must assume that they are dropped from heaven.'

And, we may add, any changes in that technology must therefore be dropped from heaven as well.

Furthermore, as von Mises also demonstrated, consciousness, rather than matter, is predominant in technology:

'a technological invention is not something material. It is the product of a mental process, of reasoning and conceiving new ideas. The tools and machines may be called material, but the operation of the mind which created them is certainly spiritual. Marxian materialism does not trace back 'superstructural' and 'ideological' phenomena to 'material' roots. It explains these phenomena as caused by an essentially mental process, viz. invention.'

Machines are embodied ideas. In addition, technological processes do not only require inventions. They must be brought forth from the invention stage and be embodied in concrete machines and processes. But that requires savings and capital investment as well as invention. But, granting this fact, then the 'relations of production', the legal and property rights system in a society, help determine whether or not saving and investment will be encouraged and discouraged. Once again, the proper causal path is from ideas, principles, and the legal and property rights 'superstructure' to the alleged 'base'.

Similarly, machines will not be invested in, unless there is a division of labour of sufficient extent in a society. Once again, the social relations, the cooperative division of labour and exchange in society, determine the extent and development of technology, and not the other way round.

In addition to these logical flaws, **the materialist doctrine is factually absurd.**

Obviously, the hand mill, which ruled in ancient Sumer, did not 'give you' a feudal society there: furthermore, there were capitalist relations long before the steam mill. His technological determinism led Marx to hail each important new invention as the magical 'material productive force' that would inevitably bring about the socialist revolution. Wilhelm Liebknecht, a leading German Marxist and friend of Marx, reported that Marx once attended an exhibition of electric locomotives in London, and delightedly concluded that electricity would give rise to the inevitable communist revolution."

Marx was logically confused regarding "historical materialism" and "material productive forces" = True

## Marx's Philosophy Of History = False

Marx → a secular → failed false prophet

Marx is dead. His theory should be, too. And now, like various other Philosophies Of History, the true believers are left to follow the dead false prophet, and ruminate on his teachings. Marx, though secular, was just as much a confused intuitive mystic as Hegel, or anyone else putting forth something that inevitably must happen. If still alive to see their predictions fail, they are forced to rationalize further intuitive speculations as to what must surely happen now. They could not be more wrong, over and over again. The quote from the movie, *The International*, above, sums it all up quite well.

Earlier, your author referenced Marx attacking logic itself as one of his strategies. This is obviously wrong in that there is not more than one kind of logic; any more than there is more than one kind of mathematics. To attack logic, at the same time you are representing yourself as a secular scientist, is the height of arrogant hypocrisy. Science needs logic to establish truth. Nothing more need be said here as no honest scholar, today, maintains either

that logic is itself invalid, or that there are multiple kinds of logic. One is not a reactionary because he has the temerity to show that Socialism is inconsistent, logically wrong, and cannot work in practice. Nor is one progressive if one blindly advocates Socialism - leading to the impoverishment and death of one's fellow man, as such things are not progress. Your author already covered this, including the solution to the mind-body problem earlier in this book, so no more will be written here.

No one who attacks logic → is a scientist = True

Another incorrect core position of Marx is that there is class conflict in a division of labor, capitalist society. Per Rothbard, Marx asserts that what causes, and is the motor of the inevitable revolutions in history, is inherent class conflict, i.e., inherent struggles between economic classes. Quoting from Rothbard's, *Classical Economics*, once again [emphasis mine throughout]:

"The 'contradiction' between the fettered material productive forces and the fettering social relations of production thus becomes embodied in a determined class struggle between the 'rising' and the 'ruling' classes,

which are bound, by the inevitable (material) dialectic of history to result in a triumphant revolution by the rising class. The successful revolution at last brings the relations of production and the material productive forces, or technological system, into harmony. All is then peaceful and harmonious until later, when further technological development gives rise to new 'contradictions', new fetters, and a new class struggle to be won by the rising economic class. In that way, feudalism, determined by the hand mill, gives rise to middle classes when the steam mill develops, and the rising middle classes, the living surrogates of the steam mill, overthrow fetters imposed by the feudal landlord class. Thus, the material dialectic takes one socio-economic system, say feudalism, and claims that it 'gives rise' to its opposite, or 'negation', and its inevitable replacement by 'capitalism', which thus 'negates' and transcends feudalism. And in the same way electricity (or whatever) will inevitably give rise to a proletarian revolution which will permit electricity to triumph over the fetters that capitalists place upon it.

It is difficult to state this position without rejecting it immediately as drivel. In addition to all the flaws in historical materialism we have

seen above, there is no causal chain that links a technology to a class, or that permits economic classes to embody either technology or its 'production relations' fetters. There is no proffered reason why such classes must, or even plausibly might, act as determined puppets for or against new technologies. Why must feudal landlords try to suppress the steam mill? Why can't feudal landlords invest in steam mills? And why can't capitalists cheerfully invest in electricity as they already have in steam? Indeed, they have in fact happily invested in electricity, and in all other successful and economical technologies (as well as bringing them about in the first place). Why are capitalists inevitably oppressed under feudalism, and why are the proletariat equally inevitably oppressed under capitalism? ...”

Marx's idea of → inherent class conflict → economic struggles between classes = False

Marx does not define "class" → see next paragraph → for one reason why not

It gets worse for Marx as he purposefully does not define "class" carefully as he knows he cannot. For example, let us take the example of just one plumber in a capitalist division of labor society.

The plumber has a job working for a plumbing company. In this capacity he is an employee. However, the same man works the weekends and some nights doing plumbing work for a select group of his own customers. In this regard he is a small-scale entrepreneur. Over the years he has saved enough to buy a small apartment building. He hires someone else to manage the apartment building. In this case he is a landlord and also an employer. Further, over the years, he has saved capital and invested it in the stock market. In this case he is a capitalist. Marx would classify this man, how? Would Marx classify this man as a capitalist, landlord, employee, employer, or entrepreneur? It gets worse for Marx as let us say this man was born to poverty, but by the end of his life he is worth several millions of dollars. Did his class "membership" determine his life? The whole idea of class this, or class that, is nonsense in a capitalist division of labor society. Marx is dead wrong, again.

As Socialism advocates against private property it advocates against personal incentive. If there are 7,000,000,000 people on earth, and a genius devises a new way of upping production, the genius gets  $1/7,000,000,000^{\text{th}}$  of the reward for so doing. Geniuses do not work for this low of a reward as, in this case, it does not matter whether

they invent something of value, or not. Geniuses do not work for merit badges, or for social accommodation, either. They work to create, and in so doing defy conventional ideas. Progress can neither be ordered nor organized by a collective central body. Socialists are static thinkers who plan (your author is being charitable here when he uses the word "plan") for the world that is, not the world that could be. The Socialists' only real hope of surviving is to expropriate what producers have produced. Progress halts under Socialism, as there is no personal incentive; and the geniuses that advance mankind will not work when they have a gun pointed at their head.

Socialism → destroys → personal incentive

Socialists → static thinkers in a dynamic world → can only "plan" → for the world that is, NOT → the world that could be

As Mises has astutely pointed out, there is no social theory of violence. Socialism, despite the social part of its name, is a theory of violence. It aims, by revolution of one form or another, to expropriate the private property of the capitalists and all others. To do so requires force. To establish Socialism requires theft on a grand scale. To accomplish this theft means

that people will die in the establishment of Socialism. To make matters even worse, than the violence that is required to establish Socialism, is what then happens when Socialism is actually implemented. Socialism destroys both people's lives and capital. The Soviet Union and Eastern Europe were both decimated by attempting to implement Socialism. Socialism's experience, there, irrationally wasted resources, consumed capital, depleted infrastructure, and destroyed men's lives. Socialism failed empirically, as it had to.

Socialism → despite the "social" part of its name  
→ is a theory of violence

Force is likely necessary → to commander private property → to set up Socialism's communal ownership

It should also be noted that if citizens and government leaders understood the Austrian economist demolition of Socialism, it would have changed human history in unexpected ways. For example, the Vietnam War would not have had to be fought - using the rationale for the war that it was necessary to stop a domino effect of country after country becoming Socialist, or Communist. Even if country after

country went Socialist, or Communist, in time, they would each collapse economically with no outside intervention needed.

Understanding why Socialism, once implemented, has to fail could have prevented numerous bad policy decisions, e.g., "having" to fight the Vietnam War = True

Your author could go on and on about Socialism, but every single major economic tenet of Socialism is wrong. Socialism is not inevitable. The logical attacks upon Socialism are not motivated by class ideology. They are necessary because Socialists attribute to Socialism that it is scientific. Logical scrutiny is what comes with being in scientific territory. If the logical attacks against Socialism demolish it intellectually it is not logic that is wrong. It is Socialism itself. Mises demonstrated, in a 515-page detailed and scientific book, that Socialism could never be a rational and scientific economic system because it is impossible to economically calculate under Socialism. His arguments have never been answered because they cannot be answered. The bottom line is that Socialism is a failed secular religion that cannot function effectively in practice. It destroys incentive, consumes capital, wastes resources, and

shatters men. Unfortunately, it remains a dangerous economic fallacy because people want to believe in it – especially many in academia and government.

### **7.3 The third way fallacy:**

Many people dislike what they regard as capitalism, but at the same time realize that Socialism could never work in practice. Many other people realize that Socialism could never be overtly implemented politically, or they believe in a big State, or they foolishly do not realize there are economic laws. In short, for varied reasons, many people advocate for what they believe is a balanced approach concerning the economic organization of society. They advocate for a hoped for third way of economic organization. This hoped for third, or middle way would somehow miraculously take the good from both capitalism and Socialism and leave off the bad from both. While this might sound like a nice and balanced approach, it is never put forth how this supposedly possible third way could actually accomplish the hoped for economic reorganization of society – and then maintain that economic reorganization in at least a somewhat stable manner. This section of this chapter of the book will demonstrate that

the reason such a third way is not specifically proposed is because no such third way is in fact possible.

The Austrian economist, Dr. Ludwig von Mises, named this hoped for third way “**interventionism**.” He called it interventionism because the government intervenes into the capitalist market economy in an attempt to achieve results which government politicians and planners prefer to those the actual free market is delivering at the time of the government intervention. Mises wrote an entire 164 page book entitled, *A Critique of Interventionism*, where he scientifically put forth why interventionism will not achieve the goals the government planners hope for. He shows that what will ultimately end up happening, as a result of the government intervention, is a result that even the authors of the government intervention consider bad. Even worse, he further shows that the government planners, instead of repealing their original misguided attempt to influence the marketplace result, will then usually engage in further interventions, which will cause even worse results for the marketplace participants and the government itself. Mises then brilliantly shows that interventionism, if not abandoned as a failure,

will ultimately lead to full-scale Socialism, in substance, if not in fact. And as was shown in the previous section, Socialism cannot work - no matter who is in charge of the Socialist system. In short, Mises scientifically and logically demonstrated there is no possible interventionist third way.

Ayn Rand, novelist and philosopher, called the third way "**a mixed economy**." In so many words she described the mixed economy as a semi-socialized economy, which means a semi-enslaved society, which means a nation torn by irreconcilable differences and contradictions, **which nation is in the process of disintegration**. Rand further commented that a mixed economy has the element of economic freedom mixed with government controls. Unfortunately, this leads to pseudo-businessmen, who are good at exercising an aristocracy of pull, men who are adept at getting laws passed granting them special government favors. However, when this happens and it does all the time, the real entrepreneurs and producers have to pay for it. These pseudo-entrepreneurs want and prefer a government partner with a gun to actually competing in the marketplace with no special advantages other

than a better product or service to provide to the customers.

A mixed economy → elements of freedom + (mixed with) government controls → a semi-socialized society → with semi-enslaved citizens → torn by irreconcilable differences → unstable → in the process of disintegration

In the introduction to Mises' *A Critique Of Interventionism*, Hans Sennholz, another Austrian economist, provided a nice Executive Summary of what Mises would demonstrate. Your author excerpts a few sentences from his introduction below [emphasis mine throughout]:

"... No matter what modern economists have written about the general validity of economic laws, the statists prefer their ethical judgments over economic principles, and political power over voluntary cooperation. Without government control and regulation, central planning and authority, they are convinced, economic life would be brutal and chaotic."

Statists prefer → their arbitrary ethical judgments > economic principles (laws)

Statists prefer → political power > voluntary cooperation

"... There is no logical third system of a private property order subject to government regulation. The 'middle of the road' leads to Socialism because government intervention is not only superfluous and useless, but also harmful. It is superfluous because the interdependence of market phenomena narrowly circumscribes individual action and economic relations. [There are economic laws we are all subject to, and which limit all of us, including governments.] It is useless because government regulation cannot achieve the objectives it is supposed to achieve. And it is harmful because it hampers man's productive efforts where, from the consumers' viewpoint, they are most useful and valuable. It lowers labor productivity and redirects production along lines of political command, rather than consumer satisfaction."

Government interventions → superfluous → all men are subject to economic laws anyway

Government interventions → useless → they cannot achieve the government's objectives

without causing more harm than good (even in the eyes of the intervener's themselves)

Government interventions → harmful → they hamper and lower production → in those products and services consumers consider most useful and valuable

As he did when he saw through Socialism, Mises saw through the impossibility of any hoped for third way. And since Mises did such a good job of seeing the problem, defining the problem, and scientifically and logically explaining why there is a problem, your author will quote him extensively from his *A Critique Of Interventionism* in this section of this chapter of the book. [Any emphasis is mine throughout.] Mises' book was originally published in German in 1929.

"... Nearly all writers on economic policy and nearly all statesmen and party leaders are seeking an ideal system which, in their belief, is neither capitalistic nor socialistic, is based neither on private property in the means of production nor on public property. They are searching for a system of private property that is hampered, regulated, and directed through government intervention and other social

forces, such as labor unions. We call such an economic policy interventionism, the system itself the hampered market order. ... "

The economic policy → interventionism

The system itself → the hampered market order

"Interventionism seeks to retain private property in the means of production, but authoritative commands, especially prohibitions, are to restrict the actions of private owners. If this restriction reaches the point that all important decisions are made along lines of authoritative command, if it is no longer the profit motive of landowners, capitalists, and entrepreneurs, but reasons of state, that decide what is to be produced and how it is produced, then we have Socialism even if we retain the private property label. ... [Such a system is then merely a private property order in a formal sense, but Socialism in substance.] Public ownership in the means of production is nothing but Socialism or communism.

However, interventionism does not want to go that far. It does not seek to abolish private property in production; it merely wants to limit it. On the one hand, it considers unlimited

private property harmful to society, and on the other hand, it deems the public property order unrealizable completely, at least for the present. Therefore, it seeks to create a third order: a social system that occupies the center between the private property order and the public property order. Thus, it seeks to avoid the 'excesses' and evils of capitalism, but to retain the advantages of individual initiative and industry which Socialism cannot bring forth." ...

"... The problem at hand is, What are the consequences of government and other interventions in the private property order? Can they achieve the result they are supposed to achieve?"

Mises then stops to point out that just because a small limited government is necessary to protect the private property order, it does not follow that further government interventions beyond that point are useful. Your author would say that some government is necessary to safeguard man's individual natural rights, including the natural right of private property and also the right to trade private property. Beyond that, however, government interventions in an attempt to force marketplace participants into doing something they otherwise

would not do are unwise, unwelcome, and counterproductive. Continuing with Mises:

*"Intervention is a limited order by a social authority forcing the owners of the means of production and entrepreneurs to employ their means in a different manner than they otherwise would.* A '**limited order**' is an order that is no part of a socialist scheme of orders, i.e., a scheme of orders regulating all of production and distribution, thus replacing private property in the means of production with public property. Particular orders may be quite numerous, but as long as they do not aim at [1)] directing the whole economy and [2)] replacing the profit motive of individuals with obedience as the driving force of human action they must be regarded as **limited orders**. By 'means of production' we mean all goods of higher order, including the merchants' inventories of ready goods which have not yet reached the consumers.

We must distinguish between two groups of such orders. One group directly reduces or impedes economic production (in the broadest sense of the word including the location of economic goods). The other group seeks to fix prices that differ from those of the market. The

former may be called '**restrictions of production**'; the latter, generally known as **price controls**, we are calling 'interference with the structure of prices .'"

A particular order = a limited order IF: 1) it does not aim at directing the whole economy + 2) it does not attempt to do away with the profit motive by substituting obedience instead

Limited orders → two different groups → 1) a restriction of production or 2) a price control

Mises then goes on to state the obvious, which is that those interventions known as "restrictions of production" restrict production, which makes all mankind poorer, as less is produced. The government planners almost always sell the production restriction as a boost to production in an upside down use of terminology and logic. But that does not change the fact that a production restriction does achieve what the government planner wanted, which is to restrict production in some industry or location. That is the seen. The unseen is that this forces marketplace demand to be satisfied from production elsewhere – and this make-good production occurs in less favorable conditions and circumstances, i.e., resources are

wasted in producing under less optimum conditions. And the inevitable result is that we are all poorer for the government intervention. It is true that a politically-favored specific local industry might benefit from being able to charge higher prices for a time. But, from the point of view of the entirety of marketplace consumers, resources have been misallocated and wasted - resulting in less overall satisfaction. Mises does provide several Executive Summary type quotes, which help explain the situation regarding production restrictions.

"... An import duty, for instance, is surely practical, and its immediate effect may correspond to the government's objective. But it does not follow at all that the import duty can realize the government's ultimate objective. At this point the economist's work commences. The purpose of the theorists of free trade was not to demonstrate that tariffs are impractical or harmful, but that they have unforeseen consequences and do not, nor can they, achieve what their advocates expect of them. What is even more significant, as they observed, protective tariffs as well as all other production restrictions reduce the productivity of human labor. The result is always the same: a given expenditure of capital and labor yields

less with the restriction than without it, or from the beginning less capital and labor is invested in production. This is true with protective tariffs that cause grain to be grown in less fertile soil while more fertile land is lying fallow. ...”

Mises goes on to say that **production restrictions reduce labor productivity** because: 1) they reduce the scope of the international division of labor (force less efficient local production at the expense of more efficient international production) and 2) prevent the advantages of specialized large-scale production (force higher cost smaller scale production at the expense of lower cost larger scale and more specialized production) and 3) the employment of labor at the most advantageous locations (force production to occur at less efficient locations at the expense of production at more efficient locations).

“All production restrictions directly hamper some production inasmuch as they prevent certain employment opportunities that are open to the goods of higher order (land, capital [tools and machines], labor). By its very nature, a government decree that ‘it be’ cannot create anything that has not been created before. Only the naive inflationists could believe that

government could enrich mankind through fiat [printed or created] money. Government cannot create anything; its orders cannot even evict anything from the world of reality, but they can evict from the world of the permissible.  
**Government cannot make man richer, but it can make him poorer.”**

“Indeed, it is difficult to ignore the fact that production restrictions always reduce the productivity of human labor and thus the social dividend [standard of living]. Therefore, no one dares defend the restrictions as a separate system of economic policy. Their advocates-at least the majority of them-are now promoting them as mere supplements to government interference with the structure of prices. The emphasis of the system of interventionism is on price intervention.”

**“Price intervention** aims at setting goods prices that differ from those the unhampered market would set.” ...

**“Genuine Controls.** We may call those price controls ‘genuine’ that set prices differing from those the unhampered market would set. If government seeks to fix a price higher than the market price, it usually resorts to **minimum**

**prices.** If government seeks to fix a price lower than the market price it usually imposes **price ceilings.**"

Genuine price control → sets prices differing from what the unhampered market would set

If the government wants a → higher price > market → **a minimum price order** is used

If the government wants a → lower price < market → **a price ceiling order** is used

"Let us first consider the ceiling, or maximum, price. The natural price that would emerge in an unhampered market corresponds to an equilibrium of all prices. At that point price and cost coincide. Now, if a government order necessitates a readjustment, if the sellers are forced to sell their goods at lower prices, the proceeds fall below costs. Therefore, the sellers will abstain from selling-except for merchandise that quickly spoils or otherwise loses in value and hold on to their goods in the hope that the government regulation [intervention] will soon be lifted. But the potential buyers will be unable to buy the desired goods. If possible, they now may buy some substitute they would not have otherwise bought. (It should also be noted that

the prices of these substitute goods must rise on account of the greater demand.) But it was never the intention of government to bring about these effects. It wanted the buyers to enjoy the goods at lower prices, not to deprive them of the opportunity to buy the goods at all. Therefore, government tends to supplement the price ceiling with an order to sell all goods at this price as long as the supply lasts. At this point price controls encounter their greatest difficulty. The market interaction brings about a price at which demand and supply tend to coincide. The number of potential buyers willing to pay the market price is large enough for the whole market supply to be sold. If government lowers the price below that which the unhampered market would set, the same quantity of goods faces a greater number of potential buyers who are willing to pay the lower official price. Supply and demand no longer coincide; demand exceeds supply, and the market mechanism, which tends to bring supply and demand together through changes in price, no longer functions.

Mere coincidence now eliminates as many buyers as the given supply cannot accommodate. Perhaps those buyers who come first or have personal connections with the

sellers will get the goods. The recent war [World War One] with its many attempts at price controls provided examples of both. At the official price, goods could be bought either by a friend of the seller or by an early bird in the 'polonaise' [slow dance]. But government cannot be content with this selection of buyers. It wants everyone to have the goods at lower prices, and would like to avoid situations in which people cannot get any goods for their money. Therefore, it must go beyond the order to sell; it must resort to rationing. The quantity of merchandise coming to the market is no longer left to the discretion of sellers and buyers. Government now distributes the available supply and gives everyone at the official price what he is entitled to under the ration regulation.

But government cannot even stop here. The intervention mentioned so far concerns only the available supply. When that is exhausted the empty inventories will not be replenished because production no longer covers its costs. If government wants to secure a supply for consumers it must pronounce an obligation to produce. If necessary, it must fix the prices of raw materials and semi-manufactured products, and eventually also wage rates, and force

businessmen and workers to produce and labor at these prices.

It can thus be readily seen that it is inconceivable to resort to price controls as an isolated intervention in the private property order. Government is unable to achieve the desired result, and therefore finds it necessary to proceed step by step from the isolated pricing order to comprehensive control over labor, the means of production, what is produced, how it is produced, and how it is distributed. Isolated intervention in the market operation merely disrupts the service to consumers, and forces them to seek substitutes for those items they deem most important; it thus fails to achieve the very result government meant to achieve. The history of war Socialism has clearly illustrated this. Governments seeking to interfere with market operations found it necessary, step by step, to proceed from the original isolated price interference to complete socialization of production. Government would have had to proceed ever faster if its price regulations had been observed more faithfully, and if black markets had not circumvented the regulations. The fact that government did not take the final step, the nationalization of the whole apparatus of

production, was due to the early end of the war, which brought an end to the war economy. He who observes a war economy is clearly aware of the phases mentioned above: at first price control, then forced sales, then rationing, then regulation of production and distribution, and, finally, attempts at central planning of all production and distribution.”

It is inconceivable to resort to price controls as **an isolated intervention** in the private property order = True

Price ceiling orders → a maximum price order → goods withheld by sellers → forced sale order to supplement the original price ceiling order → rationing of existing inventory → regulation of production and distribution in an attempt to replenish depleted business inventories → central planning of all production and distribution → Socialism

Mises also rationally analyzes and explains minimum price orders, particularly minimum wage laws and their effects.

“... If government imposes a price higher than that determined by the unhampered

market, and prohibits the sale at lower prices (**minimum prices**), demand must decline. At the lower market price supply and demand coincide. At the official higher price **demand tends to trail supply, and some goods brought to the market cannot find a buyer**. [Inventories build up, production is curtailed, and workers are laid off.] As government imposed the minimum price in order to assure the sellers profitable sales, the result was unintended by government. Therefore, it must resort to other means, which again, step by step, must lead to complete government control over the means of production.

Especially significant are those minimum prices that set wage rates (**minimum wages**). Such rates may be set either directly by government or indirectly by promoting labor union policies that aim at establishing minimum wages. When, through strikes or threats of strikes, labor unions enforce a wage rate that is higher than that determined by the unhampered market, they can do so only with the assistance of government. The strike is made effective by denying the protection of the law and administration to workers willing to work. [It is really a strike against other workers willing to work for the market wage, and not so much

against the company in question.] In fact, it is irrelevant for our analysis whether the apparatus of coercion imposing the controls is the 'legitimate' state apparatus or a sanctioned apparatus with public power. If a minimum wage that exceeds the unhampered market rate is imposed on a particular industry, its costs of production are raised, the price of the final product must rise, and correspondingly, sales must decline. Workers lose their jobs, which depresses wages in other industries. ...  
That which the workers in one industry are gaining is lost by the workers in other industries.  
In order to avoid such consequences, the imposition of minimum wages must be accompanied by the prohibition to dismiss workers: The prohibition in turn reduces the industry's rate of return because unneeded workers must be paid, or they are used and paid in full production while their output is sold at a loss. Industrial activity then tends to decline [some companies go bankrupt and even more workers lose their jobs]. If this, too, is to be prevented, government must intervene again with new regulations."

Government non-market intervention → via a limited order → a minimum price for wages order → in a particular industry, not for all

industries → business costs rise → demand for the produced products or services falls → workers are discharged → the discharged workers compete with workers in other industries → wages in those industries fall → the government must intervene again → a prohibition to fire workers → the industry suffers losses → some companies go broke and industrial activity declines → even more workers are laid off → (the effect on wages result: is the workers in the minimum wage industry who keep their jobs get higher wages at the expense of workers in other industries who have to accept lower wages and ultimately some workers lose their jobs and get no wages at all)

"If the minimum wage is not limited to a few industries, but is imposed on all industries of an isolated economy [e.g., a province or a nation], or on the world economy, the rise in product prices caused by it cannot lead to a reduction in consumption. The higher wages raise the workers' spending power. They can now buy the higher-priced products coming to the market. (To be sure, there may be shifting within the industries.) If entrepreneurs and capitalists do not want to consume their capital they must limit their consumption since their money income has not risen and they are unable

to pay the higher [product] prices. To the extent of this reduction in consumption, the general wage boost has given the workers a share of entrepreneurial profits and capital income. The workers' real raise is visible in that prices do not rise by the full amount of the wage boost because of the entrepreneurs' and capitalists' cutback in consumption. That is, the rise in consumer prices is less than that of wages. But it is well known that even if all property income were divided among the workers, their individual incomes would rise very little, which should dispel any illusion about such a reduction in property income. But if we were to assume that the wage boost and rise in prices should allocate a large part, if not all, of the real income of entrepreneurs and capitalists to workers, we must bear in mind that the former want to live and will therefore consume their capital for lack of entrepreneurial income.  
Elimination of capital income through coercive wage boosts thus merely leads to capital consumption, and thereby to continuous reduction in national income. (By the way, every attempt at abolishing capital income must have the same consequence unless it is achieved through allround nationalization of production and consumption.) If again government seeks to avoid these undesirable

effects, no alternative is left, from the etatist [statist] point of view, but to seize control over the means of production from the owners."

Government non-market intervention → via a limited order → a minimum price for wages order (minimum wage) → applying to all industries → across an entire economy → wages rise, but → business costs rise → prices for produced products rise → THEN EITHER → 1) the intervention fails in substance because the workers have no real wage increase, as while their wages rose so did the prices of the goods and services they have to buy – leaving them without a real increase ... OR → 2) the price rise of the goods and services is less than the increase in wages BUT → this means that entrepreneurs and capitalists lose money or make less → entrepreneurs and capitalists have to live so they → consume their capital and since → capital supports production → production itself then falls → workers are discharged or would be unless → the government intervenes again with another order → setting off another chain of unseen and unintended negative consequences → which ultimately leads to Socialism

Further → if a particular worker → does not produce > their wage cost + overhead burden (social taxes, unemployment taxes, workers compensation insurance, etc.) → they are discharged OR not hired in the first place → workers are “permanently” displaced from the labor force → production is less than what it could be → society is poorer → the mental and emotional state and character of those unable to obtain work is negatively impacted → human development is injured

Every marketplace intervention by a government planner, whether it is from a production restriction, or from an attempt at price control, results in a chain reaction of marketplace consequences which are negative – even from the point of view of the well-intentioned government planner. Each negative unintended and initially unseen consequence leads to further government interventions. These further government interventions lead to further unintended negative consequences, such as production ceasing and the best and brightest people and also capital fleeing an industry - thus wrecking efficient production in that industry. From the point of view of entrepreneurs, and those investing and lending to them, it is wiser to reallocate capital and brains somewhere else.

The better, more far-sighted and skilled workers also start shifting to industries with more promise. This is all logical because if entrepreneurs cannot cover their costs and also earn at least a marketplace-competitive return on investment then they have to shift to a different industry. After all, the government may lower the maximum price allowable to be charged even lower still, or provide cost-boosting edicts like an increase in minimum wages even higher. And so Mises astutely points out the government must move step by step toward seizing control over the entire economy. If the government leaves a marketplace sector open, the brains and capital will flee to it. Interventionism cannot work and inevitably leads to Socialism, which cannot work. **There is no third way.**

Interventionism cannot work = True

Interventionism leads to → Socialism = True

There is no third way or middle ground between Socialism and capitalism = True

Quoting Mises again:

**“... Interventionism as an economic system is unsuitable and illogical.** Once this is recognized it leaves us with the choice between lifting all restrictions, or expanding them to a system in which government directs all business decisions - in which the state determines what to produce and how, under what conditions, and to whom the products must be sold. This is a system of Socialism in which private property at best survives in name only.”

Of course, hopeless romantics want a world with no scarcity. They also want to believe that there are no absolutes – either in ethical standards, or in terms of the existence of economic laws. But there are economic laws in existence and those laws limit all individuals and all governments - in short those economic laws limit what is possible to mankind. Socialism cannot work and will not work - no matter which gang of the moment is put in charge to try and implement it. And interventionism inevitably leads to Socialism. Sorry. That’s the way it is. And no amount of wishful daydreaming will change the laws of nature, which must be conformed to if we are to succeed in how we live our lives. And much thanks to Mises for pointing all of this out in a way that is relatively

easy to understand should one wish to understand. Some don't.

Not wanting to hear any of the above, that Socialism cannot work and interventionism leads to Socialism, some intellectuals have actually proceeded on two other fronts. One attack has been against logic itself. The other attack is denying the possibility of theoretical knowledge. For a so-called intellectual to attempt to destroy logic (using logic in an attempt to do so) is hypocritical and nonsensical. For a so-called intellectual to have a theory that there is no such thing as theoretical knowledge is also hypocritical and nonsensical. It is intellectual nihilism – an attempt to intellectually burn down the house of mankind with all of us in it. In your author's opinion such men are empty vessels and hypocrites. They are afraid of a free market because they believe the marketplace would not place a high value on their services, which it more than likely would not. If such is the quality of their thinking, why should it?

These pseudo-intellectuals attack the science of economics because true economics exposes and opposes interventionism and its special privileges. **Interventionism begets:** prolonged unemployment, economic crises in

capital markets, real estate markets, and banking, production disruptions and shortages, and many other problems - all of which result in the non-economic wasting of valuable lives and capital. Other than interventionism not working and inevitably leading to Socialism, the other main take away from all of this is that **price controls and other government interventionist measures make it illegal to act rationally.**

Government interventionist decrees → make it illegal → to act rationally!

Government interventionist decrees → cause chaos (frustrating men) and waste (of men's lives and property)

To illustrate how interventionism has negative unintended, but real, consequences let us consider a simple make-believe example illustrating a scenario that could happen. Let us suppose that satellite imagery shows a trio of hurricanes headed toward the Gulf Coast of the United States – each about one week apart. Let us further assume that it is highly likely all three hurricanes are forecast to be very destructive. And let us further assume that their exact path toward landfall is not precisely knowable at the

moment, but they almost certainly will hit the Gulf Coast of the United States somewhere. Further let us assume that a major plywood manufacturer in the Pacific Northwest normally closes their plant for four weeks each year for routine maintenance, and the plant's hourly workers are furloughed during this period of time. Let us further assume that the four weeks are about to begin and that the specialized maintenance workers (from the machinery manufacturers who supplied the plywood plant) have already arrived at the plywood plant. And let us further assume that the plywood manufacturing plant's normal customer base is the building trades in the Western USA and that the plant has stockpiled enough plywood inventory to take care of their very important existing customer base during the plant maintenance downtime period.

Because of the impending hurricanes, consumers throughout the entire Gulf Coast region have bought up all of the existing supply of plywood from local retailers and there is a desperate need for more. People will pay whatever it takes to get more plywood with which to protect their valuable homes and businesses. An interventionist government edict comes into effect barring Gulf Coast retailers

from charging more for plywood than they normally charged, prior to the hurricane forecast and the resultant stock-out of inventory. Gulf Coast retailers desperately attempt to locate additional sources of supply and contact the plywood plant located in the Pacific Northwest from our example above. But the Gulf Coast retailers cannot afford to offer more money to potential new plywood suppliers to obtain one-time additional plywood supplies. This is because if their cost of plywood were to rise to equal or exceed the market-capped price, which the interventionist government edict has imposed on them, they would lose money on the sales of plywood from the newfound supplies. Even worse, the Pacific Northwest plywood manufacturer turns down their request to purchase plywood. Why? There is no incentive for them to do so. This is because they have an existing customer base they need to take care of and a one-time sale at about the same price as they can get by taking care of their existing customer base has no appeal to them. So they turn down the Gulf Coast retailers' attempt to purchase. The government's edict did prevent what the government bureaucrats regard as "price-gouging," but the result is that many people lost their homes and businesses when they should not have had to. The consequence

was unintended, but real, and the loss was great to those who lost homes and businesses.

On the other hand if the government let the marketplace operate unimpeded, the price of plywood in the Gulf Coast region would have gone up dramatically. The dramatically higher prices would have been a signal for the Pacific Northwest plywood plant to sell their previously reserved inventory of plywood to the Gulf Coast retailers and to postpone the scheduled plant maintenance. The Pacific Northwest plywood plant could easily absorb the loss of the maintenance worker travel and rescheduling from the extra profit from the new and only temporarily higher plywood prices, and to call back their workers to make as much plywood as possible as fast as possible. Some of this new and unscheduled production might very well be in time for the last hurricane and some of the new production would be to restock their inventory to take care of their existing Western USA customer base. The high prices of plywood would have also led to higher transportation prices being offered in an effort to re-route every available truck and train car to get to wherever there was plywood inventory and get it delivered to the Gulf Coast as soon as possible. Everyone involved would have an

incentive to get the plywood purchased and transported to where it was needed most. The Gulf Coast retailers should have been able to charge as much as the market would accept and each homeowner and business owner could make their own calculation as to how much plywood to buy and install prior to the hurricanes hitting the Gulf Coast. It should be noted that the Gulf Coast retailers might not even make that much more money on plywood than they normally do, as their higher plywood purchase costs and higher transport costs would make their landed plywood inventory cost much higher than normal. But they would have actual inventory to sell to those who needed it most when they needed it most.

Government edicts, aka interventionism, whether well intentioned or not, ruin markets and people all of the time. Most people just cannot see it, but that does not make it any less real to those affected by it. Interventionism leads to Socialism, which leads to disaster.

#### **7.4 Bureaucracy & the state-owned-enterprise fallacy:**

Interventionism leads to Socialism and Socialism does not work. And so the next idea

offered, in clear opposition to capitalism, is to advocate **state-owned-enterprises**, or **bureaucratic management**, as a way to structure production – at least in some fields. That this idea would lead to positive results is also a fallacy. There are scientific and logical reasons why. There are reasons why bureaucracies function as they do, with poor results. And there are reasons a private sector company functions with much more flexibility and much less bureaucracy than a public sector bureau. The subject of bureaucracy is actually not that difficult to understand.

The first thing to understand is why a private sector company is less bureaucratic than a public sector counterpart. Dr. Ludwig von Mises wrote a short, brilliant, 125-page book entitled, *Bureaucracy*, which asks and answers most of the issues surrounding the subject, and your author will quote him fairly extensively below [emphasis mine throughout]. Mises was, as usual, quite fair and acknowledges the need for bureaucratic management in conducting the operations of government. The book was first published in 1944. Your author is not attempting to discuss the proper size of the government here (small), or what its proper

function is (the collective organization of the individual right of self-defense).

"There are two methods for the conduct of affairs within the frame of human society, i.e., peaceful cooperation among men. One is **bureaucratic management**, the other is **profit management**.

It is well known that profit management is highly unpopular in our age. People are anxious to substitute allround planning by a central authority – i.e. Socialism – for the supremacy of consumers as operative in the market economy. But at the same time people severely blame the shortcomings of bureaucratism. They do not see that in clamoring for the suppression of profit management they themselves are asking for more and more bureaucracy, even for full bureaucratization of every sphere of human affairs.

There are areas of man's activities in which there cannot be any question of profit management and where bureaucratic management must prevail. A police department cannot be operated according to the methods resorted to in the conduct of a gainful enterprise. A bakery serves a definite number

of people – its customers – in selling them piecemeal what it has produced; it is the patronage of its customers that provides the social legitimacy – the profitability – of the baker's business. A police department cannot sell its 'products'; its achievements, however valuable, even indispensable as they may be, have no price on the market and therefore cannot be contrasted with the total expenditure made in the endeavors to bring them about."

"... This book will try to demonstrate that no profit-seeking enterprise, no matter how large, is liable to become bureaucratic provided the hands of its management are not tied by government interference [Mises refers to interventionism here]. The trend toward bureaucratic rigidity is not inherent in the evolution of business. It is an outcome of government meddling with business. It is a result of the policies designed to eliminate the profit motive from its role in the framework of society's economic organization."

Private sector businesses → become more bureaucratic → in response to → governmental interventionist decrees

"In the field of business creative leadership manifests itself in the adjustment of production and distribution to the changing conditions of demand and supply and in the adaptation of technical improvements to practical uses. The great businessman is he who produces more, better, and cheaper goods, who, as a pioneer of progress, presents his fellow men with commodities [products] and services hitherto unknown to them or beyond their means. We may call him a leader because his initiative and activity force his competitors either to emulate his achievements or to go out of business. It is his indefatigable inventiveness and fondness for innovations that prevents all business units from degenerating into idle bureaucratic routine [Think of Steve Jobs and Apple as a great example of what Mises is saying here]. He embodies in his person the restless dynamism and [real] progressivism inherent in capitalism and free enterprise."

Without governmental interventionist decrees → private sector businesses → would be forced → to be more innovative, either: 1) to get ahead of also-innovating existing competitors or 2) to keep up with new upstart competitors seeking to take their customers

"It would certainly be an exaggeration to say that such creative leaders are lacking in present-day America [published in 1944]. Many of the old heroes of American business are still alive and active in the conduct of their affairs. It would be a delicate matter to express an opinion about the creativeness of younger men. Some temporal distance is needed for a correct appreciation of their achievements. A true genius is very rarely acknowledged as such by his contemporaries.

Society cannot contribute anything to the breeding and growing of ingenious men. A creative genius cannot be trained. There are no schools for creativeness. A genius is precisely a man who defies all schools and rules, who deviates from the traditional roads of routine and opens up new paths through land inaccessible before. A genius is always a teacher, never a pupil; he is always self-made. He does not owe anything to the favor of those in power. But, on the other hand, the government can bring about conditions which paralyze the efforts of a creative spirit and prevent him from rendering useful services to the community.

This is the case today in the field of business. Let us look at one instance only, the income tax. In the past an ingenious newcomer started a new project. It was a modest start; he was poor, his funds were small and most of them borrowed. When initial success came, he did not increase his consumption, but reinvested the much greater part of the profits. Thus his business grew quickly. He became a leader in his line. His threatening competition forced the old rich firms and the big corporations to adjust their management to the conditions brought about by his intervention. They could not disregard him and indulge in bureaucratic negligence. They were under the necessity of being on their guard day and night against such dangerous innovators. If they could not find a man able to rival the newcomer for the management of their own affairs, they had to merge their own business with his and yield to his leadership.

But today the income tax absorbs 80 or more per cent [published in 1944] of such a newcomer's initial profits. He cannot accumulate capital; he cannot expand his business; his enterprise will never become big business. He is no match for the old

vested interests. The old firms and corporations already own a considerable capital. Income and corporation taxes prevent them from accumulating more capital, while they prevent the newcomer from accumulating any capital. He is doomed to remain small business forever. The already existing enterprises are sheltered against the dangers from ingenious newcomers. They are not menaced by their competition. They enjoy a virtual privilege as far as they content themselves with keeping their business in the traditional lines and in the traditional size. Their further development, of course, is curtailed. The continuous drain on their profits by taxes makes it impossible for them to expand their business out of their own funds. Thus a tendency toward rigidity originates."

Governmental interventions → in the form of taxes and regulations → make it hard to accumulate capital → this tends to keep small innovative businesses small → and shields larger, less innovative companies from potentially dangerous new competition

Mises, above, does not discuss the innumerable regulations that all businesses, large and small, must comply with. Those

regulations also have the same effect as taxes in sheltering large businesses against the competition from smaller, more entrepreneurial firms. Virtually all of what appears to be bureaucracy in business arises from businesses having to comply with the interventionism of government edicts - in particular taxes and regulations of every sort. Does what Mises wrote above in 1944 mean that every single startup business would never become a big business? No. But government interventionism shifts the odds against the small innovator and toward the favor of larger, long established, and better-capitalized companies. This is why many smaller innovators feel compelled to sell out early in their company's history, rather than waiting until later, or not at all. Most of what appears to be bureaucracy in business is actually a reaction caused by government interventionism.

To explain why private enterprise functions the way it does, Mises explains the role of capitalists, enterprisers [entrepreneurs], and farmers, and their relations to consumers, and why a private enterprise can be structured very differently from a government undertaking, such as a police department.

"Capitalism or market economy is that system of social cooperation and division of labor that is based on private ownership of the means of production. The material factors of production [land (including raw materials), labor, and capital (e.g., tools and machines)] are owned by individual citizens, the capitalists and the landowners. The plants and the farms are operated by the entrepreneurs and the farmers, that is, by individuals or associations of individuals who either themselves own the capital and the soil or have borrowed or rented them from the owners. Free enterprise is the characteristic feature of capitalism. The objective of every enterpriser - whether businessman or farmer - is to make profit.

The capitalists, the enterprisers, and the farmers are instrumental in the conduct of economic affairs. They are at the helm and steer the ship. But they are not free to shape its course. They are not supreme, they are steersmen only, bound to obey unconditionally the captain's orders. **The captain is the consumer.**

Neither the capitalists nor the entrepreneurs nor the farmers determine what has to be produced. The consumers do that. The

producers do not produce for their own consumption but for the market. They are intent on selling their products. If the consumers do not buy the goods offered to them, the businessman cannot recover the outlays made. He loses his money. If he fails to adjust his procedure to the wishes of the consumers he will very soon be removed from his eminent position at the helm. Other men who did better in satisfying the demand of the consumers replace him.

The real bosses, in the capitalist system of market economy, are the consumers. They, by their buying and by their abstention from buying, decide who should own the capital and run the plants. They determine what should be produced and in what quantity and quality. Their attitudes result either in profit or in loss for the enterpriser. They make poor men rich and rich men poor. **They are no easy bosses.** They are full of whims and fancies, changeable and unpredictable. They do not care a whit for past merit. As soon as something is offered to them that they like better or that is cheaper, they desert their old purveyors. With them nothing counts more than their own satisfaction. They bother neither about the vested interests of capitalists nor about the fate of the workers

who lose their jobs if as consumers they no longer buy what they used to buy.

What does it mean when we say that the production of a certain commodity A does not pay? It is indicative of the fact that the consumers are not willing to pay the producers of A enough to cover the prices of the required factors of production, while at the same time other producers will find their incomes exceeding their costs of production. The demand of the consumers is instrumental in the allocation of various factors of production to the various branches of manufacturing consumers' goods. The consumers thus decide how much raw material and labor should be used for the manufacturing of A and how much for some other merchandise. It is therefore nonsensical to contrast production for profit and production for use. With the profit motive the enterpriser is compelled to supply the consumers with those goods which they are asking for most urgently. If the enterpriser were not forced to take **the profit motive as his guide**, he could produce more of A, in spite of the fact that the consumers prefer to get something else. The profit motive is precisely the factor that forces the businessman to provide in the most efficient

way those commodities [products] the consumers want to use."

The consumers → are the captains → they, by buying or not buying → in essence, force what they want to be produced AND → they force what they want to be produced → to be efficiently produced

"... The preeminence of the capitalist system consists in the fact that it is the only system of social cooperation and division of labor which makes it possible to apply a method of reckoning and computation in planning new projects and appraising the usefulness of the operation of those plants, farms, and workshops already working. The impracticability of all schemes of Socialism and central planning is to be seen in the impossibility of any kind of economic calculation under conditions in which there is no private ownership of the means of production and consequently no market prices for these factors.

The problem to be solved in the conduct of economic affairs is this: There are countless kinds of material factors of production, and within each class they differ from one another both with regard to their physical properties

and to the places at which they are available. There are millions and millions of workers and they differ widely with regard to their ability to work. Technology provides us with information about numberless [mind-bogglingly numerous] possibilities in regard to what could be achieved by using this supply of natural resources, capital goods, and manpower for the production of consumers' goods. Which of these potential procedures and plans are the most advantageous? Which should be carried out because they are apt to contribute most to the satisfaction of the most urgent needs? Which should be postponed or discarded because their execution would divert factors of production from other projects the execution of which would contribute more to the satisfaction of urgent needs?

It is obvious that these questions cannot be answered by some calculation in kind. One cannot make a variety of things enter into a calculus if there is no common denominator for them.

In the capitalist system all designing and planning is based on the market prices. Without them all the projects and blueprints of the engineers would be a mere academic pastime.

They would demonstrate what could be done and how. But they would not be in a position to determine whether the realization of a certain project would really increase material well-being or whether it would not, by withdrawing scarce factors of production [raw materials, labor, tools, machines, and equipment] from other lines, jeopardize the satisfaction of more urgent needs, that is, of needs considered more urgent by the consumers. **The guide of economic planning is the market price.** The market prices alone can answer the question whether the execution of a project P will yield more than it costs, that is, whether it will be more useful than the execution of other conceivable plans which cannot be realized because the factors of production required are used for the performance of project P."

Only the capitalist system → has market prices

Market prices allow for → financial accounting (profit and loss results)

Market prices allow for → cost accounting (departmental results)

Market prices allow for → financial forecasting, budgeting, and planning

Market prices allow for → **rational** economic calculation VERSUS **arbitrary** governmental decrees

Market prices allow for → allocation of the factors of production → to produce those products → the consumers want most

“ ... Economic calculation makes it possible for business to adjust production to the demands of the consumers. On the other hand, under any variety of Socialism, the central board of production management would not be in a position to engage in economic calculation. Where there are no markets and consequently no market prices for the factors of production, they cannot become elements of a calculation.”

“ ... But the actual world is a world of permanent change. Population figures, tastes, and wants, the supply of factors of production and technological methods are in a ceaseless flux [continuous change]. In such a state of affairs there is need for a continuous adjustment of production to the change in conditions. **This is where the entrepreneur comes in.**

Those eager to make profits are always looking for an opportunity. As soon as they discover that the relation of the prices of the factors of production to the anticipated prices of the products seem to offer such an opportunity, they step in. If their appraisal of all the elements involved was correct, they make a profit. But immediately the tendency toward a disappearance of such profits begins to take effect. As an outcome of the new projects inaugurated, the prices of the factors of production in question go up and, on the other hand, those of the products begin to drop. Profits are a permanent phenomenon only because there are always changes in market conditions and in methods of production. He who wants to make profits must be always on the watch for new opportunities. And in searching for profit, he adjusts production to the demands of the consuming public. [All the above is why the entrepreneurs operating in the private sector are innovative. They have to be.]"

The real world → a world of permanent change  
→ entrepreneurs must continually adjust production → to satisfy the consumer bosses

Entrepreneurs → who do not successfully adjust production → to satisfy their consumer bosses → are fired (the consumers stop buying their product offerings and they go out of business)

Mises then goes on to show why management under the private enterprise for profit system functions one way, while management under a bureaucratic system must function in a completely different way.

"All business transactions are examined by shrewdly calculating profit and loss. New projects are subject to a precise scrutiny of the chances they offer. Every step toward their realization is reflected in entries in the books and accounts. The profit-and-loss account shows whether or not the whole business, or any of its parts, was profitable. The figures of the ledger serve as a guide for the conduct of the whole business and of each of its divisions. Branches which do not pay are discontinued, those yielding profit are expanded. There cannot be any question of clinging to unprofitable lines of business if there is no prospect of rendering them profitable in a not-too-distant future.

The elaborate methods of modern bookkeeping, accountancy, and business statistics provide the enterpriser with a faithful image of all his operations. He is in a position to learn how successful or unsuccessful everyone of his transactions was. With the aid of these statements he can check the activities of all departments of his concern no matter how large it may be. There is, to be sure, some amount of discretion in determining the distribution of overhead costs. But apart from this, the figures provide a faithful reflection of all that is going on in every branch or department. The books and the balance sheets are the conscience of business. They are also the businessman's compass."

" ... The entrepreneur is in a position to separate the calculation of each part of his business in such a way that he can determine the role that it plays within his whole enterprise. For the public [an outsider looking in] every firm or corporation is an undivided unity. But for the eye of its management it is composed of various sections, each of which is viewed as a separate entity and appreciated according to the share it contributes to the success of the whole enterprise. Within the system of business calculation each section represents an integral

being, a hypothetical independent business as it were. It is assumed that this section 'owns' a definite part of the whole capital employed in the enterprise, that it buys from other sections and sells to them, that it has its own expenses and its own revenues, that its dealings result either in a profit or a loss which is imputed to its own conduct of affairs as separate from the results achieved by the other sections. Thus the general manager of the whole enterprise can assign to each section's management a great deal of independence. There is no need for the general manager to bother about the minor details of each section's management. The managers of the various sections can have a free hand in the administration of their sections' 'internal' affairs. The only directive that the general manager gives to the men whom he entrusts with the management of the various sections, departments, and branches is: **Make as much profit as possible.** And an examination of the accounts shows him how successful or unsuccessful they were in executing the directive.

In a large-scale enterprise many sections produce only parts or half-finished products which are not directly sold but are used by other

sections in manufacturing the final product. This fact does not alter the conditions described. The general manager compares the costs incurred by the production of such parts and half-finished products with the prices he would have to pay for them if he had to buy them from other plants. He is always confronted by the question: Does it pay to produce these things in our own workshops? Would it not be more satisfactory to buy them from other plants specializing in their production?

Thus within the framework of a profit-seeking enterprise responsibility can be divided. Every submanager is responsible for the working of his department. It is to his credit if the accounts show a profit, and it is to his disadvantage if they show a loss. His own selfish interests push him toward the utmost care and exertion in the conduct of his section's affairs. If he incurs losses, he will be their victim. He will be replaced by another man whom the general manager expects to be more successful, or the whole section will be discontinued. At any rate he will be discharged and lose his job. If he succeeds in making profits, he will see his income increased or at least he will not be in danger of losing it. Whether or not a departmental manager

is entitled to a share in the profit of his department is not so important with regard to the personal interest he takes in the results of his department's dealings. His fate is at any rate closely connected with that of his department. In working for it, he works not only for his boss but also for himself.

It would be impracticable to restrict the discretion of such a responsible submanager by too much interference with detail. If he is efficient, such meddling would at best be superfluous, if not harmful by tying his hands. If he is inefficient, it would not render his activities more successful. It would only provide him with a lame excuse that the failure was caused by his superior's inappropriate instructions. The only instruction required is self-understood and does not need to be especially mentioned: seek profit. Moreover, most of the details can and must be left to the head of every department."

Mises goes on to explain the general manager has the task of finding the right men for the subordinate management jobs, but those subordinate men are, in effect, junior partners with the general manager and owners of the enterprise – all working together to maximize

profit. The subordinate managers are businessmen themselves and the subordinate manager's interests coincide with those of the whole concern. A subordinate manager will not waste money, or hire bad workers, because to do so means to perform poorly and to be at risk. Everyone is trying to succeed together and this is measured by making a profit. Few rules and directives are necessary. But **innovation is necessary** because there are competing firms that customers can buy from. An unprofitable branch or department must sooner or later be minimized or closed down."

Two methods for the conduct of affairs within the framework of human society → 1) **profit management**, or 2) **bureaucratic management**

Under profit management → few rules are necessary + innovation is necessary + market prices allow for rational economic calculation + the entire company works together to make a profit + unprofitable departments are shut down

Under bureaucratic management → many rules are necessary + innovation is not necessary (forced by dynamic marketplace actors) and is frequently discouraged by seniority-installed

senior managers + there are no market prices so there is no rational economic calculation + there is the need for a strict budget to attempt to keep costs under control (there is no market price for services, there is no profit incentive, ergo a detailed, largely inflexible budget is utilized in lieu of the unavailable rational economic calculation) + government bureaus are rarely shut down (and if they are it is via arbitrary decree and not via a rational economic calculation)

Profit management and bureaucratic management → are very distinct, very different, and require different methods of management = True

Any attempt → to take a successful private sector executive → install them as head of a government bureau → and expect better management results → is a fallacy (pipe dream) → as they, too, would be subject to 1) detailed bureaucratic regulations and 2) strict budgetary controls (more regulations) AND they, too, would NOT have marketplace prices and the profit incentive to guide their efforts to manage more efficiently

The below paragraph → a Life Chart → pertaining to labor management → under the profit system

Mises goes on to discuss personnel (labor) management under a profit system. Each department manager has to hire workers who perform a certain quality and quantity of labor. The employer wants good workers who are worth the money he pays them. The employer wants to pay as little as possible and each worker wants to make as much as possible. The hiring of labor is a business transaction, not a social interaction. As the end consumers do not care about what it took to make an end product, only about the end product itself. The end consumers also do not care who it was who performed the labor, or what it took to get the final product ready for purchase. The end consumers pass judgment on the end product; cost accounting and labor management are irrelevant to them. This puts section managers, foremen, department managers, that is to say, the entire supervising structure of an enterprise, in the position they must be a good judge of men, in terms of who to hire, and they must also manage those men efficiently. Each worker cannot expect to get paid more than they contribute to the end product's value – value

being in the judgment of the end consumers and their contribution being judged by the enterprise's managers. The managers cannot afford to pay anyone more than they can realize in actually selling the end product. As Mises would say, “In the long run **the worker can never get more than the consumer allows.**” And all of the above still falls into the prime directive of a business enterprise, which is to make profit. If a business does not make a profit, the consumers are, in effect, telling that business to either restructure to become more efficient, or to shut down. This is because the business, as currently structured, is wasting precious resources.

Public sector bureaucratic management is entirely different. Mises gives an example of an ancient tribal leader who has all administrative, legislative, and judicial power in his own hands. But then he expands his realm and becomes, as it were, a king. Because the king cannot be everywhere, he appoints deputies to rule provinces or districts. In so doing the king temporarily renounces his own power to the benefit of his appointed local district ruler. The appointed local district ruler is now in a position to do things differently from what the king might prefer, however. In order to control this

possibility, resulting from the initial delegation of power, the king then takes subsequent steps **and there are consequences that unfold.**

"In order to avoid this outcome [of doing something the king would not prefer] the king tries to limit the [local] governor's powers by issuing directives and instructions. Codes, decrees, and statutes tell the governors of the provinces and their subordinates what to do if such or such a problem arises. Their free discretion is now limited; **their first duty is now to comply with the regulations.** It is true that their arbitrariness is now restricted in so far as the regulations must be applied. But at the same time the whole character of their management changes. They are no longer eager to deal with each case to the best of their abilities; they are no longer anxious to find the most appropriate solution for every problem. Their main concern is to comply with the rules and regulations, no matter whether they are reasonable or contrary to what was intended. The first virtue of an administrator is to abide by the codes and decrees. **He becomes a bureaucrat."**

The king (President or Prime Minister or other head of government) → to prevent those with

delegated power from acting differently from how they would → issue regulations (directives, decrees, etc.) → the whole character of the management changes → the delegated local manager's first duty and virtue → is to abide by the regulations → the manager becomes → a bureaucrat

Mises describes the two main pillars of bureaucratic management. The first is the primacy of law and the second is the importance of budgetary limitations. We will discuss both of these in more detail below. Before that, your author wants to quote from Mises explaining that bureaucracy has a place, and sometimes when people are complaining about bureaucracy, they should really be complaining about the extension of government to areas where it cannot be effective and not complaining about bureaucracy itself.

The two main pillars of bureaucratic management are → 1) the primacy of law (the regulations) and 2) the importance of budgetary limitations

"Moreover, America is an old democracy and the talk about the dangers of bureaucracy is a new phenomenon in this country. Only in recent

years have people become aware of the menace of bureaucracy, and they consider bureaucracy not an instrument of democratic government but, on the contrary, the worst enemy of freedom and democracy.

To these objections we must answer again that bureaucracy in itself is neither good nor bad. It is a method of management which can be applied in different spheres of human activity. There is a field, namely, the handling of the apparatus of government, in which bureaucratic methods are required by necessity. What many people nowadays consider an evil is not bureaucracy as such, but the expansion of the sphere in which bureaucratic management is applied. This expansion is the unavoidable consequence of the progressive restriction of the individual citizen's freedom, of the inherent trend of present day economic and social policies toward the substitution of government control for private initiative. People blame bureaucracy, but what they really have in mind are the endeavors to make the state socialist and totalitarian."

Mises points out, in a step by step analysis of bureaucratic management, that such management is bound to comply with detailed

rules and regulations [primacy of law]. These laws are fixed by a superior authority and are designed to both: 1) limit the use of power and 2) to authorize the use of authority in certain prescribed conditions. If a bureaucrat did not have these legal limitations he might be tempted to exercise unrestrained power over the people he was supposed to be serving.

Bureaucratic regulations are designed to → 1) limit the use of power and 2) to authorize the use of authority in certain prescribed conditions

Further, if a bureaucrat did not have budget limitations he would just spend untold amounts of money to provide what he regarded as more and better services. As Mises observed:

"The objectives of public administration cannot be measured in money terms and cannot be checked by accountancy methods. ... The expenditures of a police station are not reimbursed by its successful management and do not vary in proportion to the success attained. If the head of the whole bureau were to leave his subordinate station chiefs a free hand with regard to money expenditure, the result would be a large increase in costs as

everyone of them would be zealous to improve the service of his branch as much as possible. It would become impossible for the top executive to keep the expenditures within the appropriations allocated by the representatives of the people or within any limits whatever. It is not because of punctiliousness that the administrative regulations fix how much can be spent by each local office for cleaning the premises, for furniture repairs, and for lighting and heating. Within a business concern such things can be left without hesitation to the discretion of the responsible local manager. He will not spend more than necessary because it is, as it were, his money; if he wastes the concern's money, he jeopardizes the branch's profit and thereby indirectly hurts his own interests. But it is another matter with the local chief of a government agency. In spending more money he can, very often at least, improve the result of his conduct of affairs.  
Thrift must be imposed on him by regimentation."

Bureaucratic regulations are designed to → impose thrift by regimentation

Mises observes that in public administration (bureaucratic management) there is no

connection between revenue and expenditure because in public administration there is no market price for achievements. This means the public administration must be operated **on entirely different principles** from those of private profit-seeking enterprises.

"Now we are in a position to provide a definition of **bureaucratic management**: Bureaucratic management is the method applied in the conduct of administrative affairs the result of which has no cash value on the market. Remember: we do not say that a successful handling of public affairs has no value, but that it has no price on the market, that its value cannot be realized in a market transaction and consequently cannot be expressed in terms of money."

Bureaucratic management → the method applied to the conduct of administrative affairs → the result of which → has no cash value on the market

In other words → there is no cash value because → there are no market transactions and hence → no market prices

Bureaucratic administration → can have value → but, there are no prices, ergo → rational economic calculation (which takes place using prices) → is not possible

“ ...we cannot assign any arithmetical value to the system of government and administration. That does not mean that we deny the importance or the value of good government. It means only that no yardstick can measure these things. They are not liable to an expression in figures.”

“ ... Bureaucratic management is management of affairs which cannot be checked by economic calculation.”

The below five paragraphs → a Life Chart → resolving the confusion in people's minds → pertaining to why bureaucracies are not as efficient as private sector businesses

“The plain citizen compares the operation of the bureaus with the working of the profit system, which is more familiar to him. Then he discovers that bureaucratic management is wasteful, inefficient, slow, and rolled up in red tape. He simply cannot understand how reasonable people allow such a mischievous

system to endure. Why not adopt the well-tried methods of private business?

However, such criticisms are not sensible. They misconstrue the features peculiar to public administration. They are not aware of the fundamental difference between government and profit-seeking private enterprise. What they call deficiencies and faults of the management of administrative agencies are necessary properties. A bureau is not a profit-seeking enterprise; it cannot make use of any economic calculation; it has to solve problems which are unknown to business management. It is out of the question to improve its management by reshaping it according to the pattern of private business. It is a mistake to judge the efficiency of a government department by comparing it with the working of an enterprise subject to the interplay of market factors."

"... It is vain to advocate a bureaucratic reform through the appointment of businessmen as heads of various departments. The quality of being an entrepreneur is not inherent in the personality of the entrepreneur; it is inherent

in the position which he occupies in the framework of market society. A former entrepreneur who is given charge of a government bureau is in this capacity no longer a businessman but a bureaucrat. His objective can no longer be profit, but compliance with the rules and regulations. As head of a bureau he may have the power to alter some minor rules and some matters of internal procedure. But the setting of the bureau's activities is determined by rules and regulations which are beyond his reach.

It is a widespread illusion that the efficiency of government bureaus could be improved by management engineers and their methods of scientific management. However, such plans stem from a radical misconstruction of the objectives of civil government.

Like any kind of engineering, management engineering too is conditioned by the availability of a method of calculation. Such a method exists in profit-seeking business. Here the profit-and-loss statement is supreme. The problem of bureaucratic management is precisely the absence of such a method of calculation."

A successful private sector businessmen → appointed to head a government bureau → discovers he has no market prices to enable rational calculation → instead → he has to comply with rules and regulations → authorizing + limiting his power AND → he must stay within arbitrarily imposed, from above, → budgetary guidelines

The businessman → becomes a bureaucrat

The bureaucratic management system → changes him → he does not → change the bureaucracy

The bureaucracy → will never have the market transactions enabling rational calculation available to it and cannot, therefore change

Mises goes on to point out that the main problem of evaluating performance in a bureaucracy is that intellectual work, such as a judge deciding a case correctly, is a quality and not a quantity issue. "Intellectual work cannot be measured and valued by mechanical devices." Further, speed alone is not a measure of intellectual work. "Government efficiency and industrial efficiency are entirely different things." Government achievements cannot be valued in

terms of money because they have no market price.

As to the differences in personnel management, between private enterprises and a bureaucratic organization, Mises observed the following:

"... The seller-buyer nexus as well as the employer-employee relation, in profit-seeking business are purely matter of fact and impersonal. It is a deal from which both parties derive an advantage. They mutually contribute to each other's living. But it is different with a bureaucratic organization. There the nexus between superior and subordinate is personal. The subordinate depends on the superior's judgment of his personality, not of his work."

Mises noted that America was a novice when it comes to the field of bureaucracy, as compared to Europe. In Europe:

"It was different in continental Europe. There the bureaucrats have long formed an integrated group. Only for a few eminent men was a return to nonofficial life practically open. The majority were tied up with the bureaus for

life. They developed a character peculiar to their permanent removal from the world of profit-seeking business. Their intellectual horizon was the hierarchy and its rules and regulations. Their fate was to depend entirely on the favor of their superiors. ...”

“... America is a novice in the field of bureaucracy. It has much less experience in this matter than the classical countries of bureaucracy, France, Germany, Austria, and Russia, acquired. In the United States there still prevails a leaning toward an overvaluation of the usefulness of civil service regulations. Such regulations require that the applicants be a certain age, graduate from certain schools, and pass certain examinations. For promotion to higher ranks and higher salary a certain number of years spent in the lower ranks and the passing of further examinations are required. It is obvious that all such requirements refer to things more or less superficial. There is no need to point out that school attendance, examinations, and years spent in the lower positions do not necessarily qualify a man for a higher job. This machinery for selection sometimes bars the most competent men from a job and does not always prevent the appointment of an utter incompetent. But the

worst effect produced is that the main concern of the clerks is to comply with these and other formalities. They forget that their job is to perform an assigned duty as well as possible.

In a properly arranged civil-service system the promotion to higher ranks depends primarily on **seniority**. The heads of the bureaus are for the most part old men who know that after a few years they will be retired. Having spent the greater part of their lives in subordinate positions, they have lost vigor and initiative. They shun innovations and improvements. They look on every project for reform as a disturbance of their quiet. Their rigid conservatism frustrates all endeavors of a cabinet minister to adjust the service to changed conditions. They look down upon the cabinet minister as an inexperienced layman. In all countries with a settled bureaucracy people used to say: The cabinets [cabinet ministers] [including successful businessmen trying to change the bureaucracy] come and go, but the bureaus [bureaucrats] remain."

The next paragraph → a Life Chart → summarizing bureaucratic management

Enough has been said about the difference between a profit-seeking enterprise and a bureaucracy. There is no question as to why they both function as they do. Mises is not an opponent of government itself. He merely points out that government should be small and well defined and that it must be run using bureaucratic management methods. Those methods rely on rules and regulations and budgetary limitations. Bureaucratic management also relies on seniority and it is not innovative or very quickly responsive to changing conditions. It is the nature of the beast. It, unlike private enterprise, does not have recourse to cost accounting, nor does it have to serve end customers efficiently. To think that putting an entrepreneur, or a successful former businessman, in charge of a bureaucracy and that he will change its nature, is a fallacy.

The last fallacy to be discussed in this section of the chapter relates to the mistaken idea that state-owned-enterprises can be as effective as private sector enterprises. It is sort of a hoped-for third way between bureaucratic management and profit management. Mises demolishes this false idea.

State-owned-enterprises → are tantamount to →  
a hoped-for third way between → bureaucratic  
management and profit management

But, as interventionism leads to → Socialism,  
ergo → no hoped-for third or middle way, so

State-owned enterprises lead to → bureaucratic  
management, ergo → no middle ground  
between bureaucratic management and profit  
management

"We do not need to ask whether or not it  
would be feasible to manage such government,  
state, and municipal enterprises in the same  
way as private enterprise. For it is a fact  
that as a rule the authorities are inclined to  
deviate from the profit system. They do not  
want to operate their enterprises from the  
viewpoint of the attainment of the greatest  
possible profit. They consider the  
**accomplishment of other tasks more**  
**important.** They are ready to renounce profit or  
at least a part of profit or even to take a loss for  
the achievement of other ends.

Whatever these other goals aimed at may  
be, the result of such a policy always amounts

to subsidizing some people to the burden of others. If a government-owned enterprise operates at a loss or with a part only of the profit which it could attain if it were conducted solely according to the profit motive, the falling off affects the budget and thereby the taxpayers. If, for instance, a city-owned transportation system charges the customers so low a fare that the costs of the operation cannot be covered, the taxpayers are virtually subsidizing those riding the trains.

But we need not, in a book dealing with the problems of bureaucracy, bother about these financial aspects. From our point of view another outcome is to be considered.

As soon as an undertaking is no longer operated under the profit motive, other principles must be adopted for the conduct of its affairs. The city authorities cannot simply instruct the manager: Do not bother about a profit. **They must give him more definite and precise orders.** What kind of orders could these be?

The champions of nationalized and municipalized enterprise are prone to answer this question in a rather naïve manner: The

public enterprise's duty is to render useful services to the community. But the problem is not so simple as this. Every undertaking's sole task is to render useful services. But what does this term mean? Who is, in the case of public enterprise, to decide whether a service is useful? And much more important: How do we find out whether the services rendered are not too heavily paid for, i.e., whether the factors of production absorbed by their performance are not withdrawn from other lines of utilization in which they could render more valuable services?

With private profit-seeking enterprise this problem is solved by the attitudes of the public. The proof of the usefulness of the services rendered is that a sufficient number of citizens is ready to pay the price asked for them. There cannot be any doubt about the fact that the customers consider the services rendered by the bakeries useful. They are ready to pay the price asked for bread. Under this price the production of bread tends to expand until saturation is reached, that is, until a further expansion would withdraw factors of production from branches of industry for whose products the demand of the consumers is more intense. In taking the profit-motive as a guide, free enterprise adjusts its

activities to the desires of the public. The profit-motive pushes every entrepreneur to accomplish those services that the consumers deem the most urgent. The price structure of the market tells them how free they are to invest in every branch of production.

But if a public enterprise is to be operated without regard to profits, the behavior of the public no longer provides a criterion of its usefulness. If the government or the municipal authorities are resolved to go on notwithstanding the fact that the operation costs are not made up by the payments received from the customers, where may a criterion be found of the usefulness of the services rendered? How can we find out whether the deficit is not too big with regard to these services? And how to discover whether the deficit could not be reduced without impairing the value of the services?

A private business is doomed if its operation brings losses only and no way can be found to remedy this situation. Its unprofitability is the proof of the fact that the consumers disallow it. **There is, with private enterprise, no means of defying this verdict of the public and of keeping on.** The manager of a plant involving

a loss may explain and excuse the failure. But such apologies are of no avail; they cannot prevent the final abandonment of the unsuccessful project.

It is different with a public enterprise. Here the appearance of a deficit is not considered a proof of failure. The manager is not responsible for it. It is the aim of his boss, the government, to sell at such a low price that a loss becomes unavoidable. But if the government were to limit its interference with the fixing of the sales prices and to leave everything else to the manager, it would give him full power to draw on the treasury's funds."

Regarding improving services by increasing expenditures:

"... Our problem is quite different. It stems from the fact that every service can be improved by increasing expenditures. However excellent a hospital, subway system, or water works may be, the manager always knows how he could improve the service provided the funds required are available. In no field of human wants can full satisfaction be reached in such a way that no further improvement is possible. The specialists are intent upon improving the satisfaction of

needs only in their special branches of activity.  
They do not and cannot bother about  
the check which an expansion of the plant  
entrusted to them would impose upon other  
classes of need-satisfaction. It is not the task of  
the hospital director to renounce some  
improvement of the municipal hospital lest it  
impede the improvement of the subway system  
or vice versa. It is precisely the efficient and  
honest manager who will try to make the  
services of his outfit as good as possible. But as  
he is not restrained by any considerations of  
financial success, the costs involved would place  
a heavy burden on the public funds. He would  
become a sort of irresponsible spender of  
the taxpayers' money. As this is out of the  
question, the government must give attention to  
many details of the management [and so we are  
back to bureaucracy, with regulations and  
budgets]. It must define in a precise way the  
quality and the quantity of the services to be  
rendered and the commodities to be sold, it  
must issue detailed instructions concerning the  
methods to be applied in the purchase of  
material factors of production and in hiring and  
rewarding labor. As the account of profit or loss  
is not to be considered the criterion of the  
management's success or failure, the only  
means to make the manager responsible to the

boss, the treasury, is to limit his discretion by rules and regulations. ...”

Ergo, per Mises, the manager of a state-owned-enterprise’s “main task cannot be efficiency as such, but efficiency within the limits of subservience to the regulations.” And so we are back to bureaucratic management with its budgetary controls and rules and regulations. It would be far better to have the hospital, bus service, power company, etc., be provided by the private sector because the private sector has the benefit of cost accounting and a for-profit management system which would more efficiently utilize necessarily limited resources. In that event there would not be, as economist Murray Rothbard observed, a fatal split between the services provided and the responsibility for the payment of those services.

Two big further problems with the idea of a state-owned-enterprise being somehow on par with a private sector business → 1) in a private sector business any losses are paid for by the entrepreneur and his financial backers. In a state-owned-enterprise, the taxpayers pay for any operating losses and 2) private sector business expansions and new businesses must survive a financial vetting process where only

the best perceived projects obtain financing. In a state-owned-enterprise, the state can decree a new project or an expansion of an existing project into existence.

There are a couple of further very large problems with the fallacy that a state-owned-enterprise could be made on par with a private sector enterprise. The first big problem is that if an entrepreneur and his financial backers lose money, they are losing their own money. This makes them very careful about how they spend the funds available to them because a financial misstep could wipe them out personally. This is not so for the losses of a state-owned-enterprise. The taxpayers pay for any losses a state-owned-enterprise incurs. A second major difference is a little bit more nuanced, but understandable nonetheless. Entrepreneurs are typically the ones who generate the ideas for new products, or services. However, an idea is not enough. The entrepreneur also needs to obtain funding in order to be able to deliver the new product or service into the marketplace, i.e., to implement the idea. Ergo, with their idea in hand, an entrepreneur seeks out a private sector funding source. Each of these private sector financing sources has a multitude of competing requests for financing that they

are evaluating. The financiers evaluate, to the best of their ability, which entrepreneurs and projects deserve funding. In short, there is a financial vetting process. And this financial vetting process always involves an estimation of what potential customers will want and be willing to pay for. The entrepreneurs who survive this financial vetting process now have the funding in hand with which to purchase the various factors of production to bring their product or service to the marketplace. Facilities are obtained, laborers are hired, tools and machinery are acquired, and production commences. These entrepreneurs obtained financing because they convinced the financiers that they would be able to deliver products and services to the end customers that the end customers would be willing to pay for AND that the amount paid by these end customers would yield a profit for the new or expanded business. They further convinced the financiers that this profit would also include enough to provide for an acceptable return on investment for the private sector financiers. A state-owned-enterprise does not go through this financial vetting process. A government can decree a new rail line into existence even if it is unlikely that the new rail line will be able to charge enough to cover all of its costs of operations. It

is a fallacy that a state-owned-enterprise can somehow be a third way between bureaucratic management and management for profit.

### **7.5 The government program fallacy:**

There are many fallacies concerning the government's role in the economy – in point of fact there are too many to cover in this short section of this chapter. Some of the more prominent of these fallacies are that: 1) government spending can stimulate the economy to create jobs and make the economy larger than it otherwise would have been without the government spending; 2) the government can do a better job than the private sector in operating an enterprise in some sector of the economy; 3) the government can intervene and enable some citizens or businesses to become winners without at the same time making others losers – in other words that the government can create value without also inflicting harm; 4) the government should be involved in the distribution of what is produced so as to make the allocation of what is produced fairer, or more equal – in other words that the distribution of what is produced should somehow be different from the production that caused it, with the government involved in some

way in the allocation; and 5) the government can somehow be a player in the economy while remaining neutral, without disrupting what people would have otherwise chosen. In other words, that in the modern era, the government should not just be a referee, but also a player in the economy, and that it can do so without negative effect. All of these are fallacies. Money will be dealt with in the next section of the chapter, so we will leave money-related fallacies until then.

Why do people believe in these fallacies? In your author's opinion the belief in these fallacies results from one or more of the following reasons. The first reason is the lack of intellectual leadership from many in the economics profession. The fact is that many in the economics profession have sold out to the government in exchange for funding of one sort or another – whether that funding be a position in government, or at a government licensed bank, or at a college or university, which are mostly funded, or enabled to operate in their current form, through government money. Once these economists start depending on government money they become government apologists and stop providing the intellectual leadership they could have provided. The

second reason why many people believe in government program fallacies is that most people do not like competition and this ultimately leads to them disliking capitalism. In particular they do not like whatever or whoever is competing with them, and since capitalism uses competition as a marketplace discovery process, they do not like capitalism. Even though Socialism cannot work, and neither can interventionism, they still cannot bring themselves to only want the government to be strictly limited and finite in its responsibilities. They want to further believe that government's involvement as a player, as well as the referee, will somehow not disrupt the game. In short, they do not like capitalism and they want to believe in a fiction and so they do. People hate the limits scarcity imposes and they hate competition, and they want to believe that the government can somehow eliminate both. But the government can solve neither. Any attempts to do so only destroys the marketplace intelligence, incentives, etc., necessary to rationally allocate resources. The third reason people believe in government program fallacies is because they want to be a recipient of government largesse – whether it be a businessman wanting a government contract or government protection from competition, or a

welfare recipient receiving a monthly check. People want something for nothing and who better to give it to them than the government? Pseudo-entrepreneurs groveling for government contracts or protection are not much different morally than an able-bodied man who eats without working. The fourth reason people believe in government program fallacies is because they do not understand the social science of economics, in particular they do not understand that resources are scarce and wants are virtually unlimited. They also cannot see the unseen because they have not been trained to look for foreseeable, but not yet seen consequences. This makes the regular man on the street an easy victim for the government and its various apologists.

To summarize the above reasons we have:

- 1) many economists sell out and become government apologists and this results in a lack of social scientific intellectual leadership;
- 2) many people do not like, or even hate, capitalism and want government involvement in "the game" as a player, not just as a referee;
- 3) the personal and widespread character defect of wanting something for nothing; and
- 4) too many citizens' lack of knowledge about economic laws and how they limit even governments - in

particular not seeing the unseen, thus providing an easy way for governments and their apologists to fool them.

The reason your author started this chapter with Bastiat's brilliant and timeless essay, concerning the seen and the unseen, is because it waylays a lot of economic nonsense right from the start. This is particularly true of government program fallacies. In another part of his essay Bastiat uses the example of his fellow French legislators calling for Algeria, a French colony at the time, to be the beneficiary of a French government program.

"Here are four orators disputing for the platform. First, all the four speak at once; then they speak one after the other. What have they said? Some very fine things, certainly, about the power and the grandeur of France; about the necessity of sowing, if we would reap; about the brilliant future of our gigantic colony [Algeria]; about the advantage of diverting to a distance the surplus of our population, etc., etc. Magnificent pieces of eloquence, and always adorned with this conclusion: - 'Vote fifty millions, more or less, for making ports and roads in Algeria; for sending emigrants hither; for building houses and breaking up land. By so

doing, you will relieve the French workman [some French workers will be exported for a time to Algeria lowering labor competition in France], encourage African labour, and give a stimulus to the commerce of Marseilles [the French port city expected to benefit from more trade with Algeria]. It would be profitable every way.'

Yes, it is all very true, if you take no account of the fifty millions until the moment when the State begins to spend them; if you only see where they go, and not whence they come; if you look only at the good they are to do when they come out of the tax-gatherer's bag, and not at the harm which has been done, and the good which has been prevented, by putting them into it. Yes, at this limited point of view, all is profit. The house which is built in Barbary [North Africa] is that which is seen; the harbour made in Barbary is that which is seen; the work caused in Barbary is what is seen; a few less hands in France is what is seen; a great stir with goods at Marseilles is still that which is seen.

**But, besides all this, there is something which is not seen. The fifty millions expended by the State cannot be spent, as they otherwise**

would have been, by the tax-payers. **It is necessary to deduct, from all the good attributed to the public expenditure which has been effected, all the harm caused by the prevention of private expense**, unless we say that James B. would have done nothing with the crown that he had gained, and of which the tax had deprived him; an absurd assertion, for if he took the trouble to earn it, it was because he expected the satisfaction of using it, He would have repaired the palings in his garden, which he cannot now do, and this is that which is not seen. He would have manured his field, which now he cannot do, and this is what is not seen. He would have added another story to his cottage, which he cannot do now, and this is what is not seen. He might have increased the number of his tools, which he cannot do now, and this is what is not seen. He would have been better fed, better clothed, have given a better education to his children, and increased his daughter's marriage portion; this is what is not seen. He would have become a member of the Mutual Assistance Society, but now he cannot; this is what is not seen. On one hand, are the enjoyments of which he has been deprived, and the means of action which have been destroyed in his hands; on the other, are the labour of the drainer, the carpenter, the

smith, the tailor, the village schoolmaster, which he would have encouraged, and which are now prevented - all this is what is not seen.

... The only object I have in view is to make it evident to the reader, that **in every public expense, behind the apparent benefit, there is an evil which it is not so easy to discern**. As far as in me 'lies, I would make him form **a habit of seeing both, and taking account of both.**

When a public expense is proposed, it ought to be examined in itself, separately from the pretended encouragement of labour which results from it, for this encouragement is a delusion. Whatever is done in this way at the public expense, private expense would have done all the same; therefore, the interest of labour [stimulating job creation] is always out of the question.

It is not the object of this treatise to criticize the intrinsic merit of the public expenditure as applied to Algeria, but I cannot withhold a general observation. It is, that the presumption is always unfavourable to collective expenses by way of tax. Why? For this reason: - **First, justice always suffers from it in some**

**degree.** Since James B. had laboured to gain his crown, in the hope of receiving a gratification from it, it is to be regretted that the exchequer [an exchequer is the government tax collector] should interpose, and take from James B. this gratification, to bestow it upon another.

Certainly, it behooves the exchequer, or those who regulate it, to give good reasons for this. It has been shown that the State gives a very provoking one, when it says, 'With this crown I shall employ workmen'; for James B. (as soon as he sees it) will be sure to answer, 'It is all very fine, but with this crown I might employ them myself.'

Apart from this reason [the lack of justice], others present themselves without disguise, by which the debate between the exchequer and poor James [B.] becomes much simplified. If the State says to him, 'I take your crown to pay the gendarme, who saves you the trouble of providing for your own personal safety; for paving the street which you are passing through every day; for paying the magistrate who causes your property and your liberty to be respected; to maintain the soldier who maintains our frontiers,' - James B., unless I am much mistaken, will pay for all this without hesitation. [Bastiat is not against reasonable

and limited government and its costs. He is against economic ignorance and deceiving the citizenry.] But if the State were to say to him, [']I take this crown that I may give you a little prize in case you cultivate your field well; or that I may teach your son something that you have no wish that he should learn; or that the Minister may add another to his score of dishes at dinner; I take it to build a cottage in Algeria, in which case I must take another crown every year to keep an emigrant in it, and another hundred to maintain a soldier to guard this emigrant, and another crown to maintain a general to guard this soldier,' etc., etc. – I think I hear poor James exclaim, '**This system of law is very much like a system of cheat!**' The State foresees the objection, and what does it do? It jumbles all things together, and brings forward just that provoking reason which ought to have nothing whatever to do with the question. It talks of the effect of this crown upon labour; it points to the cook and purveyor of the Minister; it shows an emigrant, a soldier, and a general, living upon the crown; it shows, in fact, what is seen, and if James B. has not learned to take into the account **what is not seen**, James B. will be duped. And this is why I want to do all I can to impress it upon his mind, by repeating it over and over again.

As the **public expenses displace labour without increasing it**, a second serious presumption presents itself against them. To displace labour is to displace labourers, and to disturb the natural laws which regulate the distribution of the population over the country. If 50,000,000 fr. are allowed to remain in the possession of the taxpayers, since the taxpayers are everywhere, they encourage labour in the 40,000 parishes in France. They act like a natural tie, which keeps every one upon his native soil; they distribute themselves amongst all imaginable labourers and trades. If the State, by drawing off these 50,000,000 fr. from the citizens, accumulates them, and expends them on some given point, it attracts to this point a proportional quantity of displaced labour, a corresponding number of labourers, belonging to other parts; a fluctuating population, which is out of its place, and, I venture to say, dangerous when the fund is exhausted [because it is not naturally sustainable and will require therefore ongoing further tax misallocations to keep the unnatural going]. Now here is the consequence (and this confirms all I have said): this feverish activity is, as it were, forced into a narrow space; it attracts the attention of all; it is what is seen. The people applaud; they are

astonished at the beauty and facility of the plan, and expect to have it continued and extended.  
That which they do not see is, that an equal quantity of labour, which would probably be more valuable, has been paralyzed over the rest of France."

Bastiat astutely solved the government program fallacy over 160 years ago and published the answer for anyone to read. Government expenses that are incurred in order to perform the legitimate functions of government, such as catching the bad guys and dealing with them, are not argued with. They are considered as necessary for society to function because there are always going to be bad guys who need to be dealt with. This is why your author sometimes refers to the government as a glorified garbage man whose job it is to take out the human trash (those who initiate force or fraud against others). The problem comes when the government wants to expand its role from being the referee/protector to a player. Then government apologists lump a lot of arguments together in an attempt to win public support. One of the arguments lumped in, and passionately advocated for, is that government spending, on non-necessary government functions, should occur because it

will stimulate employment (create more jobs) (sometimes called “pump priming”). The government jobs “created” and what is built using this labor are the seen. The private sector jobs prevented from being created and what could have been built are the unseen. As Bastiat pointed out, labor is diverted to these government programs from what the labor would have been used for. Even worse, this diverted and misallocated labor has been used to create unnatural projects. These unnatural projects concentrate wealth in a few regions where it cannot be sustained naturally, i.e., organically. And so these government-created, job-diverting projects, themselves need further unnatural maintenance to sustain them. This further ongoing maintenance will be provided by, once again, assaulting the taxpayers by way of collecting additional taxes on top of what was largely wasted in the first place. All of this is why the capital cities of most nations are impressive in the number and size of their buildings and monuments. Historically speaking, most of these buildings and monuments are what amounts to displaced labor. Bastiat, by referring to the lack of justice of it all, was basically pointing out that the government could only pay one by first taking the equivalent from another. And since James

B., in Bastiat's example, had plans for spending what he himself produced, this non-necessary act of government intervention and interference is **unjust**. The government interference, in effect, separates production from distribution.

In a just society, the man who produces something distributes what was produced in his own way. This is as it should be because he is the one who generated the production in the first place. He does so, generally speaking, by exchanging what he produced for money and then spending the money on things he wants which others have produced. None of this is overly complicated and virtually everyone could understand it, if they wanted to, once it was explained to them.

If we now refer back to the five government program fallacies, your author listed at the beginning of this section, we can notice the following: almost all of them were demolished by Bastiat over 160 years ago.

- 1) Government spending can stimulate the economy to create jobs and make the economy larger than it otherwise would have been, without the government spending – False. Once the citizen considers the unseen part of what is happening, labor is merely

diverted and this diverted labor usually builds some type of a monument, which then has to be maintained at further taxpayer expense and loss.

- 2) The government can do a better job than the private sector in operating an enterprise in some sector of the economy - False. As made plain in the previous section of this chapter, Mises demolished the idea that a state-owned-enterprise could be as efficient as a private sector counterpart, or that it could somehow be non-bureaucratic in its management and operation.
- 3) The government can enable some to become winners without at the same time making others losers – False. Once again, Bastiat demolished this idea. The government winners (tax receivers) will be the seen. The government losers (taxpayers) will be the unseen.
- 4) That government can make the allocation of what is produced fairer, or more equal – which implies that the distribution of what is produced should somehow be different from the production that caused it, with the government involved in allocating what was produced – False. Bastiat’s example, quoted above, very eloquently showed that the producer had his own plans for how to spend

what he produced. And the producer's plans were prevented from being realized only by the government taxing away the funds that the producer would have spent to implement his own plans. Further, as concerns the government equalizing income, (not discussed above and beyond the scope of this short chapter) the government can only equalize income downward, not upward. And the government can only do this, in effect, one time - as the producers will start to produce at a much lower level. Why it would somehow be considered just for a government, whose job it is to safeguard the natural rights of ALL their citizens, to start taking from producers to give to non-producers is beyond logic, morality, and the proper function of government itself.

- 5) The government can somehow be a player in the economy without disrupting what people would have themselves chosen, aka that in the modern era the government should not just be a referee, but also a player in the economy – False. Bastiat clearly showed, above, that government intervention diverts labor from what it would have been used to produce to an arbitrarily chosen government program. Government intervention is not

neutral. It creates not just winners, the seen, but also losers, the unseen.

In a prior book, *Why There Is No Justice: The Corruption Of Law*, your author quoted another of Bastiat's brilliant works entitled, *The Law*. In this book Bastiat argued for seeing whether the government, as a third party, was doing something to an individual or group that another individual or group would not be permitted to do – all being done because a law was passed making legal that which would normally be unlawful (illegal). If so, Bastiat argued for immediate repeal of such a law. His reasoning was that government should not be in the position of dispensing political favors. Government's job is, in part, the production of justice, which requires that it safeguard each individual's natural rights. In other words, **justice must take place WITHIN the context of preserving and protecting each man's individual natural rights.** And since the government cannot give to one man without first taking from another, any so doing is unjust and should be stopped.

The bottom line is that government spending does not increase labor, or the economy. Government spending for things other than the

production of justice and legitimate defense diverts and misallocates labor and builds monuments - which require future maintenance, further waste, and even more diverted labor. Government social and other programs take from producers to give to politically favored non-producers and all of the government apologetics by sellout pseudo-economists, pseudo-entrepreneurs, pseudo-intellectuals, legislators, or anyone else will not change this fact.

Government spending > the necessary and proper limited functions of government = unjust

Such government spending → diverts and misallocates labor → to politically-favored people, projects, and regions

Such government spending → is not naturally sustainable and → requires further wasted tax money → to maintain, in effect, monuments

Such government spending → displaces laborers

Government spending = consumption spending

Properly understood, **all government spending is, in effect, consumption spending.** Resources that are produced in the

private sector are consumed in the public sector. Even if a rail line or a bus is left over at the end of the year, it does not follow that a net societal investment has been made. This is because the taxpayers, representing the unseen, would have made their own decisions regarding how much to consume and how much to invest and in what to invest. And their investment decisions would involve a financial vetting process, which was enabled by rational economic calculation.

Government “investment” decisions are arbitrary (i.e., political, not enabled by rational economic calculation) and do not go through the private sector financial vetting process. Just as Bastiat’s soldier marching back and forth is unproductive labor, so is the labor to build a rail line for which there are not enough customers. This, too, is an unproductive “investment.”

Economist George Reisman observed there is evidently widespread confusion about “going through the motions of production” ... with production itself. The bottom line is there is no rationale for “government investment” any different than the rationale for government spending.

Government “investment” → displaces, not enhances, private sector investment

Government “investment” → is arbitrary, i.e., political, and does not have the benefit of rational economic calculation

One final observation is that most governments have engaged in so many programs and projects that, once begun, are difficult to contain. These programs and projects increase in scope and size year by year, choking off a lot of economic activity in an unseen way. Some of these programs were perhaps innocently started and perhaps not. In any case they have grown to the point that to do away with them is politically unthinkable, e.g., Social Security and Medicare in the United States. It is not even calculable what the cost of these programs will be. This is largely because Medicare involves an unknowable (what ailments will happen to whom, the seriousness of the ailments, when the ailments will happen, and what the cost to provide services will be at that time). Social Security is more easily calculable as how long people will live, on average, is actuarially estimable. Taken in combination they provide a first class example of government programs run amuck. To make things worse, consider the fact that most governments do not even have auditable financial statements (they use what amounts to

cash-basis accounting). Ergo, no one even knows what the present value of these liabilities are, for the promised, various and sundry, ongoing government spending programs. In the accounting and actuarial world there is the concept of net present value. The net present value, taken from the point of view of taxpayers and citizens, means how much should the government have as a liability on its financial statements, today, to fully reflect what it will have to pay out to honor its future obligations under Social Security and Medicare and any other programs with future costs. The guesstimated amount, at the time of the writing of this chapter, for the USA, is over \$100 trillion United States Dollars. Your author uses "guesstimated" because, as pointed out above, no one really knows. What is known is that this amount cannot be paid in real terms. Writing simply, in real terms means in money that has the same basic purchasing power. Government bonds, as an investment, would have to be repaid by taxing the citizenry above and beyond the current expense of government with this excess taxation being applied as a debt repayment, including interest. Politicians, however, are very reticent to restrict government spending below current tax collections in order to retire public debt. The

known government debt and all other government actuarial obligations are staggeringly large for almost all governments on earth. Money can be printed or created and paid out, but an amount this large cannot be paid in real terms. Your author can, however, provide an Executive Summary of the end of the road for all government spending programs:

**Promises have been made ...  
that cannot be kept.**

### **7.6 Money fallacies:**

Probably no area of economics is so riddled with nonsense as to what many people believe about money. In actuality, the basics are not that complicated. The problems come in when governments and some of their citizens want something for nothing and turn to money creation and other fantasies as a way of attempting to overturn economic laws and their operation.

The French economist, Jean-Baptiste Say, is credited with what is known as "Say's Law." Say's Law is worded in different ways by different authors. The essence of **Say's Law** is: production creates its own purchasing power.

Another way to say it is: produced goods and services trade for other produced goods and services. **Say was correct.**

Say's Law → produced goods and services → trade for → other produced goods and services

Say's Law in operation, pertaining to a good →  
1) produce a good → 2) with produced good in hand there is → purchasing power (exchanging potential) → 3) trade for a different producer's good that you desire

A non-produced good cannot be consumed = True

Production comes before consumption = True

No doubt early economies engaged in what is known as direct exchange. **Direct exchange** is when a commodity trades directly for another commodity, e.g., a man trades a horse for a calf. Direct exchange benefits both parties because the man who got the horse wanted the horse more than the calf he gave up and vice versa. So far so good, but there are two obvious problems with direct exchange. The first problem is what if the man with the horse wanted the calf, but the man who wanted to

trade to obtain the horse only had a pregnant cow to offer in exchange. The pregnant cow would give birth in 3 months, but the man with the horse is not going to leave his horse with the man who has the pregnant cow until he gets the actual weaned calf to take home. And the man with the pregnant cow is not going to give up both cow and future calf for a horse. This necessity, for 1) each man to want exactly what the other has to offer in trade, and 2) each proposed trade item being available at the same time, is what economists call "**the double coincidence of wants.**" A trade that would have occurred does not happen because, in this case, there is a timing problem. If both men are willing to wait several months then the trade can happen. The second big problem with direct exchange is that there is **a divisibility problem**. This can be illustrated, once again, by using the man with the surplus horse he would like to trade for something more valuable to him. By way of example, let us say that the man with the surplus horse was asked by his wife to bring home a chicken for dinner. The man with the surplus horse is not going to trade a horse for only one chicken and he does not want to receive dozens of chickens for his horse. He does not want to take care of dozens of

chickens; he only wants to eat one chicken for dinner. Now what?

It turns out that a third commodity, if used for both its commodity purpose and also for the purpose of trading for other things, solves both the problem of double coincidence of wants and the problem of divisibility. In essence, this third commodity becomes an indirect medium of exchange, i.e., **money**. And once this third commodity becomes money, its desirability in the eyes of marketplace participants greatly increases in value. This third commodity, which became money, is valued more for its role in indirect exchange than for what it was originally or currently used for as an industrial commodity, or a consumable commodity. When your author says the third commodity is valued more for its role as money than for its utility function as a commodity, the value of the commodity for its utility function does have an ongoing influence on the third commodity's marketplace valuation. Interestingly, throughout recorded human history either gold or silver (or sometimes both) is what has functioned as money. Your author says "interestingly" because ancient civilizations were separated in ways that communication was difficult, if not impossible. And yet, the same two items won out in the eyes of marketplace

participants the world over as the third commodity, which became used as money.

Your author says "the third commodity" in reference to the man with the horse who wanted to trade for a calf. Whether gold or silver was used to facilitate the trade, the money commodity would be the third commodity in the transaction. What actually happened, once money started being used as a medium of exchange, is that now productive men could do a two-step transaction that was actually easier to perform and faster than doing a one-step transaction. The two-step transaction is actually easier for virtually all marketplace transactions because the man with the horse now simply needs to trade it first for some money, let us say gold. He can divide part of the gold and buy one chicken for dinner tonight. He can save the rest of the gold to have it ready for when the calf he wants to buy is weaned and available for purchase. While doing a two-step transaction seems like more work than the one-step transaction, it is not. This is because the use of money solves the two direct exchange problems of the double coincidence of wants and the divisibility problem. Ergo, doing the two-step transaction is much easier. Cultures of all ages, all over the world, have solved this problem and

they, almost universally, have chosen either gold or silver for their money. As time advanced to the modern era, gold won out in the marketplace and became money. The one-step exchange process is known as direct exchange. The two-step exchange process is known as indirect exchange.

When a commodity → becomes valued for: 1) its utility as a commodity AND 2) to use in exchanging AND → 3) is commonly accepted as a medium of exchange → it becomes money (a commonly accepted medium of exchange)

Money solves → 1) the double coincidence of wants exchange problem and also 2) the divisibility exchange problem

Indirect exchange → a two-step exchange process → becomes **easier** and **much faster** than → direct exchange (in essence, a one-step exchange process)

Why was **the commodity gold**, suitable for use as a consumer item, e.g., jewelry, and in the modern industrial era also as an industrial item, e.g., for use in high-quality electronic components, found to have even more value as this medium of exchange, i.e., as money? It

was likely recognized that gold was almost **indestructible (durable)**. Gold does not corrode so you can safely store it. Further, gold was **divisible** into minute quantities without hurting its value (in the view of marketplace participants), so small marketplace transactions were possible. Gold was also easily **recognizable** and therefore **convenient**. Gold was also **rare**. It does not do much good, to a marketplace participant, to trade their hard earned production for something that is not relatively rare. A “want something for nothing” schemer cannot just use an alchemy process to create a lot of gold from lesser materials and then go out and buy a lifestyle. People have to work to create and produce something that is valued and then trade that something they produced for gold. And then take the gold and buy what others have produced with their smart and hard work. Across human civilizations and history gold and silver were almost universally chosen as the trade-enabling third commodity.

**That money is a state creation is a modern organic state fallacy.** Money preceded government. And when your author says that gold was chosen as money, it is not likely that all the marketplace participants sat around a campfire or met in a village square and voted to choose gold, or silver, or both as money. It was

probably more likely what Austrian economist Friedrich Hayek would call "spontaneous order." It happened as a result of human choices, but not necessarily by human design. And the same basic thing happened all over the world, across civilizations - despite the fact that communication across civilizations did not occur, or was difficult. Gold and silver are the indirect exchange, trade-enabling third commodity. In the modern era, gold is money.

Money preceded government = True

Money is NOT a state creation = True

Productive men and women can engage in indirect exchange without government being involved in any way = True

Many people get confused about exchange because most people sell their time as laborers to buy (obtain) money and then use the money to purchase (obtain) the goods and services they need and want. In other words, most people use the two-step indirect exchange process for exchanges. This is because it is easier than trying to do direct exchanges – the one-step process referred to above. Despite some people's confusion about exchange, Say's

Law holds true: goods and services (ultimately) trade for other goods and services. **Money is merely a medium of exchange.** People think they want more money, but what they really want are the goods and services money can buy.

A laborer 1) sells their time → 2) to buy money → 3) then purchases other goods and services with that money

Money is a commonly accepted medium of exchange = True

Sometimes money is also referred to as a **"store of value."** This is mostly true, partly not. Money is only a store of value if, at the time it is to be spent, it is still functioning as a medium of exchange. Because across human history gold has been accepted as money, it is likely this will be true at a later date as well. Ergo, it is likely that gold will continue to be money in the future. Even so, what will gold buy in the future if it is saved today? What will be its purchasing power then? As for the purchasing power of money, one who saves money must realize that money, being a commodity itself, is subject to the laws of supply and demand. A small gold coin that would buy a

horse today might buy slightly more or less than a horse ten years from now. It depends on the market conditions at the time, for both horses and for gold. It is an economic fallacy that the value of money can be made stable because money, itself being a commodity, is subject to the laws of supply and demand. Not even the government can make the value of money stable.

Money is a store of value IF at the time it is taken out of storage (savings) it is still the medium of exchange = True ... However,

Money, as itself a commodity, is subject to the laws of supply and demand → plus, the goods and services the money will be used to purchase are also ALL subject to the laws of supply and demand → ergo, with the value of money fluctuating on the medium of exchange (money) side AND the value of the products and services to be purchased also fluctuating on the commodity (other) side → the value of money cannot be made stable = True

The economist who did the most detailed and accurate scientific work on money was the Austrian economist, Dr. Ludwig von Mises. His classic 1912 book entitled, *The Theory Of Money*

*And Credit*, solved the problem of the value of money (the famous regression theorem), was the first to explain the cause of the business cycle, and scientifically and systematically explained money for the first time, thus integrating money with economics proper. The book is almost 500 pages long and is the best single book on money ever written. Mises, of course, also discusses money in numerous of his other scientific books. The best single place to learn about money is his, *The Theory Of Money And Credit*.

Mises clearly and irrefutably shows that the quantity of money in any particular economy is sufficient for money to do its job of enabling indirect exchange. It is a government or uneducated citizen fallacy to think that either increasing or decreasing the quantity of money will better enable marketplace transactions. There is always enough money in an economy for goods and services to trade for each other using the two-step process known as indirect exchange. The money price of goods and services will fluctuate up and down depending on the quantity of money, but indirect exchanges will still be enabled and made.

In any economy, the quantity of money available will be sufficient for money to do its job as a medium of exchange = True

Prices, in money terms, fluctuate to enable the available quantity of money to do its job = True

As Mises and the other Austrian economists have demonstrated, the use of money in indirect exchanges provides a very useful additional benefit to marketplace participants. This additional benefit is in addition to the enabling of the indirect two-step exchanges of goods and services in the first place. And that additional benefit turns out to be quite important. The additional benefit is that marketplace participants now have **money prices**, which they can use to calculate with. And **these prices enable economic planning** by the producers (and consumers) of goods and services. Further, these prices coordinate the different plans of all of the marketplace participants - at the same time - without the need for a central planner. Since most production is sold for money it tells producers what to produce and how much. Producers can still make planning mistakes, but prices at least give them something quite important to go by. Because markets generating prices occur

everywhere there is private property, a commodity used as a medium of exchange, and freedom to trade, money prices are almost everywhere. And those money prices are, in essence, **distributed intelligence**. Mises would later figure out that without money prices, which Socialism cannot provide, Socialism is not possible as a rational and scientific economic system.

Indirect exchange → money prices → enables economic planning → a big additional benefit

Money prices are → distributed intelligence

Some money cranks have advocated that land could be used as money. But land is of a different kind and quality and is not easily saleable (liquid). Also, it is not uniformly divisible while retaining its prorated valuation, nor is it portable. **There is no way land can be used as money** because, amongst other things, money must be uniform, liquid, divisible, and portable to function as a medium of exchange.

Other money cranks have advocated that the total money supply of a nation should be calculated by taking the creditworthiness of each

of that nation's citizens (as if that could be known in a dynamic world) and adding it all together, and then creating a total supply of money equal to this "calculated" total. Money would then be a state-created fiat something, e.g., a British pound, either by the government itself, or through governmental and central bank and cohort bank cooperation. This is, of course, nonsense, as the creditworthiness of each citizen is not knowable or stable, nor numerically able to be added. Further, credit is not easily recognizable, nor easily divisible, nor uniform, nor anything even remotely similar to the characteristics money has to be, such as a third commodity with pre-existing marketplace acceptance, etc. It is a nonsensical rationale for the government and its cohort licensed central and other cohort banks to obtain a lien on the people and their property – thus violating their individual natural rights. There is no way that national "creditworthiness" could somehow be made to work as the basis of a medium of exchange. This is yet another money fallacy.

It should be noted that prices do NOT measure the value of the commodity being bought or sold. The marketplace prices are very recent information. They are recent current history, but they do not measure value. The

reason they do not measure value is because the man with the surplus horse, who sold it for money, valued the money MORE THAN THE HORSE. On the other side of the same transaction, the man with the money who bought the horse valued the horse MORE THAN THE MONEY. In point of fact, as the Austrian economists have conclusively demonstrated over the years, the only reason the marketplace exchange took place was because each man's personal hierarchy of values were different.

There was an unequal valuing process in the minds of the two men who did the transaction. And that is why the transaction happened in the first place. So there is no way anyone could say for certain what the value of the horse was, or is (or the value of the money). What is known, assuming the two men bargained in the public square for others to observe, is the price of the horse in money terms. And that price provides important information for others to use in their planning purposes.

A marketplace trade (transaction) occurs because → two individuals have → different and unequal valuations → at a moment in time

Values cannot be measured = True

Prices do NOT measure value = True

Prices do enable → economic calculation

Prices are → recent history

Prices fluctuate constantly = True

Economic calculation → is enormously valuable for human beings, → even though human beings are forced to use → prices, not values, in their calculations

Economic calculation → enables → the rational allocation of resources

Economic calculation → enables → estimations of proposed projects, i.e., → the financial vetting process (planning)

Economic calculation → enables → personal, household, and entity budgets

Economic calculation → enables → financial and cost accounting, including cashflow planning

Summary Life Chart:

A commodity → commonly accepted as a medium of indirect exchange → money → prices from marketplace transactions → economic calculation + planning → the rational allocation of resources (Further: private property and human liberty in the form of freedom to contract are also needed to generate marketplace transactions)

Does any of this mean that the use of prices for planning purposes ensures that some men's plans will not go awry? No. A simple example would be if the leading manufacturer of buggy whips, in America in the latter part of the Nineteenth Century, decided that business was good and he was going to expand production. Future business chances looked excellent because America was gaining in population and wealth. More people and more wealth meant more carriages and horses were needed for transportation. With all this in mind the buggy whip manufacturer decides to expand his production. However, along comes Henry Ford and people decide they would rather have cars than horses and carriages and buggy whips. There really was not anything particularly "wrong" with the buggy whip manufacturer's reasoning. But this world is dynamic, not static. Things change. People change. Tastes change.

And now people prefer cars to horse-drawn carriages. A lot of manufacturers in the buggy whip manufacturer's position would blame their declining sales on "a shortage of money." But there was and is no shortage of money. People found the money to buy Ford's cars. What actually happened, in this made-up case, was that there was a malinvestment by an entrepreneur – who now wants someone or something to blame other than himself.

The world is dynamic, not static = True

People + tastes + circumstances → change

Sometimes financial plans go awry, but this does not take away from the benefit of being able to plan in the first place = True

When the cry goes out, "there is not enough money," it is to disguise the fact that either: 1) a price is not low enough to clear the market, or 2) that a malinvestment has been made that needs to be converted or liquidated. In the above example the over-exuberant buggy whip manufacturer needs to lower his prices on existing inventory to liquidate it (even if he takes an accounting loss) and he will need to retool his plant to make something else that

people will both want and be willing to pay for. Perhaps he can make automotive parts and become a supplier to Henry Ford. The cry, "there is not enough money," comes from a variety of sources. If a laborer cannot get a job at his asking price, he blames a shortage of money as having caused bad business conditions leading to, "Employers are not hiring right now." Actually, employers are always hiring - at the right price. When a person who would like to be an entrepreneur cannot get his potential project financed, because it does not sort to the top of the financier's pile during the financial vetting process, the wannabe entrepreneur cries out, "There is not enough money." When a real estate developer has built too many houses, or the wrong kind of houses (houses that people do not want), they blame their marketplace failure on "a shortage of money." Everyone wants to blame someone else for his or her own shortcomings. And just what is the "correct" amount (quantity) of money? To each marketplace participant the answer would be different. It would be just enough for them to sell their labor or product, but not so much as to make the prices higher of that which they hoped to buy. Mises demolished the "there is not enough money" fallacy. Beyond what your author has written here, you

will have to consult him for the complete intellectual demolition of this fallacious idea.

The protest, “there is not enough money” comes from → those who are currently experiencing → marketplace failure

There is always enough money for money to function as a medium of exchange = True  
(prices have to adjust)

It is beyond the scope of this short section of this chapter to raise and demolish every possible money fallacy because there are so many of them. That is why Mises took almost 500 pages to discuss money scientifically. Mises shows, for example, that the notion of velocity – as pertains to money, is wrong. Because people want to have money with which to buy things **there is a demand for money**. If people become more uncertain of the future they may choose to hold more money in reserve than they normally would. This increased demand for money does have an economic effect, but you do not need the concept of velocity to explain that effect. Velocity has to do with the speed of something, e.g., particles in motion in a given direction, as in physics.

There is no need for the concept “velocity” to explain money scientifically = True

What people confuse for “a slowdown in money’s velocity” actually is just an increase in the demand to hold money = True

Mises further showed that the notion of money circulating is also wrong. Money does not circulate. It is either in one man's possession or another. The attempt to combine the natural sciences, in this case biology, with the social sciences, in this case economics and money, almost always results in nonsense. Mises showed in his spectacularly important economic treatise, *Human Action*, that you need a different scientific method for the social sciences than you do for the natural sciences. Trying to combine the two does not work and trying to only use natural scientific methods also does not work. You need what Mises called methodological dualism – two different methods, one for the natural sciences and one for the social sciences. The simple reason you need two different methods is due to human beings having the ability to make choices and those choices being causative to the consequences that follow. There is no choice in the natural sciences so you need a different method for the

two kinds of sciences. Back to our “money circulating” example, many of those who postulate that money circulates are also inflationists – those who believe the government and/or government-enabled central banks should continually increase the money supply (more on that below). But does this same pseudo-economist who, borrowing from biology, believes money circulates, while at the same time wanting inflationist measures (so there is not “a shortage of money”), really advocate, in order to be consistent, that the human body would benefit from more and more and more blood? Sometimes slogans sound good at first, until they are put to social scientific scrutiny.

**Money does not circulate. It changes hands (ownership) as transactions occur in the marketplace.**

Money does not circulate, it is either in one man’s possession or another = True

Just as the human body would die and NOT benefit from more and more and more blood, the economy does not benefit from more and more and more money = True

In his, *The Theory Of Money And Credit*, Mises demolishes another economic fallacy

involving money. In economics-speak “commodities” means the goods and services that people buy, not just actual commodities like wheat, or nickel. The fallacy Mises demolishes is that the prices of commodities (or the purchasing power of the money with which to buy them) can somehow be made stable.

Usually this kind of interventionist proposal advocates somehow indexing the commodities in question at a particular point in time and then manipulating their prices going forward in order to achieve some sort of pricing stability. The manipulation usually involves at least somewhat using increases and/or decreases in the money supply (printed or otherwise created money substitutes, not gold) to help effect the stability.

Mises showed that this results in political pressure groups arguing for their method of indexing in what amounts to arguing for political favors to be gained at the expense of the citizenry. Per the prior section of this chapter, what the government gives to one group it first has to take away from others. What it costs the taxpaying citizens is the unseen. Governments do not like the marketplace use of gold as money because it reminds them there are natural economic laws and those economic laws place limits on them. Mises comments:

"There are many ways of calculating purchasing power by means of index numbers, and every single one of them is right, from certain tenable points of view; but every single one of them is also wrong, from just as many equally tenable points of view. Since each method of calculation will yield results that are different from those of every other method, and since each result, if it is made the basis of practical measures [new legislation], will further certain interests and injure others, it is obvious that each group of persons will declare for those methods that will best serve its own interests. At the very moment when the manipulation of purchasing power is declared to be a legitimate concern of currency policy, the question of the level at which this purchasing power is to be fixed will attain the highest political significance. Under the gold standard, the determination of the value of money is dependent upon the profitability of gold production. [Mises is saying the quantity of money cannot increase by very much, very fast because gold has to first be mined for the quantity of money to increase. Gold mining takes time and effort and has natural limitations, in addition to the economic limitation that mining gold must be profitable or people will not mine it.] To some, this may appear a disadvantage; and it is certain that it

introduces an incalculable factor into economic activity. Nevertheless, it does not lay the prices of commodities open to violent and sudden changes from the monetary side. The biggest variations in the value of money that we have experienced during the last century have not originated in the circumstances of gold production, but in, the policies of governments and banks-of-issue [central banks primarily].  
Dependence of the value of money on the production of gold does at least mean its independence of the politics of the hour."

Summing all of the above up, there is no need for indexing as: 1) it sets up a political battle over what index is used, resulting in government-favored winners and government-victim losers; 2) **indexing cannot work on either the commodity side or the monetary side** because both sides involve supply and demand, which are constantly fluctuating in the dynamic real world; and 3) indexing enables more government-inspired political interference into and over the economy – particularly on the monetary side. Further, 4) since indexing is a quintessential interventionist measure it will lead toward Socialism and disaster. 5) All marketplace participants want their labor or other products they wish to sell valued highly,

resulting in high prices. But when those same marketplace participants go to buy, they want the commodities and services they wish to purchase sold to them at low prices. Any governmental interference into the economy **distorts from the true price signals** that are needed for rational economic planning. That governments can use indexing, an attempt to impose a static state on a dynamic marketplace, to "stabilize" either commodity prices and/or the purchasing power of money is a fallacy.

Governments typically get their finances to operate by taxing their citizens. If a government is small, limited to the production of security and justice, then taxes are small and relatively easy to collect from a variety of means. If governments go beyond their proper function then their budgets start to grow exponentially. At some point, solely using the collection of taxes to fund ever-increasing governmental expenditures becomes either very difficult, or impossible. The next usual step is for the government to borrow money from its citizens, or the citizens of other countries. Once possible lenders to the borrowing government no longer consider this government a good credit risk, but the government pseudo-leaders want the government programs and spending to

continue, then what? The answer to the, "Then what?" question is particularly troubling concerning the subject of money. Governments typically charter, or otherwise legally enable, a central bank along with a host of government-licensed supporting cast member commercial banks. The central bank then takes charge of that nation's money and is charged with a variety of tasks. Whatever the political cover story, concerning the supposed tasks of the central bank and its cohort banks are, what really happens is some form of the following:

1. Commodity money is attacked or minimized. Gold is a threat to a government's ability to over-spend so it must be made difficult or impossible for citizens to use gold, i.e., real money.
2. Created money, usually paper money, at first, is given what is known as legal tender status. The result of this legal tender status is that paper money is now more widely accepted in the marketplace than it would otherwise be and it is also considered legal tender with which to repay debt obligations.
3. Without legal tender laws gold would drive out of use the paper money, which is a money substitute. After all, a claim to gold is not worth as much as gold itself. People

would prefer the real thing, gold, to a money-substitute claim on gold. With legal tender laws, however, gold disappears from the marketplace. This is known as "Gresham's Law," usually loosely stated as "bad money drives out good money." It is more properly stated: money, which is over-valued in the marketplace (paper money), drives out the money that is under-valued in the marketplace (gold). Without the legal tender laws a lender would insist on being repaid in actual gold and not just with a claim on gold.

4. All of this would be bad enough but it gets worse. The government-licensed cohort commercial banks are allowed to grant loans to borrowers via a process of granting the loan with newly created checkbook money (money substitutes). There is no commodity money (gold) to 100% back the new loan. In other words, the lending bank simply does an accounting entry whereby they debit Loan Receivable From Borrower and they credit Borrower's Deposit. The borrower now has a money-substitute **"checkbook loan"** and is now free to issue checks against the loan and/or withdraw currency (cash) (paper money substitutes) to buy goods and services with. This legal

provision, which the cohort banks take advantage of, leads to the creation of new money substitutes via an accounting debit and credit. It expands the effective money supply, thus lowering the value of the purchasing power of money. When the purchasing power of money goes down, prices in money terms rise – the process commonly known as **inflation**. Savers are penalized. Borrowers are rewarded. Since there are usually numerous banks throughout a country, this checkbook loan process can radically alter the purchasing power of money. This radical alteration of the purchasing power of money distorts the pricing signals of the marketplace. It should be noted that there are central bank limits to commercial bank money creation, but those limits do not materially affect anything that was discussed above. Commercial banks create money substitutes with their checkbook loans and that expands the effective money supply, lowers the purchasing power of money, and distorts the pricing signals of the marketplace.

5. It gets even worse, because government politicians want a strong economy when they are running for reelection. So these government politicians encourage the

supposedly independent central bank to lower the money price of loans by an unnatural manipulation of the amount charged for interest. The central banks usually comply and the entire money price of interest, the cost to borrow for houses, cars, business inventory and machinery, etc., gets set politically, versus by natural forces in the market. In economic terms it can be said that the money price of interest is politically lowered to be less than the natural rate of interest of the marketplace.

Economists refer to this as "**credit expansion**." (The artificial lowering of the money price of interest plus the ability of the banking system to create checkbook loans.) It is the cause of the business cycle. As Mises brilliantly pointed out, this cannot last. But it can manipulate events in the short-term, as we shall see below.

6. Entrepreneurs and their financial backers perform economic calculations, taking into consideration numerous facts and estimates, before making their decisions to start a new project, or to expand an existing project. One of the more important things they take into consideration is their estimation of the prices they hope to receive from selling their finished products. Because the government,

the central bank, and the government-licensed bank cohorts have created money substitutes, the purchasing power of money is lower than it would be without this new money creation. Ergo, the prices of things money buys are higher. So the entrepreneurs believe they can achieve high prices when they go to sell their finished products. The reader should remember that all production takes time. There is a time lag between when the project starts and when the products are finally sold into the marketplace. Another important factor that entrepreneurs and their financial backers consider, before embarking on a new project, is their projected internal rate of return for this new project. If a proposed new project's projected internal rate of return is, let us say 5%, and **the marketplace's natural rate of interest** was believed to be 6%, the project would not be undertaken because, even if successful, the project would earn less than what would be considered a good return at the time. In other words there are other projects that would be invested in before this project and so this project would not likely obtain the necessary financing to commence. Even the proposers of the

contemplated new project would do better by simply putting their money out (lending or investing) into the marketplace at the natural rate of interest. They could achieve a higher return without the work of completing the new project. The problem comes from the government-inspired central bank intervention to politically lower **the money price of interest** to, let us say 3%. Now, the projects that did not make financial sense at a 5% projected internal rate of return look like they do make good financial sense. But these projects still need a source of funding. And, since the government-licensed cohort banks can create money substitutes by granting checkbook loans, these formerly non-financeable projects obtain financing. None of this would have happened if the politically-inspired money price of interest were not pushed below the natural rate of interest. These projects would not have survived the financial vetting process. Their sponsors, wannabe entrepreneurs, would not have been able to commence these proposed projects. These projects become, in essence, pseudo-projects sponsored by pseudo-entrepreneurs financed by “funny-money.” But the net result is no so funny.

7. With the newly created bank loan funds in hand, all of these pseudo-entrepreneurs go out into the marketplace to bid against other entrepreneurs for labor, land, raw materials, tools, machines, and the other things they need to implement their projects. Your author says "**pseudo-entrepreneurs**" because A) these are men who would not have survived the financial vetting process if the money price of interest was not manipulated downward and B) would not have gotten their projects funded if the commercial banks were not legally enabled to grant checkbook loans. **A real entrepreneur** is someone whose project would have survived a financial vetting process and then received financing with real money – the real entrepreneur does not need, nor want a politically-inspired lower money price of interest to get his project approved and funded. The money price of interest being pushed lower politically and the ability to grant checkbook loans both fall into the category of **governmental interventions**. Without these government interventions these pseudo-entrepreneurs would remain laborers because their projects would not be deemed important enough to receive financing. However, while

the government, central bank, and cohort banks can create money substitutes effectively functioning as “money,” what they cannot create are more laborers, more machine tools, more equipment, and more raw materials, including land – which are known to economists as the factors of production (the factors you need to utilize in order to get production accomplished). **The factors of production are limited.** The money supply, in a central bank scenario, is not. The volume of money substitutes, e.g., paper money and checkbook loan money, is not limited. Because of legal tender laws the money substitutes enable marketplace transactions just like real money does. Real money is commodity money, e.g., gold.

8. Most of this new project financing comes from these newly created money substitutes, particularly checkbook loans. When this new project financing goes out into the marketplace, to purchase the nature-limited factors of production, the prices of the factors of production go up. They have to. But now **another problem from the government interventions presents itself.** More effective money, chasing limited factors of production, means that the pseudo-entrepreneurs have to

attempt to outbid each other (and real entrepreneurs) to hire laborers, to acquire raw materials, to acquire the land to build houses on, to rent or buy equipment, etc. The marketplace allocates limited resources via prices. **Prices rise.** But the pseudo-entrepreneurs did not have these higher prices, for the various factors of production, in their business plan. Projects that were projected to earn an internal rate of return of 5% now earn much less, or even lose money. **Before this ugly reality hits, the economy is booming and the politicians climb over each other in an attempt take credit for the boom.** This is because production takes time. Most people who want to work get a job because a lot of projects got started, all at once, that would normally not be started at all. These projects looked good on paper, but the people doing the calculating, the pseudo-entrepreneurs, their financial backers, and the commercial bankers, do not really understand economics, or if they do, they want to somehow ignore economic laws and their operation. They do not actually understand the reasons for the business cycle. Hopes were high. The contemplated future looked rosy, **but the real future**

**always comes (the future caused by our actual present choices, not our present beliefs and wishes).** And when it does, the pseudo-entrepreneurs find there are not enough factors of production to complete their projects and there are far higher than budgeted costs to be paid. They do not have a funding source for these over-budget extra costs and even if they did, their project is now incurring a loss. A loss is the marketplace signal to stop. Widespread pseudo-entrepreneurial errors are revealed in a very short period of time. When they realize there will be a financial shortfall and they have to explain all of this to their financial backers and bankers, and to their own families, everything comes unglued.

9. The bankers start to raise interest rates (most of the loans to finance the pseudo-projects are variable rate loans, thus enabling the bankers to increase interest rates). The bankers raise interest rates because the artificially induced economic boom has been exposed as artificial and not organically sustainable. The projects that looked so profitable on paper are now exposed as **losing malinvestments**. Many of these projects cannot even be completed, e.g., an unfinished housing subdivision.

Factory expansions filled with new equipment sit idle. The bankers are scared out of their wits and are worried about how they are going to be repaid. They are not. They put interest rates higher as a first line of defense toward not financing new malinvestments. Then they scramble, in consultation with the also scared pseudo-entrepreneurs, as to if, how, or when these failed projects should be completed, or not, and what other assets the borrowers might have that the bankers can latch onto to try and save themselves. Because all banks are in the same leaky boat the bankers, ironically, no longer trust each other and inter-bank lending is dramatically reduced or even comes to a complete halt. No one knows what the real value of all of the malinvestments are and hence what the real situation is pertaining to bank balance sheets. In other words, banks themselves are not credit worthy and the bankers know it.

10. In lender-forced sales, malinvested assets are sold off at a steep discount, nowhere near the price hoped for in the original business plan. With so many assets coming onto the market at once, prices plummet. Workers are laid off. Bankruptcy attorneys

have a field day. Government tax collections are reduced. Governments temporarily save their bankrupt (in substance) commercial bank cohorts by putting the full faith and credit of the government behind certain financial institutions that are deemed too big to fail. Smaller banks are forcibly merged with larger banks. The sponsors and lenders of these malinvestments, including the government politicians, want a scapegoat to blame. They want to deflect blame onto anyone or anything other than letting the truth be known. And if the truth is known, it is the government-inspired central bank and the checkbook loan granting commercial banks, in short, the fiat money-substitute system itself (all government interventions) that causes business cycles. The responsible cohorts only want to take credit for the artificial and unsustainable boom period. They need someone to blame for the bust period that necessarily follows the artificial boom. It cannot be known that the government interventions are the real culprit – the real reason for the business cycle. Interventionism does not work and leads to more and more government control over the economy. In this case, the government-inspired central bank and commercial bank

system with its checkbook loans is a system replete with permanently recurring structural failure, i.e., the business cycle.

11. Who is the designated culprit to be blamed? Capitalism. But **capitalism has nothing to do with any of the above.** Governments, unnatural and inorganic central banks the governments charter or allow to exist, and the government-licensed cohort banks INTERVENED into the organic marketplace and unnaturally caused the money price of interest (the politically-driven interest rate) to be interventionally forced below what the natural marketplace, organic (natural) rate of interest would be. Pseudo-entrepreneurs, who would never have gotten their hands on money were this not the case, now get financing. And these pseudo-entrepreneurs undertake varying and sundry projects, which turn out to be malinvestments. These malinvestments waste precious societal factors of production, thus wasting capital and time and create problems that end up taking years to resolve. People's lives are harmed because they want something for nothing and they do not understand there are economic laws that limit all of us – including governments.

12. All of the above explains, in layman's terms, the business cycle. The first central bank was The Bank Of England. For several centuries England would experience a business crisis about every ten years. The crisis would always be blamed on a non-monetary event (a real event) such as a crop failure, a war, or a balance of payments problem, etc. This was to divert blame away from the actual cause, which was monetary in origin. Mises, in his *The Theory Of Money And Credit*, solved the business cycle problem with a scientific explanation that cannot be refuted. Governments and central banks do not want to hear any of this, but **it is their monetary interventions into the marketplace, that is the cause of the problem.** Countless men have been ruined and untold capital has been wasted because of this.
13. Outside the business cycle explanation above, a further central bank exploit is to create funds with which to purchase government debt. The mechanics of this are beyond the scope of this section of this chapter, but the essence of the matter is that the central bank and/or agents operating on its behalf, including government-licensed cohort banks, create

money substitutes and then buy government debt. This enables the government to obtain debt financing from the central bank team, even if there are no marketplace buyers for government debt, and this debt financing allows for the government to go on living beyond its means. “Beyond its means,” means beyond the government’s ability to collect tax receipts to pay for its expanded and unnatural government spending programs. The obvious negative side effect of all this is that the government then accumulates a large **national debt** obligation. The national debt obligation compounds at interest becoming larger and larger. As Mises has pointed out in numerous other economic writings, this will ultimately lead to a **currency crisis** for that government. The currency crisis can be triggered by a variety of causes and will happen, at a minimum, when that government’s trading partners no longer want the created money substitutes in payment for goods and services. Skipping a few steps, when governments and their citizens cannot trade to get the products they deem vital, wars tend to happen.

14. The unnatural and unnecessary government sponsored and/or government allowed

manipulation of a nation's money supply will likely lead to: A) huge government debt obligations that are never repaid in real terms, i.e., with money of the equivalent purchasing power; B) life and capital wasting business cycles with their malinvestments; C) a currency crisis; and finally, D) war. Intelligent debt should be short-term, based on financing a productive asset like a widget making machine, and self-liquidating. Government debt is none of these. All the above negative effects are because governments, bankers, and some of their citizens want something for nothing.

15. A further problem with a central bank and all of the above is the fallacy that the rise of prices resulting from the purchasing power of money (substitutes) decreasing occurs evenly throughout the economy. It does not. Government and friends of government get the newly created money substitutes first and spend it first – before prices all around have risen. Ergo, the early receivers of the newly created money benefit the most – which is why governments set up central banks and their cohort banks. The losers are those who receive the newly created money last. They have to spend it after prices have risen. Their hard-earned and

saved money does not buy them as many goods and services as it should have.

16. Another less discussed, but very important negative concerning government manipulation of the money supply, is that **it shortens people's time horizons** and makes them gamblers. Inflationism is the name of the government interventionist economic policy followed when lowering the purchasing power of money. Inflationism corrupts and destroys people's character. Pseudo-entrepreneurs try to get their hands on project financing. If the project works out, they become rich. If not, they go bankrupt and hand the problem over to the bank, or to the taxpayers. People want to become famous because fame becomes a kind of currency to trade with to get their hands on fast-eroding money. Gambling becomes widespread, whether via government lotteries, or in casinos, or otherwise. People tend to swing for the fences now, to use a baseball metaphor, but most strike out. As the purchasing power of money is eroding, saving for the future is effectively penalized, so people save and invest less. People become more present-oriented and less future-oriented. But the future always arrives and

reality always has the highest remaining trump card in the deck. The results of the above are the consumption of capital and the lowering of the general standard of living. All of the above leads to a short-term, wanting something-for-nothing corruption of people's thinking and character. It works against the divine individualism process for human development.

17. An obvious known problem of inflationism is the cheapening of product quality and the candybarization of products. By "candybarization of products," your author means that the way candy bar manufacturers have dealt with the problem of higher factor of production costs is to simply charge the same amount of money for their product, but to make the product inside the package cheaper, i.e., smaller, or with lower cost ingredients, thus lowering product quantity or quality. Consumers notice it and grumble, but rarely understand the cause to be interventionism. Instead of hardwood, we have veneer. Products are adulterated due to government intervention into the monetary system.
18. A further problem for businesses is, that during the time period in which prices are

rising, businesses overstate their profits. This gets a bit complicated, but the essence of the matter is that businesses need to replenish their sold off inventory in order to continue on in business. When the inventory is sold it was based on costs from a time prior to the factors of production rising in price. When the business goes to re-supply its inventory it has to pay more for the factors of production necessary to manufacture the replacement inventory. If the managers of the business are not vigilant they might not raise sales prices fast enough and their future profits will go down. Worse, the consumers in the marketplace might not accept the higher prices and stop buying, or not buy as much as they did before. In the meantime, for tax accounting purposes, the government counts as income the difference between the selling price of the inventory and the old cost to manufacture the inventory. So the business has to pay taxes on what an economist would say are phantom profits, resulting in them not having enough after-tax cash with which to pay to resupply their inventory - depending on their capital structure. At a minimum they cannot re-supply their inventory from their traditional inventory

and sales cycle operations. Many accountants would disagree with the economists on this point, but they are, in substance, wrong. Some form of immediate tax accounting recognition of the higher resupply costs for replacement inventory would help resolve this problem, but governments do not allow for this. There should be immediate recognition of higher resupply costs of inventory because if the business cannot resupply its inventory, it is no longer a going concern and this is something that the accountants do care about. And so should we all.

A few further points on money are all that this relatively short section of this chapter has the space allocation for. One such point is that there are consumer goods, e.g., the clothes we wear, the food we eat, the apartment we rent to live in, etc. And there are production goods, e.g., tools and machines that help manufacture products, or parts of products, etc. The commodity functioning as money is neither a production good, nor a consumer good. It is a medium of exchange. When gold is used for jewelry, then it is a consumer good. When gold is used to plate electronic components, it is a production good. But these two uses for gold,

and any other industrial or consumer uses are comparatively minor to gold's most valuable use – which is to function as the indirect medium of exchange, money. And when there is honest, non-interventionist money, i.e., gold, amazing things can happen. Honest, non-politically manipulated, price signals are conveyed to real entrepreneurs. These real entrepreneurs, backed by real financiers (saver-capitalists), obtain project funding to produce goods and services that people actually want.

Malinvestment is minimized. Products are improved instead of cheapened. People tend to think longer term, thus not ruining their character by becoming short-term gamblers and fame chasers.

**When gold is money** (and this allows for silver to be used for smaller transactions, or even copper – depending on what the marketplace participants decide – not the government) (and not your author), **productive people produce**. Of what is produced they engage in indirect exchange to obtain money and they typically spend part of the newly obtained money for goods and services they desire. What about the part they did not immediately spend, known as savings? Do savings hurt the economy? Some famous

economists actually believe so. Fortunately, this is a fallacy and they are wrong. What happens to what is saved if the saver wants to earn a return on what they have saved and so to compound the effect of their savings over time? The saved money is either lent directly to other producers, or put on deposit at a financial institution. But this is not the end of the story. (To simplify the below discussion your author will assume that the financial institution lends the deposited funds to an entrepreneur with a worthy project. The funds could also be invested as equity in some way, but let us assume a bank loan to an entrepreneur for ease of discussion purposes). Any amount put on deposit at a financial institution is also lent out to entrepreneurs to finance projects that have survived the financial vetting process. In short, the entrepreneur gets a bank loan of what Mises would call commodity money, i.e., gold coins, or a 100% backed by gold bank note, substituting as commodity money. This loan process of lending commodity money, which was saved and placed on deposit, creates no new money – unlike a checkbook loan. The depositor is agreeing to keep his money on deposit for a set length of time in order to receive a contracted-for rate of interest. The bank either makes an interest rate spread, or a fee for placing the loan

with the borrower on behalf of the saver-lender. The money is productively employed in a venture with a real chance of success. It is not a pseudo-project, sponsored by a pseudo-entrepreneur, financed with created pseudo-money (substitutes), which can only lead to the train wreck scenario already previously discussed.

Because Mises figured out all of the above, long before the Great Depression (he published in 1912), long before other men even knew there was a problem, your author feels it is only fitting for Mises to lay out his conclusion of the matter. It was written toward the end of his Preface for the 1934 first English edition of his great work on money:

"The important thing is not whether a doctrine is orthodox [conforms to the mainstream economics theories] or the latest fashion [what people want to believe], but whether it is true or false. And although the conclusion to which my investigations lead, that expansion of credit cannot form a substitute for capital, may well be a conclusion that some may find uncomfortable [because they don't want to face the reality of economic laws or objective truth], yet I do not believe that any logical

disproof of it can be brought forward [which there has not been to this day]."

### **7.7 True and rational economic principles:**

The subject matter of economics is very misunderstood. Most people think of Adam Smith when they think of economics, but that would be tantamount to thinking of medicine during the time period when doctors used leeches to draw blood and routinely amputated limbs. In 1871 (published date) the problem of explaining value was solved. The best solution came from the man who went down in history as the first Austrian economist. His name was Dr. Carl Menger. Two other men, William Stanley Jevons and Leon Walras, also independently solved the problem and published the solution at about the same time. In addition to contributing the very important solution concerning value, Menger also moved economics forward in terms of the correct methodology, which is known today as **methodological individualism**. (Menger probably would have called it ontological individualism, or an atomistic method of analysis, because he was attempting to understand reality in the social sciences, but the concept is essentially the same.)  
Methodological individualism is quite a mouthful

and what it means is in order to understand what is really happening concerning economic problems you have to study at the individual level, not the collective level. Menger contributed additional important knowledge concerning economics, but the main point here is that the Austrian school of economics was, in substance, established. Dr. Menger taught at the University of Vienna during a time when Vienna was coming toward the end of being, in essence, the capital of middle Europe. Menger was followed by a number of other Austrian economists who each advanced the profession.

Value theory was not correct until 1871. Prior to that, economics as a science had many errors  
= True

Methodological individualism → studying the actions of individual agents → reveals the causal relations of → social phenomena (including economics)

One of the reasons it is difficult to write about true and correct economic principles is because everyone is a participant in the economy to one degree or another. Most people have bought and sold and many people earn money from their labors and then spend that

money. This makes people overconfident in what they think they understand concerning economics. Unfortunately, a lot of what people think they understand concerning economics is wrong – hence this chapter taking time to discuss some of the more widespread economic fallacies. Economics is a social science and it takes time and effort to understand any science. Economics is no different. Just because someone breathes air and their heart pumps blood does not mean they understand the human anatomy. So it is with economics. Just because someone labors for money and then spends that money, or makes an investment, does not mean they understand economics. Because there are so many widespread economic fallacies it is really helpful to study at the feet of excellent and well-grounded teachers or one can waste a lot of time and expend a great deal of effort and still end up reaching the wrong conclusions. This happens a lot concerning economics because there are a lot of bad economic theories.

The other reason it is difficult for your author to explain true and correct economic principles is that **economics needs to be understood systematically**. And it is difficult to explain a complete system in a relatively short chapter.

This is particularly true if, as your author has chosen, the chapter first exposes and rejects some of the more important economic fallacies plaguing mankind. In point of fact the three best books explaining economics as a system are each between 900 – 1,100 pages long. And they are precise and detailed in their systematic explanations. To read and study these books is a lot more effort than what it would take to read a novel of 1,000 pages, but economics affects our personal lives. Further, economics should be studied and understood by the citizenry as, in many cases, the citizenry votes for public officeholders. If either the citizenry, or the public officeholders, do not really understand economics and its rational principles, then trouble soon follows. And it has. The three best systematic treatises, that your author can recommend, are as follows:

*Man, Economy, And State* by Dr. Murray Rothbard, which is 1,041 pages in length. Rothbard grounds his economic treatise in the laws of nature and your author finds it the best single book, overall, explaining the science of economics to the general reader. Rothbard was a disciple of Dr. Ludwig von Mises, and Rothbard is considered part of the Austrian school of economics, though he is not Austrian by

nationality. Austrian economics is a school of economic thought and has to do with the fact that Menger, another man named Dr. Eugen Bohm-Bawerk, and Mises placed economics onto a sound footing regarding methods, understanding of the subject matter, and conclusions drawn.

*Human Action*, by Dr. Ludwig von Mises, which is 885 pages in length. This is the hallmark book of economics – the treatise that, in essence, grounded the science of economics for the first time in a complete and systematic manner. In short, Mises took the science of economics to an entirely new level. He built on Menger, Bohm-Bawerk, and others to systematize economics and to explain what it is and what it is not. He wrote what amounts to a German version first, from about 1933 – 1940, and he did so while under duress, as the Nazis were trying to get him. Mises explained that his book would have been even longer, but he had to make the choice to write on the most important aspects of the field first due to time and stress limitations. In fact, upon annexing Austria, the Nazis raided his apartment home and carried off his papers and personal library. Mises uses a more utilitarian approach than does his later student, Rothbard. However, Mises,

correctly understood, means utilitarian in the way that results matter to the actor so you must choose the appropriate method. Mises does not advocate the violation of man's natural rights as some unwise and unthinking utilitarians do. Your author will touch on this in a later part of this chapter. The point is that with *Human Action* the science of economics was really well grounded and "complete," but *Human Action* is not the easiest book for someone new to the field to read.

*Capitalism*, by Dr. George Reisman, which is 998 pages in length. Reisman was also a student of Mises and he was also a student of the philosopher and novelist Ayn Rand. Reisman, also considered an Austrian economist, grounded his treatise on the value of life and upholding the principles necessary for flourishing life. These principles are known by reason and include: accurate identification, cause and effect, private property, division of labor, and many other key principles – most of which are further elaborated below. Your author does not agree with Dr. Reisman pertaining to certain macro and other explanations, but Dr. Reisman contributed many important explanations concerning true and rational economic principles. His explanations of natural resources

and the division of labor are outstanding and worth reading.

Since it took three of the best minds in the history of the field about 1,000 pages each to explain economic laws and their operation, it is a challenge for your author to list out and comment on the core economic principles in a relatively short section of just one chapter. Obviously, your author recommends further study of the above three books should the reader wish further and more complete information on a subject matter so important to all of us.

Your author has previously written on the subject of natural law and the individual natural rights of man in a book entitled: *Why There Is No Justice: The Corruption Of Law*, as well as earlier in this book. And so your author will try not to repeat himself too much here, other than to say that the natural rights of all men are life, liberty, and property, and with property comes the derivative natural right to trade property for property and also the derivative natural right to give and bequest property to others. In this book your author explained that each man, in order to maintain his life, must both think and take action. A man does not satisfy his hunger

by only thinking about food. He also must obtain some food and then eat it. If not, his life will not be sustained and once your life is gone nothing else matters to you because you no longer exist. Each man has self-ownership of his own life. (Your author is speaking at the human level. In point of fact, the two Jehovahs created the entire universe and everything in it, Genesis 1 and 2 and other places, and so they own everything, including all men). And each man possesses liberty – the liberty to both think and take action in order to sustain his life. And each man will need the use of property, at a minimum food and clothing, amongst other things, to sustain his life.

Mises' contributions to economics are many and have been written of elsewhere. For our current purposes Mises was the first to understand and systematically explain that action itself must be studied. Mises realized there is "**a logic of action**" and Mises popularized a word and made it prominent in the social sciences. The word Mises made prominent is "**praxeology**" – the study of purposeful human action. Your author would say it thus: praxeology is the study of action with the results of that study being the derived logical implications (the logical implications of

action) (the logic of action). Merriam-Webster's Collegiate Dictionary defines praxeology as: "the study of human action and conduct." This is why Mises chose to name his economic treatise, *Human Action*. Mises thought through the indisputable fact that all men act. They choose goals. They choose means and they take action to achieve their goals. This can be something as simple as deciding to walk to the refrigerator to open it and get something to eat, or it can be something complicated like building a steel mill.

**All men act.** Men's actions can be studied and systematized into **a general theory – a science**. From the fact that all men act, Mises explained the logic of purposeful human action, praxeology, and further deduced the subset field of economics. Mises was the first to systematize economics, where the answers obtained to the questions, "What is happening?" and "Why?", actually made theoretical sense, and also corresponded to reality, i.e., how the real world functions. Economics, as a full-fledged social science now made systematic sense for the first time. Mises realized that action is imposed on men by nature (the world as it is). There is no getting around the necessity for human beings to take action. The enormity of the thought and problem solving that Mises had to engage in to accomplish this is

truly mind-boggling, and he deserves a lot of credit for achieving it. When it is understood that he performed this task under the duress of the Nazis trying to capture him, makes it even more amazing.

Praxeology → the study of human action; the logic of action; the science or general theory of purposeful human action

Action (purposeful action) = an individual man chooses a goal + chooses the means to achieve the goal + acts to achieve the goal

Action is purposeful, not instinctive reactions = True

All men act = an axiom = True

Economics is a subset of praxeology = True

Action → in the formal sense (which praxeology is) → is NOT concerned with human motivations behind the action, but that men act

The field of psychology → deals with human motivations → NOT praxeology + NOT economics, a subset of praxeology

That men exist is an axiom and that men act is an axiom. Economist Ludwig von Mises would observe that man is, in essence, *homo agens* (acting man). One cannot attempt to refute either without being both alive, and taking action. Hence any attempt to refute them is self-negating. Rothbard would say it along the following lines: 1) men exist and 2) they think and act in order to continue to exist and to achieve their goals. What each man aims for is his personal subjective choice (the chosen goal). What means are employed to achieve the chosen goals are further subjective choices (there are different methods one can choose in the attempt to achieve one's goals). Your author would add it should be noted that just because the choosing of goals and means are subjective choices, does not preclude the use of reason in either case. The use of reason is, of course, advisable in both cases, e.g., to consider objective facts pertaining to the goal chosen and the means chosen and in ascertaining the context of the situation one is acting in. Rothbard would further build his explanation of men being alive and acting by pointing out two postulates. The first postulate is that there is a diversity of human and natural resources. To your author this is also an axiom, not just a postulate, as it is impossible to refute without

using it in the attempted refutation. In any case, Rothbard's postulate of the diversity of both human and natural resources is clearly true and so can be safely reasoned from. Rothbard's other postulate is that leisure is a consumer good (men prefer at least some leisure to working all the time, because there are some negative aspects to labor). Your author believes that men existing, men acting, and the diversity of human and natural resources are irrefutable axioms and your author agrees with Rothbard that there is a disutility of labor. It really does not seem that much to agree with and your author believes that all honest and thoughtful men would agree with the above – if it was simply put to them as such. The consequences of realizing and accepting the above axioms and postulate are life changing, however. From them, Rothbard, following Mises' lead, deduces what amounts to the entire field of economics proper – including that there are economic laws, which no one, men and governments included, can escape from. These economic laws function whether men or government leaders are aware of them, or not, or like them, or not. Per Mises and Rothbard, economics is, in essence, an aprioristic deductive social science that uses deductive reasoning from a few "a priori" axioms and postulates to discover and make plain

economic laws in an integrated system of thought. Because the axioms are irreducible primaries from the real world, the resulting deduced social science, economics, thus tells us how the real world functions.

Axiom one → man exists

Axiom two → man acts

Axiom three (Rothbard postulate one) → there is a diversity of human and natural resources

Postulate one (Rothbard postulate two) → there is a disutility of labor (men prefer at least some leisure to working all the time) (leisure is a consumer good)

It turns out to be very important that praxeology and economics are an aprioristic social science, for at least one reason not necessarily expounded in detail by Mises and Rothbard. Per the dictionary on your author's Macbook, "a priori" means [emphasis mine]: "relating to or denoting reasoning or knowledge that proceeds from theoretical deduction rather than from observation or experience." Empirical observation and experimentation is the scientific method of the natural sciences. In the age of

radical empiricism, many scientists attempt to impose empirical observation and experimentation as being THE scientific method for ALL science, not just the natural sciences. Ironically, as pointed out previously in this book, these scientists are wrong. Their empirical scientific method does not conform to reality because human choice is a causative factor in the reality we live in. Mises realized this and explained there is a need for methodological dualism (two different scientific methods) pertaining to science. The natural sciences must use observation and experimentation as their scientific method. The natural sciences thus extensively utilize inductive logic. The social science of praxeology, and its subset field of economics, must use aprioristic deductive reasoning as its scientific method in order to deal with human choice as a causative factor in our world. Ergo, **reason number one** for praxeology (including economics) to be aprioristic is that science must conform to reality to be science, and there is the need for methodological dualism to be used in order to allow for the causative factor of human choice. Mises and Rothbard both got this.

The next paragraph → an important Life Chart

Here is **the second reason**, which has not been explained by anyone to date – at least to your author's knowledge. To understand the second reason one must understand the information in Chapter One of this book, i.e., the context of our human situation. Human beings are the two Jehovahs' workmanship (Ephesians 2:10). The two Jehovahs are the two supreme minds in the universe and they possess all of the virtues, including love (1 John 4:8). In addition to understanding the context of the human situation, it is also necessary to understand the correct solution to the mind-body problem, explained in Chapter Four of this book. There is absolutely no way the two Jehovahs, creators of the universe, including all logic, math, the natural sciences, and the social sciences would create and devise science in such a way as to require human experimentation in order to be able to learn the truth. If there is only one scientific method and it requires observation and experimentation, then to learn about human beings would require human beings to be treated like guinea pigs, or laboratory rats. This would divide the human race into 1) the elite experimenters and 2) the suffering human lab rats. To do something like this would occur to Satan, not the two Jehovahs. The two Jehovahs are the farthest thinking, most intelligent beings

in the universe. **Before they created the universe they thought it through.** Then, when they created the universe, they devised it with a logical structure. When they created man they gave mankind the dignity of having a mind with a logical structure that conforms to the logical structure of the universe. This allowed man to be able to utilize reason in order to learn. It is not true that the universe only has embedded into it logic, math, and the natural sciences. As previously explained, there are ethical truths that can be derived by reason, e.g., original appropriation and the individual natural rights of man. Further, as previously explained, man must take action in order to stay alive – to live on this earth, in this universe.

Since the two Jehovahs took the time to create the universe with a logical structure and then gave man a mind with a logical structure, why would it strike anyone as strange that there is a logical structure to purposeful human action?

**Of course there are logical implications to action because action is how man functions effectively in the logically structured universe.**

In other words, because the two Jehovahs are geniuses and love man, there is a second scientific method, one not requiring human experimentation in order to learn truth. The two Jehovahs also embedded ethical truth

and praxeology into the logical structure of the universe and they are also discoverable by man's mind. Now, man can 1) use reason (deductive logic) to derive praxeology, the logic of purposeful human action and economics, its subset, 2) use reason (deductive logic) to derive, at a minimum, original appropriation and the individual natural rights pertaining to ALL men, and 3) utilize observation and experimentation and inductive logic to learn about the natural sciences. (Of course the natural scientists also utilize deductive logic in their learning efforts, but their primary logical method is inductive.) **Ergo, to learn, there is the need for reason but NOT the need for human experimentation.** Any human experimentation must be with explicit consent, e.g., an individual approving an experimental surgery. Otherwise, human interactions must conform to both divine law and natural law, which is to say there must be respect for individual natural rights. **The two Jehovahs had to devise, in advance, the ethical and logical truths pertaining to action in the universe – because they knew they were going to create contingent beings, men and angels.** Ergo, from a few axioms and irrefutable postulates *a priori* deductive reasoning can discover praxeological, economic,

and ethical truths from there. Now, instead of using our human energy to fight over existing wealth we can know how to use our energy to create more wealth and to successfully have dominion over the earth - instead of each other.

The below paragraph → an important Life Chart

**There is a scientific method involving praxeology and economics.** It is this. First, check the axioms. Second, check the postulates. Third, consider the context of the situation – which Mises would call thymology. Using the phrase “the context of the situation” is easier to understand for most people, so your author will just go with that, for now. Fourth, check the deductive reasoning chain to make sure a mistake in reasoning was not made. This would include checking the reliability of any simplifying assumptions that might have been used in the reasoning, etc. If the axioms and postulates are true, we understand the context of the situation (which turns out to be fairly easy, usually), and we did not make a deductive reasoning error, we have the right answer. All the above is an **a priori scientific method** and Mises and Rothbard used it, which is why they got right answers.

The below paragraph → an important Life Chart

Human experimentation would devolve into an elite using hurtful, thoughtless, cruel, life-destroying practices on regular men – the elite's lab rats. This was divinely thought through and headed off at the pass, i.e., vetoed as unwise and unnecessary. **Praxeology, an aprioristic social science, the logic of action, is the proper method to understand economic laws and their operation and at least some ethical laws and their operation.** Praxeology could also be said to be the results of the studies using the praxeological method. Your author writes "some ethical laws" because divine law also reveals ethical endoxa for man.

Praxeology → an aprioristic social science → the proper method to understand → economic laws and their operation

Praxeology → could also be said to be → the results of the studies using the praxeological method

Praxeology → an aprioristic social science → the proper method to understand → at least some ethical laws and their operation

Divine law → ethical endoxa → for man

A few paragraphs earlier your author used what was likely a new word for most readers, which was *thymology*. This was a word Mises coined in order to be more scientifically precise. Your author “translated” it, for reader convenience, to “the context of the situation.” The salient part of the formal definition, slightly paraphrased by your author from *Mises Made Easier* (see Bibliography), is as follows:

Thymology → is on the one hand an offshoot of introspection and on the other hand a precipitate (result) of historical experience. It is what everybody learns from inter-acting with his fellow men. It is what a man knows about the way in which people value different conditions (situations), about their wishes and desires, and their plans to realize these wishes and desires. It is the knowledge of the social environment in which a man lives and acts.

Your author is going to use the next chapter of this book to provide, in essence, a Life Chart chapter concerning primarily praxeology. Because of this, and for ease of reading, the remainder of this section of this chapter will primarily be in explanatory form. However, key

words, phrases, and points are underlined and **bolded** to, in essence, Life Chart within paragraphs. The explanations of major points concerning praxeology and economics are condensations from the much larger books previously mentioned, as well as other sources found in the *Bibliography* at the end of this book.

Human beings **exist**. They **act** in the world using means of their choosing to try and achieve their most valued goals. Mises wrote at a time when the sciences were supposed to be value-free. To Mises, accepting the reasoning of his day, value-free science did not pose a problem. This is because, as a social scientist, he really did not care what the goal was that someone chose. Mises would just analyze that if X was someone's goal, could they achieve X based on the means, Y, they chose to use in their attempt to achieve their goal X. Economics, to Mises, was about means, not goals. While Mises privately affirmed that most men prefer life to death, and success to failure, he rarely, if ever, deviated from scientific explanations of whether the actor involved would achieve his goals using the means the actor chose, or not. In so doing, Mises demolished Socialism, interventionism, created money schemes, and almost

innumerable other ways that men attempt to do the impossible. Reisman and Rothbard would both say that science should be **bias-free**, not value-free. Reisman, Rothbard, and your author would affirm life as the most important value because all other things men value derive from life and one has to be alive to value anything. Because life is the most important value, science should work to help advance life – thus, not being value-free, but only bias-free. Affirming life as a value is, of course, correct and the Creator of the universe decidedly told men to do just that:

“I call Heaven and earth to record today against you. I have set before you life and death, blessing and cursing. Therefore, choose life, so that both you and your seed may live,”  
Deuteronomy 30:19, MKJV

The Creator is smart. He knew that once one chooses life, it affirms a linked package of other values and virtues and principles that come with choosing life as the most important ultimate value. Without life, you cannot love. Without life, you cannot do or affirm anything because you no longer exist. Once one understands how truly important life is, there are very important follow along implications. The follow along

implications, concerning economics, are the main subject matter of this chapter, taken in its entirety. For now, by way of example, at the human level, since your life is important to you, a thinking man realizes other people's lives are important to them as well. Other people have hopes and dreams, too. If I want my natural rights of life, liberty, and property respected then I must, in turn, respect other people's natural rights also. Other follow along implications of choosing life are the need to establish justice because without justice, there likely will not be social harmony. And without social harmony there will not be peace. And without peace there will ultimately be war or other forms of violence. And violence and war destroy life, liberty, and property, thus resetting everything in a destructive devolution. Beyond the scope of this chapter it should be noted that forgiveness should be paired in some measure with justice so as to reestablish social harmony and peace so that a society can be built that enables men not just to live, but also to develop and flourish.

Back to the subject matter at hand, economics as a subset of praxeology, Mises explained the following, in so many words:

Man has to adjust his existing condition, considering the environment he finds himself in. He would prefer things to be different. He sets a goal to change things, for his own reasons, which economics takes as a given. He further has limited means to achieve his chosen goal. He selects among the means at hand those means he believes will best achieve his goal. Because some goals preclude other goals from also being actively pursued, when a man chooses a goal he is taking one thing and renouncing another, e.g., you cannot choose to marry and remain single. In this case it is one or the other, but not both at the same time. It could be said that each man has a listing of values (your author would say a personal hierarchy of values). The highest valued item on the ordered list is the one he will take action to achieve first. (Formally speaking, the economist observes which action the actor took and then imputes that this was his most important personal goal, otherwise why was he acting to achieve it now?) Choosing one thing to the exclusion of another is how it is for many cases in life. And it is not just goals that must be chosen based on shifting personal valuations of what is important. Because the resources (means) necessary to achieve goals are limited, acting man must choose the best available

means at his disposal at the time. In other words, means, being scarce, must be economized. This led Mises to understand that economics is a social science subset of the field of the logic of human action, praxeology. All of a man's actions take place through time. There is chance we will not achieve our chosen goal before we run out of time. Each man only has so many hours in the day and so many days in his life. Worse, acting man does not know the future with certainty. There is risk. He might choose a goal at one point in time that he renounces later, based on: updated information, a change in environmental conditions, or the realization that he now prefers to attempt to achieve something else he now values even more highly than the originally chosen goal. Rothbard would say that all action is speculation because the human actor does not know for certain that his actions will result in the achievement of his goal. Again, there is risk. All of the above could be worded something like this: Each man, facing an uncertain future, with limited means, and shifting values, takes the actions he hopes and believes will achieve his chosen goals (adjust or change his personal environment for the better). There is a risk of failure, and the means chosen all have costs associated with them, so they must be

economized. And once the goal is achieved, or not, there is **a psychic profit or loss known only to the actor**. Were the costs and the time and the effort involved worth it, or not? If there were money costs involved, there likely will be a financial profit or loss and that profit or loss could also be knowable by others, in addition to the actor. But psychic profit or loss is personal. We live and we learn. And we try again.

Mises, Rothbard, and the other Austrian economists kept thinking and learning and in so doing they were able to determine true and rational economic principles and conclusions that are all subsets of the study of purposeful human action (praxeology). An economics, corresponding to reality, was now logically grounded. Reisman would say that these true and correct rational economic principles are necessary for life, including flourishing life.

While it was Dr. Carl Menger who realized that the correct method of economics was the study of the individual, not the collective, it was Mises who further realized the importance of what he termed: methodological dualism, previously discussed. Though previously discussed, your author wants to focus on an additional point, at this time. The endless

empirical studies of the natural sciences require hypotheses, theories, and ultimately laws from observation and testing. The end laws are not known in advance, but are learned from empirical observation. However, for the social science of economics, the goal of the actor is a given, hence known in advance. It is the means the actor chooses to employ which are studied as appropriate or not. And since the social sciences involve valuable men, you cannot perform human experimentation on valuable men unless you want to go down in history as tantamount to a Nazi.

In economics, as Mises would say, what is necessary is a clear and logical mind and a comfortable chair. Economics involves long deduced chains of reasoning and the ability, per Bastiat, to see the unseen and explain it. Economics is an aprioristic science with logical conclusions following from a relatively few axioms and postulates. There is no need for empirical testing because the conclusions that follow must be true, if the axioms and postulates are true, and if the logical reasoning chain is correct. Economics, properly understood as a subset of praxeology, is a true and correct social science. Of course, when one looks at the real world, what true economics has

explained and predicted has come to pass and can be observed. Economics is a science that provides correct information about the real world. That it does so is why many do not like it. Men do not like limits, like scarce resources, and many men want something for nothing.

**Economics tells them they cannot have it.**

Just as the natural sciences rely on cause and effect in doing their empirical studies and formulations, Mises observed there is a regularity in the sequence of phenomenon that enables men to ascertain cause and effect in the real world and to use this knowledge when thinking. Mises would say it something like this: there is a logical structure to the human mind that corresponds to the logical structure of reality. As previously explained, your author would attribute both the logical structure of the human mind (consciousness and thought) and the logical structure of reality (the universe itself) as a gift from God. The regularity in the sequence of phenomenon (consistency of nature) enables an acting man to believe that if he intervenes at point in time Z, using Y means, he can later in time achieve his goal X. Ayn Rand, the philosopher, and Reisman would probably say that man can learn to identify things, including learning how those things

interact. And learning how those things interact means one learns cause and effect. They would further say that goals should be chosen to sustain and improve one's life. And with this in mind man can now rationally choose his goals and his means, and then intervene, i.e., to take action, to attempt to achieve those life-sustaining and life-improving goals. Whether one wants to argue that goals are chosen for both emotional and rational reasons, or one or the other, does not matter to Mises because whatever goal the actor chooses Mises will accept as a given. Mises will study the choice of the limited and necessarily economized means and explain the consequences to follow, both seen and unseen. At any rate, because men can choose and their choices have follow-on consequences, is why, per Mises, the social sciences need a different scientific method than the natural sciences. Atomic particles do not choose how they interact; they follow the laws of physics.

Once again, economics is a science that provides correct information about the real world and this is why economics is so important. It is important to both the quantity of life (how many people are capable of living on the earth), and it is further important to the quality of

human life – whether those human lives are flourishing lives or not. A true and rational understanding of praxeology (economics) is important because it is part of the package deal of follow-on values that comes with choosing life as the ultimate value. The two Jehovahs knew all this long ago and they have been very patient.

One of the most important economic principles is the understanding of value. The classical economists got this wrong and their error helped spawn Socialism. The classical economists thought that the source of value was the labor input. This is known as **the labor theory of value**. Socialists came along and, reasoning from a false premise, thought that if the labor theory of value were true why should the entrepreneur and his capitalist financiers and the landowners have a right to profit? The spurious idea of surplus value expropriated from the laborers by any or all of the above led to Socialism being attempted and the resulting catastrophic destruction of many millions of lives and wasted capital. But labor, while a necessary input in most cases, is not the source of value. **Value is in the eyes of the beholder, not the object itself.** A man can spend labor time making a product no one wants, e.g., a piece of

original art, or a mud pie. A man can also make a product that used to be highly valued, but is no longer, e.g., an 8-track tape player, or a buggy whip.

In actual point of fact, it was Menger, and two others, Jevons and Walras, who came to understand that value is subjective, i.e., in the eyes of the beholder. This was around 1871, long after the early classical economists.

Menger and the two others further realized that the unit at the margin (**the marginal unit**) was the actual item valued or not. Though others, throughout history, had come close to putting it all together, Menger, Jevons, and Walras actually did. And what they realized was that an object would be valued based on its perceived usefulness to the evaluator (**utility** in economist-speak) and also based on its perceived **scarcity or abundance**. It was further realized that acting man would attach the most value to the first unit of the object. Further units of the same object would have lesser value. This was because an acting man takes action to achieve the most important unsatisfied need or want first - in their own personal and subjective hierarchy of ordered values. Since the first unit is used to satisfy the most important need or want first, any second

or later units is necessarily being used to satisfy a lesser value on the actor's scale. If the second or later unit is satisfying a less important value it must be worth less to the actor (maybe only slightly less, but less). The above came to be known as **the subjective theory of value, or marginal utility, or the theory of diminishing marginal utility.** This had profound importance for unlocking a lot of the rest of economics because value theory is used to further explain many economic laws and principles.

Menger, Bohm-Bawerk, Mises, and the other Austrian economists (in the beginning most of them really were Austrian nationals, hence the moniker) built up the science of economics upon this correct theory of value and upon methodological individualism and avoided using the methods of the natural sciences, which do not and cannot work for the social sciences. The natural sciences have no room, or explanation for choice. Atoms do not choose which route to take. Chemicals do not choose to react or not. Human beings do choose. Mises understood you have to have a different method to correctly understand the social sciences and he took action accordingly.

With the correct theory of value in hand, and with the correct scientific method, many other important elements of economics could now be discovered and put into place, i.e., **integrated into a system**. Standing on the shoulders of giants and looking back, your author observes that the key principles of economics are also found in the Bible, though the two Jehovahs did not go out of their way to call them out as such. Your author further observed that if Socialism cannot possibly work and if interventionism must lead to Socialism, which cannot work, then there is no scientifically possible third way. **There is only the praxeological subset of economics, properly understood, which can lead to a society of contractual exchanges of mutual benefit and advancement, among men of good will.** Economics, properly understood, leads to a much larger population of valuable human lives on this earth and it gives the best possibility for those lives to be able to flourish. In this section of the chapter, your author has been referencing and will further reference some of the key principles of life and economics.

**Life**, as explained above, enables valuing. One has to be alive to live and to love and to value. Reason would tell this to any thoughtful

person. The Bible confirms it in Deuteronomy 30:19 and in many other places. And it should be noted that the ultimate promise of the two Jehovahs is eternal life (1 Corinthians 15 and other places). **Life is not a stand-alone concept**, however. When one chooses life, one chooses the things that are necessary for life, whether spiritual or physical. And what good is life if all it amounts to is a tortured existence? One of the follow-on principles of life being chosen is for one to take the actions necessary to not only exist, but to also flourish (to the extent possible).

**Liberty** is necessary, as each man needs to both think and take action in order to obtain the things necessary to sustain life. God brought the ancient Israelites out of Egypt to free them in order to serve him (Exodus) and there is also an interesting and important verse regarding liberty, later on in the Bible, as well:

"And the Lord is that Spirit; and where the Spirit of the Lord is, there is liberty."  
2 Corinthians 3:17, MKJV

**Private property** is necessary for life and is found throughout the Bible. Micah 4:4 refers to each man sitting under his own vine and his own

fig tree. Micah 2:2 refers to slavery in a negative way, thus affirming liberty, and also speaks to the concept of inheritance - thus confirming that not only can a man own property in this life, his heirs can receive his private property upon his death. Ecclesiastes 3:13 makes reference to the fruit of a man's labor as being the gift of God. Private property is everywhere in the Bible and so your author will not belabor the point as there would be too many scriptures to list if they were all referenced. Interestingly, Deuteronomy 10:14, and many other places in the Bible, mention that the entire universe and the earth, belong to God – who created them. **This is THE original appropriation of original appropriation.**

Once a man owns property he can use it (consume it) to sustain his life, e.g., he can eat some food. Or, he can trade it for a different object (someone else's property). The trades are **contractual exchanges**, even if there is not a written contract pertaining to the exchange. Each man has his own goals, his own hierarchy of values, which are chosen by and important to him. It is good that there is a variety of both human and natural resources. Not only is this variety of men and resources good, it is a part of nature and cannot be eliminated. Because of this variety of men and

other natural circumstances **men value things differently** and **exchanges can occur**. One man trades a horse for a cow and the other trades the cow for the horse. It is an economic fallacy to believe that, in this case, the horse and the cow have equal value. They have unequal value in the minds of the traders, which is why the exchange could take place. One man valued the cow more than the horse so he traded away the horse. The other man valued the horse more than the cow and so he traded away the cow. There is no way to measure the value of this exchange. To measure, you must have an invariable standard, and that does not exist in marketplace exchanges. The only reason the exchanges can take place is because different human actors value things differently, that is to say, **unequally**. Further, each man, post-trade, readjusts his subjective and personal hierarchy of values to reflect the results of the past trade. These personal, hierarchy of values, are constantly shifting and re-adjusting. While a marketplace may and usually does have a physical location, **the market is a process**, not a place, to an economist. Because private property exists, and human actors have unequal valuations and the liberty to trade, exchanges happen. Because most exchanges in today's world are **indirect exchanges**, the market

process generates prices. These prices do NOT measure value, because the man trading the horse (selling the horse) for money values the money MORE THAN the horse and vice versa. The same thing would hold for the second step of the trade where he takes the money and then buys the cow. In this case he values the cow MORE THAN the money given up to buy it.

**Prices arise when men are free to trade private property and they use a medium of exchange (money)** to engage in indirect exchanges.

Prices cannot come from a command economy, such as Socialism. This is why, as Mises astutely pointed out, that Socialism cannot perform economic calculation and so Socialism will always fail. Once again, prices do not measure value. Prices are recent history only. Prices can change because subjective human valuations are constantly changing to adjust to the dynamic conditions of life. A good example of this, that is easily recognized and understood, is the fluctuations of share prices on a stock market. The universe is not static and neither is the earth that men live on. Men are born and die, products are improved, innovations bring new products into marketplace exchanges, raw materials are more or less available, etc. Prices, while not measuring value and only being recent economic history, do provide the ability for

entrepreneurs and other marketplace participants, including consumers, to plan. Prices provide valuable information and this information allows for rational planning.

The plans people make use the best information available in order to allocate resources. Prices form a large part of what constitutes the best information available. Economists call the resources producers combine and use to achieve their plans **the factors of production**. These factors of production have been divided into three categories: 1) **land**, including natural resources, 2) **labor**, and 3) **capital goods** (tools and machines that expand production). The capital goods wear out over time and so they need to be maintained and/or replaced as the case may be, or abandoned if no longer needed. The prices that result from marketplace transactions are not possible unless there is private property that is being indirectly traded, using money as the indirect medium of exchange. No man can calculate and plan to rationally and economically use the limited factors of production if one horse is trading for 20 chickens, a goat, and some cheese – in other words, if only direct exchanges are occurring. Prices come from indirect exchange and for exchanges to happen men

have to own private property and be free to trade it. While prices do not enable a perfect plan (the future is unknown to acting man), they do enable the economizing of the limited and valuable factors of production. There is, quite simply, nothing better for men to substitute in and use in their planning place.

When entrepreneurs allocate production they are forecasting what men will want in the future. This is because **production takes time**. The entrepreneur's forecast could be wrong and result in a waste of resources. In this case he and his financiers lose money. However, he could also be right and make a lot of money. **Profits** tell him he was at least partially correct and he can keep producing. **Losses** tell him he was wrong and to stop producing. The consumers are the bosses. **The subjective valuations of the consumers** determine what kind and quality of products and services they want produced and where they want them produced. As Mises would say, "They [the consumers] make poor men rich and rich men poor." In point of fact what a loss means is that the entrepreneur overpaid for, or mismanaged and thereby wasted, one or more of the factors of production. What does this say though, in layman's terms? If an entrepreneur overpaid for

a factor of production it means that a resource (means) was used to produce one thing when, in hindsight, it should have been used to produce something else. Let us say, by way of example, that an entrepreneur has obtained financing and is out in the marketplace attempting to: hire the labor, rent the building, buy some raw materials, and lease the machines he needs to manufacture some item. He is operating under a strict budget. But he finds that he cannot win the bid for some particular raw material he needs, because the price for that raw material exceeds what he has in his budget for that particular item. At this point what is actually happening is that the consumers are saying through their "agent," the marketplace prices, "Do not buy this raw material. It is reserved for a more important use for us." When this happens entrepreneurs, of course, do not like it. But they ultimately work for satisfied customers. The customers (consumers) are the bosses. Here is an interesting observation: if the preponderance of consumer spending in a particular society is undertaken by housewives, then, in essence, the hotshot entrepreneurs work for the housewives, whether they like it or not. And the housewives will not hesitate to fire the entrepreneurs if a

better or less expensive product comes along from someone else.

Alluded to above, how end customers value products and services determines how much the entrepreneurs can pay for the various factors of production. Each factor of production is bid for, via marketplace competition, in an attempt by each competing entrepreneur to obtain the particular factors of production necessary for the entrepreneurial task at hand. Each factor of production has a supply, a demand, and a price. No good entrepreneur would buy a factor of production unless he had to. It should be noted, generally speaking, that the good entrepreneurs put the bad entrepreneurs out of business. It is **the marketplace customers that determine who are the good entrepreneurs**. A good entrepreneur will not pay any more for a particular factor of production than he deems necessary. Because of prices, entrepreneurs can engage in cost accounting to see if a product is making or losing money, a department is contributing or not to the overall success of the enterprise, etc. In this cost accounting process, including a budgeting process, the entrepreneur forecasts the most he can pay for each factor of production. In reality, seeing the unseen, the end customers tell the

entrepreneur how much he can spend in total to deliver and market a finished product. As there are many factors of production, each with its own marketplace cost, the total of the cost of these factors of production determines whether there is a profit that allows continued production, or a loss that ultimately stops future production. Ergo, each factor of production ends up being paid its relative contribution to the overall result, with the successful entrepreneurs and their backers making a profit. The unsuccessful entrepreneurs go out of business. **In a free market, success is leveraged and damage is contained.** This is one of the principal reasons that so much progress happens when men are free to act and private property and the other individual natural rights are respected and protected. The standard of living expands dramatically and the earth can support many more people than otherwise. **It is, quite literally, a matter of life and death.**

When there are noticeable profits it signals other entrepreneurs to enter a field. And so profits get bid down due to the increased supply, i.e., increased competition to supply more of that product type. The market tends toward a uniform rate of profit, but never gets

there. The reason it never gets there is because the really good entrepreneurs, (think Steve Jobs of Apple), invent new and original products that propel things forward, that provide consumers with choices they did not have before, AND could not have even imagined before. It took the entrepreneur to imagine a better future and to deliver it in the present. **Entrepreneurs are the change-agents** consumers want and need. Entrepreneurs, their financial backers (capitalists), and their management teams constantly reallocate limited resources (the factors of production) to the most pressing needs and wants of consumers. The free market has the flexibility to react and change and this is important because the world is not static. This world has numerous static thinkers, but the world is not static. Static thinkers are the modern day equivalent of those who at one time thought the earth was flat and that the solar system orbited the earth. They are scientifically wrong.

A further observation and discovery of the Austrian economists was that labor could only be paid part of the end price received from the production process. That this is so should be somewhat self-evident, but it is not. This is because many people have a laborer's point of

view and that point of view is usually quite limited and wrong. The part of the laborer's point of view which is correct, is that it is true that most production requires labor. But that is about all that is correct in the typical laborer's point of view. The laborer does not provide the land where the factory is. The laborer does not provide the capital (in the accounting sense) with which to buy the raw materials. The laborer does not provide the tools he uses on the job (generally speaking). And the laborer does not provide the machine tools he operates, which machine tools greatly enhance the quantity produced and the consistency of quality produced. And the laborer does not manage the operation, obtain the financing, go on the road to market the product, etc. Nor does the laborer invent and engineer new products. Nor does the laborer fulfill the function of the entrepreneur in the production process. In short, the laborer's efforts are important and necessary, but they help generate only a portion of the marketplace valuation of the end product. In a unique insight provided by the Austrian economists, there is a further very important reason why a laborer cannot be paid more than a portion of what the enterprise receives from the final selling price of the product. The laborer has what is known as a high time

preference. A high time preference is economics-speak for: he needs money now, or in the very short term. Time is very important to him. Most laborers have not adequately saved and this puts them into a position where they need money now. This is why the laborer is working - to make money now. He has rent to pay; the baby needs milk, etc. By way of example, let us say there is a group of laborers working on a new bridge and that bridge is going to take months to complete. The laborers cannot wait until the bridge is 100% completed and the bridge-builder gets paid in order for themselves to be paid, too. They would be waiting for months. So they discount their contribution to the overall project in exchange for some payment now. The bridge-builder and his financial backers have a lower time preference. They can wait longer to be paid. They are in a different position (because they put themselves in a different position) and can act accordingly.

For the reasons of the laborer's labor being only one of the factors of production, and for the additional reason of the laborer discounting part of their contribution to the overall productive effort in exchange for being paid now, the laborer does not receive all of the final sale

proceeds of a product or a project, nor should they. And guess who knew about the high time preference of laborers a long time ago? The two Jehovahs - and so they commanded something quite interesting in their laws:

“Never take advantage of poor laborers, whether fellow Israelites or foreigners living in your towns. **Pay them their wages each day** before sunset because they are poor and are counting on it. Otherwise they might cry out to the LORD against you, and it would be counted against you as sin.” Deuteronomy 24:14-15, NLT

In addition to the two reasons, above, the labor theory of value is further wrong when one considers that labor can be utilized on products people do not want and thus wasted. Another reason that labor cannot be used in value attribution is that the quality of labor can vary greatly and this difference in quality cannot be measured. And, the labor theory of value has no explanation for things such as why a wine would increase in value due to being stored for a period of time. There is no further labor in storing already manufactured wine and yet the wine increases in consumer valuation, as it is stored. **The labor theory of value is just**

**plain wrong.** A modern economist who believes in the labor theory of value is so outdated and wrong they are tantamount to a doctor not knowing the human body has a heart and pumps blood. They are embarrassingly and totally wrong. And all this has been known for almost 150 years. Labor is important and necessary and an honest man laboring is to be admired, but the labor theory of value, with the idiotic idea of surplus value somehow being stolen from laborers is economic nonsense.

That it is still believed in by many is sad, and dangerous to mankind. Socialism is built on the labor theory of value and this is yet another reason why Socialism is completely wrong.

In addition to private property and the respect for the other individual natural rights, one of the most important economic principles is the division of labor. **The division of labor enables greatly increased production.**

There are a variety of reasons for this. The specialization that occurs enables jobs to be broken down into smaller tasks and this enables machinery to be developed to perform those tasks and this frees labor for other more useful tasks. The machinery enables greatly expanded output and consistency of quality. **Specialized tools** are invented that allow for the more

efficient and effective use of human energy. Experimentation with manufacturing methods enables better, more efficient processes to be discovered. The greatly expanded output enables more men to live on the earth and also enables a higher standard of living. It should be noted that no one is forced to work for a manufacturer, or any other business enterprise. They do so because it is their best alternative at the moment. If another alternative presents itself, that they regard as better, the laborer will change jobs. Entrepreneurs try and hire the best workers for the best price. Workers try and sell their labor for what they regard as the best combination of highest price plus good working conditions. In the end, the consumers force everyone's hand. The process of the division of labor can be hurt by government intervention. Any attempt by a government to establish a minimum wage only results in unemployment for those workers whose productive ability is less than the artificially established minimum pay rate. The establishment of a minimum wage is a government attempt at price controls and results in all of the interventionist negatives previously discussed in an earlier section of this chapter. The bottom line is that a minimum wage causes unemployment, particularly for those unskilled laborers who need a job most,

both to earn some money and to develop some skills. In his book, *Capitalism*, Dr. George Reisman lists a number of benefits to the division of labor that are worth quoting below [emphasis mine]:

**"The division of labor raises the productivity of labor in six major ways,** and thereby achieves a radical increase in the efficiency with which man is able to apply his mind, his body, and his nature-given environment to production.

It increases the amount of knowledge used in production by a multiple that corresponds to the number of distinct specializations and sub-specializations of employment. This makes possible the production of products and the adoption of methods of production that would otherwise be impossible.

It makes it possible for geniuses to specialize in science, in invention, and the organization and direction of the productive activities of others, thereby further and progressively increasing the knowledge used in production.

It enables individuals at all levels of ability to concentrate on the kind of work for which they

are best suited on the basis of differences in intellectual and bodily endowments.

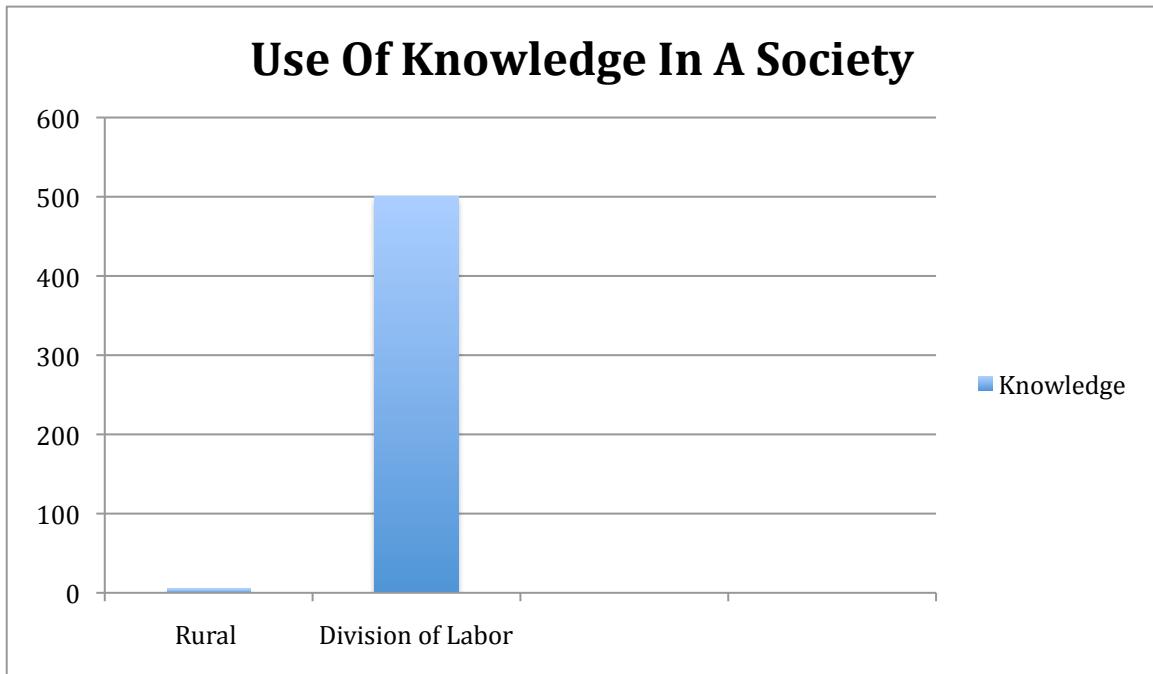
It enables the various regions of the world to concentrate on producing the crops and minerals for which they are best suited on the basis of differing conditions of climate and geology.

It increases the efficiency of the processes of learning and motion that are entailed in production.

It underlies the use of machinery in production.”

To help illustrate the increased knowledge that specialized labor enables, consider if most of the people on earth were farmers on small plots of land. Most all of these people would have cows, chickens, and a garden, and most people would spend a lot of their day doing the same kinds of work. This work might very well be more diverse than the work a worker on an assembly line performs. However, this is not the end of the story because of at least two principle reasons. First, from a “total use of knowledge by the individuals in a society” point of view, the results are very different. In the graph shortly following this discussion, the bar

plot on the left would represent the cumulative knowledge used by the individuals in a society mainly composed of subsistence farmers. It would consist of largely overlapping knowledge because each individual in that kind of society would know about the same kinds of things – how to milk a cow, how to care for chickens, how to grow vegetables, etc. The bar plot on the right represents the total use of knowledge by the individuals in a society based on an extensive division of labor. Each individual might only know a relatively small part of the whole, but the total usable knowledge for a division of labor society would far surpass the total usable knowledge of a society of small-scale (subsistence) farmers. And it would not even be close. Any who advocate for the return to small-scale agriculture, e.g., some agrarian reformists should be aware of the consequences of what they are advocating. The second problem that returning to primarily small-scale agriculture would entail would be the production of societal wealth would plummet, and this reduction of wealth would end up reducing the total number of people on earth, as well as the standard of living for those who remained.



The numbers composing the above graph were chosen to pictorially illustrate a point. The actual numbers are not knowable, but the basic concept is knowable. A final point, before moving to the next topic, is that there is nothing wrong with someone choosing to have a rural lifestyle. If someone does not want to live in a city, or work at a specialized task, and they choose to be a country farmer, so be it. The same individual should not advocate, however,

that if everyone were to make the same choice, society would be more advanced. It would not.

The economic name for attempting to do everything yourself, without trading with others, is **autarky**. Every time in human history autarky has been seriously attempted, it has failed and the attempt was abandoned. Those advocating autarky, or some variation, do not understand how hard it would be to even have a simple pair of shoes to wear, much less what it would take to do everything in a self-sufficient manner. For example, in attempting to make a simple pair of shoes you would find the following tools, or components helpful: a knife with which to kill and skin an animal; scissors to precision cut the skin; a hammer and some nails or tacks to assemble the shoes, etc. But where does the knife come from, or the scissors, or the nails, or the hammer? The self-sufficiency advocate would need a mine to get metal from and a foundry to make the knife, hammer, scissors, and tacks. Ad infinitum. As soon as autarky is seriously attempted, the standard of living plummets, and the attempt fails miserably. It has to. We were made with different aptitudes, interests, personality types, and gifts, and the earth has a wide variety of microclimates and resources. The diversity of mankind and

geography creates the opportunity for specialization of production, with mutual trade, to the benefit for all. The next section of this chapter explains an important economic concept entitled, “comparative advantage,” so your author will not go further here.

Another point in regards to labor is that it is up to the employer to decide whether they wish to contract for labor services or not. In other words, the job to give (contract for) belongs to the job-giver (employer) and receiving a job is not a right for any one worker. A job-giver does not have to contract for labor services with any one man, even if that man, in his own eyes, needs a job. On the other hand a man wishing to sell his labor services does not have to work for someone they do not wish to work for. Labor unions and their effects will be discussed in a later section of this chapter – not here. The Bible has an interesting scripture, in essence, confirming that it is the right of the employer to offer a job and not the right of the wannabe worker to demand it:

“But men younger than I am [Job is speaking here] make fun of me now! Their fathers have always been so worthless that I wouldn’t let them help my dogs guard sheep.” Job 30:1 TEV

A society that respects individual natural rights - particularly calling out private property and the right to contract at this time - will naturally experience many different products and services being offered into the marketplace. This is due to the natural diversity of men and the diversity of natural resources. Men will choose to do many different things in many different ways. The division of labor and specializations multiply, the use of knowledge in that society multiplies, with marketplace exchanges multiplying as well. Men divide labor responsibilities and voluntarily cooperate (associate) with each other in order to get things done. In short, a free market develops and the standard of living skyrockets. Through these **mutually beneficial associations** and exchanges a **society develops**. This society is different from, but can be said to encompass, a limited government. Society is different from government because societal associations are voluntary, while government is organized force. Government's job is to secure each man's natural rights and to coordinate security against foreign aggression. Government cannot give to one man what it does not take away from another man first. Because this is the case, the government is not a positive factor when it

intervenes into the marketplace. Government is a positive factor to the citizens of a society when that society's small, effective, and limited government taxes the citizenry only a relatively small amount in order to do its real job – a job only it can do. Why is the cost of government taxes, when they are kept small, considered a positive for the citizenry? After all, no one really likes to pay taxes. It is because these tax payments, for a limited and effective government, are a short-term and small "sacrifice" for a long-term and greater societal gain. In other words, **society is an instrumental means to an end**, and this includes the costs to pay for that society's small and effective government. **Society is a means to an end in at least three important ways.** The first way is through the mutual benefit stemming from personal and professional associations. The second way is through mutually beneficial marketplace exchanges. And the third way is through each citizen paying a relatively small amount of taxes for the limited government securing their individual natural rights and also providing for or organizing the security against foreign aggression. Of course it should be understood that each citizen has the right to responsibly secure his own natural rights and will almost certainly be called upon to

contribute help against foreign aggression, should that prove necessary. Society can also be considered a constitutive end of the good life in itself as no one really wants to be alone and we all would like to belong and to experience a positive community of emotion and experiences with others.

If a man is secure because his property and life are secure then each man can dedicate himself and his capital to production. He does have to fear that his plans and labor will be disrupted by the legislature.

- \* His property is secure
- \* He has liberty to act
- \* Capital will be created because life is worth living and the future can be invested in
- \* Once capital increases there is a greater demand for labor and the price of labor goes up – living standards rise across the board
- \* The working classes can now save capital and become capitalist investors, too
- \* People can exchange property securely, via contracts with each other

The society that forms becomes **a society by contract and not by status**. Europe, with its feudal past, has traditionally had a society based on status. America, with its early

freedoms, has traditionally been a society based on contract, but this has somewhat changed over the past 100 years or so, to America's detriment. For the most part, the marketplace consumers do not care if an inferior product, or an expensive product came from a blueblood's company. The marketplace consumers will buy the best quality at the best price regardless of who makes the product. To put this into sports vernacular, performance on the field is what matters. The team who plays the best that day will win, even if the other team has more superstars. Some term this, and your author approves, a **meritocracy** – for your author's purposes, "rising to the top via superior service." Character, talent, and work ethic fuse together in delivering superior service to large numbers of their fellow man. All of this is why many who have a traditional, or European society-by-status, mindset fear capitalism and so they work against it via political intrigue and other methods. They are afraid to compete in the marketplace, on a level playing field.

Governments have traditionally expanded far beyond their appropriate roles and this is true, unfortunately, even for America. The real America has been gone for over 100 years now - to the world's detriment. Government

politicians, apologists, and bureaucrats want to expand government's role in the economy beyond being strictly limited to the duties pointed out earlier in this book. Of course a government cannot rationally and ethically expand beyond its proper purpose if those men in government, such as the politicians and the bureaucrats, acknowledge there are economic laws and ethical absolutes. Ergo, rationales are devised and resorted to. These rationales are usually provided by some combination of the following: the politicians or bureaucrats themselves, pseudo-businessmen wanting to feed at the government-created public trough, the academic or legal industry intelligentsia, pseudo-economists, and sometimes by organized religion. To explore all of the various rationales for governmental expansion is beyond the scope of this short book, but your author will address the use of statistics below.

One of the favorite tactics of government-expansionary apologists is the use of statistics to bamboozle the citizenry. Statistics cannot measure the unmeasurable, but this does not stop government apologists and pseudo-economists from using statistics in an attempt to win public support for bad economic policies. As previously pointed out, value cannot be

measured because there is no invariable standard to measure with. Also, exchanges happen because the two traders actually value the traded items unequally, which is why the trade happened in the first place. Further, the second and later unit of an economic good received is worth less to the valuer than the first unit due to the law of diminishing marginal utility (people satisfy their most urgent wants first). A compilation using statistics, however, would count each physical quantity of a good as equal to each other and then add them together. Further, a person's personal hierarchy of values is ordinal (ranked), not cardinal (numeric). And a person's hierarchy of values is not constant; in fact, it is constantly shifting. For all of the above reasons value cannot be quantified, so the use of statistics to measure value is out of the question. But this does not stop ethically challenged, pseudo-economists from selling out to the government in exchange for government funding. These pseudo-economists, along with government "planners," resort to the use of statistics to provide rationalizations for government interventions (interventionism) into the economy. The arguments using statistics are used to dupe those citizens who cannot see the unseen. This book has pointed out many problems with

government expanding beyond its proper function. Using statistics in an attempt to "scientifically quantify" a governmental intervention does not change the proper function of government. The use of statistics does not change objective ethical principles.

Statistics are recent history only. They are not economic laws. They are not objective ethics. The use of statistics can never obviate economic laws, or objective ethics. Statistics are a magician's trick to take the citizen's eyes off of the fact that the government is intervening into areas beyond its proper purposes. Statistics are a tool of the men who want something for nothing, men who want to feed at the public trough at the expense of their fellow citizens.

If all of the above were not bad enough (which it is) an additional problem concerning using statistics is that statistics, being only history, cannot be used to predict what people really want, because people do not know what they really want until they see it and can buy it. For example, in the late 1900's government or business statistics might have "shown" that people want portable compact disc players and will for the foreseeable future. But the world is not static and when Steve Jobs and Apple came out with the iPod everything changed.

Entrepreneurs do not care about statistics or

other people's view of the future. They disregard both and follow their own vision of the future. Sometimes they are correct and sometimes not. When they are, things can really change.

Even if the government apologists succeed, from their point of view, and get a government interventionist measure introduced into the economy, thus expanding the role of the government in the economy, the governmental interventionist measure will always fail – even from the point of view of those advocating the measures. An earlier section of this chapter spoke to this, so no more need be written here.

If the government apologists succeed, by getting a state-owned-enterprise started, the decision to do so was arbitrary - (not financially vetted by the marketplace). Worse, the state-owned-enterprise withdraws, by governmental force, factors of production that would have been allocated more efficiently and effectively (by the marketplace participants) toward actually satisfying what the consumers really want. This has also already been written about in an earlier section of this chapter, so your author will stop here.

If the government apologists “succeed” by imposing more bureaucracy, including businesses becoming more bureaucratic in reaction to taxes and regulations, the results will also include: the wasting of resources, a static approach to a dynamic world, and poor service to customers. All of this has also been written about in an earlier section of this chapter.

In contrast to the government (which can command resources via taxation), the only way for a marketplace participant to honestly achieve his or her goal is to genuinely serve someone else. Why is this so? It is because the other marketplace participants do not have to trade with you. The only reason they will trade with you is if they believe they are getting something better in return for what they are giving up. As previously mentioned, all trades are unequal in this way. And the consumer buyers compare what one seller is offering, in terms of quality, quantity, price, and convenience with other sellers. Unless a new producer trader has something better to offer, he will not find customers for his product or service. Something better usually entails one or more of the following: a larger quantity, better quality, a lower price, an easier customer experience, a longer warranty, or some

combination of the above, etc. In other words, the new producer trader offers something better than others are offering, from the point of view of the customer, and a trade happens. The new producer trader delivered something better to his new customer. He served them. Most people have never been taught or even thought about the free market in this way – that **the only way to get what you want is to serve others.** In other words, the free market provides people with the opportunity to, and the requirement to, genuinely serve each other. If the free market were to extend to a worldwide basis, then, from the point of view of any one man, it would be substantively true that everyone else on earth was working for them. Economist George Reisman noted that opportunities as a whole are not a one-time thing. They arise again and again and this fact leaves the door open to innovation on an ongoing basis. Opportunities are “products of thought” in so many words. This provision, of mutually beneficial service to others, is what enables a society to form. **This society is beneficial and sustainable and includes a limited government.** This limited government is totally unlike the concept of an “organic state” which eats its own citizens as human fuel for its own sustenance. This concept of service to

others to obtain what you want is antithetical to earlier primitive human society with one tribe raiding another in a zero-sum-game plunderer's mindset. **Service to others is a win-win proposition and is sustainable.** It does not lead to war. A winners and losers zero-sum-game mindset does.

Modern bloated-government apologists and pseudo-economists do not seem to understand what constitutes the correct concept of **marketplace demand**. To state the obvious, unproductive people have not produced a product or service to offer in trade. That is why they fall into the unproductive category. Unproductive people cannot be said to be part of "demand" in the true economics sense of the word. We all wish we could have many things. Wishes are not demand. True demand only comes after production. In other words, until one has produced a product or service that other marketplace participants value, and are willing to trade for, then one's wishes do not constitute being part of "demand." **Real demand** in an indirect-exchange-based economy means that one has produced a product or service and sold it for money and then has that money in hand with which to buy other products and services. The production

and the sale for money is the first and necessary step enabling true demand. The second necessary step is the actual purchase of a product or service. This actual purchase shows true marketplace demand. Until the buyer has the available money from first producing, and until the buyer actually spends the money, there is no true demand. Non-productive wishful-thinking buyers do not generate demand. They have nothing to trade. Wishes are not demand. Envy is not demand. **Action is necessary for the demand process to be actualized in the marketplace.** It is easy to sit back and envy others' productivity. It is not so easy to work smart and hard to produce something in order to be able to trade with others.

The two Jehovahs, of course, know the **correct principles** behind everything. This is because they are the source of correct principles and all truth. In instructing the ancient Israelites and by extension all of us, the core concepts were made plain a long time ago:

"You shall not kill [protection of **life**]. You shall not commit adultery [protection of **family**]. You shall not steal [recognition of **private property** and protection of that property]. You shall not bear false witness against your

neighbor [protection of the principles of **honesty** and **justice** and **equality before the law** and **prohibition against fraud**]. You shall not covet your neighbor's house. You shall not covet your neighbor's wife, nor his manservant, nor his maidservant, nor his ox, nor his ass, nor anything that is your neighbor's [recognition of private property and also **a warning not to envy others**, but to **work to advance your own life**]." Exodus 20:13-17, MKJV

The two Jehovahs knew that many would envy others and seek to shortcut the process of serving others in order to make gains for themselves. Society, through its free market, mutually beneficial associations, and its limited government, is a means to the betterment of all. There is a short-term and relatively minor sacrifice of a small amount of taxes to be paid in order to have this limited government. But this sacrifice is worth it. Properly understood, the respect for natural rights and the admonition not to envy others is important for justice, social harmony, and peace – all of which are necessary for long-term societal stability and happiness.

Properly understood, one must be a producer first before being a consumer second. Further, one must serve others to induce them to trade

with you. Recognizing those things to be true, how can one improve one's chances for having a productive and flourishing life? Many books have been written on the topic, so your author will only call out some of the main principles to follow to improve your chances. 1) **Develop good personal character** so others will want you around and believe they can safely trade with you. In other words, obtain the moral virtues and practice them. 2) **Obtain a good overall education**, which is to say obtain the intellectual virtues and practice them. 3) Try to **become aware of any unique gifts or aptitudes you possess** and develop them. This would include trying to **develop a specialized skill**. You can and should develop a relationship with the two Jehovahs and ask them for gifts (Romans 12 and 1 Corinthians 12). A specialized skill takes one out of the unskilled laborer category – which is important because unskilled labor is a commodity and is treated as such by employers. A specialized skill requires additional education and training, but after this preparatory work is completed, it puts you into a position to be able to trade your time for more money and to keep a job when others lose theirs. 4) **Think.** Your author says again, "Think." It is hard work. Try and find a new and better way to accomplish something. If you

do, it is likely you will be creating some value in the eyes of others and you will receive some portion of that perceived value as a reward for improving the lives of others. 5) **Work smart and hard** to produce a product or service that others will want (true demand in the economic sense) and then maximize your trades as best you can. If you are working for someone else, work both smart and hard. Employees are hired to assist with production. Sometimes this simple core concept is forgotten. Employees are paid to produce. Search for (think out) previously undiscovered products and/or processes and find a way to deliver them into the marketplace. 6) **Deliver good customer service and ease of trading** to the marketplace. The customer experience is important to people. Always remember that the other marketplace participants have hopes and dreams (and natural rights) that are important to them. 7) **Do not envy.** Patiently work to better your own life. 8) **Lower your time preference (think long-term).** Etc.

By way of illustration, let us recall the case of our plumber friend, previously mentioned in the Socialism section of this chapter. To the non-careful observer, the plumber starts out with nothing. His family could not provide him a

head start in life and he owned no physical property when he left home. In a free market, limited government society, however, the plumber does own some things of great value. He owns himself. He owns his labor. He owns his liberty. And he has no governmental restrictions imposed on him against any future upward mobility. The plumber starts out by working for a plumbing company as an unskilled laborer. In this initial capacity he is a relatively low-paid employee. Over time, he learns the plumbing trade. Once he learns how to work as a plumber he is still working for the same company, but now as a skilled laborer. His pay increases. Not yet satisfied, the same man works at night and part of the weekend doing plumbing work for a select group of his own customers. He constantly builds up his own clientele over time. In this regard he is now a small-scale entrepreneur. His money income is expanding. He carefully pays his bills on time in order to build up his creditworthiness. Over the years he saves enough to buy a small apartment building. Because his time as a skilled plumber and small businessman is more valuable to him than the time it would take to manage the apartment building, he hires someone else to manage the apartment building. In this case he is a landlord and also an employer. Further,

over the years, he has saved some of his money income and invested it in the stock market. In this case he is a capitalist. This man, starting with "nothing," is now a capitalist, landlord, skilled employee, employer, and small-scale entrepreneur. Over the years he can become a millionaire. Along the way he might become a husband and father. If he expands his education and intellectual development, he might even write a book, later in life, and become an author. If he learns to paint, as a hobby, he might become an artist. If he learns how to cook, he might become a chef of sorts. It all depends on him. And all of the above is the benefit of both **society** and **personal initiative and development**. This man thought long-term. This man will not be the same man at the end of his life that he was when he left home – to his and our benefit.

The above man's example can serve as an example toward explaining some of the benefits of society and the free market. It is important that the man did not spend all he earned from his labors. He restricted his expenditures and saved money. His **savings** allowed him to invest in tools for his own business; it allowed him to invest in the stock market to provide capital for others to utilize; and it allowed him to

invest in an apartment building. What the members of society save and invest can be said to be a capital fund, hereinafter referred to as **capital**. The capital that the members of society save and invest provides many benefits. It enables the development and use of better tools and machinery and this greatly boosts productive output. It enables entrepreneurs to hire workers, and labor is necessary for production. Without capital, there is no fund for workers to be paid with. Your author believes it was Bastiat who observed that a worker being angry toward a capitalist is like a hungry person being angry at food. As previously mentioned, the workers cannot wait to be paid until the end product is sold (if the end product is fortunate enough to be sold). Capital provides this fund so the workers can be hired. Capital gives those workers tools and machines and facilities to use to greatly expand production. There is more knowledge of what to do in the world than there is capital to enable the use of this knowledge. For example, a man in a poor country might know a tractor could aid his agricultural output, but without the actual tractor his knowledge of what to do cannot be put into practice. Capital enables the development and implementation of technology. All of this is why it is important for people to **be productive** and to **save** and

**invest** part of what they produce. Doing so provides the capital that is necessary to greatly expand production. This greatly expanded production enables more men to live on this earth than would otherwise be possible and, generally speaking, it further extends the years and quality of life for most.

Society, through the free market, provides an additional benefit not previously mentioned.

**The free market functions as a discovery process.** The discovery process includes the generation of marketplace prices, but it involves, by extension, more than that.

**Consumers, via marketplace prices, ultimately determine the following:** what products of what quality should be produced; who the entrepreneurs should be; where the best locations for production are; which raw materials should be used in which products; which managers should be used to assist the entrepreneurs; which manufacturing processes are best; which financing methods are best; which transportation methods are best, etc. In other words, the marketplace interchange discovery process allocates all of the above without the need for central planners and their arbitrary and uneconomic judgments of value.

In addition to the misconceived labor theory of value discussed earlier (with the follow on implication that the laborer should somehow receive all of the proceeds of production), **there is a further widespread misconception that “the wealth comes from the land.”** This is false and should be easily understood. Two empirical examples are, post World War Two Japan and Hong Kong. Japan has, comparatively speaking, very little natural resources and land mass and yet became for a time the world’s second, and now third, largest economy. Hong Kong, a city with virtually no landmass, was at one time in the top 30 economies of the world. Land, including natural resources, is an important factor of production to be sure. So is labor. But all of the factors of production have to be combined in correct proportion and delivered to the marketplace in the right way and at the right time. And **that takes the thought and guidance of entrepreneurs** and their management teams. It also takes capital to develop and implement tools, technology, and production-expanding machinery. It further takes a legal system that protects individual natural rights and enables a marketplace to form. It also takes a rational philosophy of life. And it takes many other things. That wealth is not in the land is further

evidenced by Africa and Russia, both of whom have vast expanses of natural resources, but both of which are relatively poor.

There is confusion, by some, that a bushel of apples is identical with another bushel of the same kind of apples. Economically speaking, it depends on where the two seemingly identical bushels of apples are located. A bushel of apples in Washington State is not the same as an "identical" bushel of apples in New York City. In fact, they are different economic goods as the bushel of apples in New York City is located near the end customers for those apples. Because some are confused on this point one can sometimes hear statements like, "There is no reason the retail price of these apples should be so much." Or, "The farmer is not getting paid anywhere near the retail price and that is just wrong." Actually, the above quoted statements are just wrong. They are wrong because the two bushels of apples are completely different economic goods. The bushel of apples in Washington cannot sell for very much if they are sold in a local marketplace. This is because growers in Washington grow a large surplus quantity of apples, more than could ever be sold locally at a price covering their cost of operation. The apples they grow are to be sold all over the

world. But to sell the apples all over the world, free market associations have to be formed and implemented. There are truckers or train operators or ocean shippers, etc., who transport the apples. There are distributors with large and expensive-to-operate cold storage facilities (warehouses), which take bulk delivery of the tons of apples the truckers and train operators and ocean shippers transport. There are retailers, large and small, who each purchase only a portion of the bulk shipments and then provide the customer service of making the apples available locally to the end consumers, their customers. Properly understood, the apples are to be considered different economic goods at each of these locations along the way. Accordingly, they command different prices because they are different economic goods. The retailers provide a service, as do the transporters, and the distributors, etc. If complainers really thought that the price charged, at any step of the way, was egregious it provides them with a marketplace opportunity to see if they can force the price down, while making some profits for themselves. They can do so by offering competition to the existing distribution and retail system. There is no one to stop them. What they will soon discover is

that the seemingly identical bushel of apples is a different economic good at each step of the way.

Many people do not understand or like the free market. And so they criticize it. But these critics of the free market have a problem. They cannot answer Bastiat regarding the truth of the seen and the unseen. They cannot answer what Mises and Rothbard have long ago pointed out regarding Socialism, interventionism, bureaucracy, and capitalism. So sometimes the anti-free-market intelligentsia then resort to an attack upon logic itself, or upon objective ethics, or upon anything that would lead an honest and rational mind to discover and establish the true and correct principles with which to lead one's life by. There is truth and it is not just psychologically perceived (psychologism). There is only one kind of logic, not multiple kinds of logic (polylogism). There are ethical values that can be established objectively. All of these things your author has written about earlier in this book.

Since Socialism does not work and interventionism leads to Socialism, which cannot work, and since bureaucracy is not the answer in a dynamic world, can the key and core principles of the free market, of capitalism, be

found in the Bible? Indeed they can, although the two Jehovahs did not go out of their way to call them out as such. The below listing of some of the key concepts of free market economics, and several scriptures pertaining to each, is but a partial listing. Dozens and dozens of scriptural examples could be given and quoted and explained, but that exceeds the space available for this section of this chapter. Suffice it to say if one has an open mind and looks for them, the below key concepts that relate to a free market could each contain numerous scriptural references as support. Due to space limitations your author is choosing to list only a few.

**Life** – Deuteronomy 30:19, 1 Corinthians 15, Exodus 20:13

**Flourishing life** – John 15:5,11, Revelation 21:4, Deuteronomy 28:11

**Liberty** – Exodus, 2 Corinthians 3:17, John 8:32

**Private property** – Micah 4:4, Numbers 33:54, Exodus 20:15,17, Proverbs 22:28

**Freedom to contract** – Genesis 23:7-20, Deuteronomy 25:13-15

**Freedom to leave an inheritance** – Proverbs 13:22, Numbers 27:7

**Diversity of men** – Genesis 1:26-27, 1 Corinthians 12:4

**Diversity of natural resources** – Deuteronomy 8:7-10, Genesis 1-2

**Division of labor** – 1 Corinthians 12, Proverbs 26:10, throughout the Bible various trades are referenced, e.g., fishermen, carpenters, herdsmen, farmers, many different kinds of tradesmen built the Temple in 1 Kings 5, mining is referenced in Deuteronomy 8:9, wages are referenced in Leviticus 19:13, etc.

**Society as a means** – Exodus 20:1-17, Isaiah 2:2-4, Leviticus 19:37. (Ephesians 2:10 shows that individuals are God's workmanship and ergo, government and religion should not callously use men as fuel for their organizational fires Matthew 20:25-27).

**Peace** – Psalm 34:14, Isaiah 2:2-4, Exodus 20:13-17

**Limited government** – Proverbs 28:2,  
Deuteronomy 16:18, Exodus – Deuteronomy

**Reason** – Proverbs 3:13, Proverbs 4:7

**Identity** – Genesis 2:19-20, Isaiah 5:20

**Cause and effect** – Romans 6:23,  
James 1:14-15

**Use of knowledge** – Exodus 19:6,  
Exodus 31:1-5

**Educated citizenry** – Deuteronomy 31:10-13,  
Proverbs 3:13

**Ideas / competition as discovery process** –  
Proverbs 4:7-8, Proverbs 12:24, Proverbs 22:29

**Savings / capital** – Genesis 13:2,  
Proverbs 13:22

**Indirect exchange / money** – Genesis 13:2,  
Genesis 23:7-20, Deuteronomy 2:6,  
Deuteronomy 25:13-15

**Personal incentive / profit motive / hard  
work** – Proverbs 6:10-11, Proverbs 10:4,  
Proverbs 12:11,24, Proverbs 20:4,

Proverbs 28:19

**Manufacturing** – Proverbs 31:16-19,  
Deuteronomy 8:9, Mark 6:3, Exodus 31,

**Low time preference (thinking long-term)** –  
Proverbs 13:22, Proverbs 21:5

### **7.8 A place for everyone – comparative advantage:**

An economist named David Ricardo, in a book published in 1817, is credited with discovering and explaining the economic doctrine known as "**comparative advantage**." Comparative advantage turns out to be a very important concept for economics and for human life itself. Before we can understand comparative advantage, though, it would be helpful to explain **absolute advantage**. Economically speaking, someone has an absolute advantage over another if they are better, in absolute terms, at producing a particular item. For example, if a doctor can clean his own office in 2 hours, but it takes a janitor 3 hours to perform the same task, the doctor has an absolute advantage in cleaning his office as compared to the janitor. He can do the same task in less time.

Absolute advantage and comparative advantage are different concepts and must be thought of as such. A person has a comparative advantage at producing a product or service if they can produce that product or service at a lower cost. Ergo, having a comparative advantage is NOT the same as being the best at producing a product or performing a task. In other words being the best at producing a product is having an absolute advantage. Being the lower cost producer of that product means having a comparative advantage.

How do you define “lower cost,” though? Lower cost means what it costs someone to produce something, which is the value of what is given up by producing it, i.e., **the opportunity cost**. Someone who is really good, in absolute advantage terms, e.g., our doctor friend, might only have a comparative advantage in one thing, or a few things at most. The reason for this is that our doctor friend has a very high opportunity cost associated with not practicing medicine. His time is valued very highly by the other marketplace participants WHEN he is practicing medicine. When he is not practicing medicine, his time is not valued anywhere nearly so high. It is true that our doctor friend

could clean his own office faster than a janitor, but that does not mean it is a good use of his time to clean his own office. It turns out that it is not a good use of his time. This is because of the economic doctrine of comparative advantage. It would cost our doctor friend a lot if he were to clean his own office, because when he is cleaning his own office he is not practicing medicine.

It might be helpful to put some numbers to our example to help make the case clear. If the marketplace values our doctor's time at \$200 per hour and a janitor's time at \$10 per hour we almost don't need to do any math to understand that it is not a good idea for the doctor to clean his own office. If instead of taking two hours to clean his own office the doctor worked those same two hours practicing medicine he could earn \$400 from practicing medicine (2 hours @ \$200 per hour = \$400). He could then hire the janitor for \$30 (3 hours @ \$10 per hour = \$30) to clean his office. The doctor would be \$370 better off by practicing medicine (\$400 extra earned practicing medicine less the \$30 it would cost the doctor to pay the janitor to clean his office). The janitor would have a job. The doctor probably likes practicing medicine more than routine office cleaning. And the

marketplace participants would have two additional hours of professional medical care available, which they value more than losing three hours of janitor time. Everyone would win. In this case, the janitor has a comparative advantage over the doctor in office cleaning. This is true even though the doctor has an absolute advantage in office cleaning over the janitor.

The lesson here is: in order to understand different people's comparative advantages, you do NOT compare their absolute advantages; you compare their opportunity costs associated with performing a task or producing a product.

Ricardo used the example of Britain and Portugal exchanging wine and cloth. The concept of comparative advantage holds true no matter what service or products are compared and no matter where those services or products come from, e.g., from different nations or from within a nation.

By way of further example, let us consider the example of Joe and Bob living on a remote island, which fortunately had adequate fresh water. The immediate food items necessary to keep them alive consist of fish and coconuts.

Joe was so good at both fishing and tree climbing that he could either catch 10 fish per day, or gather 10 coconuts per day. If he fished, on average, he caught 10 fish. If he climbed trees, on average, he could gather 10 coconuts. We will assume that working conditions allow for work to be performed during a 10-hour day.

Bob was also willing and able to work for 10 hours, but not quite so skilled. If Bob fished he would only catch, on average 4 fish per day. But Bob was a little bit better at gathering coconuts than he was at fishing. If Bob climbed trees, on average, he could gather 6 coconuts per day.

Joe has an absolute advantage over Bob at both fishing and coconut gathering. How can they work together to maximize their food availability? **After all, they are trying to survive. But aren't we all?** The answer (see below) is for Bob to gather coconuts and for Joe to fish. If Joe fishes all day he will catch 10 fish, but he will not be gathering the 10 coconuts. If Bob gathers coconuts all day he will gather 6 coconuts, but he will not be able to catch the 4 fish. Together they will have 10 fish and 6 coconuts. If they each worked one-half the time

on fishing and gathering coconuts here is what would happen at the end of the day:

Joe would have caught 5 fish and gathered 5 coconuts.

Bob would have caught 2 fish and gathered 3 coconuts.

The total output would have resulted in them together having produced 7 fish and 8 coconuts.

What would happen, though, if Joe specialized in catching fish and Bob specialized in gathering coconuts? The results would be as follows:

Joe would have caught 10 fish.

Bob would have gathered 6 coconuts.

The total output would have resulted in them together having produced 10 fish and 6 coconuts. Because we are using direct exchange (no money being available for indirect exchange to occur) we have to think a bit more, as do Joe and Bob. And Joe and Bob would quickly realize that Joe could work the last two hours of the day also gathering coconuts,

instead of fishing. If he did, their modified joint effort would be as follows:

Joe catches 8 fish and picks 2 coconuts.

Bob picks 6 coconuts.

Their total output is now 8 fish and 8 coconuts. This is more than the 7 fish and 8 coconuts they would have had, had they not specialized in working in the area where each had a comparative advantage over the other. They can now eat better than they otherwise would have, since they understood the concept of comparative advantage (if only implicitly). There are some relatively simple math formulas for calculating the opportunity cost, per producer of various products, but they are beyond the scope of this short section of this chapter. If interested in further study, one can find simple examples showing such formulas on the Internet, or in economics textbooks.

Per Rothbard, an important economic postulate is that there is a diversity of both human and natural resources over the earth. To your author, it is an axiom - as explained in the previous section of this chapter. At any rate, no one can argue with the fact that there is a

diversity of both human and natural resources over the earth. And this is to mankind's overall benefit because each person has a comparative advantage at producing something with which to trade with others. Those who see only "the seen" think in terms of absolute advantage.

**The "unseen" is the comparative advantage discovered by comparing the opportunity costs of producing something.** It is really clear when using the doctor and the janitor in an example. It is not quite so clear when the opportunity costs are closer, but a free marketplace sorts it all out over time. The below text box assumes no governmental interventions preventing rationality.

Over time, there is a tendency for the lower cost producers in terms of opportunity costs, aka those with a comparative advantage of producing something, to end up producing it – to the taken as a whole benefit of all.

The economic concept of comparative advantage, helping to show who should produce what product or service, is a very important one. Your author believes there is an important extension of the concept of comparative advantage that is important for the self-esteem of every man. And that extension comes from

knowing the two Jehovahs' purpose for mankind. Your author will use Genesis 1, this time, after the Life Chart:

Comparative advantage → extended pertaining to the self-esteem of all men → shows there is a place for everyone → everyone can be productive at something → everyone can contribute toward making life better for all

"And God said, Let Us make man in Our image, after our likeness. And let them have dominion over the fish of the sea, and over the fowl of the heavens, and over the cattle, and over all the earth, and over all the creepers creeping on the earth. And God created man in His image; in the image of God He created him. He created them male and female."

Genesis 1:26, 27, MKJV

The two Jehovahs made man to look like them, but also want for man to become like them in terms of character, in terms of obtaining and consistently using the moral and intellectual virtues, and in terms of being productive (all are different ways of bearing fruit). Each human being is valuable and unique and can contribute something to others. The concept of comparative advantage from economics,

extended a bit more broadly to human life itself,  
shows there is a place for every man. Every man can produce something of value and bring that something to the marketplace in order to trade with others. The results of so doing make the overall productive pie larger than it otherwise would have been. Every man can have the self-esteem and dignity of knowing that he is a productive and contributing man. Metaphorically speaking, that productive contributing man can show up at the dinner table of mankind with his head held high. He helped make the overall pie bigger. And this is true even if others have an absolute advantage over him in everything. It does not matter, because he has a comparative advantage at producing something. And when he learns what that something is and then produces it, he helps make the pie bigger to the benefit of all other men. **He is valuable, too.** And your author believes the two Jehovahs knew all this and designed for it all a long time ago. Praise is to them for this dignity granted to all men. There is a place for everyone and this is not a trivial observation. It is an important observation concerning human dignity.

## **7.9 The fallacy of utilitarianism:**

There is a philosophical doctrine known as utilitarianism and this doctrine is important for the subject of economics because some economists, including the great Mises, have used it to ground their writings. Mises, properly understood, however, would limit utilitarianism to mean that a proposed policy would achieve good results (good utility). Mises further knew the things that are qualitative, e.g., "good," could not be measured quantitatively – no matter who was making the attempt. Further, Mises would not accept social (collective) utilitarian's perversion into the government sacrificing some men to others in an attempt to "achieve the greatest good for the greatest number." In other words, Mises would have the government be strictly limited and afford all men equal protection under the law. This would preclude some men being sacrificed to others. Unfortunately, this is not true with many pseudo-economist sellouts to the government powers that be. Rothbard, a Mises disciple, came to understand the problem and wrote strongly against utilitarianism, as it is commonly understood. He knew that using utilitarianism as the foundation of economic policy was bound to result in some men being sacrificed to others.

For ease of reading the remainder of this chapter will primarily be in explanatory form only. However, key words, phrases, and points are underlined and **bolded** to, in essence, Life Chart within paragraphs.

**Utilitarianism** – whether it is thought of in either personal or collective terms has some really big problems and cannot survive an intellectual attack. Rothbard explains the problem and how it came about, (mainly through economist and philosopher Jeremy Bentham), in his very valuable economic history volume: *Classical Economics: An Austrian Perspective on the History of Economic Thought, Volume II* [emphasis mine throughout]:

"As we have seen, Jeremy Bentham's strictly economic views, especially when he slid back to mercantilism, had no impact on economic thought, even upon his own philosophic disciples such as James Mill and Ricardo. But his philosophic views, introduced into economics by these same disciples, left an unfortunate and permanent impact on economic thought: they provided economics with its underlying and dominant social philosophy. And that

dominance would be no less powerful for being generally implicit and unexamined.

Utilitarianism provided economists with the ability to square the circle: to allow them to make pronouncements and take firm positions on public policy, while still pretending to be hard-headed, 'scientific', and therefore 'value-free'. As the nineteenth century proceeded and economics began to become a separate profession, a guild with its own code and practices, it became possessed of an overwhelming desire to ape the success and the prestige of the 'hard' physical sciences. But 'scientists' are supposed to be objective, disinterested, unbiased in their scientific work. It was therefore assumed that for economists to espouse moral principles or political philosophy was somehow introducing the virus of 'bias', 'prejudice', and an unscientific attitude into the discipline of economics.

This attitude of crude imitation of the physical sciences ignored the fact that people and inanimate objects are crucially different: stones or atoms don't have values or make choices, whereas people inherently evaluate and choose. Still, it would be perfectly possible for economists to confine themselves to analysing

the consequences of such values and choices,  
provided they took no stand on public policy.  
But economists burn to take such stands; in fact, interest in policy is generally the main motivation for embarking on a study of economics in the first place. And advocating policy - saying that the government should or should not do A, B or C, - is ipso facto taking a value position and an implicitly ethical one to boot. There is no way of getting around this fact, and the best that can be done is to make such ethics a rational inquiry of what is best for man in accordance with his nature [natural law]. But the pursuit of 'value-free' science precluded that path, and so economists, by adopting utilitarianism, were able to pretend or to delude themselves that they were being strictly scientific, while smuggling unanalysed and shaky ethical notions into economics. In that way, economics embraced the worst of both worlds, implicitly smuggling in fallacy and bias in the name of hard-nosed value-freedom. The Benthamite infection of economics with the bacillus of utilitarianism has never been cured and remains as rampant and as predominant as ever.

Utilitarianism consists in two fundamental parts: **personal utilitarianism**, and **social**

**utilitarianism**, the latter being built upon the former. Each is fallacious and pernicious, but social utilitarianism, which we are more interested in here, adds many fallacies, and would be unsound even if personal utilitarianism were to be upheld.

Personal utilitarianism, as launched by David Hume in the mid-eighteenth century, assumes that each individual is governed only by the desire to satisfy his emotions, his 'passions', and that these emotions of happiness or unhappiness are primary and unanalysable givens. The only function of man's reason is use as a means, to show someone how to arrive at his goals. There is no function for reason in setting man's goals themselves. Reason, for Hume and for later utilitarians, is only a hand-maiden, a slave to the passions. There is no room, then, for natural law to establish any ethic for mankind.

But what, then, is to be done about the fact that most people decide about their ends by ethical principles, which cannot be considered reducible to an original personal emotion? Still more embarrassing for utilitarianism is the obvious fact that emotion is often a hand-maiden of such principles, and is patently not an

ultimate given but rather determined by what happens to such principles. Thus someone who fervently adopts a certain ethical or political philosophy will feel happy whenever such philosophy succeeds in the world, and unhappy when it meets a setback. Emotions are then a hand-maiden to principles, instead of the other way round.

In grappling with such anomalies, utilitarianism, priding itself on being anti-mystical and scientific, has to go against the facts and introduce mystification of its own. For it then has to say, either that people only think they have adopted governing ethical principles, and/or that they should abandon such principles and cleave only to unanalysed feelings. In short, utilitarianism has either to fly in the face of facts obvious to everyone (a methodology that is surely blatantly unscientific) and/or to adopt an unanalysed ethical view of its own in denunciation of all (other) ethical views. But this is mystical, value-laden, and self-refuting of its own anti-ethical doctrine (or rather, of any ethical doctrine that is not a slave to unanalysed passions).

In either case, **utilitarianism is self-refuting** in violating its own axiom of not going

beyond given emotions and valuations. Furthermore, it is common human experience, once again, that subjective desires are not absolute, given and unchanging. They are not hermetically sealed off from persuasion, whether rational or otherwise. One's own experience and the arguments of others can and do persuade people to change their values. But how could that be if all individual desires and valuations are pure givens and therefore not subject to alteration by the intersubjective persuasion of others? But if these desires are not givens, and are changeable by the persuasion of moral argument, **it would then follow that, contrary to the assumptions of utilitarianism, supra-subjective ethical principles do exist that can be argued and can have an impact on others and on their valuations and goals.**

Jeremy Bentham added a further fallacy to the utilitarianism that had grown fashionable in Great Britain since the days of David Hume. More brutally, **Bentham sought to reduce all human desires and values from the qualitative to the quantitative**; all goals are to be reduced to quantity, and all seemingly different values - e.g. pushpin and poetry - are to be reduced to mere differences of quantity

and degree. The drive to reduce quality drastically to quantity again appealed to the scientistic passion among economists. Quantity is uniformly the object of investigation in the hard, physical sciences; so doesn't concern for quality in the study of human action connote mysticism and a sloppy, unscientific attitude? But, once again, economists forgot that quantity is precisely the proper concept for dealing with stones or atoms; for these entities do not possess consciousness, do not value and do not choose; therefore their movements can be and should be charted with quantitative precision. But individual human beings, on the contrary, are conscious, and do adopt values and act on them. People are not unmotivated objects always describing a quantitative path. People are qualitative, that is, they respond to qualitative differences, and they value and choose on that basis. To reduce quality to quantity, therefore, gravely distorts the actual nature of human beings and of human action, and by distorting reality, proves to be the reverse of the truly scientific.

Jeremy Bentham's dubious contribution to personal utilitarian doctrine in addition to being its best known propagator and popularizer - was to quantify and crudely reduce it still further.

Trying to make the doctrine still more 'scientific', Bentham attempted to provide a 'scientific' standard for such emotions as happiness and unhappiness: **quantities of pleasure and pain.** All vague notions of happiness and desire, for Bentham, could be reduced to quantities of pleasure and pain: pleasure 'good', pain 'bad'. Man, therefore, simply attempts to maximize pleasure and minimize pain. In that case, the individual - and the scientist observing him - can engage in a replicable 'calculus of pleasure and pain', what Bentham termed 'the felicific calculus' that can be churned out to yield the proper result in counselling action or non-action in any given situation. [Felicific means: relating to or promoting increased happiness.] Every man, then, can engage in what neo-Benthamite economists nowadays call a 'cost-benefit analysis'; in whatever situation, he can gauge the benefits - units of pleasure - weigh it against the costs - units of pain - and see which outweighs the other.

In a discussion which Professor John Plamenatz aptly says 'parodies reason', Bentham tries to give objective 'dimensions' to pleasure and pain, so as to establish the scientific soundness of his felicific calculus. These dimensions, Bentham asserts, are

sevenfold: intensity, duration, certainty, propinquity [proximity], fecundity [capable of producing an abundance], purity and extent. Bentham claims that, at least conceptually, all these qualities can be measured, and then multiplied together to yield the net resultant of pain or pleasure from any action.

Simply to state Bentham's theory of seven dimensions should be enough to demonstrate its sheer folly. These emotions or sensations are qualitative and not quantitative, and none of these 'dimensions' can be multiplied or weighted together [there is no invariable standard to use as a quantity, thus enabling measurement, or thus enabling mathematics]. Again, Bentham raised an unfortunate scientific analogy with physical objects. A three-dimensional object is one where each object is linear, and therefore where all these linear units can be multiplied together to yield units of volume. In human valuation, even with pleasure and pain, there is no unit common to each of their 'dimensions' and therefore there is no way to multiply such units. As Professor Plamenatz trenchantly points out:

'the truth is that even an omniscient God could not make such calculations, for the very notion

of them is impossible. The intensity of a pleasure cannot be measured against its duration, nor its duration against its certainty or uncertainty, nor this latter property against its propinquity or remoteness.'

Plamenatz adds that it is true, as Bentham states, that people often compare courses of action, and choose those they find most desirable. But this simply means that they decide between alternatives, not that they engage in quantitative calculations of units of pleasure and pain.

But one thing can be said for Bentham's grotesque doctrine. At least Bentham attempted, no matter how fallaciously, to ground his cost-benefit analysis on an objective standard of benefit and cost. Later utilitarian theorists, along with the body of economics, eventually abandoned the pleasure-pain calculus. But in doing so, they also abandoned any attempt to provide a standard to ground ad hoc costs and benefits on some sort of intelligible basis. Since then, the appeal to cost and benefit, even on a personal level, has necessarily been vague, unsupported and arbitrary. [Your author would say utilitarianism, though clearly scientifically false, has morphed

into a metaphysical assertion, where any naysayers are ridiculed into silence. In essence, utilitarianism has been used to set up a false religion where some men are sacrificed to others the same way an ancient pagan religion would sacrifice virgins to the gods.]

Moreover, John Wild eloquently contrasts **utilitarian personal ethics** with **the ethics of natural law**:

'Utilitarian ethics makes no clear distinction between raw appetite or interest, and that deliberate or voluntary desire which is fused with practical reason. Value, or pleasure, or satisfaction is the object of any interest, no matter how incidental or distorted it may be. Qualitative distinctions are simply ignored, and the good is conceived in a purely quantitative manner as the maximum of pleasure or satisfaction. Reason has nothing to do with the eliciting of sound appetite. One desire is no more legitimate than another. Reason is the slave of passion. Its whole function is exhausted in working out schemes for the maximizing of such interests as happen to arise through chance or other irrational causes ...

As against this, the theory of natural law maintains that there is a sharp distinction between raw appetites and deliberate desires elicited with the cooperation of practical reason. The good cannot be adequately conceived in a purely quantitative manner. Random interests which obstruct the full realization of essential common tendencies are condemned as antinatural ... When reason becomes the slave of passion, human freedom is lost and human nature thwarted ...

(T)he ethics of natural law sharply separates essential needs and rights from incidental rights. The good is not adequately understood as a mere maximizing of qualitatively indifferent purposes, but a maximizing of those tendencies which qualitatively conform to the nature of man and which arise through rational deliberation and free choice ... There is a stable universal standard, resting on something firmer than the shifting sands of appetite, to which an appeal can be made even from the maximal agreements of a corrupt society. This standard is the law of nature which persists as long as man persists - which is, therefore, incorruptible and inalienable, and which justifies the right to revolution against a corrupt and tyrannical social order.'

Finally, in addition to the problems of the pleasure-pain calculus, personal utilitarianism counsels that actions be judged not on their nature but on their consequences. But, in the non-Bethamite, mere cost-benefit (rather than 'objective' pleasure-pain) analysis, how is anyone to gauge the consequences of any action? And why is it considered easier, let alone more 'scientific', to judge consequences than to judge an act itself by its nature? Furthermore, it is often very difficult to figure out what the consequences of any contemplated action will be. How we are to find the secondary, tertiary, etc. consequences [the unseen], let alone the more immediate ones? We suspect that Herbert Spencer, in his critique of utilitarianism, was correct: "it is often easier to know what is right than what is expedient."

Unfortunately, personal utilitarianism as a doctrine gets worse because it has been further extended to social utilitarianism. Your author, once again, quotes from Rothbard regarding social utilitarianism:

"In extending utilitarianism from the personal to the social, Bentham and his

followers incorporated all the fallacies of the former, and added many more besides. If each man tries to maximize pleasure (and minimize pain), then the social ethical rule, for the Benthamites, is to seek always 'the greatest happiness of the greatest number', in a social felicific calculus in which each man counts for one, no more and no less.

The first question is the powerful one of self-refutation: for if each man is necessarily governed by the rule of maximizing pleasure, then why in the world are these utilitarian philosophers doing something very different – that is, calling for an abstract social principle ('the greatest happiness of the greatest number')? And why is their abstract moral principle - for that is what it is - legitimate while all others, such as natural rights, are to be brusquely dismissed as nonsense? What justification is there for the greatest happiness formula? The answer is none whatever; it is simply assumed as axiomatic, above and beyond challenge.

In addition to the self-refuting nature of the utilitarians clinging to an overriding - and unanalysed - abstract moral principle, the principle itself is shaky at best. For what is so

good about the 'greatest number'? Suppose that the vast majority of people in a society hate and revile redheads, and greatly desire to murder them. [If you, dear reader, think this is crazy and unfair by Rothbard, please remember the Nazi treatment of Jews before and during the World War Two period of human history.] Suppose further, that there are only a few redheads extant at any time, so that their loss would entail no discernible drop in general production or in the real incomes of the non-redheads remaining. Must we then say that it is 'good', after making our social felicific calculus, for the vast majority to cheerfully slaughter redheads, and thereby maximize their pleasure or happiness? And if not, why not? As Felix Adler wryly put it, utilitarians 'pronounce the greatest happiness of the greatest number to be the social end, although they fail to make it intelligible why the happiness of the greater number should be cogent as an end upon those who happen to belong to the lesser number'.

Furthermore, the egalitarian presumption of each person counting precisely for one is hardly self-evident. Why not some system of weighting? Again, we have an unexamined and unscientific article of faith at the heart of utilitarianism.

Finally, while utilitarianism falsely assumes that the moral or the ethical is a purely subjective given to each individual, **it on the contrary assumes that these subjective desires can be added, subtracted, and weighed across the various individuals in society so as to result in a calculation of maximum social happiness.** But how in the world can an objective or calculable 'social utility' or 'social cost' emerge out of purely subjective desires, especially since subjective desires or utilities are strictly ordinal, and cannot be compared or added or subtracted among more than one person? **The truth, then, is the opposite of the core assumptions of utilitarianism.** Moral principles, which utilitarianism claims to reject as mere subjective emotion, **are intersubjective and can be used to persuade various persons; whereas utilities and costs are purely subjective to each individual [not intersubjective] and therefore cannot be compared or weighed between persons.**

Perhaps the reason why Bentham quietly shifts from 'maximum pleasure' in personal utilitarianism to 'happiness' in the social realm is

that talking about the 'greatest pleasure of the greatest number' would be too openly ludicrous, since the emotion or sensation of pleasure is quite clearly not addable or subtractable between persons. Substituting the vaguer and looser 'happiness' enabled Bentham to fuzz over such problems. [Sometimes social utilitarianism is repackaged and worded as, "the greatest good for the greatest number."]

Bentham's utilitarianism led him to an increasingly numerous 'agenda' for government intervention in the economy. Some of this agenda we have seen above. Other items include: a welfare state; taxation for at least a partial egalitarian redistribution of wealth; government boards, institutes and universities; public works to cure unemployment as well as to encourage private investment; government insurance; regulation of banks and stockbrokers; guarantee of quantity and quality of goods.

... Utilitarian economists have often been - in my view properly - accused **of trying to substitute 'efficiency' for ethics** in advocating or developing public policy. 'Efficiency', in contrast to 'ethics' sounds unsentimental, hard-nosed and 'scientific'. Yet

extolling 'efficiency' only pushes the ethical problem under the rug. For **in whose interests**, and **at whose expense**, shall social efficiency be pursued? In the name of a spurious science, 'efficiency' often becomes a mask for exploitation, for plundering one set of people for the benefit of another. Often, utilitarian economists have been accused of being willing to advise 'society' on how to build the most efficient 'concentration camps'. Those who have held this charge to be an unfair reductio ad absurdum should contemplate the life and thought of the prince of utilitarian philosophers, Jeremy Bentham. [They should also remember the lessons that should have been learned from Nazi Germany]. In a profound sense, Bentham was a living reductio ad absurdum of Benthamism, a living object lesson of the results of his own doctrine.

It was in 1768, at the age of 20, when Jeremy Bentham, returning to his alma mater, Oxford, for an alumni vote, chanced upon a copy of Joseph Priestley's Essay on Government, and came across the magical phrase that changed and dominated his life from then on: 'the greatest happiness of the greatest number'. But, as Gertrude Himmelfarb points out in her scintillating and devastating essays on Bentham,

of all his numerous schemes and tinkerings in pursuit of this elusive goal, the one closest to Jeremy's heart was his plan for the panopticon. In visiting his brother Samuel in Russia, in the 1780s, Bentham found that his brother had designed such a panopticon, as a workshop, and Bentham immediately got the idea of the Panopticon as the ideal physical site for a prison, a school, a factory - indeed, for all of social life [as if a prison, a school, and a factory, all with different purposes could be organized in the same way]. **'Panopticon', in Greek, means 'all-seeing'**, and the name was highly suitable for the object in view. Another Benthamite synonym for the panopticon was **'the Inspection House'**. The idea was to maximize the supervision of prisoners / school children / paupers / employees by **'the all-seeing inspector'**, who would be seated at a tower in the centre of a circular spider-web able to spy on all the cells in the periphery. By mirrors and other devices, each of the spied upon could never know where the inspector was looking at any given time. Thus the panopticon would accomplish the goal of a 100 percent inspected and supervised society without the means; since everyone could be under inspection at any time without knowing it.

Bentham's apologists have reduced his scheme to merely one of prison 'reform', but Bentham tried to make it clear that all social institutions were to be encompassed by the panopticon; that it was to serve as a model for 'houses of industry, workhouses, poorhouses, manufactories, mad-houses, lazrettos, hospitals, and schools'. An atheist hardly given to scriptural citation, Bentham nevertheless waxed rhapsodic about **the social ideal of the panopticon**, quoting from the Psalms: 'Thou art about my path, and about my bed; and spies out all my ways ... '

As Professor Himmelfarb aptly puts it:

'Bentham did not believe in God, but he did believe in the qualities apotheosized in God. The Panopticon was a realization of the divine ideal, spying out the ways of the transgressor by means of an ingenious architectural scheme, turning night into day with artificial light and reflectors, holding men captive by an intricate system of inspection.'

Bentham's goal was to approach, or simulate, the 'ideal perfection' of complete and continuous inspection of everyone. Because of the

inspector's 'invisible eye', each inmate would conceive himself in a state of total and continuing inspection, thus achieving the apparent omnipresence of the inspector.

Consistent with utilitarianism, the social arrangement was decided upon by the social despot, who acts 'scientifically' in the name of the greatest happiness of all. In that name, his rule maximizes 'efficiency'. Thus, in Bentham's original draft, every inmate would be kept in solitary confinement, since this would maximize his being 'safe and quiet', without chance of unruly crowds or planning of escape.

In arguing for his panopticon, Bentham at one point acknowledges the doubts and reservations of people who appear to want maximum inspection of their children or other charges. He recognizes a possible charge that his inspector would be excessively despotic, or even that the incarceration and solitary confinement of all might be 'productive of an imbecility', so that a formerly free man would no longer in a deep sense be fully human: 'And whether the result of this high-wrought contrivance might not be constructing a set of machines under the similitude of men?' To this critical question, Jeremy Bentham gave a

brusque, brutal and quintessentially utilitarian reply: who cares? he said. The only pertinent question was: 'would happiness be most likely to be increased or diminished by this discipline?' To our '**scientist' of happiness**', there were no doubts of the answer: 'call them soldiers, call them monks, call them machines; so they were but happy ones, I should not care.' There speaks the prototypical humanitarian with the guillotine, or at least with the slave-pen."

Need anything else be said about utilitarianism and where it leads? It leads to rationalizations for a man or group of men playing god and disposing of some men's lives against their will in their misguided or evil attempt to make the world over into their own image – all in the name of a science of happiness. In short, it leads to some men being sacrificed to others. None of this is scientific. As science, it is nonsense. No human being can take qualitative things, e.g., good, pleasure, happiness, or love and quantify them. Any such quantifications are arbitrary assertions by a metaphysician. And those arbitrary assertions are false. But social utilitarianism with its great sounding slogans, "the greatest happiness for the greatest number," or "the greatest good for the greatest number," has been used as the

rationalization for all manner of atrocities. Many thanks are owed to Rothbard and others for pointing out that it is nonsense. It is bad philosophy. It is bad ethics. It is bad science. It is anti-reason, illogical. It is against the nature of man. It is even bad metaphysics. Pseudo-economists cannot use it neutrally, in a social scientific sense. Utilitarianism cannot be used to ground anything logically, in particular, economics. It is one more example of a failed "ism." It is a rationalization for the abuse of power. And it has been used as a means, by those opposed to the two Jehovahs and their special creation, mankind, to attack both God and man. There is no doubt in your author's mind that the end-time Antichrist will use utilitarian slogans to help him gain and hold power.

### **7.10 Other economic fallacies & thoughts:**

There are so many other widely believed economic fallacies that it is difficult, if even possible, to address them all. The detailed refutation of many of these fallacies forms part of the reason why Mises, Rothbard, and Reisman each wrote economics treatises of about 1,000 pages in length. Nevertheless, your author will use this section of the chapter to discuss some,

not all, of the other economic fallacies not previously discussed. Your author, in this brief chapter section, only has place to provide a relatively short comment pertaining to each fallacy. The reader is invited to read further, on their own, for a more lengthy and complete, logical disposition disproving these fallacies:

**The economic man fallacy** – Even the man who popularized this fallacy, John Stuart Mill, knew it was contrary to human nature. Men are not robotically pre-programmed to only acquire wealth. Each man has his own hierarchy of values, which are constantly shifting, and non-material values can be and are in this hierarchy. Men, acting against the economic man premise, sometimes give away their assets to charitable causes. Other men choose a life of relatively modest means in order to create, as an artist, for example. Other men undertake vows of poverty. Etc. A man is not “economic man” where he is hardwired to behave in such a way so as to constantly strive to only maximize his economic gains.

**The zero sum game fallacy** – this fallacy is believed by millions and basically is the false belief that in any trade there is a winner and a loser. This is a fallacy because the only reason

that two men trade in the first place is because of unequal valuation in each of their minds. Each person in a trade receives something he values MORE THAN what he gives up in a trade. This is the actual reason that a trade occurs. If this were not so the person who perceived he was the loser in a potential trade would not make the trade. In other words, if trading really were a zero sum game NO trades would get made - or very few. In effect, one could only trade with foolish people and foolish people do not produce much with which to trade. In actual reality, at the time of a trade, both are winners in their own minds. Sometimes, it is true, one of the parties, or both, have post-trade regrets. If this is the case then the man with the post-trade regret has experienced what could be termed a psychic loss. He traded for something he thought would make him satisfied, but it did not turn out to be the case. This does not change the fact that at the time of the trade both men received something they valued MORE THAN what they gave up – and so both were winners at that moment in time. Further, when men's natural rights are respected and the government is limited and does not engage in interventionism, production can greatly expand, improving the standard of living of millions of people – all at the same time. This is what

happened in early America. Economic progress could not occur if every trade involved both a winner and a loser. Were this fallacy really true, trading would grind to a halt and we would have the economic system of autarky where most men would be relegated to barely generating a subsistence living.

**The general equilibrium fallacy** or the evenly rotating economy fallacy - this fallacy is one of confusing an economist's method of reasoning with the actual real world. General equilibrium never happens in the real world because there are men like the late Steve Jobs and companies like Apple. New products and services are continually being invented and delivered into the marketplace and this disrupts the status quo and causes realignments of the economic factors of production. The real world economy can tend toward general equilibrium, but it will never get there. When an economist uses a mental reasoning tool called "the evenly rotating economy," he is assuming a world that does not exist. The reason an economist assumes a world that does not exist, a world in general equilibrium, is so he can engage in thought experiments. The reason thought experiments are important to true economists is because human experimentation is not correct for ethical

and true social scientists. The economist wants to think through what would happen to a world in general equilibrium if only X variable were changed. What would the consequences be? The evenly rotating economy, in an economist's mind, has no corresponding general equilibrium equivalent in the real world. There can never be general equilibrium in the real world as the number of people and their needs, wants, and tastes change over time. General equilibrium implies a static world, but the world is not static.  
It is dynamic.

**The perfect competition fallacy** – sellout pseudo-economists, along with government-intervener apologists, sometimes work together to attempt to “level the playing field” of business competition. Their basic premise is that there should be perfect competition and since the marketplace does not deliver perfect competition, it is somehow flawed. The fallacy that there should be perfect competition flies in the face of both logic and nature. In short, it is idiotic. The truth is that the ideal of perfect competition is a fiction, which never can be. The reason for this is because there is a wide diversity of both men and resources throughout the world. Ergo, some men are smarter than others. Some men are more physically capable

than others. Some men live in an area rich with natural resources. Etc. There never has been, nor ever will be, perfect competition. The only way to level the playing field for laborers and brain surgeons would be to have no brain surgeons. You cannot take unskilled laborers and elevate them to the level of a brain surgeon. Ergo, if you really want perfect competition, then you have to get rid of today's brain surgeons and let the medical equivalent of cavemen operate on brains going forward. To whose benefit would that be? It would certainly not benefit someone in dire need of brain surgery. The whole idea of perfect competition being achievable is idiotic and your author is amazed anyone would be dumb enough to believe in it. Men can only equalize downward. Fortunately, it is not necessary, or even desirable for perfect competition to exist. What is important is for there to be no artificial barriers to entry for new competitors who wish to enter the marketplace and compete therein. If there are no artificial barriers to entry, (which predominantly come from the government), then when high profits signal to entrepreneurs to shift resources into a promising field, then some of those entrepreneurs will be able to find ways to obtain financing and to deliver their competing offerings into the marketplace. After

that, consumers will ultimately decide who is providing the better offerings and who should, therefore, continue to provide them. Lastly, due to the correct economic doctrine of comparative advantage, there is a place for all men to be productive contributors to society – even if those men do not have an absolute advantage in producing a particular product or service.

**The measuring value fallacy** – as previously mentioned, there is no possible way to measure value. Each person ranks what he or she values in an ordinal (order of preference) way, not a cardinal (numeric quantity) way. An ordinal way means I prefer a hamburger first, a new leash for my dog second, getting a new book third, etc. A cardinal way means a number denoting quantity. Each person ranks things they want in a personal and subjective ordinal ranking. It is true that a person might not rank a hamburger first if a hamburger cost forty dollars. However, all that this means is people consider the cost of things when forming their personal and subjective ordering of values. By way of simple example, one of the things someone might value most is to lie down on the beach and get a suntan. There is no calculable quantity associated with things like lying on the beach and getting a suntan. Prices, as explained in an

earlier section, are only the recent history of marketplace transactions. Prices can and do fluctuate and they never measure value, as value is constantly shifting and subjective, meaning in the eye of the beholder. What sold yesterday for X, might sell today for Y, and might not sell at all in the near future (think 8-track tape players and buggy whips). Further, since a price results from an indirect exchange, but the two traders engaging in that exchange value the thing given up less than the thing received, price cannot possibly be said to measure value.

**The use of math formulas to perform economic planning fallacy** – since each man's hierarchy of values is ordinal, and not quantitative, it is economic lunacy to attempt to discover mathematical formulas with which to predict or explain economic activity. Economic activity comes from human beings who think, choose, and take action. Government planners want to intervene into the marketplace in an attempt to reorder it to their own liking. They would like to be able to pretend that their interventions are somehow scientific – capable of being rationalized via mathematical representation, instead of being only their own arbitrarily chosen value judgments. That their

interventions are always economically counterproductive and destructive was discussed in the interventionist fallacy section of this chapter. Paraphrasing Rothbard, who was discussing a late classical economist named John Cairnes: However, unless it can be shown that mental feelings (subjective personal evaluations) can be expressed in precise quantitative terms (which they cannot), or that economic phenomena do not depend on mental feelings (which they do), then mathematics cannot yield new truths in the social science of economics. And so math cannot. But this does not stop government interveners, as they then usually take the fallback position of attempting to use statistics as a substitute for precise math formulas. But the use of statistics does not work, either, in that statistics are only history and they are themselves not capable of expressing subjectivity in terms of quantitative terms any more than mathematics proper is. The future can change because human beings can change. Human beings choose and there is no mathematical or statistical way around this basic fact of nature.

**The mercantilist fallacy** – mercantilism is a jumble of fallacies rolled into a pseudo-economic system that has historically impoverished

mankind. Even worse, mercantilism endangers mankind because it usually leads to wars being fought. Ergo, it is not possible to intellectually demolish it in a short paragraph. The classical and Austrian economists intellectually demolished mercantilism a long time ago.

Mercantilists generally believe in the zero-sum-game approach to economics, in particular, in regards to international trade; and the big mercantilist belief that your author wishes to touch on here is that exports are better than imports. Actually, the value of exports consists in their providing the means of payment with which to acquire imports. Imports are the real benefit from international trade. The trading party already has access to the good or service that is being exported. What is needed is to obtain access to the products or services that are being imported, e.g., coffee and bananas from South America, oil from wherever, etc.

The mercantilists are wrong in not understanding that the value of international trade lies in receiving access to the benefits gained from the imports. Because the mercantilists do not understand much, if anything, about economics, they advocate for tariffs (which make imports more expensive) and trade barriers (which block certain imports altogether). These actions make imports either

more expensive or impossible to obtain. Both of these actions then show complete ignorance of the fact that the imports received are what provide the benefits from international trade. Hurting imports, which provide the benefits from international trade, forces nations into, in effect, autarky and this lowers the standard of living for all. It also leads to war, as some nations would prefer to trade for what they cannot produce locally, but when they cannot do so, they invade in order to take it.

**The distributor/retailer, no value added fallacy** - because some men do not understand that a bushel of apples in Washington is not the same economic good as a bushel of apples in New York City, they observe the difference in price of said bushel of apples and decide something is wrong. Their confusion lies in correctly seeing that the two bushels of apples are physically identical and then not understanding that the two bushels of apples in question are not the same economic goods. They are not the same economic goods because they are in different locations. And location matters to consumers. The bushel of apples in New York City is more conveniently located to the end consumers and so is more valued by them than is the bushel of apples still near

where the apples were grown. The transportation companies, distributors, and retailers involved have all provided a service by relocating, bulk storing, and merchandising the apples. They each receive payment for their contribution to the process. If the apple growers were really serious in their complaints about the low prices they receive for their apples, in contrast to the high prices the retailers in New York City receive for "the same" (physically the same, but not economically the same) apples, then they could transport, warehouse, and retail the apples themselves to make all that "extra profit." If the consumers in New York City were serious in their complaints about apples costing so much, they can either travel to Washington and back to get some apples, or arrange for the shipment of apples to themselves and pay all costs involved. That neither the apple growers in Washington, nor the apple consumers in New York City, actually do so says all that needs be said. The transport, distribution, and retailer system delivers the quality and quantity of merchandise to the end consumers that the end consumers demand (demand in economics terms). They each provide a necessary service. At each step of that process the identical physical goods are no longer the same economic goods and that is why

they are valued differently. Essentially, the retailers find products for their customers to purchase and get them to a place where their customers can do so. Conversely, the retailers also find end customers for the producers of products.

**The organized labor unions are organized against big industry fallacy** – Dr. Clarence Carson, in his book, *Organized Against Whom: The Labor Union in America*, disproves the fallacy that unions are organized against industry. In reality, unions are organized against everyone but their own members and leaders. In particular, they are organized against non-union workers who are willing to work. If the government did not intervene to provide pro-union, special treatment, interventionist legislation, it would be much harder for a union to ever form. Further, if governments did their job of protecting against the initiation of force and did their job of protecting private property rights, then the industry being organized against would probably just hire replacement workers. It is special treatment by government for labor unions, which enables labor union members to intimidate potential strikebreaking replacement workers into not crossing picket lines. This

intimidation is an initiation of force against potential strikebreaking workers that the government should protect them from. Instead, the government condones this initiation of force. The picket lines are on industry property, which is private property, and the strikers should not be allowed on it without the company's permission – which the company would likely not grant. Again, the government allows the labor union trespassing, which intimidates both non-union workers and the company involved. Further, it is not a right of a worker to "own" a job. A job is a contract to perform labor services. The company being intimidated into dealing with a union is a party to any such contract and if they do not wish to contract with a union and/or the union members that should be their right. In other words, it is the company's right to enter into a labor contract with a union and its members, or if the company so prefers, to enter into a labor contract with any who are willing to work - whether or not they are union members. The government's interventionist tilting of the labor laws toward the benefit of unions and the government's failure to respect and protect persons, private property, and contract rights enables unions to continue to exist. Without such help from the government, unions would have to contract

peacefully with companies willing to do so. The fact that they need special interventionist help from the government shows that **marketplace consumers do not want to buy products from industries that overpay labor.** Most industries that have been extensively unionized, e.g., steel, auto, and the airlines to name a few, are in and out of bankruptcy continually and frequently need other government help (subsidies or loans) to stay in business. The other government help is the compound interventions that take place following the first government intervention and it causes the taxpaying consumers to not only overpay for products from those industries, but to also pay again through higher taxes and/or higher government debt. Labor unions help one government-favored group at the cost of everyone else. This, of course, logically follows because the government can only give to one group what it first takes from another. In this case the taking is from non-union laborers who are willing to work, but prevented from having a job (the unseen). And the taking is from end consumers who pay higher prices and from the taxpayers who are stuck with the bill when the government further intervenes to bail out industries making losses because they cannot effectively compete in the world economy with

the companies who do not overpay for their labor.

**The Acts 4 Socialism for the church fallacy -**

Some who do not understand economic laws use the early church experience, summarized in Acts 4:32-37, to "show" that God wants Socialism for the ekklesia (commonly known as the church). Doing so they ignore the private property and division of labor that is detailed throughout the entirety of the rest of the Bible – including a continuation of the Acts 4 story in Acts 5.

Socialism has already been demolished intellectually and not much more need be said of it. Acts 4, along with other scriptures, does reveal that, early on, the Apostles incorrectly believed that Jesus Christ would be returning to the earth in the short term. Because of this incorrect belief the early ekklesia made a decision to not focus their attention on mundane physical things and to give themselves to prayer, to building each other up in the faith, and to speaking the words of life to the people.

Ergo, they chose to sell off their physical possessions and consume the proceeds. Of course, at the point of time pertaining to Acts 4, the Apostles were wrong on this matter. Christ still has not returned (Revelation 19), almost 2,000 years later. The Apostles, filled with the

Holy Spirit, made the wrong decision. And Jesus Christ, the head of the ekklesia (Ephesians 5:23), allowed them to make a bad decision and to experience the negative consequences. Acts 4 and 5 clearly show it was within the rights of a church member to sell their private property and donate the proceeds for communal living, or not. As former British Prime Minister Margaret Thatcher astutely observed and expounded, "The only problem with Socialism is that sooner or later you run out of other people's money." And then the party is over and you have to get back to work and rebuild – only this time on more lasting principles. (Your author is writing physically here, not spiritually). Acts 4 does not show that the Bible advocates Socialism. It just shows that the early Apostles were wrong on a spiritual matter (Christ returning in the near future) and a temporal matter (regarding consuming their capital in communal living) and that Jesus Christ, the head of the church, allowed it.

**The shortage of natural resources fallacy -** Reisman devotes the entire third chapter of his book, *Capitalism*, to demolishing this fallacy, so there is no need for your author to do so here. Concerning the factors of production that are scarce, Reisman extensively shows that the

actual truth is the opposite of what is typically expounded. Reisman shows that natural resources are plentiful, but that labor is what is scarce. What is widely expounded and believed is that "mother earth" is being violated and depleted (natural resources are scarce) and that there are too many men on the earth (overpopulation). On the other hand, Reisman shows the earth is made out of natural resources, extending all the way down for thousands of miles. Each element man has ever mined, or otherwise exploited, exists in substantial times the quantity ever exploited by man. It may be true that the further down man has to go to obtain a resource, the cost goes up, but the higher price of such production encourages conservation and the substitution of less expensive resources until such time as man can find a way to more economically extract the item in question. In this case availability is not the problem, cost is, but the natural resources exist. The high cost of a resource, though abundant in absolute potential supply, forces it to be economized today. Your author would argue there is a reasonable point of view that allows for successful and honest entrepreneurs to be considered as the world's best environmentalists. This is because in order to make a profit they economize scarce resources

while serving large numbers of customers. Reisman further expounds that the energy discharged in a single thunderstorm exceeds the energy mankind uses in a year. Perhaps man can someday learn to harness this potential power source. Also, the sun provides a constant source of energy, and new methods of obtaining energy are being developed all the time. If an energy item has a high price, economizing that item is encouraged, as is the substitution of other energy sources that are more economical. Reisman further expounds that because man's wants are virtually unlimited, but resources are plentiful, that the real shortage concerning the factors of production is labor, not a shortage of natural resources, or energy. In other words, Reisman, a secular economist, concludes quite honestly that the earth has plenty of resources and energy, but what it needs is more productive people. This would square with the two Jehovahs, who made men in their image, and told them to: "be fruitful and multiply" (Genesis 1:28). And it would also square with the two Jehovahs giving men dominion over the earth, but not each other (Genesis 1:26, 28). What is commonly propounded is that there are too many men on the earth and that mankind is violating mother earth due to the exploitation of natural resources. Mother earth is a pagan

concept and that there are too many men is  
Satanic. Satan hates men because he views us  
as infringing on “his place in the universe” and  
because we are made in God’s image and  
likeness and because he hates the two  
Jehovahs. And Satan does not like it when men,  
obeying God, exploit the resources of the earth  
in order to stay alive and to have a more  
abundant physical life. Reisman does a  
masterful job of pointing out that because of  
advances in science, technology, tools,  
machines, and also capital availability the supply  
of economically usable natural resources is  
greater now than it was at the beginning of the  
Industrial Revolution. Chapter three of his  
book, *Capitalism*, is definitely worth a read.

**The Bible bans interest fallacy** – the subject  
of “interest” is a touchy one, especially for  
historical Christianity. Rothbard, in his two-  
volume treatise on the history of Austrian  
economics, details out the twists and turns and  
opinions and facts concerning the subject.  
Volume one is entitled, *Economic Thought*  
*Before Adam Smith*, and volume two is entitled,  
*Classical Economics*. It is beyond the scope of  
this chapter to fully explain, in detail, what  
interest is and why the Bible does not ban its  
collection, except under certain circumstances.

With that said, your author thought a chapter on economics should at least touch on the subject. The Austrian economists have demonstrated that interest is: preferring a good in the present as compared to a good in the future. Because all men prefer a good in the present, to the same good in the future, future goods must be discounted against present goods. The difference in that valuation becomes, at it were, an originary rate of interest (a natural rate of interest). Another way to say this is that a present good demands a premium as compared to a future good. Next, your author would like to shift over to the separate but related topic of money loans. When a money loan is issued, particularly during an age of inflation like the one we live in today, the interest rate charged for the loan is likely a combination of three elements: 1) the natural rate of interest, 2) an executional risk/profit element for the lender (this will be explained in more precision in the next chapter), and 3) possibly an additional hedging element against the creation of new money substitutes, (inflation), during the loan term. The Bible speaks against interest and/or debt in two main ways. The **first** is charging and collecting usury (interest) on loans made to poor people. Various scriptures, taken in context, show linkage between the interest

prohibition and a loan to a poor person (Exodus 22:25, Leviticus 25:35-37, Ezekiel 18: versus 7 and 8 are linked, as are verses 12 and 13, as are verses 16 and 17, and Proverbs 28:8). Other scriptural examples, which are less clear, should be interpreted in light of the clear scriptures above. The second instances of the Bible speaking against interest are in context of the money-lending system whereby a man and all his real and personal property are pledged as security against the debt. Many times the debt is due to having to pay taxes, which is likely a part of the same corrupt debt-based people-enslavement system. Scriptural examples of this are found in Nehemiah 5:1-13, James 5:1-7, and probably also Ezekiel 22:6-16. A further point of interest (pun intended) is that the New Testament parable of the talents criticized the man who buried his talent. The criticism was that the man should have at least lent the talent to the moneylenders so the master could receive an interest return on the talent lent. This shows that interest on business loans is not forbidden (Matthew 25:27 and Luke 19:23). The two Jehovahs clearly know what interest is and they know that the only way to completely ban interest is to kill all men because all men prefer a good in the present to one in the future. Instead of banning interest, they had mercy on

poor people. They did not ban interest per se;  
they banned the charging and collection of  
interest on loans to poor people. This is within  
their prerogative as they are the original  
appropriator, owner-operators of the universe.  
Men are their guests in the universe and the  
banning of interest on loans to poor people is a  
form of charitable giving from the moneylender  
to the poor person receiving the loan. The  
forgiveness of personal debts every seven years  
is an additional form of charity mandated by the  
two Jehovahs (Deuteronomy 15:1-2).

### **7.11 Chapter summary:**

Economic laws exist and they limit both individuals and governments. Ignoring those laws, or collectively attempting to override those laws, will only make man's life harder on this earth than it has to be. Resources (the factors of production) are limited and must be economized because man's wants are unlimited. Time also limits each of us because each man has a limited lifetime and because all production takes time. Economic principles, as discovered by honest social scientists, do not conflict with the principles found in the Bible. Economic laws also limit businesses and how they operate. In

other words, the market already regulates business owners.

Understanding Bastiat's classic essay on "seeing the unseen" would go a long way toward helping individuals and government officials to make more rational economic decisions.

Understanding that Socialism cannot possibly succeed as an economic system, and that it is also a false metaphysical system (in essence, a false secular religion), would have saved over a century of hardship and many men's lives. Mises intellectually demolished Socialism almost 100 years ago. There is no excuse for continuing to believe in it.

Mises also intellectually demolished interventionism and showed that there is no possible "third way" between Socialism and capitalism. Mises further showed that many of people's complaints against capitalism should more properly be directed against a government-inspired interventionist policy – which is almost certainly causing the real problem.

Mises scientifically discussed bureaucracy and showed why a bureaucratic endeavor

cannot possibly ever function the way that a private enterprise can. Bureaucratic management is necessary for certain narrowly prescribed limited government functions, but beyond that it cannot provide mankind with the goods and services people want and need in an economic and rational way. Any hope to make the economy of the world a giant post office operation cannot work and should not be attempted. Bureaucrats tend to be static thinkers in a dynamic world and they do not have market prices with which to rationally allocate resources. Further, the authority of the bureaucrats must be proscribed and limited via regulations, including strict budgetary guidelines.

Along governmental lines, this section of this chapter showed why the government could only give to one group of people what it first takes from a different group of people. There are, in effect, government favored tax consumers who are net receivers of government diverted spending, and there are net taxpayers whose spendable funds have been diverted away from their own personal spending plans. Government is not omnipotent. The government cannot create jobs, but it can destroy them with bad economic policies. The government cannot

make the economy bigger, but it can divert spending to politically favored purposes.

Numerous money fallacies were discussed. The government can either create or allow for the creation of fiat money, but government cannot create the limited factors of production. When fiat money is created and spent there are government-connected "winners" as against honest producer losers. The early receivers of the newly created fiat money gain a government-granted benefit at the expense of the late receivers of this newly created fiat money. Whether the newly created fiat money comes from a government chartered central bank, or from the government itself, there are negative effects from this government intervention. When the newly created money comes from checkbook loans by banks, it creates a boom, followed by a bigger bust, business cycle, for which capitalism is blamed. Malinvestment occurs and then is liquidated in a very painful process. The economic distortions waste precious lives and capital. The faults lie with the created fiat money substitutes and with the central bank system itself. The central bank system includes the central bank cohorts of the government-licensed and regulated commercial banks and the government, too.

Properly understood, economics is part of praxeology, the study of purposeful human action. Each man exists and must take action in order to obtain the things he needs to live on this earth. Each man owns himself and his labor. The purpose of government is to be the collective agent of men in order to safeguard each man's natural rights. Bastiat would say something along the lines of: the purpose of government is the collective organization of the individual's right of self-defense. Beyond this, government can add no value. If government attempts to go beyond this, it simply diverts scarce economic resources away from where men would have otherwise directed them – usually at great overall societal loss. The other core principles of economics, properly understood, are too many to list in a brief paragraph, with explanation of each. With that said, the below are a number of the key principles of economics: life, private property, liberty, division of labor, freedom to exchange (contract), savings generating capital, capital being utilized to produce labor saving tools and machinery and as a fund with which to hire workers, entrepreneurs functioning as change agents for consumers and also functioning as resource allocation agents for consumers,

society as a means for individual men to have a better life, the harmony of interests, the marketplace generating prices, prices allowing economic planning, a sound and commodity based money being used for indirect exchange transactions, human and geographical diversity being good for mankind, peace, reason, use of knowledge, competition as a discovery process to see which products and services should be produced where, by whom, and by what methods, the incentive of the profit motive, etc. All of the above economic principles are part of a life system conforming to natural laws and the Bible.

It is pointless to try and refute that there is a diversity of both human and natural resources. The kindness of the two Jehovahs, expressed through the law of comparative advantage, shows there can be a productive place for everyone.

Personal utilitarianism is flawed because, at a minimum, it minimizes or dismisses the ability of reason to be used as an aid in goal setting and inter-personal persuasion. Social utilitarianism is more likely to lead to a totalitarian despot than the greatest good for the greatest number. Happiness and good

cannot be quantified no matter who is making the attempt, and Bentham's felicific calculus is an intellectual joke. Utilitarianism cannot be used, as it is by some, as a way around bias-free scientific analysis. And it should not be used to ground economic principles as it is deeply flawed, as pointed out by Rothbard.

There are too many economic fallacies, pertaining to economic laws and their operation, to refute in one chapter of a book. They have been refuted for all time elsewhere. For more complete information concerning economics, including detailed refutation of economic foolishness, the reader can consult the list of books referenced in the Bibliography at the end of this book, if desired. Men's opinions and government wishes do not obviate the functioning of either natural scientific laws, or the laws of economics – economics being a social science. Ignoring economic laws will not do anything but make all of our lives harder, and collectively banding together in an attempt to override economic laws will not work either. Just as a collective attempt by man to permanently rebut or overcome the law of gravity is doomed to failure, so are any and all collective attempts to overturn economic laws. Every man is potentially valuable. No man

should be cut into pieces and used as fuel for such a collective bonfire. And no man should be chopped into pieces and then cooked and eaten as food by other men. That both such things happen all the time is self-evident. The why behind their occurrence is usually an attempt to evade reality, or envy, or wanting something for nothing, or cowardice, or a collective thumbing of the nose toward the two Jehovahs, etc. Fools, the ignorant, evil men, and cowards make lives hard. And as long as men cannot see the unseen, or they attempt to ignore, or collectively evade the economic laws that govern the universe, it will continue to be so. It does not have to be this way and this chapter was your author's humble attempt to shed some light on a knowable and important subject - which profoundly affects us all.

## **Chapter Eight**

### **Praxeology & Human Development**

The previous chapter was largely concerned with exposing and defeating economic fallacies and could be said to have backed into the delineation of true and correct economic principles, which were then tied to the Bible. This chapter is more formally socially scientific

and proceeds in a different direction, going forward from the ground up. From your author's point of view the most complete, easiest to understand, and best overall explanation regarding praxeology and economic principles is Dr. Murray Rothbard's *Man Economy And State*. Rothbard grounds his treatise in the laws of nature and your author finds it the best single book, overall, explaining the science of praxeology (and economics) to the general reader. Rothbard was a disciple of Dr. Ludwig von Mises and Rothbard is considered part of the Austrian school of economics, though he is not Austrian by nationality. Austrian economics is a school of economic thought and has to do with the fact that Dr. Carl Menger, Dr. Eugen Bohm-Bawerk, Dr. Ludwig von Mises, and others, placed economics onto a sound footing regarding praxeological methods, understanding of the subject matter, and conclusions drawn.

This chapter, from Section 8.1 to Section 8.12, will largely follow Rothbard's *Man Economy State* (MES) and include some information from Rothbard's *Power And Market Government And The Economy* (PM). The total number of pages of these two important works is over 1,400, and so it sort of forces this

chapter to be more of a Life Chart and key concept chapter detailing selected important points from those two books. If the reader is interested, they can download both books for free from the mises.org website. This is true for many of the books listed in the *Bibliography* at the end of this book. Once on the mises.org website you can click on "Library" and then "Books," or you can search by "Author" or "Title" and then download a free pdf book of your choosing. Because this chapter will largely follow Rothbard's two books the reader can find a much more complete explanation in those two books, should they be interested. Further, your author will interject other Life Chart observations as he deems fit to attempt to complete the flow and tie certain aspects of what is written to the Bible in a way that is hopefully helpful. As a housekeeping point, both MES and PM have a very helpful study guide written by Robert P. Murphy entitled, *Study Guide To Man Economy And State: A Treatise On Economic Principle With Power And Market Government And The Economy* by Murray N. Rothbard. It, too, is available for free download from the mises.org website.

The context of the human situation is per Chapter One of this book. Eternal life is offered

to individuals, not to collectives. "Correct" collective membership does not immunize anyone from negative judgmental consequences on the day they must answer to the two Jehovahs for their lives. The below Section 8.1 is particularly important for understanding the context of the human situation pertaining to human judgments of value, choices, and actions.

As previously mentioned, there is the need for methodological dualism (two scientific methods) to be utilized in order to ascertain scientific truth. In simplest terms and for our purposes, the Life Charts are as follows:

The natural sciences → induction from → observation + experimentation → the truth unfolds over time via → many natural scientists working together and cross-checking each other in what amounts to a communal fact-checking and theory-improving process

Praxeology and economics → deduction from → a few core axioms + postulates → the reasoning process can be verified → an aprioristic reasoning process

Praxeology and economics → it is not possible to successfully challenge the axioms → and extremely unlikely the few postulates will be found to be in need of updating → praxeological results, including economics, are → **true** AND

Because the praxeological axioms and postulates are from the real world and pertain to action that occurs in the real world → the praxeological **reasoning results**, including economics, provide →**real information about the real world**

Praxeology → the study of purposeful human action (the logic of action) (including economics)  
→ provides true results about the real world

Once utilizing praxeology, a further important refinement is that the proper method is to study individuals because only individuals act. When we hear or say that the government does this, or the church does that, it is always the individuals in leadership positions of the collective who are acting on behalf of the collective. Ergo, once again, only individuals act. Even those who follow the collective leadership's orders are individuals who are acting in that they are choosing to follow orders. It is an intellectual error in reasoning to make a

metaphor out of a collective entity and then to further infer that the metaphoric collective entity now has a unitary brain that can value, think, and then act (an error in thinking known as conceptual realism). This is easily provable by going to the extreme hypothetical reasoning step of assuming away all of the collective's individual members. Once you do that, there is no collective remaining, only the idea of a historical past collective or of a possible future collective. At any rate, the collective clearly cannot think and take action. This is a further reason why a collective cannot be thought of as being somehow greater than the individuals comprising it.

Methodological individualism → study individuals because only individuals act

A collective without its individual members no longer exists and is either: 1) the memory of a past collective or 2) the idea of a possible future collective

Individuals who act on behalf of the collective entity, in essence, govern the actual collective and those individuals are subject to praxeology and economic laws = True

There is no such thing as a unitary collective brain that values, thinks, and takes action = True

This leaves us at the point where we can use praxeology as a method to obtain **praxeological results**. The process studies individuals, purposeful human action, and the process is an aprioristic reasoning process from a few unchallengeable core axioms and basically indisputable accompanying working postulates.

When Mises wrote *Human Action* he basically took it for granted that his readers would understand the intellectual edifice he constructed. Rothbard, being a Mises disciple and coming along a bit later in time, realized that a lot of Mises' readers did not really understand the praxeological edifice that Mises had developed. To help remedy this problem Rothbard took steps to spell out and clarify this edifice in step-by-step detail. And then Rothbard added important new implications that he himself thought through.

Praxeology and economics start from simple and easily understood axioms and postulates and allows one to go on from there to reason out very important principles and information

about the real world, including extrapolating some less obvious and more complicated conclusions. As will be shown in the below Section 8.1, the axioms are clearly established and beyond dispute.

Understanding the logic of action is important for human beings because the two Jehovahs put us onto this specially created earth and immediately told us to act in at least three ways. The first command was to be productive (fruitful) and the second command was to have dominion over the earth, to subdue it (Genesis 1:26-28). Ergo, **we are to take action** and to use the earth's resources to be productive – to bear fruit. The third command, and part of bearing fruit, is to multiply the human race via families, i.e., having children.

"And God said, Let Us make man in Our image, after our likeness. And **let them have dominion** over the fish of the sea, and over the fowl of the heavens, and over the cattle, and **over all the earth**, and over all the creepers creeping on the earth. And God created man in His image; in the image of God He created him. He created them male and female. And God blessed them. And God said to them, **Be fruitful, and multiply [productive in the**

**family sense and in the economic sense]**  
**and fill the earth, and subdue it.** And have dominion over the fish of the sea and over the fowl of the heavens, and all animals that move upon the earth." Genesis 1:26-28, MKJV

The point of view of the two Jehovahs is they want a lot of people on the earth and they fully expect men and women to utilize the resources of the earth in order to sustain themselves and their growing families. Contrast this with the modern establishment emphasis that there are too many people on the earth and that too many of the earth's resources are being utilized to sustain mankind.

The two Jehovahs → immediately commanded man → **to take action**

Man was to: 1) be fruitful in the family sense + 2) be productive in the economic sense → ergo, 3) this required man to have dominion over and subdue the earth → in order to obtain and to use the resources of the earth in a productive way so as to allow for more people to live, and live well, on the earth

The science of praxeology and its subset field of economics → the study of purposeful human

action → is critical for mankind to understand → so as to successfully obey the two Jehovahs

The universe is structured in a logical way. The human mind has a logical structure that allows for it to comprehend the logical structure of the universe. And, the two Jehovahs commanded man to take action. Of course there is a logic of human action, praxeology. Further, it also turns out there are ethical principles that can be derived from praxeology, which will be explained later in this chapter.

### **8.1 Fundamentals of praxeology (human action)**

In his Chapter One of MES Rothbard explains some of the core aspects of praxeology. The quotations throughout this section 8.1 are from MES unless noted otherwise. Rothbard's work deduces the entire body of economics from a few simple and irrefutably true axioms and a couple of postulates:

Axiom one: human existence

Axiom two: the fundamental axiom of **human action** - that men employ means to achieve their selected ends

Postulate 1) there is a variety of human and natural resources

Postulate 2) leisure is a consumer's good

Action is not instinctive responses, e.g., jumping when stepping on a thorn. A rock is not acting when it is falling down the side of a mountain during a rockslide. If someone did not behave purposefully, they would not be human.

Action = purposeful human behavior

Robert P. Murphy, in his excellent study guide to MES, summarizes praxeology as follows [emphasis mine throughout]:

"Praxeology is the scientific study of action. It begins with the obvious truth that action exists, because human beings exist. (If things did not behave purposefully, so that the observer could ascribe motives to the things, then they would not be classified as human.) Praxeology consists of all the propositions that can be logically derived from the action axiom. Economics is the best developed subdivision of praxeology. ..."

Praxeology → all the propositions that can be logically derived from the action axiom

The opening paragraph of Rothbard's MES is thus [emphasis mine throughout]:

"THE DISTINCTIVE AND CRUCIAL FEATURE in the study of man is **the concept of action**. Human action is defined simply as purposeful behavior. It is therefore sharply distinguishable from those observed movements which, from the point of view of man, are not purposeful. These include all the observed movements of inorganic matter and those types of human behavior that are purely reflex, that are simply involuntary responses to certain stimuli. Human action, on the other hand, can be meaningfully interpreted by other men, for it is governed by a certain purpose that the actor has in view. The purpose of a man's act is his end; the desire to achieve this end is the man's motive for instituting the action."

The purpose of a man's act → is his end (goal)

The desire to achieve the end → is his motive

Per Mises, Rothbard, and Dr. Hans-Hermann Hoppe, a philosopher and economist who was a

disciple of Rothbard: We can conceive that men act. This is the intellectual cognition of the evident process that men act. In so many words, there are no bodily movements to observe, as pertaining to empirical observation, as in the natural sciences. There is instead the intellectual conception of evident processes that men set goals and choose means and then take action to achieve their goals. This involves **reflective cognition**; it is the intellectual cognition of evident processes.

The first implied truth is that **only individuals act**. Only individuals have ends and can act to attain them. To say that a government acts is a metaphor. Pertaining to government it could be said that certain individuals are in a certain relationship with other individuals and act in a way that they and the other individuals recognize as "governmental." The metaphor of "government" must not be taken to mean that the collective institution itself has any reality apart from the acts of various individuals.

An individual acts when they believe at least two important things. First, they believe they can achieve their goal. Second, they act if they also believe they will be more satisfied after

achieving their goal than if they did not take the action to achieve it. If an individual did not believe they could achieve their desired goal they would not take action. For example, an individual might prefer good weather for a picnic but they would not act to attempt to change the weather, as they know they have no control over it. They also would not act if they thought that even if the possible goal were achieved it would leave them in a less satisfied state. There would be no point in trading a set of circumstances one liked better for one they liked worse. Ergo, the individual must believe they can achieve their goal and they will be more satisfied than otherwise if they do achieve it.  
And so they act.

To act → a man must believe he can achieve his goal

Further, to act → a man must believe that his goal, once achieved, will leave him in a more satisfied state (or less unsatisfied state)

Action → a man → chooses a goal + chooses the means + attempts to exchange a set of affairs he considers less satisfactory FOR → a set of affairs he considers more satisfactory

In acting, a man has to have ideas about how to go about undertaking a task or set of tasks in order to achieve his goal. Rothbard has it thus:

"He must have certain ideas about how to achieve his ends. Action thus consists of the behavior of individuals directed towards ends in ways that they believe will accomplish their purpose. Action requires an image of a desired end and '**technological ideas**' or **plans** on how to arrive at this end."

Action consists of → the behavior of individuals directed towards ends → in ways that they believe will accomplish their purpose

Individuals need → 1) an image of the desired end + 2) technological ideas (plans) on how to achieve the end

In acting a man finds himself in a certain environment, or situation. The individual must change this environment or situation in some way in order to achieve their ends.

Man → is in an environment (current situation)

Man → to achieve his end → must alter his environmental condition (must change his current situation)

Man has to work with the environmental elements he has at his disposal in his effort to alter his situation.

Rothbard then clarifies the environmental conditions to set the stage for leading into economics proper:

"With reference to any given act, the environment external to the individual may be divided into two parts: those elements which he believes he cannot control and must leave unchanged, and those which he can alter (or rather, thinks he can alter) to arrive at his ends. The former may be termed **the general conditions** of the action; the latter, **the means** used. Thus, the individual actor is faced with an environment that he would like to change in order to attain his ends. To act, he must have technological ideas about how to use some of the elements of the environment as means, as pathways, to arrive at his ends. Every act must therefore involve the employment of means by individual actors to attempt to arrive at certain desired ends. In the external environment, the

general conditions cannot be the objects of any human action; only the means can be employed in action."

The environment → broken down, in essence, by the actor's assessment into: 1) general conditions - elements unalterable by an acting individual + 2) elements potentially usable as means by an acting individual

The acting individual must → alter his environment → to achieve his goal

The acting individual must → alter or use some of the elements of his environment → to achieve his goal

The alterable elements are → the potential means → to achieve his goal

The unalterable elements are → the general conditions the action takes place in

It should be noted that → NOT all potential means are available to be used by an actor → because they are already owned by others → hence the need for ethics to be combined with economics (ethics + economics) in order to have → a peaceful social order

In other words, the general conditions cannot be the objects of any action because they are not alterable; they are assumed, e.g., the air we breathe. It is not on any actor's checklist "to obtain air with which to breathe" while performing the action. Nor is it on any actor's checklist "to flip the gravity switch on" to ensure the law of gravity is in operation during the attempted action. If one were going scuba diving then air would not be a general condition of the action so, as always, the context of the situation must be considered. When scuba diving, breathable air would become a means.

On the other hand, the alterable elements of one's environment (the means) cannot be assumed. Even worse, not only can the means not be assumed, means are in short supply. Ergo, **means must be economized** and also allocated. There is no such thing as an economic good and a non-economic good. A non-economic good is a general condition of existence and not relevant to action per se. What people do not want to hear is that resources are scarce. Those scarce resources - the means - must be both economized and allocated. Men were thrown out of the Garden

of Eden and now must work much harder to stay alive (Genesis 3:17-24).

A man's wants → unlimited

The means → limited (scarce)

Means → must be: 1) economized + 2) allocated

Human life takes place subject to time. A man acts in time, i.e., an action is an intervention in the present to attempt to effectuate a better future. Time is always necessary for a man to achieve his goals. If a man had unlimited time and unlimited other means (neither is the case), then it is likely all of his goals would already have been accomplished and there would be no reason for a man to further act. This is not the case. As Rothbard has it, "Therefore, an actor chooses means from his environment, in accordance with his ideas, to arrive at an expected end, completely attainable only at some point in the future."

Men live and act → subject to time

It takes time → for a man to achieve a goal

Another important point is that for any given action we can distinguish among three periods of time involved: 1) the period before the action takes place, 2) the length of time the action takes, and 3) the period after the action has been completed. Rothbard points out: "All action aims at rendering conditions at some time in the future more satisfactory for the actor than they would have been without the intervention of the action."

Action → aims at rendering conditions (changing the environment of the actor) → in the future → more satisfactory → to the actor → than if no action were undertaken

Further, a man's time is necessarily scarce. He only has so many years of life and all of a man's actions must take place through time. **Time is a means** that man must always use in order to achieve his goals. Time is always one of the means for acting man.

Time is always → a means → for acting man

Time is scarce = True

Time → must be allocated → by acting man

Rothbard continues: "Action takes place by choosing which ends shall be satisfied by the employment of means. Time is scarce for man only because whichever ends he chooses to satisfy, there are others that must remain unsatisfied. When we must use a means so that some ends remain unsatisfied, the necessity for a choice among ends arises."

Action takes place by → 1) choosing among possible ends, i.e., choose the goal of the contemplated action + 2) choose which means to use to attempt to achieve the goal (remember that time is always a means)

Action toward one end means → other ends are necessarily left unfulfilled

There is no end of contemplated better future states (future wants) for a man, i.e. there is no shortage of ends (goals) for action.

Because human wants are → unlimited → BUT → means, including time, are limited → the necessity for a choice among means arises, i.e., → means being in short supply → must be economized and allocated

Since all means are scarce, means must be allocated and **economized**. The actor must make a choice to use his limited means to attempt to achieve some ends, while leaving other ends unsatisfied. The actor wants to achieve as many ends as possible, but only has limited means. Ergo, he must choose not only ends, but also how to allocate his means and further how to economize his means. A means that is, in effect, wasted is not available for further use by acting man. As an aside, your author realizes that many people believe in or would like to believe in what amounts to an unconstrained view of resources. However, but a brief moment's thought would enable any such believers to realize that, at a minimum, their time and their life are both limited. Further, since they have unrealized personal goals ... other means must also be scarce. Constrained means are a general condition for acting man, Romantic-Era-type thoughts notwithstanding.

Means → are both allocated + economized

A means → that is wasted → is not available for future use → by acting man

Acting man wants to → maximize his use of scarce means

This is one reason why it is said that economics is a subset of praxeology. The means, scarce elements of the environment acting man must function in, have to be allocated toward the actor's most important end and economized, too. A means can be wasted in at least two important ways: 1) by misallocation or by 2) lack of efficient utilization

The actor therefore values (ranks) his possible ends (goals) according to which are the most valuable to him, i.e. he will have a personal hierarchy of values (HOV). How an actor chooses determines his real HOV. A praxeologist observes what a man actually does and then knows his real HOV. A man can state his HOV is x, y, and then z - but if he is currently taking the action to attempt to achieve p, then we know his most important goal at this moment in time is p. The two Jehovahs give each man so much freedom and so much time and then there is ultimately a judgment. And what each of us actually did will tell them all they need to know about what we really valued.

"And as it is appointed to men once to die,  
but after this the judgment,"  
Hebrews 9:27, MKJV

Rothbard calls the HOV a “scale of values” or a “scale of preferences.” If an actor values (ranks) the following current options concerning how to use an hour of available time as follows: 1) go for a walk or 2) play tennis or 3) read a chapter of a book - and then decides to take the available hour to play tennis, we can know that his real number one valuation was playing tennis. If each of his options required an hour of time he would be forced to leave at least two of them undone. This is the story of life for acting man and we are all acting men.

When an actor chooses to do one thing → he is also choosing to leave other things undone (at least for the moment)

Rothbard points out that a passive action is also an action, e.g., continuing to watch television instead of getting up and washing the dishes.

Rothbard further points out that the individual need not take a great deal of time deliberating (valuing) a course of action. The action might be taken hastily with minimal deliberation or it might come after much deliberation.

Another fundamental implication of action is the uncertainty of the future. Rothbard has a brilliant paragraph on this:

"Another fundamental implication derived from the existence of human action is **the uncertainty of the future**. This must be true because the contrary would completely negate the possibility of action. If man knew future events completely, he would never act, since no act of his could change the situation. Thus, the fact of action signifies that the future is uncertain to the actors. This uncertainty about future events stems from two basic sources: the unpredictability of human acts of choice, and insufficient knowledge about natural phenomena. Man does not know enough about natural phenomena to predict all their future developments, and he cannot know the content of future human choices. All **human choices are continually changing** as a result of changing valuations and changing ideas about the most appropriate means of arriving at ends. This does not mean, of course, that people do not try their best to estimate future developments. Indeed, any actor, when employing means, estimates that he will thus arrive at his desired goal. But he never has

certain knowledge of the future. All his actions are of necessity **speculations** based on his judgment of the course of future events. The omnipresence of uncertainty introduces the ever-present possibility of error in human action. The actor may find, after he has completed his action, that the means have been inappropriate to the attainment of his end."

The quoted paragraph brings out a lot of important points, which your author will Life Chart below:

All action is undertaken → in the face of an uncertain future

Acting man does not know, at a minimum: 1) future environmental conditions + 2) what other men will do (the content of other human choices)

Regarding what other men will do → 1) men constantly evaluate and then update their scale of preferences (HOV) (shifting valuations of what ends to achieve) + 2) evaluate and then update their ideas about which means to use to achieve their latest updated ends → the world is dynamic, not static

All action → is speculation → based on an actor's best estimation → of future conditions

All action → being speculation → is subject to error

In spending years thinking on all of the above, your author has realized that many people who hate capitalism, in actuality, hate at least two important things that have nothing to do with capitalism. The first thing they hate is there is a shortage of means, including time.

The Romantics and social do-gooders want to wish away reality. But a shortage of means is a part of the human condition - no matter the economic system. The second thing they hate might not be a conscious thought to them, but it is to your author. Your author will now offer apologies in advance to those whom this will offend. What they really hate is the inability to control how other men value and choose, because how other men value and choose determines how they act. Other men's actions affect our lives, too. But this is also true no matter the economic system. Human action creates constant uncertainty. And those who hate other men's freedom to choose would like to use people-control in a vain attempt to change the human condition – said human

condition being that of being forced to act to achieve our most highly sought after ends with limited resources. The people-control measures are a vain attempt to make a dynamic world static. Because men's choices change reality and co-author the future, the future is therefore uncertain, and the Romantic and social do-gooders want either a strong State, or Socialism, or Communism to institute people-control limitations on other people's choices. This is their anti-God and anti-man attempt to make the future less uncertain and to attempt to obtain, via political means, a larger than they otherwise would obtain share of the earth's limited means (resources). These self-appointed elite are, however, once again incorrect. That the future is uncertain is a fact of nature, not a fault of capitalism.

Capitalism haters → unfairly, or ignorantly → blame capitalism for → 1) the natural shortage of resources, including time + 2) the possibility of other men's choices altering the future to their disliking

People-control measures → attempt → to change the nature of reality → by limiting the range of choosing options for other men

People-control measures → vainly attempt → to impose static controls onto a dynamic world

People-control measures → mean one group of men (the elite) → think they can somehow overcome → the two Jehovahs granting men 1) free will + 2) commanding men to act

Those who advocate → people-control measures → are angry → at a world they do not understand

Some of those who advocate → people-control measures → are angry with → the two Jehovahs → for the current human condition

Rothbard pauses in his Chapter One to summarize what we have learned so far about human action:

"The distinguishing characteristic of human beings is that all humans act. Action is purposeful behavior directed toward the attainment of ends in some future period which will involve the fulfillment of wants otherwise remaining unsatisfied. Action involves the expectation of a less imperfectly satisfied state as a result of the action. The individual actor chooses to employ elements in his environment

as means to the expected achievement of his ends, economizing them by directing them toward his most valued ends (leaving his least valued ones unsatisfied), and in the ways that his reason tells him are most appropriate to attain these ends. His method - his chosen means - may or may not turn out to be [appropriate] inappropriate."

Rothbard next points out that there are important further implications:

"The means to satisfy man's wants are called **goods**. These goods are all the objects of economizing action. Such goods may all be classified in either of two categories: (a) they are immediately and directly serviceable in the satisfaction of the actor's wants, or (b) they may be transformable into directly serviceable goods only at some point in the future - i.e., are indirectly serviceable means. The former are called **consumption goods** or consumers' goods or goods of the first order. The latter are called **producers' goods** or factors of production or goods of higher order."

Goods = the means to satisfy man's wants

A means → ready for consumption → a consumer good → also called → a consumption good or a good of the first order

A consumption good is → a direct means to satisfy man's wants

A means → not yet ready for consumption → a producer good → also called → **a factor of production** or a good of the higher order (higher than first order as first order is a consumption good)

A factor of production (producer good) is → an indirect means to satisfy man's wants

If a man wanted to eat an already made sandwich that was on hand, the sandwich would be a consumer good, a direct means to immediately satisfy his hunger. If the sandwich is not yet made then man must "rearrange various elements in his environment in order to produce the ... sandwich at the desired place." ... "In other words, man must use various indirect means as co-operating factors of production to arrive at the direct means. This necessary process involved in all action is called **production.**" ... "Higher-order factors [of production] are those co-operating in the

production of factors of the lower order." The factors of the lower order are those factors involved in production closer to the consumer good – the good of the first order. In other words, if a production process has three necessary stages to obtain a consumer good, each stage of production one step farther away from the consumer good is one number higher in the order. The consumer good is the first order. The first stage of production, in order of time, uses higher-order factors of production designated as four. The second stage of production, in time, uses higher-order factors of production designated as three. The third stage of production, in time, uses higher-order factors of production designated as two. After the third stage of production is completed, there are goods of the first order (consumer goods) ready for consumption. The way to think of it is that the earlier in order of time production stages – the production stages performed first, use the highest-order factors of production in that series of production processes. At each succeeding production stage the producer is one step closer to their goal of having a consumable good. Ergo, at each succeeding stage the cooperating factors of production used will have a lower number designating them (a countdown toward

the goal of having produced the consumer good).

Production → the necessary process involved in all action (acting man is attempting to produce a more satisfactory state of affairs)

Higher-order factors of production → indirect means as cooperating factors of production → work toward producing goods of lower orders → until the consumer good is produced

The first in order of time production process performed will use → the highest-order factors of production → for that production stage → the results → a later in time + lower-order factor of production (the producer is one step closer to having a ready to consume good of the first order – the consumption good)

Each stage of production → **takes time** = True

Each structure of production process may be analyzed as occurring in different stages. **Each step of the production process takes time.** There is no wishing away the time element of a production process and there is no wishing away the requirement to obtain, utilize, and economize the indirect means, the higher-order

factors of production necessary to get closer to the ultimate goal of production – the consumer good. Men need to use consumer goods in order to stay alive. They have to be produced first. This is how life is. In so many words Ayn Rand astutely noted that: Nature does not automatically grant to anyone the title of “consumer.” She and many others have also noted that only producers constitute a market.

Each process of production → may be analyzed

Men need consumer goods → to stay alive

Production must occur → prior to consumption

Means are limited → AND must be economized

There can be many steps in a production process. How those steps are organized depends on the entrepreneur or management team in charge of production and what they and their labor pool are trying to get produced.

Production = the process of using various indirect means as cooperating factors of production in order to arrive at → the direct means → a consumer good ready for consumption

The higher order factors of production occur (are utilized) → earlier in time

The factors of production can be divided into two classes:

1) **Produced factors of production** - they are produced by man mixing his labor and time with natural resources. The produced factors of production are also known as **capital goods**.

2) The **original factors of production**.

The “original factors of production” can also be divided into two classes:

1) Labor

2) Land (to economists this includes natural resources)

“Labor and Land, in one form or another, enter into each stage of production.” “... if we wish to trace each stage of production far enough back to original sources, we must arrive at a point where only labor and nature existed and there were no capital goods.”

There are therefore three classes of factors of production:

- 1) Land (which includes natural resources)
- 2) Labor
- 3) Capital Goods (produced factors of production)

It should be remembered that **time** is also necessary for every stage of production. In this sense it could be said that time is also a factor of production. Time can be divided into "**working time**" and "**maturing time**," e.g. waiting for a crop to grow. "Action uses materials available in the present to arrive at a goal in the future ..."

Time → also necessary for every stage of production → is a type of a factor of production

Rothbard also points out that another unique type of factor of production is a "**technological idea**," of how to get from one stage of production to another, ultimately ending up with a consumer good. "For any action, there must be some **plan** or idea of the actor about how to use things as means, as definite pathways, to

desired ends. Without such plans or ideas, there would be no action. These plans may be called '**recipes**'; they are ideas of recipes that the actor uses to arrive at his goal. A recipe must be present at each stage of each production process from which the actor proceeds to a later stage." The great thing about a workable idea or recipe is that once learned it is a part of human knowledge and does not wear out. In that sense, it is an almost unlimited factor of production.

Technological ideas or plans → are also a type of  
→ a factor of production

Ideas → do not wear out

One of the misunderstood beneficial aspects of a free market is the following: good ideas can be leveraged across industries and regions, while bad ideas can be tried and abandoned. In other words, **good ideas can be globally maximized** and **bad ideas can be locally minimized** with locally contained damage.

Good ideas → can be leveraged across the earth  
for → globally maximized benefit

Bad ideas → can be locally minimized → with the negative results → amounting to locally contained and relatively limited damage

The result is that there can be huge increases in global production with some occasional temporary and contained local setbacks for a huge net benefit for mankind, taken as a whole.

The goal of action is the production of a consumer good that satisfies a human want. The consumers' good "is valued because it is a direct means of satisfying man's ends. The consumers' good is consumed, and this act of consumption constitutes the satisfying of human wants."

An individual → values → a consumer good → because it can be used to → satisfy his want

"This consumers' good may be a material object like bread or an immaterial one like friendship. Its important quality is not whether it is material or not, but whether it is valued by man as a means of satisfying his wants. This function of a consumers' good is called its **service** in ministering to human wants. Thus, the material bread is valued not for itself, but for its service in satisfying wants; just as an

immaterial thing, such as music or medical care, is obviously valued for such service. All these services are 'consumed' to satisfy wants. 'Economic' is by no means equivalent to 'material.'"  
**The consumers good might be a sandwich (a product), a haircut (a service), or a friendship (personal).**

The consumers' good may be → material or immaterial

Economic ≠ material

The function of a consumers' good → **is its service** → in satisfying wants → to the individual valuing

Even if a consumer good is a material object, e.g., bread → the bread is valued for **its service** of satisfying a want, e.g., removing hunger

All these services are "consumed" to satisfy wants = True

In a free market no one is forced to trade with anyone else. Let us assume money is used as a medium for most all exchanges in an economy. Generally speaking, the only way to get someone else to trade with you is to deliver

a product or a service they value more than the money they pay for the product or service. As an example, when a particular entrepreneur delivers huge quantities of products into the marketplace and those products turn out to be highly valued by consumers, then that entrepreneur reaps a huge financial reward. Taking into consideration all of the above information (about consumer goods being valued for their services provided), it should be clear, but usually is not, that said entrepreneur became rich from providing a very large amount of services to a very large number of willing consumer trading partners (customers). In a free market one can only become rich by genuinely serving a lot of other people. The envious and the ignorant do not like or understand economics and so rail against honest providers of service. Ironically, they actually believe they are the ones serving mankind by railing against the actual service providers, the real producers.

In a free market → the only way to become rich  
→ is to genuinely serve → a lot of other people

Rothbard points out that consumers value the end product or service (the consumer good) for its serviceability in satisfying their wants.

From there, the valuation of the complementary factors of production that went into producing the final consumer's good is derived. It is derived from the actors' evaluation of their products (the lower stages), all of which eventually derive their valuation from the end result - the consumers' good. In other words, the goods of the second order have derivative valuations based on what consumers will pay for goods of the first order, the consumer goods. The goods of the third order have derivative valuations based on what their customers will pay for what they deliver and those customers, in this case, are their buyers - the producers of the goods of the second order. Etc. The ultimate consumer good is valued first and the valuation process proceeds backward through the earlier-in-time production stages. It should be remembered that the earliest-in-time production stage is the highest order, in economics-speak, pertaining to factors of production. The producers of the goods of the higher orders (the earlier-in-time production processes) cannot just charge whatever they want without consequence because if they do and their lower order customers were to allow for it, then when the final consumer product reaches the "sell to the consumer" stage, it will not be saleable. The reason for this is because

the consumers will value its potential service and then decide that it is too costly. They will not buy it and this will force losses onto the actor attempting but failing to sell the consumer good. Whether anyone likes it or not, the valuation process starts at the end customer, the consumer, and works backward through the production processes.

An irrefutable empirical observation is that there are always unsatisfied human wants. From this we can derive there is an ongoing shortage of consumer goods. This leads to a further implication: The shortage of consumer goods of necessity implies a shortage of the factors of production. Man attempts to remedy this shortage of factors of production in two ways: 1) improve his production recipes (plans) and/or 2) increase his supply of the factors of production

Empirical observation → there are unsatisfied human wants

First implication of this empirical fact → there is a shortage of consumer goods

Second implication of this empirical fact → there is a shortage of the factors of production → to enable the production of more consumer goods

Man attempts to remedy this shortage of factors of production in two ways:

- 1) improve his production recipes (plans) and/or
- 2) increase his supply of the factors of production

Although it has seemed evident that there are several cooperating factors at each stage of production, it is important to realize that "for each consumers' good there must always be more than one scarce factor of production. This is implied in the very existence of human action." ... Also, "at each stage of the productive process, the good must have been produced by at least more than one (higher-order) scarce co-operating factor; otherwise this stage of production could not exist at all."

Acting man, however, is not interested in past processes, but only in using presently available means to achieve anticipated future ends. This is to say that **man acts in the present to try and affect the future.**

Rothbard now enters into an extensive discussion concerning "time." One big point is **the sooner a goal is achieved the better**, i.e. man prefers his goal to be achieved in the least possible time. This is because time is scarce. "Thus, with any given end to be attained, the shorter the period of action, i.e., production, the more preferable for the actor. This is the universal fact of **time preference**."

Time is scarce for each man = True

Man → prefers his goal (end) to be achieved → in the least possible time.

The shorter the production period (action) required + the shortest possible waiting time for a satisfaction to be achieved = preferable for man → the universal fact of **time preference**

Time preference = a universal fact = the less waiting time, the better

For each actor → the period of production = his waiting time (the total time necessary to complete his action and reap the satisfactory benefits of the action)

Time preference → can also be regarded as →  
the preference for present satisfaction over the same satisfaction in the future, i.e., present satisfaction > future satisfaction

A further factor for man is that time also enters into his decision making when considering the durability of the consumer good, i.e. how long the good will satisfy his wants. An easy example of this is a consumer will pay more money for a house because they expect it will provide years of living services, but they will pay less for the use of one night in a hotel because the hotel provides one night of living services. "Clearly, all other things being equal, the actor will prefer a consumers' good of greater durability to one of lesser, since the former will render more total service."

A good with the same physical properties can be, in fact, two different goods because of time. For example, ice in the summer is worth more than ice in the winter. In this case ice becomes two separate economic goods. The key point to end the confusion is that **different satisfactions are being compared** – ice in the summer versus ice in the winter.

"The concepts of period of production and duration of serviceableness are present in all human action. There is also a third time-period that enters into action. **Each person has a general time-horizon**, stretching from the present into the future, for which he plans various types of action. Whereas period of production and duration of serviceableness refer to specific consumers' goods and differ with each consumers' good, **the period of provision (the time-horizon) is the length of future time for which each actor plans to satisfy his wants.** The period of provision, therefore, includes planned action for a considerable variety of consumers' goods, each with its own period of production and duration. This period of provision differs from actor to actor in accordance with his choice. Some people live from day to day, taking no heed of later periods of time; others plan not only for the duration of their own lives, but for their children as well."

There are three time periods that enter into action → 1) period of production + 2) duration of serviceableness + 3) a general time-horizon

Numbers 1 + 2, above, relate to specific consumer goods; number 3, above, is personal to each actor

The period of provision (general time-horizon) = the length of future time for which each actor plans to satisfy his wants

Rothbard next explains, "all action involves the employment of scarce means to attain the most valued ends. Man has the choice of using the scarce means for various alternative ends, and the ends that he chooses are the ones he values most highly. The less urgent wants are those that remain unsatisfied. Actors can be interpreted as ranking their ends along **a scale of values**, or **scale of preferences**. These scales differ for each person, both in their content and in their orders of preference. Furthermore, they differ for the same individual at different times."

Each person's scale of values (HOV) → is different in both 1) content + 2) order → from other individuals PLUS → each person's HOV differs over time (does not remain consistent over time) (**is constantly shifting**)

Because → each person's scale of values → is different from every other person's scale of values → economists correctly observe → each

person's scale of values = subjective (personal to them)

The fact that each person's scale of values = subjective → DOES NOT → preclude the use of objective facts in the determination of those subjective valuations

Personal values scales → being subjective + constantly shifting → SHOULD NOT be confused with → ethical principles, which are → objective + stable (not shifting)

Subjective personal value scales and objective interpersonal ethics → are two different things!

Rothbard points out that the value scales of consumer preference (HOV) can be designated in different ways. Economists tend to use the word "**value**," or sometimes "**utility**," but both terms are referring to **satisfaction**. You can use the following terms in lieu of value: happiness, welfare, satisfaction, utility, or contentment. A key point is that whatever term is used enables the economist to say, "... whenever an actor has attained a certain end, that he has increased his state of satisfaction, or his contentment, happiness, etc." This is

explained further below. The name is not that important.

What is important is the knowledge that it is not possible to MEASURE value, i.e., satisfaction. There is no invariable standard of value. It is **a subjective evaluation** of each person whether he is better off than before a change occurred. "These subjective values cannot be measured, multiplied, added, subtracted, etc." The HOV is an ordinal, i.e., first, second, third, etc., ranking – not a cardinal, i.e., numerical quantitative ranking.

Because no one can measure value → due to the lack of an invariable standard → mathematical econometric formulations, however cleverly derived, are false

"All action is an attempt to exchange a less satisfactory state of affairs for a more satisfactory state of affairs." An actor "cannot measure any such gain in satisfaction, but he does know which of his wants are more urgent than others, and he does know when his condition has improved." **All action involves exchange.** The actor wants to exchange a state of affairs he prefers less to a state of

affairs he prefers more. He believes it is possible to do so and he takes action.

If the actor succeeds in his action he might very well be more satisfied with the new, post-action, state of affairs. If so, he has gained in satisfaction (or utility in economist-speak). This is known as experiencing a **psychic gain** or **psychic profit**. Conversely, even if he "succeeded" in his action, exchanging one state of affairs for a newer one, he might now realize that this did not satisfy him as much as he thought it would and he might, in fact, be very much less satisfied with this new post-action state of affairs. If this occurs, the actor has suffered what amounts to a **psychic loss** – a net loss in utility or satisfaction. "This psychic gain (or profit) and loss cannot be measured in terms of units, but the actor always knows whether he has experienced psychic profit or psychic loss as a result of an action-exchange." It should be noted that an actor's psychic profit or loss may or may not have anything to do with a monetary loss. For example, an actor may pick a flower out of his yard and go down the street to give it to a lady friend in the hopes of seeing her smile. When he arrives at her home he learns she just went to Europe with her new

fiancé and so our actor experiences a psychic loss, but not a monetary one.

When an actor acts → he exchanges → one state of affairs for a new state of affairs

The new post-action state of affairs might leave the actor: 1) more satisfied (psychic gain) or 2) less satisfied (psychic loss)

A psychic gain or loss → may or may not → include a monetary gain or loss (some actions have nothing to do with money)

“Human actors value means strictly in accordance with their valuation of the ends that they believe the means can serve.” Producer goods are valued for their ability to produce consumer goods. Higher order producer goods are valued for their ability to produce lower order producer goods. If a producer good produces a highly valued consumer good it will end up having a high value as a result. **Value imputation** goes backward from consumer good to producer good.

The original source of value → is the ranking of ends by human actors, → who then **impute value** to consumers' goods → and this value

imputation goes backward to the producer goods used as a means to produce the consumer goods

"It is evident that things are valued as means in accordance with their ability to attain ends valued as more or less urgent. Each physical unit of a means (direct or indirect) that enters into human action **is valued separately**. Thus, the actor is interested in evaluating only those units of means that enter, or that he considers will enter, into his concrete action. Actors choose between, and evaluate, not "coal" or "butter" in general, but specific units of coal or butter. In choosing between acquiring cows or horses, the actor does not choose between the class of cows and the class of horses, but between specific units of them - e.g., two cows versus three horses. Each unit that enters into concrete action is graded and evaluated separately."

Several important points follow from the above. First, the above reveals the answer to "**the value paradox**." An example of the value paradox is, "Why is bread, which is very necessary for mankind's life worth less than platinum, which is not so necessary for man's life? The answer is that acting man does not

evaluate the goods open to him by abstract classes, e.g., "bread versus platinum," but in terms of the specific units available and there is a lot more bread available than there is platinum available. Second, because value is not measurable, but physical quantities of products are, we CANNOT say that two pounds of butter are twice as VALUABLE as one pound. We can only say two pounds of butter is twice as large a quantity as one pound of butter. But there are other aspects of value besides quantity that go into the formation of marketplace prices and the most important of which is the fact that "what is significant for human action is not the physical property of a good, but the evaluation of the good by the actor." This is another reason why value is subjective, despite the fact that a physical good being evaluated has objective physical properties associated with it.

A physical good → has objective physical properties associated with it

Pertaining to human action → the key factor → however → is the actor's evaluation (subjective evaluation) → of the good

"When a commodity is in such a way available in specific homogeneous units equally

capable of rendering the same service to the actor, this available stock is called a **supply**. A supply of a good is available in specific units each perfectly substitutable for every other."

A supply → a commodity is available in specific homogeneous units + those units are equally capable of rendering the same service to an actor

If an actor believes that a particular kind (brand) of a product is better qualitatively than a seemingly similar product, then those two products become just that, two different products in the eyes of that actor. "... what is significant for human action is not the physical property of a good, but the evaluation of the good by the actor."

Though "a supply" denotes the interchangeability of units of a good, this "does not mean that the concrete units of that supply are valued equally." Rothbard uses the example of a man finding a first horse, then a second horse, etc. Even though the horses are equally serviceable to the man, he will use the first horse to satisfy his most important unsatisfied want. Because the first horse is satisfying the man's more important want that first horse is

more valuable to the man than the second horse. The man can only use the second horse to satisfy his second most important want, etc. The second horse, though equal physically to the first horse, has in economics-speak, diminished ability to satisfy the man's wants. This is known as **diminishing marginal utility**. In other words, equal units of a supply nevertheless have a diminishing marginal utility to an actor because every actor will use the first unit of a supply available to him to satisfy his most important **subjective** unsatisfied want. A really easy way to understand this is a situation where a man was living in a small one-bedroom studio apartment that did not come with a refrigerator. The first refrigerator the man could obtain and use would have a great value to him. A possible second refrigerator (though physically and functionally identical to the first) would have much less value to him due to space considerations, and would probably only be valued for the chance of resale. Rothbard has this as follows:

"The important consideration is the relation between the unit to be acquired or given up and the quantity of supply (stock) already available to the actor. Thus, if no units of a good (whatever the good may be) are available, the

first unit will satisfy the most urgent wants that such a good is capable of satisfying. If to this supply of one unit is added a second unit, the latter will fulfill the most urgent wants remaining, but these will be less urgent than the ones the first fulfilled. Therefore, the value of the second unit to the actor will be less than the value of the first unit."

" ... Thus, for all human actions, as the quantity of the supply (stock) of a good increases, the utility (value) of each additional unit decreases."

Two laws of human action → 1) the utility (value) of more units is greater than the utility of fewer units AND 2) the utility (value) of each successive unit **is less** as the quantity of the supply increases (diminishing marginal utility)

Units at the margin can be understood in different ways depending on if an actor is thinking about adding a unit, per our refrigerator example above, or giving up a unit. If a man has to consider giving up a unit of a supply this "one unit that he must consider giving up is also called **the marginal unit**. It is the unit 'at the margin.'" And when the actor has to give up a unit of his supply he will leave unfulfilled that

satisfaction that was the least important end that could have been fulfilled by the marginal unit if he did not have to give up the marginal unit. "This least important end fulfilled by the stock is known as the *satisfaction provided by the marginal unit*, or the *utility of the marginal unit* - in short: *the marginal satisfaction*, or **marginal utility**."

Rothbard then stops to explain the elucidation of an important law concerning human action. "The greater the supply of a good, the lower the marginal utility; the smaller the supply, the higher the marginal utility. This fundamental law of economics has been derived from the fundamental axiom of human action; it is **the law of marginal utility**, sometimes known as the **law of diminishing marginal utility**. ... The size of the unit will be the one that enters into concrete human action."

The law of marginal utility → the greater the supply of a good, the lower the marginal utility; the smaller the supply of a good, the higher the marginal utility

Thus, if an actor is presented with a choice of goods to give up, the actor will give up the unit of a good with the lowest marginal utility on his

value scale. Further, if the actor is faced with the choice of adding a unit of goods, he will choose the unit with the highest marginal utility on his value scale.

When it comes to the act of choosing the actor must place all of his possible choices on the same and therefore unitary scale of preferences (a single value scale). "In other words, all the goods are ranked on one value scale in accordance with the ends they serve." "... value scales do not exist in a void apart from the concrete choices of action." In other words, an actor's choice reveals his actual value scale. **No one can predict the actor's choices** apart from 1) the fact that he is choosing from the available supply of goods and 2) that his choice will be subject to the law of marginal utility. This inability to predict what other men may choose frustrates many of the government and religious elites and it also frustrates social do-gooders who do not like the fact that the valuations of their fellow men are 1) subjective and 2) constantly shifting. But the elite and social do-gooders are literally fighting against the nature of man. Man must take action and to do that he must first evaluate (value) what is most important to him. After he succeeds in satisfying a want through action (or not) his

value scale shifts and he undertakes the next action. There is no stopping this, no matter how many people-control measures are attempted.

The elite + social do-gooders do not like → the inability to predict → how other men may choose

The inability to predict how other men may choose is at least due to → 1) unsatisfied wants being subjective and 2) the evaluation of what will satisfy an unsatisfied want also being subjective and 3) the constant shifting of personal subjective value scales

All men must act + before a man acts → he has to evaluate (value into a scale of preferences) → that which is most important TO HIM (the individual)

Rothbard next shifts to an explanation of the utilization and the valuation of the various factors used by acting man in the production process. Before that he was more or less teaching about the valuation of consumer goods. "We have concluded that the value of each unit of any good is equal to its marginal utility at any point in time, and that this value is determined by the relation between the actor's scale of

wants and the stock of goods available." To remind the reader, "there are two types of goods: **consumers' goods**, which directly serve human wants, and **producers' goods**, which aid in the process of production eventually to produce consumers' goods. It is clear that the utility of a consumers' good is the end directly served. The utility of a producers' good is its contribution in producing consumers' goods."

Consumer goods are in short supply because **human wants are unlimited** and consumer goods are those goods that satisfy human wants. Ergo, it is necessary to produce more consumer goods. To do so, we need to use the various factors of production. The factors of production are land (which includes natural resources), labor, and produced capital goods. And time. If the factors of production were in unlimited supply it would be relatively easy (compared to our current reality) for an abundance of consumer goods to be produced. This is not the case. **The factors of production are not unlimited**; they, too, are in short supply. Further, more than one factor of production must be utilized at each stage (process) of production. Ergo, the factors of production, also being limited, must be economized and organized. This requires them

to be valued by various potential productive actors, too.

Human wants are unlimited = True

Consumer goods satisfy human wants = True

There is a shortage of consumer goods relative to human wants = True

The factors of production are used to produce → consumer goods = True

Ergo → there is a shortage of the factors of production = True

"Thus, at each stage of production, the produced goods must have been produced with the aid of more than one factor. These factors co-operate in the production process and are termed complementary factors. Factors of production are available as units of a homogeneous supply, just as are consumers' goods."

How will a potential productive actor value a factor of production? "... he will evaluate each unit of a factor as equal to the satisfactions provided by its marginal unit - in this case, **the**

**utility of its marginal product.**" ... "The marginal product is the product forgone by a loss of the marginal unit, and its value is determined either by its marginal product in the next stage of production, or, if it is a consumers' good, by the utility of the end it satisfies. Thus, the value assigned to a unit of a factor of production is equal to the value of its marginal product, or its **marginal productivity**."

The value → assigned to a unit of a factor of production = the value of its marginal productivity

"Since man wishes to satisfy as many of his ends as possible, and in the shortest possible time, it follows that he will strive for the maximum product from given units of factors at each stage of production." ... "Thus, whereas value and utility cannot be measured or subject to addition, subtraction, etc., quantities of homogeneous units of a supply can be measured. A man knows how many horses or cows he has, and he knows that four horses are twice the quantity of two horses."

Neither value, nor satisfactions, nor utility → can be measured = True

The absolute quantity of supply → can be measured = True

Rothbard then states "**The Law Of Returns:**"

"The law of returns states that with the quantity of complementary factors held constant, there always exists some optimum amount of the varying factor [of production]." The very fact that each stage of production must have more than one factor of production means that there must be an optimum for each factor of production, beyond which production declines. "These may be called states of increasing returns and decreasing returns to the factor, with the maximum return at the optimum point." The law of returns pertains to quantity of output relative to factors of input.

Further, for some production processes the quality of the productive output can also be positively or negatively affected by the combination of the factors, such as a food recipe, etc. An easy way to understand this is to consider the recipe for lemonade. If there is too much sugar the end result is too sweet. If there is too much lemon, the end result is too

sour. If there is too much water, the end result is a watered-down pseudo-product.

"Factors of production are valued in accordance with their anticipated contribution in the eventual production of consumers' goods. Factors, however, differ in the degree of their **specificity**, i.e., the variety of consumers' goods in the production of which they can be of service. Certain goods are completely specific - are useful in producing only one consumers' good." ... "The less specific a factor is, the more convertible it is from one use to another."

The more convertible a factor of production is, the better. Sometimes consumers no longer desire the consumer goods for which a factor of production was used. In that case, if possible, the owner of that factor of production will attempt to convert the factor of production into helping to produce a consumer good for which there is a demand. If a factor of production is a specific factor, and there is a negative change in consumer demand for the products it produces, the specific factor of production will be hit the hardest in terms of loss of value because it cannot be converted to producing something else.

"Convertible factors will be allocated among different lines of production according to the same principles as consumers' goods are allocated among the ends they can serve. Each unit of supply will be allocated to satisfy the most urgent of the not yet satisfied wants, i.e., where the value of its marginal product is the highest."

Convertible factors of production → will be allocated to where → the value of their marginal product → is the highest

"... Thus, the value of the marginal product of a unit of a factor will be equal to its value in its marginal use, i.e., that use served by the stock of the factor whose marginal product is ranked lowest on his value scale." In other words, if an actor had to give up a unit they would give up the least valued use of that unit on their value scale.

Labor is a completely nonspecific factor of production. This is because it is used in the production of every consumer good. Skilled labor might have to be retrained if there is a shift in consumer demand, but it can be. Labor is not like a specific widget-making machine that is usable only to produce a certain kind of

widget. For the specific widget-making machine, if consumer demand changes negatively for widgets, the value of the machine will decline sharply – perhaps becoming worthless.

Labor → a nonspecific factor of production

"... Value imputation is easy for isolated [Robinson] Crusoe-type actors, but ... special conditions are needed to enable the value-imputing process, as well as the factor-allocating process, to take place in a complex economy. In particular, the various units of products and factors (not the values, of course) must be made commensurable and comparable."

Rothbard is pointing out how complicated it is for entrepreneurs to know how to spend their efforts, time, and money. How to combine the various factors of production in order to produce which products, where to produce them, in how many production steps, where to sell them, etc., is enormously complicated. In other words, how can all of these potential resources, the factors of production, be turned into consumer products and services which satisfy the most pressing wants and needs of consumers? Rothbard is alluding to **the necessity for market prices** that provide information for producers to

rationally allocate and utilize the scarce factors of production. Those same market prices help consumers know how to budget in their efforts to satisfy as many of their unfulfilled desires as possible. But as Mises pointed out, market prices only come from an economic system of organization that allows for private property to be owned and freely traded, and where a commonly accepted medium of exchange known as money allows for the indirect exchange of goods and services. The only economic system that allows for the intelligence-providing money prices is capitalism.

Allocating factors of production → rationally → requires the information provided by → money prices

Money prices occur → only when → an economic system allows for all of: 1) private property + 2) human freedom + 3) contractual transfers of private property + 4) a commonly accepted medium of indirect exchange (money)

Without money prices → there is NO HOPE FOR → rational allocation → of the innumerable possibilities → for combining the various, multitudinous, → factors of production

Without money prices → there is → NO rational economic planning

Without money prices → both → producers and consumers are confused

Factors of production → are scarce → they should not be → misallocated (wasted)

A factor of production → will be compensated → based on the value attributed to (imputed to) → the marginal product achieved with that factor

In other words, per Rothbard, "the value assigned to a unit of a factor of production is equal to **the value of its marginal product**, or its marginal productivity."

"It is evident that every man desires to maximize his production of consumers' goods per unit of time. He tries to satisfy as many of his important ends as possible, and at the earliest possible time. But in order to increase the production of his consumers' goods, he must relieve the scarcity of the scarce factors of production; he must increase the available supply of these scarce factors. The nature-given factors are limited by his environment and therefore cannot be increased. This leaves him

with the choice of increasing his supply of capital goods or of increasing his expenditure of labor."

Man desires → more satisfactions (consumer goods) → per unit of time

Man desires → these satisfactions → at the earliest possible time

Problem → the factors of production are scarce

Further problem → fact → the nature-given factors are given by the environment and cannot be increased (they can be more effectively utilized but not increased) (the "Land" factor is, in essence, fixed)

Solution → increase the supply of → one or both of the other factors of production → capital goods or labor

Observation → since man prefers → more satisfactions + earlier satisfactions → with less labor → increasing capital goods for greater productivity → is the obvious best choice

Capitalism → capital → capital goods

"It might be asserted that another way of increasing his production is to improve his technical knowledge of how to produce the desired goods - to improve his recipes. A recipe, however, can only set outer limits on his increases in production; the actual increases can be accomplished solely by an increase in the supply of productive factors." An easy way to understand this is if a tribal farmer gets the better idea of a tractor, but he does not have the tractor as an actual capital good to utilize, production will remain the same.

Better ideas → productivity plans → without the accompanying capital goods → do not increase production

Better ideas + capital goods → skyrocket production

"One method, then, by which man may increase his production per unit of time is by increasing his expenditure of labor. In the first place, however, the possibilities for this expansion are strictly limited - by the number of people in existence at any time and by the number of hours in the day. Secondly, it is limited by the ability of each laborer, and this ability tends to vary. And, finally, there is a

third limitation on the supply of labor: whether or not the work is directly satisfying in itself, **labor always involves the forgoing of leisure, a desirable good.**" ... "This is the first proposition in this chapter that has not been deduced from the axiom of action. It is a subsidiary assumption, based on empirical observation of actual human behavior. It is not deducible from human action because its contrary is conceivable, although not generally existing."

Postulate 2) leisure is a consumers' good

"For almost all actors, leisure is a consumers' good, to be weighed in the balance against the prospect of acquiring other consumers' goods, including possible satisfaction from the effort itself. The more a man labors, the less leisure he can enjoy. Increased labor therefore reduces the available supply of leisure and the utility that it affords. Consequently, quoting Mises' *Human Action*, 'people work only when they value the return of labor higher than the decrease in satisfaction brought about by the curtailment of leisure.' It is possible that included in this 'return' of satisfaction yielded by labor may be satisfaction in the labor itself, in the voluntary expenditure of energy on a

productive task. When such satisfactions from labor do not exist, then simply the expected value of the product yielded by the effort will be weighed against the disutility involved in giving up leisure - the utility of the leisure forgone."

"Both the marginal utility of the final product [received in exchange for the labor] and the marginal utility of labor-satisfaction [achieved through the labor] decline with an increase in their quantity, because both goods follow **the universal law of marginal utility.**" ...

"Leisure, like any other good, is subject to the law of marginal utility." ... "Leisure is the amount of time not spent in labor, and play may be considered as one of the forms that leisure may take in yielding satisfaction." Play is a consumer good and also subject to the law of marginal utility. In other words, the more one works, one's HOV changes so that that value of work and what it can be traded for goes down and the value of leisure and play goes up. The converse is also true. This tends to bring about a balance that is personal to each of us – which brings us to some very important Life Charts below.

The universal law of marginal utility → regulates human action

The two Jehovahs → used the universal law of marginal utility → in a general sense → to regulate extremes → in human action (Note: the universal law of marginal utility does not take away human free will. Free will is still involved in an individual deciding when and how to reorder his HOV – in other words, to act.)

If a man is deprived of the consumer product of his labor, labor will cease to have any work value associated with it (beyond perhaps enjoying the labor itself). The labor will tend to be considered senseless and useless, as it will no longer bring positive satisfactions. His work efforts will decrease in effectiveness, if he works at all.

"In the expenditure of any hour of labor, therefore, **man weighs the disutility of the labor involved** (including the leisure forgone plus any dissatisfaction stemming from the work itself) against the utility of the contribution he will make in that hour to the production of desired goods (including future goods and any pleasure in the work itself), i.e., **with the value of his marginal product**. In each hour he will expend his effort toward producing that good whose marginal product is highest on his value

scale. If he must give up an hour of labor, he will give up a unit of that good whose marginal utility is lowest on his value scale. At each point he will balance the utility of the product on his value scale against the disutility of further work.  
... Therefore, a man will expend his labor as long as the marginal utility of the return exceeds the marginal disutility of the labor effort."

" ... Then, as his consumption of leisure increases, the marginal utility of leisure will decline, while the marginal utility of the goods forgone increases, until finally the utility of the marginal products forgone becomes greater than the marginal utility of leisure, **and the actor will resume labor again.**

This analysis of the laws of labor effort has been deduced from the implications of the action axiom and the assumption [working postulate] of leisure as a consumers' good."

"With the nature-given elements limited by his environment, and his labor restricted both by its available supply and its disutility, there is only one way by which man can increase his production of consumers' goods per unit of time - by increasing the quantity of capital goods. Beginning with unaided labor and

nature, he must, to increase his productivity, mix his labor energy with the elements of nature to form capital goods. These goods are not immediately serviceable in satisfying his wants, but must be transformed by further labor into lower-order capital goods, and finally into the desired consumers' goods."

To increase the general standard of living → man must create → produced capital goods

Without the assistance of capital, the only consumer goods available to a man are those goods with the shortest possible period of production. "There are two ways in which longer processes of production through the use of capital may increase productivity: (1) they may provide a greater production of the same good per unit of time; or (2) they may allow the actor to consume goods that are not available at all with shorter processes of production."

As an example of number one, above (greater production of the same good per unit of time), a man can build a tool. He does so by mixing his labor with nature and now he has a productivity-enhancing tool. But while he was making the productivity-enhancing tool he was not working directly at obtaining a consumer

good. Let's say a man could attempt to catch fish at certain times of day by wading out into shallow water and grabbing them. This is hard work, and not always successful, but he normally catches three fish per day and this is enough to stay alive. He realizes there must be a better way and decides he can probably catch more fish if he has a net. Ergo, he does not work for a day and lives off of the previous day's fish catch. During that non-fishing day he mixes his labor with nature and builds a simple thatched net. He did not catch his normal three fish on that day. The next day he tries out his net and catches five fish in the morning and another four fish that evening. His nine fish caught that day triples his normal production of three fish caught per day. The thatched net, while crude, tripled production. This is the benefit of a capital good - in this case the man's net. He (bad pun intended) netted out ahead by becoming a capitalist. After only one day he was already far ahead of just using his labor to catch fish. Rothbard has it thus: "He must restrict his consumption for XX hours and transfer his labor for that period from producing immediately satisfying consumers' goods **into the production of capital goods**, which will prove their usefulness only in the future. The restriction of consumption is called **saving**, and

the transfer of labor and land to the formation of capital goods is called **investment**. Does the utility yielded by the increased productivity of the longer process of production outweigh the sacrifice that I must make of present goods to acquire consumers' goods in the future? His time preference for present over future accounts for his disutility of waiting, which must be balanced against the utility that will be eventually provided by the **capital good** and the longer process of production. How he chooses depends on his scale of values. Obviously, Crusoe [Rothbard used Crusoe in his example] can choose to take **his increased productivity** in various combinations of increased output of the good itself and of increased leisure."

Savings = the restriction of consumption

Labor + nature (land) → can be used → to create → a capital good

Investment = the transfer of labor and land to the formation of capital goods ... transferring labor from obtaining immediately satisfying consumer goods → to producing capital goods → for future higher productivity per unit of input

As an example of number two above (the ability of capital goods to produce products which otherwise could not be produced at all), one might consider integrated circuit chips, other electronic components, and computer software enabling computer technology and the entire range of products that computers enable or make better.

Because the benefits from capital goods are so obvious and important, "it is obvious that the factor which holds every man back from investing more and more of his land and labor in capital goods is his time preference for present goods. If man, other things being equal, did not prefer satisfaction in the present to satisfaction in the future, he would never consume; he would invest all his time and labor in increasing the production of future goods. But 'never consuming' is an absurdity, since consuming is the end of all production. Therefore, at any given point in time, all men will have invested in all the shorter periods of production to satisfy the most urgently felt wants that their knowledge of recipes allows; any further formation of capital will go into longer processes of production."

"Here it is important to realize that '**a period of production**' does not involve only the amount of time spent on making the actual capital good, but refers to the amount of waiting-time from the start of producing the capital good until the consumers' good is produced." ... "The length of a process of production for an actor is the waiting-time from the point at which his action begins."

A period of production = 1) time spent making the capital good + 2) time spent making the consumer good

**"Capital is a way station** along the road to the enjoyment of consumers' goods. He who possesses capital is that much further advanced in time on the road to the desired consumers' good. ... Thus, **the role of capital is to advance men in time** toward their objective in producing consumers' goods."

Capital goods → advance men in time → to their goal of producing consumer goods

A man → with capital goods → is farther down the road toward → enjoying consumer goods

"It is evident that, for any formation of capital, there must be saving - a restriction of the enjoyment of consumers' goods in the present - and the investment of the equivalent resources in the production of capital goods. This enjoyment of consumers' goods - the satisfaction of wants - is called **consumption**. ... Saving involves **the restriction of consumption** compared to the amount that could be consumed."

Consumption = the satisfaction of wants (the enjoyment of consumer goods)

Savings involves the restriction of consumption  
= True

It should be obvious that **all capital goods are perishable**. By perishable, we mean to say that the capital goods are eventually used up during the processes of production. Since each capital good is different "each particular capital good has a different useful life and therefore a different rate of being used up, or, as it is called, of **depreciation**. Capital goods vary in the duration of their serviceableness."

Depreciation (in economic and entrepreneurial terms) = the rate at which a capital good is used up in the production process

Rothbard makes a great point when he points out something not so obvious – something that is at least a little bit unseen. His point is that **investing in the replacement of capital goods**, which are being worn out during the production process, **involves a further act of saving**. In Rothbard's example (not quoted), Robinson Crusoe made a production-increasing berry-gathering stick, which was Crusoe's capital good to increase his berry-gathering production. "If Crusoe decides not to replace the first or the second stick, and accepts a later drop in output to avoid undergoing present saving, he is **consuming capital**. In other words, he is electing to consume instead of **to save and maintain his capital structure** and future rate of output." ... "It is clear that what has led Crusoe to consume capital is his **time preference**, which in this case has led him to prefer more present consumption to greater losses in future consumption."

Once a capital good is created → by an initial act of → 1) savings + 2) investment → the capital good is → used up → over time → in production

To maintain the higher production → of producing with a capital good → the capital good must continue to exist BUT → it is used up in production, ERGO → a further act of 1) savings PLUS → 2) investment into a replacement capital good → is necessary

Consuming capital → lowers → future production and therefore → future consumption

"Thus, any actor, at any point in time, has the choice of: (a) adding to his capital structure [creating even more capital goods], (b) maintaining his capital intact [maintaining the existing level of capital goods], or (c) consuming his capital [allowing the existing capital goods to be used up in production]. Choices a + b involve acts of saving. The course adopted will depend on the actor's weighing his disutility of waiting, as determined by his time preference, against the utility to be provided in the future by the increase in his intake of consumers' goods." A societal culture whose people think long-term and act accordingly, save and invest more. They have the capital goods to be further advanced in time toward the greater production of more consumer goods – toward the consumption of greater satisfactions. This is

why a “society” with a long-term view, and the legal and economic structures in place to be capitalist, have historically had so much higher relative standards of living.

Rothbard points out that maintenance on capital goods can lengthen their life span and so, in a sense, repairs add to capital. “In short, he [the actor] may be able to add to his capital structure via repairs. Here again he will balance the added increase in future output of consumers’ goods against the present loss in consumers’ goods which he must endure by expending his labor on repairs.” Making repairs therefore requires a choice to save and is an independent act of savings (and investment).

“An actor’s decision on what objects to invest in will depend on the expected utility of the forthcoming consumers’ good, its durability, and the length of his waiting-time. Since **the marginal utility of the stock of a good declines as the stock increases**, the more he has of the stock of one consumers’ good, the more likely he will be to expend his new savings on a different consumers’ good.”

“Any actor will continue to save and invest his resources in various expected future

consumers' goods as long as the utility, considered in the present, of the marginal product of each unit saved and invested is greater than the utility of present consumers' goods which he could obtain by not performing that saving. The latter utility - of present consumers' goods forgone - is the "**disutility of waiting.**" [It is not satisfying to wait and we will be patient only if we think it will be worth it later.] Once the latter [present consumer goods] becomes greater than the utility of obtaining more goods in the future through saving, the actor will cease to save."

As previously mentioned, because man wants satisfaction at the earliest possible time he invests in those processes of production that take the shortest time to yield desirable results. In other words, the picking of the low hanging fruit gets done first, leaving the harder production processes until later. But sooner or later there is no low hanging fruit and our wants and needs are not yet satisfied. We have to increase production. And so we are going to be forced to invest in those production processes not yet invested in and those production processes are the non-low-hanging-fruit production processes. Because of this, Rothbard points out the following: "Thus, any new saving

(beyond maintaining the structure) will tend to lengthen production processes and invest in higher and higher orders of capital goods." The higher orders of capital goods are those used in the longer production processes – those production processes farther removed from the immediate production of consumer goods, i.e., those with more production stages and complicated steps involved. The tradeoff for the longer and more complicated production processes is much greater long-term production, e.g., a steel mill turning out steel for the upcoming decades.

Rothbard then emphasizes a very wise caution: "In observing the increased output made possible by the use of capital goods, one may very easily come to attribute some sort of independent productive power to capital and to say that three types of productive forces enter into the production of consumers' goods: labor, nature, and capital. It would be easy to draw this conclusion, but completely fallacious. Capital goods have no independent productive power of their own; in the last analysis they are completely reducible to labor and land, which produced them, and time. **Capital goods are 'stored-up' labor, land, and time;** they are intermediate way stations on the road to the

eventual attainment of the consumers' goods into which they are transformed. At every step of the way, they must be worked on by labor, in conjunction with nature, in order to continue the process of production. **Capital is not an independent productive factor** like the other two."

Capital goods → are stored up → 1) labor + 2) land (natural resources) + 3) time

Capital goods → have no independent productive power of their own = True (you cannot assume production; you must achieve it)

... "Since investment in capital goods involves looking toward the future, one of the risks that an actor must always cope with is the uncertainty of future conditions. ... The greater the doubt about the usefulness the [berry-gathering] stick [capital good] will have after it is ready, the less likelihood of investing in it, and the more likelihood of either investing in another [capital] good or of consuming instead of saving. We can consider that there is a sort of '**uncertainty discount**' on the expected future utility of the investment that may be so large as to induce the actor not to make the investment."

... "We may explain the entire act of deciding whether or not to perform an act of capital formation as the balancing of relative utilities, 'discounted' by the actor's rate of time preference and also by the uncertainty factor."

... "It is clear that the higher the rate of discount, the lower the present value of the future good will be, and the greater the likelihood of abstaining from the investment." In other words, if an actor thinks that what he might possibly receive in the future is lower in value to him – allowing for the time delay and the risk factor involved - than what he must give up in the present, he will not make the investment in the capital good.

"As he continues investing (at any given time), the present value of the future utilities will decline. On the other hand, since he is giving up a larger and larger supply of consumers' goods in the present, the utility of the consumers' goods that he forgoes (leisure and others) will increase - on the basis of the law of marginal utility. He will cease saving and investing at the point at which the value of goods forgone exceeds the present value of the future utilities to be derived. This will determine

an actor's rate of saving and investing at any time."

Human beings act – the action axiom.  
Action involves intervening in the present to effectuate changes in the conditions of our environment resulting in greater future satisfaction (a more satisfactory state of affairs).  
... " Since we cannot even conceive of human existence without action, it follows that '**investment opportunities**' are always available."

Investment opportunities → are always available

Every man is forced to forecast the future conditions that will occur during the course of his action. "This necessity of guessing the course of the relevant conditions and their possible change during the forthcoming action is called **the act of entrepreneurship**. Thus, to some extent at least, every man is an **entrepreneur**." Your author would observe this is tantamount to micro-entrepreneurship at the personal action level. Entrepreneurs starting and managing businesses, i.e., the more normal use of the word "entrepreneur" will be discussed later in this chapter.

Every man → takes actions → and is thereby forced → to forecast future conditions that will occur: 1) during his action + 2) as a result of his action

Forecasting future conditions → is an act of entrepreneurship

"The concepts of success or failure in entrepreneurship are thus deducible from the existence of action. The relatively successful entrepreneur is the one who has ... [foreseen] correctly the changes in conditions to take place during the action, and has invested accordingly."

... "The successful actor, the successful entrepreneur, makes correct estimates; the unsuccessful entrepreneur is the one who makes erroneous estimates."

Success or failure → in entrepreneurship → is deducible → from the action axiom (we are forced to forecast future conditions and invest/act accordingly and sometimes our forecasts are wrong; our investment/action fails and we have a loss)

"Suppose now that an investment has already been made, and capital goods have already been built with a goal in view, when

changing conditions reveal that an error has been made. The actor is then faced with the problem of determining what to do with the capital good. The answer depends on the **convertibility** of the capital good.” Perhaps an actor would not have invested in a capital good had he known more about the future, but now that he has the capital good he will turn it to its next best use, the most urgent use, provided it is a capital good that can be converted. If it is not convertible it might be sold for scrap or abandoned. In a dynamic world, a past asset does not necessarily equate to a present asset.

Rothbard makes the interesting observation that our past heritage of “the accumulated stock of capital goods [e.g., an already existing steel mill at a certain location] (or, for that matter, durable consumers’ goods) [like housing] imposes a conservative force on present-day action.” ... Further, “the conservatism of the past exercises a similar influence on the question of location, another aspect of the same problem. Thus, Crusoe may already have built his house, cleared a field, etc., in one portion of the island.” ... “Therefore, he has to decide on his value scale between the advantages and disadvantages of moving.”

The past heritage of → capital goods + consumer durable goods → imposes a conservative force on → present-day action

"If an actor decides to abandon non-convertible capital, such as the stick [Crusoe's berry-gathering stick] or the cleared field, in favor of producing other capital and consumers' goods, he is not, as some may think, wasting his resources by allowing the emergence of '**unused capacity**' of his resources. When Crusoe abandons his clearing or stick or house (which may be considered in this connection as equivalent to capital), he is abandoning nonconvertible capital for the sake of using his labor in combination with natural elements or capital goods that he believes will yield him a greater utility." ... "The existence of a capital good not in use **reveals an error made by this or by some previous actor in the past**, but indicates that the actor expects to acquire a greater utility from other uses of his labor than he could obtain by continuing the capital good in its originally intended use or by converting it to some other use." In other words, unused capacity indicates past error by some actor. Despite the inherent tendency, explained above, for our heritage of capital goods to be a

conservative influence, sometimes it is time to move on.

Unused capacity → reveals past error

We do not have to cling to past error = True

We can salvage what we can from past error and then move on = True

Regarding land, other things being equal, an actor will settle on the most fertile land, leaving the least fertile land being unused. This is only logical, so there is literally no reason to be surprised at the existence of any unused resources. "Crusoe will go on to utilize some of the next best areas, until the utility of the supply produced fails to exceed the utility of his leisure forgone."

"Areas of potential use, but which the actor chooses not to bring into use because it would not 'pay' in terms of utilities forgone, are called **submarginal areas**. They are not objects of action at the moment, but the actor has them in mind for possible future use."

Submarginal areas → are not used now by an actor → but could be used → in the future

"In those cases where nature-given factors are worked on, 'improved,' and maintained by human labor, these are, in effect, thereby changed into capital goods. Thus, land that has been cleared, tilled, plowed, etc., by human labor has become a capital good. This land is a produced good, and not an originally given good. Decisions concerning whether and how much to improve the soil, or whether to maintain it or extract the maximum present consumers' goods at the expense of future losses ("erosion"), are on exactly the same footing as all capital formation decisions. They depend on a comparison of the expected utility of future production as against the utility of present consumers' goods forgone."

Land that has been improved by → clearing, tilling, plowing, etc. → becomes → a produced capital good

"It is clear that capital formation and the concomitant lengthening of the period of production prolong the period of provision of the actor. Capital formation lengthens the period in the future for which he is providing for the satisfaction of wants. Action involves the anticipation of wants that will be felt in the

future, an estimate of their relative urgency, and the setting about to satisfy them. **The more capital men invest, the longer their period of provision will tend to be.** Goods being directly and presently consumed are **present goods**. **A future good** is the present expectation of enjoying a consumers' good at some point in the future. A future good may be a claim on future consumers' goods, or it may be a capital good, which will be transformed into a consumers' good in the future. Since a capital good is a way station (and nature-given factors are original stations) on the route to consumers' goods, capital goods and nature-given factors are both future goods."

Capital investment → lengthens the period in the future → for which an actor → is providing for the satisfaction of wants

More capital investment ↑ then → longer future provision

Goods being directly and presently consumed are **present goods**

**A future good** = the present expectation of enjoying a consumers' good at some point in the future

A future good may be: 1) **a claim** on future consumers' goods, or 2) it may be a capital good, which will be transformed into a consumers' good in the future, or 3) nature-given factors or 4) saved consumer goods for future usage (see "plain saving" below)

"Similarly, the period of provision can be prolonged by lengthening the duration of serviceableness of the consumers' goods being produced." If the actor builds a house out of very good materials, and uses precision construction techniques, the house will last longer, but will likely cost more to manufacture. The same holds true for a quality automobile, etc. "A durable consumers' good is consumed only partially from day to day, so that each day's consumption is that of a present good, while the stock of the remainder is a future good."

Consumer durable good → today's consumption = a present good

Consumer durable good → all but today's consumption = a future good

"It may be added that another method of lengthening the period of production is the simple accumulation of stocks of consumers' goods to be consumed in the future instead of the present." One can think of a home gardener canning fruit and vegetables for winter usage. "This is often called **plain saving**, as distinguished from **capitalist saving**, in which saving enters into the process of capital formation." On further thought, it turns out that "there is no essential difference between the two types of saving." This is because plain saving shifts a consumer good into the category of a capital good (a future good), but this type of capital good needs no further labor to be performed.

**All action involves an exchange.** The actor is attempting to achieve a more satisfactory state of affairs. "Every aspect of action has involved a choice among alternatives - a giving up of some goods for the sake of acquiring others. Wherever the choice occurred - whether among uses of durable consumers' goods, or of capital goods; saving versus consumption; labor versus leisure; etc. - such choices among alternatives, such renouncing of one thing in favor of another, were always present. In each case, the actor adopted the

course that he believed would afford him the highest utility on his value scale; and in each case, the actor gave up what he believed would turn out to be a lesser utility.”

Action = an exchange → where → the actor gives up (renounces) one thing in favor of another → hoping for → a more satisfactory state of affairs (greater utility on his scale of preferences)

... “**Man must always act.** Since he is always in a position to improve his lot, even ‘doing nothing’ is a form of acting. ‘Doing nothing’ - or spending all of his time in leisure - is a choice that will affect his supply of consumers’ goods. Therefore, **man must always be engaged in choosing and in action.”**

The two Jehovahs → structured the universe + man’s environment (the earth) in such a way as to → force man to choose and to act

Man → choosing + acting → develops → personal judgment + character

“Since man is always acting, he must always be engaged in trying to attain the greatest

height on his value scale, whatever the type of choice under consideration. There must always be room for improvement in his value scale; otherwise all of man's wants would be perfectly satisfied, and action would disappear. Since this cannot be the case, it means that there is always open to each actor the prospect of improving his lot, of attaining a value higher than he is giving up, i.e., of making **a psychic profit**. What he is giving up may be called his costs, i.e., the utilities that he is forgoing in order to attain a better position. Thus, an actor's costs are his forgone opportunities to enjoy consumers' goods. Similarly, the (greater) utility that he expects to acquire because of the action may be considered his **psychic income**, or psychic revenue, which in turn will be equal to the utility of the goods he will consume as a result of the action. Hence, at the inauguration of any action, the actor will believe that this course of action will, among the alternatives, maximize his psychic income or psychic revenue, i.e., attain the greatest height on his value scale."

Psychic income = the utility of the goods the actor will consume as a result of the action; what the actor receives from the exchange

Costs = what the actor is giving up in the exchange; the utilities that he is forgoing in order to attain a hoped-for better position (his opportunity costs)

Psychic profit = the utility of the goods acquired and consumed > the foregone goods given up in exchange (his costs) (not quantitatively measurable)

Psychic loss = if the utility of the goods received in the exchange turns out to be < the utility of the goods given up (again, not quantitatively measureable)

Rothbard's first chapter of MES "has been an exposition of part of **praxeological analysis** - the analysis that forms **the body of economic theory**. This analysis takes as its fundamental premise the existence of human action. Once it is demonstrated that human action is a necessary attribute of the existence of human beings, **the rest of praxeology** (and its subdivision, economic theory) consists of the elaboration of the logical implications of the concept of action. Economic analysis is of the form:

(1) Assert A - action axiom.

(2) If A, then B; if B, then C; if C, then D, etc. -  
by rules of logic.

(3) Therefore, we assert (the truth of) B, C, D,  
etc."

"It is important to realize that economics does not propound any laws about the content of man's ends. ... The concept of action involves the use of scarce means for satisfying the most urgent wants at some point in the future, and the truths of economic theory involve the formal relations between ends and means, and **not their specific contents**. A man's ends may be 'egoistic' or 'altruistic,' 'refined' or 'vulgar.' They may emphasize the enjoyment of 'material goods' and comforts, or they may stress the ascetic life. Economics is not concerned with their content, and its laws apply regardless of the nature of these ends."

Economic theory = the formal relations between ends and means → NOT → about the specific contents → of an actor's choices

Economic laws apply → regardless of the nature → of a man's ends

"Praxeology, therefore, differs from psychology or from the philosophy of ethics.

Since all these disciplines deal with the subjective decisions of individual human minds, many observers have believed that they are fundamentally identical. This is not the case at all. Psychology and ethics deal with the content of human ends; they ask, why does the man choose such and such ends [psychology], or what ends should men value [ethics]?

Praxeology and economics deal with any given ends and with the formal implications of the fact that men have ends and employ means to attain them. Praxeology and economics are therefore disciplines separate and distinct from the others."

Psychology → deals with the content of human ends, such as "Why did a man choose XX when he could have chosen ZZ?"

Ethics → deals with the content of human ends, such as "What should men value?"

Praxeology → deals with → any given ends (human content) and the fact that men use means to achieve their chosen ends

"The law of marginal utility depends on no physiological or psychological assumptions but is based on the praxeological truth that the first

unit of a good will be used to satisfy the most urgent want, the second unit the next most urgent want, etc."

Rothbard then sums up "the relationship and the distinctions between praxeology and each of the other disciplines, we may describe them as follows:

- \* Why man chooses various ends: *psychology*.
- \* What men's ends should be: *philosophy of ethics*. Also: *philosophy of aesthetics*.
- \* How to use means to arrive at ends: *technology*.
- \* What man's ends are and have been, and how man has used means in order to attain them: *history*.
- \* The formal implications of the fact that men use means to attain various chosen ends: *praxeology*."

"What is the relationship between praxeology and economic analysis? Economics is a subdivision of praxeology - so far the only fully elaborated subdivision. With praxeology as the

general, formal theory of human action, economics includes the analysis of the action of an isolated individual (Crusoe economics) and, especially elaborate, the analysis of interpersonal exchange (**cataallactics**). The rest of praxeology is an unexplored area."

Praxeology = the general, formal theory of human action

Cataallactics = the analysis of interpersonal exchange; the laws of cataallactics are not value judgments, but are exact, objective, and of universal validity

Economics → a subdivision of praxeology → includes: 1) the analysis of the action of an isolated individual + 2) the analysis of interpersonal exchange (cataallactics)

... "Praxeology asserts the action axiom as true, and from this (together with a few empirical axioms - such as the existence of a variety of resources and individuals) are deduced, by the rules of logical inference, all the propositions of economics, each one of which is verbal and meaningful. If the logistic array of symbols were used, each proposition would **not** be meaningful [Rothbard means, in substance,

mathematical-type logic and symbols, which he defines as "logistics."]. Logistics, therefore, is far more suited to the physical sciences, where, in contrast to the science of human action, the conclusions rather than the axioms are known." Author's reminder: the mathematical-type and other symbols used in the Life Charts in this book are metaphors. They are **not** an attempt to turn what is inherently qualitative into the quantitative.

"Contrary to what might be believed, the use of verbal logic is not inferior to logistics. On the contrary, the latter is merely an auxiliary device based on the former. For formal logic deals with the necessary and fundamental laws of thought, which must be verbally expressed, and logistics is only a symbolic system that uses this formal verbal logic as its foundation. Therefore, praxeology and economics need not be apologetic in the slightest for the use of verbal logic - the fundamental basis of symbolic logic, and meaningful at each step of the route."

... "Yet if man acts purposively, he therefore drives toward ends, and whatever route he takes, he must, ipso facto, employ means to achieve them. The distinction between means and ends is a necessary logical distinction rooted

in all human - indeed, all purposive-action. It is difficult to see the sense in any denial of this primordial truth."

## 8.2 Direct exchange

This section will discuss some important points relative to direct exchange. Rothbard's MES is over 100 pages on "Direct Exchange" and so this section is limited to summarizing certain key points. Unless stated otherwise, each of the section 8.X sub-sections of this chapter of the book will follow Rothbard's MES. Because Robert P. Murphy's *Study Guide To Man Economy And State: A Treatise On Economic Principle With Power And Market Government And The Economy* by Murray N. Rothbard (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. The quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

**Direct exchange** involves trades where the goods received are of direct use to the recipient. The direct use can include trading for something used in production, e.g., a productive tool, as well as trading for an item used for personal

consumption. The main point concerning direct exchange is that the parties to the exchange intend to use what they receive directly. If one party intended to receive a good in a trade where they then traded that good away for something they preferred more, then this is indirect exchange and Rothbard covers it in his next chapter, our section 8.3, later in this book. An example of this is a man trades a baby goat for ten dozen eggs and then he trades the ten dozen eggs for other goods he wants. In this case the ten dozen eggs were really part of an indirect exchange, not a direct exchange.

Direct exchange → the goods received → are of direct use → to the recipient

The direct use can be for: 1) production or 2) personal consumption

Whenever a voluntary trade occurs there is a **reverse valuation** of the goods involved. An example of this is one man has what he regards as an extra cow and another man has what he regards as an extra horse. The man with the extra cow needs a horse and the man with the extra horse needs a cow, so they trade. This does not mean that a horse equals a cow, i.e., it is not "an equal trade." It is a trade that only

happens because there is a reverse valuation of the horse and cow. This is to say that each party in this trade values what he is giving up less than what he is receiving in exchange. And this is why trade is beneficial to all parties – they give up what they value less to receive what they value more. Men can improve their lot in life by simply trading peacefully with each other. There are mutual gains to be had by trading with other men. This is one of the great benefits of society. Of course, to trade the two men must be aware of each other's existence. Economists would say that the marginal utility of the good traded away was less than the marginal utility of the good received. Regular people would simply say they thought the satisfaction (utility) of what they got in the trade was greater than the dissatisfaction of what they had to part with to make the trade happen.

Direct trades involve → reverse valuations → by the two parties trading

Reverse valuations → each party in the trade values what they are giving up LESS THAN what they are receiving → in exchange

An interesting point regarding trade is that some goods start to be valued for their

**exchange-value**, in addition to their **use-value** – like the ten dozen eggs in the example above. The recipient of the ten dozen eggs can use them (use-value), or trade them off for something else (exchange-value). Because of this an actor will now consider both the exchange-value and the use-value when contemplating a trade. Because trade offers such great human benefits, where goods valued less can be traded for goods valued more, people can specialize in producing goods and services where they have a comparative advantage over other people. This tends to enable production to occur with the least costs and for productive parties to ultimately enjoy more consumer goods than would otherwise be possible without trade. As pointed out in the previous chapter, comparative advantage means there is a place for everyone in society.

“Because of diminishing marginal utility, owners of large stocks of goods (such as people producing for a market) usually consider the exchange-value more relevant.”

Murphy’s SG summarizes some fundamentals pertaining to price: “The price of one good in terms of another is the number of units of the second good that must be offered in exchange for one unit of the first good. Other

things equal, a seller prefers the highest price possible while a buyer prefers the lowest price possible." There is nothing morally wrong with buying low and selling high in a voluntary, non-coerced trade scenario. Both parties are receiving what they want in the trade or they would not engage in the trade.

Murphy's SG also has a nice paragraph summarizing supply and demand: "Individuals enter a market seeking to exchange goods they value less for goods they value more. There is scope for trade whenever the minimum selling price of the seller is lower than the maximum buying price of the buyer. The market **supply** relates the quantity of goods that will be offered at various prices, while the market **demand** relates the quantity of goods that buyers will attempt to purchase at various prices. The **equilibrium price** is that which equates quantity supplied with quantity demanded. There is a tendency for actual market prices to approach equilibrium, but new changes in the data constantly interrupt this tendency. Speculation (if successful) speeds the move to equilibrium." If there are only a few buyers and sellers the price of exchanges tends to be wider and largely dependent on the bargaining power of the few individuals. When a market has

many buyers and sellers the zone of indeterminacy of prices gets much smaller (the price range of trades narrows a lot). "An equilibrium price is one in which quantity supplied equals quantity demanded.

Graphically, it occurs at the intersection of the supply and demand curves. The market tends toward equilibrium: If the current price is above the equilibrium price, there is an excess supply ("surplus") and sellers reduce their asking price. If the current price is below the equilibrium price, there is an excess demand ("shortage") and buyers increase their offer price."

The market **supply** → relates the quantity of goods that will be offered at various prices

The market **demand** → relates the quantity of goods that buyers will attempt to purchase at various prices

The **equilibrium price** → is that which equates quantity supplied with quantity demanded

**Surplus** → the current price > the equilibrium price (sellers tend to reduce their asking price)

**Shortage** → the current price < the equilibrium price (buyers tend to increase their offer price)

"There is a tendency for one price to rule over a market. If there weren't, then arbitrage opportunities would exist; a middleman could buy low and sell high." ... "Supply and demand take into account all factors influencing people's selling and buying decisions. In particular, someone may refuse to sell a good at a certain price, because he speculates that the price of the good will rise in the near future. Or, a buyer may refrain from purchasing a good, because he speculates that the price will soon fall. Such speculation (if correct) 'flattens' the supply and demand curves, and speeds the approach towards equilibrium." ... "The principles of supply and demand explain price formation for any type of good, whether tangible commodities, services, or claims."

The principles of supply and demand → explain price formation → for any type of good, whether: 1) commodities or 2) services or 3) claims

Rothbard's MES has a nice summary paragraph discussing the various kinds of possible exchanges: "Economics, therefore, is

**not** a science that deals particularly with 'material goods' or 'material welfare.' It deals in general with the action of men to satisfy their desires, and, specifically, with the process of exchange of goods as a means for each individual to 'produce' satisfactions for his desires. These goods may be tangible commodities or they may be intangible personal services. The principles of supply and demand, of price determination, are exactly the same for any good, whether it is in one category or the other. The foregoing analysis is applicable to all goods.

Thus, the following types of possible exchanges have been covered by our analysis:

- (a) A commodity for a commodity; such as horses for fish.
- (b) A commodity for a personal service; such as medical advice for butter, or farm labor for food.
- (c) A personal service for a personal service; such as mutual log-rolling by two settlers, or medical advice for gardening labor, or teaching for a musical performance." ...

"(d) A commodity for a claim; examples of this are: (1) the deposit of a commodity for a warehouse receipt - the claim to a present good; (2) a credit transaction, with a commodity exchanged for a claim to a future commodity; (3) the purchase of shares of stock in a commodity by exchanging another type of commodity for them; (4) the purchase of promissory notes on a debtor by exchanging a commodity. ...

(e) A claim for a service; an example is personal service being exchanged for a promissory note or warehouse receipt or stock.

(f ) A claim for a claim; examples would be: exchange of a promissory note for another one; of stock shares for a note; of one type of stock share for another; of a warehouse receipt for any of the other types of claims."

In an unhampered market (one without government interventionism and one without violent acts of theft on the part of individuals), all property can be traced backward through production and voluntary exchanges to the original appropriation of previously unowned land (natural resources). Unfortunately, there has almost never been an unhampered market

in human history – if ever. Human history reveals almost unending violence and theft by man against other men. The fundamentals of human action were explained in Section 8.1 of this chapter. Those fundamentals are true for all action, but the applications in that section were explained pertaining to individuals acting autonomously (alone). In his “Direct Exchange” chapter, Rothbard extends praxeology to analyze interpersonal human action (interpersonal exchange). It should be noted that if one person increases his personal satisfaction by using another person, as a factor of production against the latter’s will, then such exploitation is a **hegemonic** relationship – not a voluntary arrangement (contractual agreement). This section’s information pertains to those direct exchanges that are voluntary and not to hegemonic direct exchanges.

Rothbard’s MES has a nice summary of a contractual society versus a hegemonic society: “Thus, the distinguishing features of **the contractual society**, of the unhampered market, are self-responsibility, freedom from violence, full power to make one’s own decisions (except the decision to institute violence against another), and benefits for all participating individuals. The distinguishing features of a

**hegemonic society** are the rule of violence, the surrender of the power to make one's own decisions to a dictator, and exploitation of subjects for the benefit of the masters. It will be seen below that existing societies may be totally hegemonic, totally contractual, or various mixtures of different degrees of the two, and the nature and consequences of these various 'mixed economies' and totally hegemonic societies will be analyzed."

Existing societies may be: 1) totally hegemonic or 2) totally contractual or 3) mixed between hegemonic and contractual (mixed economies) (hampered market economies)

Rothbard also has a nice table summarizing various types of human action, quoted from MES [emphasis mine]:

#### "HUMAN ACTION

I. Isolation (Autistic Exchange) [Autonomous Exchange]

II. Interpersonal Action  
A. Invasive Action  
1. War  
2. Murder, Assault

- 3. Robbery
  - 4. Slavery
- B. Noninvasive Action
- 1. Gifts
  - 2. Voluntary Exchange"

The key point for human action pertaining to direct exchanges is this: one man can improve his satisfaction by exchanging with another man, thus improving that other man's satisfaction as well. In an unhampered market economy men will produce and trade to better each other's lives. A contractual society of productive traders will form, and men will be doing what the two Jehovahs told them to do in Genesis 1 - which is to have dominion over the earth, not over each other.

### **Section 8.3 Indirect exchange**

This section will discuss some important points relative to indirect exchange. Rothbard's MES is over 45 pages on "Indirect Exchange" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine]

throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

Direct exchange allows people to achieve greater satisfaction than if they attempted to live in economic self-sufficiency (autarky). Each person can trade away things they value less for things they value more and so become more satisfied. However, unless there is a **double coincidence of wants**, i.e., each trading person AT THE SAME TIME wants exactly what the other person has to offer in trade, a trade will not occur. Further, each trader has to be aware of each other's existence, something that cannot be taken for granted.

Direct exchange requires at least: 1) awareness of the trading partner + 2) the unequal reverse valuation of wants + 3) double coincidence of wants - a coincidence of timing

The timely double coincidence of wants plus knowledge of the existence and desire of the trading counterparty make direct exchange cumbersome at best. And there is the further problem of the **lack of divisibility** of certain "large ticket" items preventing ease of trading.

As mentioned in the previous chapter, a man with a surplus horse wanting a chicken for dinner is not likely going to trade a horse for one chicken. He has to get more than the chicken and so will find trading his horse to be difficult if not impossible.

The above problems largely prevent the higher productivity that the specialization and division of labor allow for. A man would not study and labor for years to become an orthopedic surgeon, only to find himself in the difficult if not impossible position of having to perform valuable surgeries and then not be able to be paid in counterparty goods of sufficient variety and quantity to satisfy him. The same thing holds for an artist wanting to sell a valuable painting, or the builder of a house. How would the builder of a house find a buyer with the exact variety of quality and quantity of goods and services the builder would be willing to receive in exchange for the house? And how would the builder get the house built in the first place if he had to first acquire the sufficient goods and services in trade so as to be able to pay his laborers and also to acquire the necessary building materials? An economy limited to direct exchange would be primitive at best. Murphy summarizes the above as follows:

"Although beneficial to all participants, the scope of direct exchange is very limited. Unless there is a 'coincidence of wants' - where Paul wants to obtain and use X and is willing to give up Y for it, while Mary wants to obtain and use Y and is willing to give up X for it - direct exchange cannot occur. Under direct exchange, there is little room for the division of labor and capitalistic production processes."

Indirect exchange emerges in a market when the marketplace participants (traders) start to realize there are some commodities they can receive in exchange which are more tradeable than other commodities. And so they accept these more tradeable commodities in exchange, NOT because they want to use the commodity themselves - either as a consumer good or for production (as a productive good). They accept this more-tradeable commodity so they can be one step closer to trading for what they really want. In other words, they hope to re-trade the more-tradeable commodity for what they really want. It should be obvious that this more tradeable commodity has to have "marketability." For example, a valuable work of art is not as marketable as a bushel of wheat. It is likely that the wheat can be traded away

very quickly to a large number of potential counterparties, whereas the valuable work of art might take months or years to find a suitable counterparty trader.

The emergence of indirect exchange gives a lot more flexibility to marketplace traders. This is because a trader is in much better position (closer to their real goal) when that trader trades away (sells) their good in return for a good of higher marketability. They have, in effect, traded away a good with lower marketability for a good with higher marketability. Murphy points out: "Over time, goods that were initially more marketable (in a state of direct exchange) will become even more so. For example, wheat and butter would likely be more marketable (in barter) than telescopes, because virtually everyone would wish to purchase some quantities of wheat and butter, while the market for telescopes would be much narrower. But this means that even people who did not want wheat or butter for direct use would be likely to accept them as **media of exchange**, because they would know that it would be quite easy to trade away the very marketable wheat and butter for whatever goods they ultimately desired. Hence, the marketability of wheat and butter would be

enhanced with the possibility of indirect exchange.”

Marketable commodities can become → media of exchange

“Eventually, a few (or one) commodities would outstrip all rivals and become commonly accepted media of exchange, i.e., **money**.

Attributes that contribute to the suitability of a good for becoming money are its divisibility, durability, ease of transport, and convenient exchange value per unit. Historically, gold and silver have proved to be excellent money goods.”

Money = a commonly accepted medium of exchange

The marketplace emergence of a commonly accepted medium of exchange, i.e., money, allows for more stages of production, specialization in the stages of production, and much greater division of labor. Money also allows for all of the goods and services in an economy to have a “**money price**.” Money prices enable consumers to budget and plan their purchases. Money prices also allow for entrepreneurs to purchase the natural resources

they need, along with the labor services and capital goods they need to effectuate production. And those money prices allow for profit and loss computations and the efficient allocation of the limited factors of production in a business enterprise. The money prices also allow for the allocation of capital within industries and across industries. The limited factors of production, labor, land, and capital goods, can be economized and production made much more efficient and effective. Murphy summarizes this as follows: "The emergence of money allows for a fuller division of labor and extension of roundabout processes [of production]. Economic calculation becomes possible, as all goods are now traded against the money good and can hence be reduced to a common denominator." In short, **money prices enable much more information to be utilized by marketplace traders – they function as "distributed intelligence."** Without money prices marketplace traders are basically groping in the dark. And without money prices Communist, Socialist, and Statist governments blindly and arbitrarily misallocate precious resources. This blind misallocation of precious resources includes the wasting of men's lives on what amounts to arbitrarily decreed monuments and projects.

Indirect exchange → the trading of goods and services against → the money good → generates market prices

Market prices → distributed intelligence → to marketplace participants

"As it emerges on a free market, the money commodity will be traded in terms of weight (ounces, pounds, grams, etc.). The specific unit of weight in which prices are quoted is a matter of convenience; platinum trades in terms of ounces, while iron in terms of tons. The actual form in which the money commodity is traded is also a matter of convenience. Gold in the form of bars may be used for expensive transactions, while gold coins are used for smaller purchases."

As previously mentioned, money allows for budgeting. Over a period of time an individual can keep track of his total money income and expenditures in order to determine his **balance of payments**. An individual can acquire money by selling goods and services in exchange for it. They could also prospect for money or mine for money, although that is not practicable for most people. The individual's stock (inventory balance) of money is their cash balance.

Rothbard and Murphy, following Mises, point out there is no such thing as "money in circulation." Money is in one individual's possession or another. In other words, someone owns the money in question – it is not circulating. The basic overall cash accounting for most people is per the below:

Opening cash balance + goods/services sold for money – goods/services purchased for money =  
Ending cash balance

Money circulates = False

The honest way to acquire money (excluding receiving a gift or receiving an inheritance) →  
1) produce a good and sell it for money or 2)  
sell an already existing and owned good for  
money or 3) provide a service for money (sell  
one's labor) (most people do number three) or  
4) sell a claim for money

As mentioned above, the emergence of money allows for production taking more stages, a more extensive division of labor, and for the specialization of labor. It further enables marketplace producers to save and then invest those savings in these longer and ultimately more productive stages of production. In short,

it enables savers and investors to become capitalists. Their savings enable the production of capital goods and those capital goods greatly increase production. The standard of living rises. It is true that someone could save and invest before money, but the investment options and the more primitive production processes pale in comparison to a modern capitalist economy.

Not all of human action relates to economizing resources, e.g., writing a letter to a friend in an attempt to encourage them. The very idea of "economic man" is ludicrous. What can be said is that: "Other things [being] equal, people will strive for the highest possible money incomes. But 'other things' are not always equal. A person may work at a job for a lower money wage because he enjoys the hours, or an investor may settle for a lower rate of return because he is fond of the company in question. As the cash balance increases, the marginal utility of money declines [is worth less]. On the other hand, as the amount of leisure decreases, its marginal utility rises [a man wants some time off]. A worker will continue to supply additional units of labor for money, until the utility of the next unit of leisure is higher than

the utility of the money that could be earned by working for an additional unit of time.” ...

“**Catallactics** is the branch of praxeology that deals with monetary exchange ratios.”

Catallactics → the branch of praxeology → that deals with monetary exchange ratios (prices)

“Entrepreneurs can reap a monetary gain by ‘buying cheap and selling dear.’ This behavior will tend to correct inefficient allocations of resources.” Consumers can make their money go farther by finding good deals.

Everyone must allocate their money resources among: 1) consumption spending, 2) investment expenditure (making an investment), and 3) additions to his cash balance (savings). Rothbard’s next chapter, covered in our next section, deals with the actual determination of money prices.

#### **8.4 Prices and consumption**

This section will discuss some important points relative to prices and consumption. Rothbard’s MES is over 85 pages on “Prices And Consumption” and so this section is limited to

summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

A great advantage of an economy using money is that the same commodity (the money good) is on one side of almost all transactions. This really simplifies the situation because virtually all goods and services are priced in terms of the one money good. The result is there are easily understood money **prices**. It is different in a barter economy. In a barter economy each good has a barter price against each other good. Murphy points out that: "A simple question such as, 'What is the price of a TV?' would have no simple answer. The TV might exchange for 1,000 berries, or  $\frac{1}{2}$  of a cow, or 5 radios. Before answering the question about its price we would need to clarify, 'In terms of which good?'"

Murphy uses an example where there is a very simple barter economy with only 20 different goods. And if there were only 20

exchangeable goods in an economy it would be a very primitive economy. In Murphy's example, however, the way the math works out is there would be a need for 190 different prices [ $n(n-1)/2$  is Murphy's formula]. "In contrast, a money economy with  $n$  goods only requires  $n$  prices, and the (money) price of the money commodity itself is of course always 1." Ergo, in Murphy's example there would be the need for only 20 prices, all in terms of money, versus 190 good versus good prices. In a money price economy there are only as many prices as there are different goods and services. And because there are easily understood money prices there is a tendency for one price to emerge on the market for each separate good and service.

(Goods and services are known as "**commodities**" in economist-speak.) This is because entrepreneurs will move goods from areas of low prices to areas of high prices in order to make the arbitrage profit (after allowing for transport and other costs).

Money prices → simplify → economic exchanges

Money prices → are largely understood → by the average citizen

Direct exchange → good versus good prices, e.g., how many berries would it take to buy a cow ("the berry-price of cows"), → are almost incomprehensible to the average citizen

There is a tendency → for one price to emerge on the market → for each separate commodity

When an economist speaks about the "price" of money, they mean its **purchasing power**. The purchasing power of money (PPM) (price) is "thus the entire array of goods and services that can be exchanged for one unit of the money commodity."

The price of money = its purchasing power

The purchasing power of money (PPM) = the entire array of goods and services that can be exchanged for one unit of the money commodity

Murphy points out: "The direct exchange ratio between any two commodities can easily be computed from their respective money prices." For example, if a pound of apples is \$1.00 and a pound of onions is \$.50 we can extrapolate that a pound of apples would exchange for two pounds of onions ( $\$1.00 / .50 = 2$ ). This comparable-type information

allows for both producers and consumers to make substitutions when purchasing. For example (because of pricing differential), a housewife might buy chicken for dinner instead of the turkey she set out to buy when she went to the market. Money prices enable easy comparisons between commodities and this can and does lead to a shifting of people's value scales.

People's scale of value preferences → shift → due to the money price differentials → observed between now-comparable commodities

"Money prices are generated by the actions of individuals, and must ultimately be explained by reference to individual value scales. Each individual in the market ranks various units of each commodity, including the money commodity, on an ordinal scale of value [their scale of value preferences (HOV)]. The individual's demand schedule for each good in terms of money prices is then determined in the exact same way as under barter ..., except that here one of the goods happens to be the universally accepted medium of exchange [money]. ... Because of diminishing marginal utility, an individual's demand curve cannot be upward sloping. The summation of each

potential buyer's demand schedule gives the market demand schedule, i.e., the number of units demanded at each hypothetical money price for the good. The determination of the market supply schedule is also comparable to the barter analysis [and is the summation of each potential seller's supply schedule at each hypothetical money price for the good]. The equilibrium (money) price is the (money) price at which quantity supplied equals quantity demanded." In other words: "Individual supply and demand schedules in a money economy are determined by the same principles applicable to a barter economy. An individual's value scale contains units of the money commodity as well as all other commodities and services, and the individual will engage in market exchanges to achieve the bundle of goods (including units of the money commodity) that he or she believes will yield [them] the greatest utility."

Individuals rank goods, services, and the money commodity → on an ordinal scale of value preferences

Individuals → take action → via exchanges → to achieve the bundle of goods (including the money good) → they believe will yield the greatest satisfaction (utility)

The equilibrium price of money = the price where the quantity supplied is equal to the quantity demanded

Rothbard's MES has a nice summary of what composes the **market supply schedule** and of what composes the **market demand schedule**.

"At any time, then, the market supply schedule is formed by the addition of the supply schedules of the following groups of sellers:

- (a) The supply offered by producers of the good.
  - 1. The initial supply of new stock [new production].
  - 2. The supply of old stock previously reserved by the producers [previous production not yet sold but offered for sale now].
- (b) The supply of old stock offered by previous buyers.
  - 1. Sales by speculative buyers who had anticipated reselling at a higher price.
  - 2. Sales by buyers who had purchased for direct use, but on whose value scales the relative utility of the good has fallen.

The market demand schedule at any time consists of the sum of the demand schedules of:

- (c) Buyers for direct use.
- (d) Speculative buyers for resale at a higher price."

As previously mentioned, the **equilibrium price** is that which equates quantity supplied with quantity demanded. This holds true for money. There is a tendency for actual market prices to approach equilibrium, but new changes in the data constantly interrupt this tendency. Pertaining to demand, because of diminishing marginal utility, the market demand schedule will tend to slope downward to the right. This means that as the price for a commodity goes lower there will tend to be a larger quantity demanded for it. Pertaining to supply, the market supply schedule tends to be almost vertical. This is because most production is for sale (exchange-value). Once the commodity is produced there is little use-value for the producer in keeping the commodity so they try to sell existing units for money.

Murphy explains that: "All participants to voluntary exchange benefit; each values what he or she receives more than what he or she

gives up." However, these gains cannot be measured. This is because they are psychic gains and personal to the exchanger (trader). They are qualitative, not quantitative.

As with all other goods, "the consumer allocates additional units of money to the most highly ranked end that is unsatisfied. Units of the money commodity can be (a) used in direct consumption [e.g., as jewelry], (b) exchanged for other consumption goods [consumer purchase], (c) invested in factors of production [capitalist investment in a business enterprise], and (d) added to the cash balance [saved]. At any given time, all units of money in the economy are held by someone; there is no such thing as money 'in circulation.'

Options (b) through (d) above present an apparent problem: The marginal utility of a unit of money depends largely on the marginal utility of the various goods (consumer or producer) for which it can be exchanged; i.e., the marginal utility of money depends on its anticipated purchasing power. But to explain the purchasing power of money, the subjectivist [correct economist] cites the marginal utility of money. That is, people voluntarily give up real goods and services in exchange for units of

money, because they value the money more than what is given up. Taken together, these two explanations seem to involve a circular argument, by which the purchasing power of money is ultimately explained by the purchasing power of money." Mises' famous regression theorem solves this problem and it will be explained next.

An apparent problem → the marginal utility of money → is explained by reference to → its anticipated purchasing power BUT the purchasing power of money → is explained by → its marginal utility as money (people exchange real goods and services for money)

Mises solves the apparent problem → via → his regression theorem

Murphy does a very nice job with an explanation of the problem, and Mises' solution, so your author will just quote him below:

"To explain the current purchasing power of money, we must explain why people **right now** sacrifice valuable goods and services in exchange for units of the money commodity. They do this because (of course) the marginal

utility they receive from the additional money units exceeds the marginal utility from the goods and services sold. But why do these units of money offer utility? Disregarding direct consumption, individuals derive utility from holding money units because **they anticipate the possibility of exchanging them for goods and services in the future**. Thus, the current [present] purchasing power of money (PPM) is influenced by individuals' expectations about the PPM in the (perhaps immediate) future. Note that this explanation, so far, does not involve a circular argument, because we have introduced the time element.

Yet what governs the expectations of the future PPM? Mises argued that it was the experience of money's purchasing power in the immediate past. This is not a strict relation; people do not automatically assume that the PPM tomorrow will be identical to yesterday's PPM. But when trying to estimate the amounts of various goods and services that a unit of money will fetch tomorrow, individuals must naturally rely on recent prices [there is nothing better for individuals to use when planning].

Now it seems that we have merely transformed the problem of circularity into one

of infinite regress: We explain today's PPM by yesterday's PPM. But yesterday's PPM must be explained by the PPM the day before yesterday, and so on.

**The regress is not infinite, however.**

Mises argued that we can trace back the PPM until the moment when the money commodity first emerged as a medium of exchange. Before then, the community was in a state of direct exchange, and hence the purchasing power (exchange value) of (what is now) the money commodity could be explained in the normal way, by reference to its marginal utility in consumption or production."

Murphy's summary of the above explanation is as follows, which will function as a Life Chart pertaining to money:

"To explain the current purchasing power of money (PPM), the economist relies on the current anticipations of the future PPM. That is, people right now give up other goods for units of money, because these people expect that these units of money will be exchangeable for other goods in the near future. The current anticipations of future PPM, in turn, are explained by people's memories of the prices of

the immediate past, i.e., by the past PPM. Ultimately, then, today's PPM is largely influenced by yesterday's PPM, and yesterday's PPM was in turn influenced by the day before yesterday's PPM, and so on. We push this explanation back until the moment when there were no media of exchange, and (what is now) the money commodity was valued solely for its direct use in consumption and/or production. (This is Mises' famous **regression theorem** or **money regression**.)" By introducing 1) the time element of people's current anticipations of the future PPM and 2) by going backward in time to when a commodity was neither money (a universally accepted medium of exchange), nor a medium of exchange at all, but simply valued for its direct use in consumption and/or production the problem was solved. In other words, people value money for what they believe it will enable them to trade for in the future. Their idea of what money will trade for in the future is based on what it traded for in the recent past.

The below paragraph → a Life Chart → pertaining to the satisfaction and the cost → of selling a good or service → for money

When selling a good or service for money an actor has a utility (satisfaction) in mind. Murphy has it thus: "The utility [satisfaction] from selling a good for money is the value of the most highly ranked use to which the additional money can be devoted (whether to spend on consumption, invest, or add to the cash balance). The cost of selling a good is the value of the most highly ranked alternative end (whether consumption, production, or future sale) to which the good could have been devoted, had it not been sold."

The below paragraph → a Life Chart → pertaining to the satisfaction and the cost → of buying a good or service → for money

Conversely, "the utility [satisfaction] from buying a good with money is the value of the most highly ranked end (consumption, production, or future sale) to which the good can be devoted. The cost of buying a good with money is the value of the most highly ranked alternative use (expenditure on consumption, investment, or addition to cash balance) that the units of money can no longer satisfy."

Economists refer to **ex ante** as the anticipations of an actor before an action, while

**ex post** refers to judgments made by the actor after an action. Murphy observes: "Thus an actor always maximizes his *ex ante* psychic revenue, i.e., the actor always chooses the end that he predicts will deliver the highest psychic revenue. But actors may make mistakes, and may decide *ex post* that they should have chosen differently [and thus they incur a psychic loss, i.e., they wish they had not taken the action, i.e., made the exchange]."

*Ex ante* → the anticipations of an actor BEFORE the action ("his **expectations**")

*Ex post* → the judgments made by the actor AFTER the action ("his **realizations**")

The human actors in a market economy adjust their own plans, in part, based upon what they expect other human actors to do. The prices generated by the marketplace provide valuable information for both consumers and producers to plan with. The prices provide information – information that can be utilized locally, regionally, nationally, and internationally. It should be noted that **prices COME FROM the marketplace and cannot be INSERTED INTO the marketplace**. Your author writes, "INSERTED INTO" because this

fact is evidently not realized by: dictators, politicians, bureaucrats, social do-gooders, religious leaders, “planning” elites, or by the average man on the street. Of course, as Mises pointed out, the government can mandate a “price” for the marketplace, e.g., a minimum wage, but it is not a real price and the mandated “price” sets off a chain of negative consequences.

Prices come → from the marketplace

Prices cannot be → inserted into → the marketplace

Rothbard points out: “While all consumers’ goods compete with one another for consumer purchases, some goods are also complementary to one another. These are goods whose uses are closely linked together by consumers, so that movements in demand for them are likely to be closely tied together. An example of complementary consumers’ goods is golf clubs and golf balls, two goods the demands for which tend to rise and fall together.” Further, “all goods are substitutable for one another, while fewer are complementary. When they are also complementary, then the complementary effect will be mixed with the substitutive effect, and

the nature of each particular case will determine which effect will be the stronger.” Prices enable consumers and producers to compare and contrast goods and services and to make substitutions when they believe they will derive greater utility from doing so.

All consumer goods → compete with each other  
(for consumer purchases)

All goods are substitutable for one another =  
True

Some goods are also complimentary with each other, e.g., golf clubs and golf balls = True

Murphy does a nice job of summarizing the pricing of durable goods. An example of a durable consumer good is a house. An example of a durable producer good is a widget-making machine. His explanation is concise and so your author will quote him below:

**Durable goods** (whether producer or consumer) yield a flow of services over time. The price of a service is the rental or hire price of the good; it is how much someone would pay to use the durable good for a given period of time. The rental or hire price is determined by

the marginal productivity (if a producer good) or marginal utility (if a consumer good) of the service.

The outright purchase price of a durable good is its capitalized value, and tends to equal the (discounted) present value of its total expected flow of future services. Because of time preference, an actor will not evaluate a given unit of service in the distant future the same as a unit of service available today or tomorrow. The process of capitalization explains why finite prices are paid for (virtually) infinitely durable goods, such as land."

Durable goods → yield a flow of services → over time

The price of the service → is the rental price → per period of time

The rental price → is determined by marginal productivity → if a durable producer good

The rental price → is determined by marginal utility → if a consumer good

The purchase price of a durable good → will tend to be its capitalized value

The capitalized value → tends to be → the discounted present value of the durable good's total expected flow of future services

It should be noted that all of the praxeological truths detailed in Section 8.1 of this chapter are still applicable in a money economy. In this sense, money is merely a medium of exchange. The use of money generates prices, which are extremely helpful for man. The use of money (generating prices) does not change the fact that valuation is subjective and personal and therefore, not measurable. Prices do NOT measure value, they aid in planning. There is no quantitative measurement of utility (satisfaction).

Prices → do NOT → measure value = True

"Money is a commodity and hence is subject to the law of diminishing marginal utility: the greater the units of money one has, the lower its marginal utility." ...

A price → results from a specific marketplace exchange → when money is used

The price = an **objective exchange value fact**  
(a historical fact)

To close this section Murphy has a nice summary on explaining the difference, in economist terms, of "subjective" and "objective" uses of the word "value." "There are many uses of the word **value**. In modern Austrian economics, the term usually refers to the subjective value an individual places on a good. However, in the present ... [section] the capital value of a durable good was its objective exchange value on the market, i.e., how many units of money could be obtained by selling the durable good. Economics is primarily the study of how underlying subjective valuations give rise to objective exchange values in the form of market prices."

Economics is primarily the study of → how underlying subjective valuations → give rise to exchanges → that generate → objective exchange values (in the form of prices)

In other words, marketplace actors (human beings) subjectively value what they believe will provide them the greatest utility (satisfaction) and they take the action of trading (exchanging) primarily with each other in the attempt to re-

order their lives in the way they believe will help them achieve a more satisfied state. When using money to engage in marketplace trades the trades (exchanges) give rise to objective exchange value facts, i.e., prices. The prices provide objective historical information from the very recent past that can be used as an important aid in planning for further, future acts of exchange.

Last in this section, all productive factors (factors of production) (land, labor, and capital goods) earn rents. They earn rents because they provide services. All durable goods yield, in effect, interest over time (on their capitalized value). This is different from the incorrect view of the classical economists who incorrectly believed that Land earned Rents; Labor earned Wages; and Capital earned Profits (Interest). This is explained in more detail in MES and in the next section.

### **Section 8.5 Production: the structure**

This section will discuss some important points relative to the structure of production. Rothbard's MES is almost 50 pages on "Production: The Structure" and so this section is limited to summarizing certain key points.

Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

Production cannot be assumed; it must be achieved. All production takes time.

The below paragraph → a Life Chart summary → pertaining to human action and → the resulting marketplace phenomena

Rothbard starts this chapter by rehearsing some important facts about human action. "1) Each individual acts so that the expected psychic revenue, or achievement of utility, from his action will exceed its psychic cost. ... Since all action deals with units of supply of a good, we may refer to these subjective estimates as marginal utility [marginal satisfaction] and marginal cost, the marginal signifying action in steps. (2) Each person acts in the present instant, on the basis of present value scales, to obtain anticipated end results in the future. Each person acts, therefore, to arrive at a certain satisfactory state in the future. ... He

uses present given means, according to his technological ideas, to attain his ends in the future. (3) Every person prefers and will attempt to achieve the satisfaction of a given end in the present to the satisfaction of that end in the future. This is the law of time preference. (4) All goods are distributed by each individual in accordance with their utility to him. A stock of the units of a good is allocated first to its most highly valued uses, then to its next most highly valued use, etc. The definition of a good is that it consists of an inter-changeable supply of one or more units. ... If a unit of a stock is given up or disposed of, the least highly valued use for one unit will be the one given up. Therefore, the value of each unit of the supply of a good is equal to the utility of the least highly valued of its present uses. This marginal utility diminishes as the stock of each good increases. The marginal utility of addition of a unit to the stock equals the utility of a unit in its next most highly valued use, i.e., the most highly valued of the not yet satisfied ends. This provides us with the law of marginal utility and the law of allocation of goods. (5) In the technical combination of factors of production to yield a product, as one factor varies and the others remain constant, there is an optimum point - a point of maximum average product

produced by the factor. This is the law of returns. It is based on the very fact of the existence of human action. (6) And we know ... that the price of any good on the market will tend to be uniform throughout the market. The price is determined by supply and demand schedules, which are themselves determined by the value scales of the individuals in the market." Murphy adds what amounts to a nice summation: "market phenomena are the expression of underlying human valuations. The objective facts of technological recipes, resource supplies, and so forth are merely the means through which these valuations are expressed."

Rothbard wants to explain how the proceeds received from consumers in exchange transactions are allocated back to the factors of production, to the capitalists who invest in production, and to the entrepreneurs who lead the productive effort in a modern market economy that uses money as a medium of exchange. The factors of production are land (including natural resources), labor, and capital goods. There is also a need to distinguish between **interest** and **profit**. All of this is achievable, but not necessarily so easy to explain. To understand what is really going on in the marketplace takes some rather long chain

of reasoning processes. To assist him in so doing, Mises developed something called the Evenly Rotating Economy (ERE). Rothbard explains the need for the ERE as follows:

"Analysis of the activities of production in a monetary market economy is a highly complex matter. An explanation of these activities, in particular the determination of prices and therefore the return to factors [of production], the allocation of factors, and the formation of capital, can be developed only if we use the mental construction of the evenly rotating economy. [Thinking is allowed; human experimentation is not.]

This construction is developed as follows: We realize that the real world of action is one of continual change. Individual value scales, technological ideas, and the quantities of means available are always changing. These changes continually impel the economy in various directions. Value scales change, and consumer demand shifts from one good to another. Technological ideas change, and factors are used in different ways. Both types of change have differing effects on prices. Time preferences change, with certain effects on interest and capital formation. The crucial point

is this: before the effects of any one change are completely worked out, other changes intervene. What we must consider, however, by the use of reasoning, is what would happen if no changes intervened. In other words, what would occur if value scales, technological ideas, and the given resources remained constant? What would then happen to prices and production and their relations? Given values, technology, and resources, whatever their concrete form, remain constant. In that case, the economy tends toward a state of affairs in which it is evenly rotating, i.e., in which the same activities tend to be repeated in the same pattern over and over again."

One major benefit of using the ERE as a reasoning process is it allows for the conceptual distinction between **profits** and **interest**. There is widespread confusion among people, including accountants, concerning the distinction between profits versus interest. Interest results from the general time preference of preferring a satisfaction in the present to enjoying the same satisfaction in the future. When capitalists save and invest they provide funds for entrepreneurs to undertake business ventures. The payment they receive for so doing, in an economic sense, is interest. In their minds they made a profit,

but not to an economist. To the economist they earned interest. For the sake of teaching simplicity let us assume an entrepreneur produces a consumer good and sells it to marketplace consumers. To an economist a profit results from there being uncertainty in the marketplace. This uncertainty allows for the entrepreneur taking the action to intuit, or observe, or calculate, and then act in a way to buy up factors of production that are "priced too low" and then "rearrange them" into a consumer product he can sell for an accounting profit. He can also do so with higher order factors of production to transform them (rearrange them) into more valuable lower order factors of production (his customers are other businesses, not consumers). To do this, unless he has capital of his own, he has to survive a financial vetting process to obtain the capital from the capitalists, paying them what amounts to an interest return. After obtaining the capital, the entrepreneur purchases the factors of production and manages said factors in order to produce and then sell the consumer good to the marketplace consumers. If all goes well he has left over proceeds after paying for the factors of production and also paying an interest return to the capitalists. He makes a profit in the economic sense. The left over proceeds are

profits in an economic sense. If there are negative proceeds, the entrepreneur has suffered a loss – he has paid too much for the factors of production (the factors of production should have been used to make and deliver something else from the consumers' point of view). The market is a profit AND loss economy. The above is the basic distinction between interest and profits to an economist. The left over proceeds are the entrepreneurial profits; interest is paid as a cost to the capitalists. The ERE allows for the distinction between profits and interest and this is important. Despite your author's example, above, there are no profits and losses in the ERE (because there is certainty, i.e., no change), but there is interest. Your author was simply attempting to help explain profits in an economic sense. Your author provides a concrete example of the above in Section 8.8, a section titled "Production: entrepreneurship and change."

Murphy adds: "The evenly rotating economy (ERE) is a fictitious mental construction in which all economic activities repeat themselves in a perfectly predictable manner. The ERE is the final end state toward which the market would tend if all disturbing influences were held at bay.

There is no uncertainty in the ERE. The ERE allows the conceptual distinction between profit and interest: Because there is certainty, there can be no profits or losses in the ERE. However, there is still time preference, and hence interest."

Perhaps another way of looking at the ERE is that the use of the ERE slows action down, so we can think through what is really happening – and then understand it. Once we understand what is happening then we can also think through specific acts and see their seen short-term and also the unseen long-term consequences of the act.

Understanding the reasoning behind how the factors of production are paid, how capitalists receive an interest return, and how entrepreneurs earn a profit or loss takes pages-long discussion to properly explain. The reader can read MES and Murphy's SG for more detail. The Executive Summary is that each factor of production tends to be paid its marginal contribution to the productive process, less a discount for being paid early by the capitalist. **This early payment discount is interest** in the economics sense. If a factor of production

were not paid early they would have at least two negative things to endure: 1) having to wait until the final product is sold (a time lag) plus 2) bearing the uncertainty of whether the final product can be sold at all, or for what price. Most factors of production, e.g., laborers and land owners do not want to bear either 1) or 2) and so they sell their marginal product (contribution to the production process) for a discount. The discount removes **the time element of waiting** (number 1 above) and **the uncertainty** (number 2 above). The discount allows for the capitalist to earn interest in economic terms. Profits come from exceptional foresight and the successful entrepreneurs earn them. The unsuccessful entrepreneurs incur losses. Murphy has a summary of the above as follows:

"The ERE is primarily used to distinguish profit from interest. Entrepreneurs earn pure profits when they judge future conditions better than their rivals, while they suffer losses if they exercise poor foresight. In an uncertain world [the real world], a man may anticipate that consumer demand for a new product will be higher than others expect, and he will buy the factors necessary to produce the good and reap a much higher payment when he sells the

finished product to consumers. This phenomenon is impossible in the ERE, because everyone knows exactly how much each good will fetch from consumers in the future. However, because capitalists advance present money to the owners of factors in order to sell goods to consumers in the future, the capitalists still earn more money from consumers than they had to pay to all of the factor owners who contributed to the production of the good. This excess would appear as a "profit" to an accountant, but not to an economist. It merely represents the interest earned by the capitalists on their invested funds. In the ERE the rate of return (per unit time) will be equal in all lines of production."

The discount of their marginal contribution to the productive process by the factors of production, e.g., the laborers, has nothing to do with superior bargaining power on the part of the capitalists. It has to do with time preference and the removal of uncertainty, as explained by your author above. Murphy has it: "However, this revenue is due to the fact that the capitalists paid the workers and landowners before their services yielded revenues from the

consumers. It is the agio on present versus future goods (not exploitation or superior bargaining power) that explains the discounted payment to the original factor owners.” ... “the capitalists offer to pay workers (and land owners) immediately for services that will not yield finished consumer goods until the future. Thus, the capitalists are exchanging a present good (money) for a future good (the marginal product, in terms of the final consumer good, of the factor in question).”

The explanation of the payments to the factors of production being the discounted marginal contribution of the factors of production is true for labor, land, and capital goods. It should be further remembered that capital goods are the produced factors of production. The macro Executive Summary here is that there is “no independent return to the owners of capital goods [i.e., a separate economic income class]; all income received at the point of final sale (from the consumer) ultimately flows to the owners of the original factors, land and labor.” In other words, if an economist was looking all of the way back through the economic process, starting with the consumer purchase and tracing payments and production back in time, there would be: rent

paid to labor (viewed as wages by non-economists), rent paid to land (natural resource) owners, and interest paid to capitalists. The successful entrepreneurs would have made profits and the unsuccessful entrepreneurs would have incurred losses. Of course, in the ERE there would be no profits and losses, but there are both in the real world – which is why your author included them in his summary above. There will be further explanations on this in later sections of this chapter.

There is confusion even among economists, pertaining to costs, and how they might or might not influence final selling prices to consumers. Murphy has a nice summary of this matter and so your author will quote him:

"The marginal cost of an action is the value placed on the next-best alternative. This is clearly a subjective concept, since value is subjective. No outside observer can determine the cost of someone's decision. Moreover, cost is 'ephemeral' in the sense that, once a man acts, the best alternative course is immediately rendered unattainable. (If it were not, then its value would not really be a cost of the original action. One cannot undo an action, he can at best perform another action.) Because action is

forward-looking, **the costs of production have no bearing on the sale price of a good."**

Marginal cost → of an action → is the value placed → on the next best alternative

Once a man acts → his best previous alternative course → is rendered unattainable

One cannot undo an action; at best one can only perform another action = True

Further,

"Cost is a subjective, ephemeral concept. The cost of an action is immediately borne by the actor, and is known only to him. The classical economists, as well as Alfred Marshall [a famous early 20<sup>th</sup> Century economist], were mistaken when they argued that prices are somehow influenced by the 'costs of production.' **The causality is completely the reverse:** It is not the case that diamonds are expensive because they are costly to produce. On the contrary, diamond mines are expensive because consumers place a high marginal utility on diamonds. If one man takes ten hours to produce a good that another man can make in five hours, the first man cannot expect to earn a

high price in the market because of his higher ‘costs.’” Your author would use a different and easier to understand example than Murphy’s diamond mine example above. Pearls are not expensive because men dive for them. Men dive for pearls because the end customers value them.

Rothbard, Mises, and Murphy point out that in an ERE the rate of return in all lines of production would be equal. Murphy explains, “if capitalists earned 5 percent in one line and 3 percent in another, then they would shift out of the latter and into the former until the rates were equal.” In the real world there is a similar tendency – but due to the constant change of dynamic life, it is never actually achieved.

Mises described six factors of perpetual change: 1) changes in nature, 2) population changes, 3) changes in the quality and quantity of capital goods, 4) changes in techniques of production, 5) changes in the organization of labor, and 6) changes in consumer demand.

“The classical economists (as well as today’s layman) thought that labor earned wages, land earned rent, and capital earned interest. This tripartite division is completely fallacious. All

productive factors earn a (gross) rent or ‘hire price’ per unit time in accordance with their marginal productivity, whether the factor is labor, a piece of land, or a machine.”

The classical economists were further incorrect in believing that prices are determined by the “costs of production.” They are not. What is true is that consumer valuations will determine the market price of transactions and there will be a tendency for the lower-cost producers to be the ones that end up staying in business. The lower-cost producers will, in essence, force the higher-cost producers out of business. But this is not the same thing as saying the “cost of production” determines prices. Murphy has a nice explanation: “The consumer of a good does not care how much money a producer spent in its production; the price of a good is determined by its marginal utility to the consumer. If the utility of a certain consumer good is so low that a producer cannot afford to purchase the factors necessary for its construction, the producer will hire fewer of the factors and produce less of the good [or stop producing the good]. This will tend to lower the rents (i.e., prices) earned by the factors [of production of that good], and the reduced supply of the good will raise its marginal utility

to consumers. The process will continue until the sum total of factor payments (including interest) equals the sale price of the consumer good. This process explains the tendency that 'price equals cost.'"

Prices are NOT determined by the costs of production = True

"At the very end of the section Rothbard explicitly introduces the assumption that **labor is scarcer than land**. There are always uses to which labor may be devoted to increase human happiness - if only to be consumed as leisure by the laborer himself. In contrast, at any given time there are always "submarginal" plots of land and other natural resources. It simply does not pay to incorporate them into a production process. Note that this assumption is not an a priori truth, but an empirical observation."

Empirical observation → labor is scarcer as a factor of production than land = True

### **Section 8.6 Production: the rate of interest and its determination**

This section will discuss some important points relative to the rate of interest and its

determination. Rothbard's MES is over 85 pages on "Production: The Rate Of Interest And Its Determination" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

There is probably no subject pertaining to economics more misunderstood than interest – what it is and what determines its rate. In the mental construct ERE capitalists "earn the same rate of interest per time period, regardless of the good or the stage [of production] in which they invest." Outside of the ERE, in the real world, arbitrage efforts by entrepreneurial actors and investors tends to bring about this same result.

In the real world production is complicated and broken down into many different stages. At each stage "capitalists buy factors and capital goods from a higher stage [an earlier production process], and then sell the resulting processed

capital good to someone else at a lower production stage [later production process] ... ." The price spreads capitalists earn at each of the stages of production tend to be the same (tend to result in the same rate of return). This is also true of the investment returns capitalists earn in different industries. Murphy has this as follows: "The rate of return (per unit of time) on capital investments must not only be equal for each good [different industries], ... but it must also be equal for every stage of [production for] each good. (If the rate of return were higher in a given stage, then capitalists would switch into it, bidding up the prices of the inputs [due to increased demand] and pushing down the price of its output [due to increased supply]. This would continue until the rate of return were equal to that of the other stages.)" Capitalists earn a return at each stage of the production process and that return tends to be uniform throughout the economy. Of course, in the real world, new processes and new goods constantly disrupt this trend toward equilibrium of return on investment.

"In the Austrian view, the role of the capitalists is to provide an 'advance' to factor [of production] owners in exchange for the future consumer goods that these factors help yield.

For example, a hired hand who fertilizes a field wants to be paid now so that he can buy his dinner, even though his labor will not actually produce food until several months have passed. Because **present goods exchange for future goods at a premium**, the capitalist who invests in this process ends up with more capital funds than he started with. This 'excess' return is not due to the productivity of the farmland, or of the capital goods such as tractors used on the farm, but instead is due to the fact that present goods are subjectively preferred to future goods."

When someone saves money they become, in effect, **a demander of future goods** and **a supplier of present goods**. If they wanted to consume all they produced right now, they would have spent all they earned, i.e., not saved. In this case they would be neutral. But when they save some of what they have produced they show they would like to consume some goods in the future, not right now, hence the "demander of future goods" designation. They supply goods in the present (the lenders) to those demanding goods in the present (the borrowers). This **inter-temporal exchange agreement** is an agreement for those they lend the present goods to, the borrowers, to provide them with future goods at an agreed upon

future time in repayment of the loan. The inter-temporal exchange agreement can also be a capitalist saver investing and earning the equivalent of interest. It is just easier for most people to understand the borrower-lender relationship, but the economic substance is the same. When an individual produces, but then immediately consumes all they produce they are neutral. When an individual borrows money they are **a demander of present goods** and (if they are honest) **a supplier of future goods** (when they pay back the loan in the future).

A saver = a demander of future goods and a supplier of present goods

A borrower = a demander of present goods and a supplier of future goods (when they repay the loan)

Neutral = neither a saver nor a borrower

The three categories of: 1) saver or 2) borrower or 3) neutral → are mutually exclusive, i.e., an individual will either be: 1) a net saver or 2) a net borrower or 3) neutral

A loan agreement (or an investment by a capitalist) = an inter-temporal exchange agreement

As mentioned above, the capitalist earns interest by advancing money to the entrepreneurs undertaking the various stages of production and this interest rate earned will tend to be equal across production stages and industries – and, if there is a free flow of investment capital, across geographic regions throughout the world.

The pure rate of interest (**the natural rate of interest**) is the spread (agio) between present and future goods. Because it is the agio between present and future goods, interest, counterintuitive as this may sound, has nothing to do with money. In other words, interest would exist in a direct exchange (barter-type) economy not even using money because there will always be a human preference for satisfaction in the present versus satisfaction in the future. This is why the two Jehovahs do not ban “interest;” they ban the collection of interest on loans to poor people – as explained in the previous chapter. To actually ban interest they would have to kill or “rewire” all human beings

because all human beings prefer a good in the present to the same good in the future.

Interest → would exist even if money did not exist = True

Interest → in the above sense → has nothing to do with money

The below paragraph → a Life Chart → regarding the determination of the natural rate of interest

"The pure [natural] rate of interest (i.e., exchange rate between present and future goods) will be established by the various individuals' time preferences in the same way that any other price is established." Each individual has a general time preference. Per Rothbard: "**the period of provision (the time-horizon)** is the length of future time for which **each actor** plans to satisfy his wants." Some people think, plan, and act longer-term and some shorter-term. **The total marketplace demand schedule and supply schedule of present goods versus future goods** is comprised of the personal demand and supply schedules of all of the individuals. **Where total supply equates to total demand is the equilibrium natural rate of interest.** "The pure [natural]

rate of interest is ultimately determined by subjective time preferences.” Rothbard has this as: “In the aggregate … the interaction of the time preferences and hence the supply-demand schedules of individuals on **the time market** determine the pure rate of interest on the market. They do so in the same way that individual valuations determine aggregate supply and demand schedules for goods, which in turn determine market prices. And once again, it is utilities and utilities alone, here in the form of time preferences, that determine the market result;” In other words, it is the individuals’ valuations of the satisfaction (utility) pertaining to time preference (waiting for satisfaction or experiencing it now) that determine the natural rate of interest – the price of the time market. Per Rothbard: “This pure rate of interest, then, is determined *solely by the time preferences of the individuals in the society, and by no other factor.*”

The natural rate of interest = the price of the time market

Murphy has a nice explanation of an individual’s scale of values containing both present goods as well as future goods – all on the same scale of preferences. “Individuals can

place various units of future goods on their value scales, along with various units of present goods. For example, an individual might prefer two units of steak next year over one unit of steak this year. (Because of **time preference**, an individual will always prefer the same quantity of a given good earlier rather than later.) A different individual, however, might consider one unit of present steak to give more utility than two units of future steak. There is thus a potential gain from trade, with the first individual selling one unit of present steak in exchange for the other individual's promise to deliver two units of steak next year." Your author, Rothbard, and Murphy are not quick to use examples pertaining to money because of the danger of the reader incorrectly equating interest as having to do with money – which the natural rate of interest does not. That said, a fairly easy example to understand in an indirect exchange economy (one using money as a commonly accepted medium of exchange) is the following: An individual values 105 ounces of gold one year in the future as preference one on his value scale. Preference two on his value scale is 100 ounces of gold in the present. If this individual finds someone else, e.g., an entrepreneur with a good project who has a reverse valuation, then they can lend that

person 100 ounces of gold in the present to be repaid with 105 ounces of gold one year into the future. If these two individuals were the only two individuals in the economy, it would be easy to understand the natural rate of interest at that time is five percent. (Obviously, in an economy with only two individuals there probably would not be indirect exchange. Your author is trying to use a simplified set of assumptions for ease of understanding.)

Back to the real world, the natural (pure) rate of interest "manifests in every aspect of the 'time market,' whether this is the formal market for loans (with the rate of interest explicitly set by contract), or in the market for producer goods, where the rate of interest is implicit in the price spread between a collection of inputs [the cost of the factors of production for that production stage] and their future output [the selling price of the product for that production stage]."

The natural rate of interest → tends to be the same between → 1) loan markets with contractual lender-borrower rates of interest and 2) rates of return between industries and 3) rates of return between production stages inside of an industry and 4) between geographic

regions → otherwise → capital will shift between industries, between stages or production, between loans and equity, and between geographic regions

The natural rate of interest → is implicit → to all types of capital investment

Rothbard points out that **the natural rate of interest is always positive and cannot be negative**. This is because a man always prefers a good (satisfaction) in the present to the same good (satisfaction) in the future. The present trend toward central bank and cohort commercial bank manipulations of the money price of interest to be negative are not natural. They are interventions into the market economy in the form of price-distortions. The negative consequences ensuing from this interventionism would not occur in a free market.

Murphy has a nice summary of the importance of gross versus net investment: "Although we can isolate the net return to capitalists - which, we recall, is due to the delay between the time of investment and turning over the resulting product to either a capitalist in a lower stage or to the final consumer - it is important to remember that the capitalists must

decide every period to repeat their **gross investments** if a given production process is to be maintained. (The typical treatment in mainstream macro [economics], especially its warnings about 'double counting' in calculating GDP, tends to consider only net investment.)

**Production processes do not continue automatically;** the capitalist at each stage of a process has the ability to drop out and spend all of his or her revenues (from last period's sale) on consumption. The mainstream emphasis (in both academia and the media) on the importance of consumer spending is totally unwarranted. It is ultimately the price spreads (i.e., the difference between the prices of inputs and the price of corresponding output) and their relation to the prevailing rate of time preference that determine the profitability of a given operation. The absolute amount of money that consumers are willing to spend on a given product is, by itself, completely irrelevant." Part of Rothbard's genius was to realize that the mainstream economists tended to look at the net "value-added" at each stage of production and, in an effort not to double count macro productivity, to focus on the net "value-add." Further, they also tend to also focus on consumer spending. However, **production precedes consumption.** Production is the

instrumental means toward consumption. Consumption does NOT need stimulation; it needs the means – which is to first produce. And for production to continue (and not just be assumed) the entrepreneurs and capitalists undertaking the various stages of production must earn enough interest return (price spread differential) to decide to continue to invest in ongoing production. When they decide to continue to invest it is their gross investment that was the investment decision (not just the net gain from that production stage). By way of example, if a production stage required a gross investment of purchasing factors of production for 95 ounces of gold, with the subsequent sale to the next stage of production at 100 ounces of gold, there would be an absolute return of five ounces of gold. If the entrepreneur and his capitalist backers decide to continue production they will have made a decision to invest a further 95 ounces of gold. The investment decision is 95 ounces of gold, not the macro-economic value-added net five ounces of gold. Savings, investment, and production are the key parts of the economy. Consumers always have to consume, but they cannot consume if first someone does not produce.

"An individual's marginal rate of time preference [not general rate of time preference] will depend on his or her cash balance (both in the present and the expected cash balance in the future). For example, as an individual enters the time market by selling present goods in exchange for (a greater number of) future goods [saving and investing], the marginal utility [importance] of present goods rises while the marginal utility of future goods falls. At some point the individual will refrain from selling an additional unit of present goods, no matter how high the rate of interest." In other words, there is only so much an individual will save and invest. After that, due to the need for present goods being consumable now, they will refrain from further savings and investing. Further, if an individual's cash balance falls too low they will take steps to re-obtain the amount of cash that provides them the greatest satisfaction on their scale of values. For example, they may decide not to lend out funds to be repaid in the future if their current level of cash is not comfortable for them.

A person's "**pre-income** time preference" is probably different from their "**post-income** time preference." Murphy has a nice example: "We may analyze the time market decisions of

individuals in their pre- and post-income states. For example, a landowner necessarily sells future goods in exchange for present goods when he rents his field to a sharecropper in exchange for gold ounces. However, after receiving this income the landowner may then enter the time market and use his gold ounces to buy a bond from a corporation.” This is another example of how dynamic the real world is, with its constantly fluctuating personal and subjective preference scales (HOVs). Similarly, before a laborer has been paid they probably have a very high time preference (they need money to live now), which will likely subside or moderate somewhat after they have been paid.

“In the ERE, there is no essential difference between a corporation’s shareholders and its creditors [e.g. bondholders]; both groups ‘own’ portions of the corporation [from an economist point of view, not a legal point of view]. In the ERE, the contractual rate of interest will equal the natural rate of interest. In other words, the formal premium granted to lenders will be the same premium implicit in the price spreads in factor markets [the amounts earned in the different stages of production by capitalists]. However, if a particular line of production is unusually odious or revered, the rate of return

may be lower or higher than the prevailing contractual rate. For example, if most investors believe cigarettes are a disgusting product, then they may require a higher rate of return to invest in this line than they require investing their funds in the production of teddy bears. (This distaste must be very widespread to have such an effect.)"

In the ERE → the contractual rate of interest = the natural rate of interest

Murphy observes the following: "Although praxeology cannot explain ultimate value judgments, it can make *ceteris paribus* statements [all things being equal] regarding preferences. The higher a person's real income in the present, the lower will be his time preference [their present circumstances being very well provided for they will likely extend their time horizon and save and invest more for the future]. If the world were expected to end in one week, on the other hand, everyone's time preferences would rise incredibly."

Empirical observation → the higher a person's real income in the present → the more likely they will extend their time horizon (lower their

time preference) → and invest for a better future

Explaining what interest is, how the natural rate of pure interest is derived, and its role in the structure of production is not the easiest topic. Your author hopes it is now more understandable. The bottom line is this: it is the individuals' valuations pertaining to time preference (waiting for satisfaction or experiencing it now) that determines the natural rate of interest – the price of the time market.

### **Section 8.7 Production: general pricing of the factors**

This section will discuss some important points relative to the pricing of the general factors of production. Rothbard's MES is over 55 pages on "Production: General Pricing Of The Factors" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from

Murphy's SG unless your author specifies he is quoting from MES or PM.

To begin with it should be remembered that consumer subjective value preferences demonstrated by marketplace purchases (real demand) generate what are known as consumer prices. Prices come from the marketplace; they cannot be inserted into the marketplace.

Consumer goods are goods of the first order in economics-speak. The consumer prices are imputed backward through the production process starting with goods of the second order and then goods of the third order, etc. Murphy has this as follows: "... the fundamental point is that the prices of higher order goods [the production stages earlier in time and farther away from the consumer goods] are causally determined by the prices of lower order goods, not vice versa."

Consumer prices → then prices of goods of the second order → then prices of goods of the third order → etc.

When entrepreneurs are engaged in producing goods they want to make a profit. They want the cost of the factors of production they utilize to be less than what they can sell

their product or service for in the marketplace. Before undertaking production, the entrepreneur has their estimate of the final selling price for the good (or service) they will produce. It could be an entrepreneur producing a good of the fourth order to be sold to an entrepreneur producing a good of the third order, etc. How does this entrepreneur estimate how much to pay to rent a location, hire laborers, purchase raw materials, etc.? And if he currently has nine workers will it pay him to hire a tenth worker, etc.? These are all production-related decisions and economists should be able to explain the process. Further, if one is a laborer, how much can one reasonably expect to be paid for one's laboring efforts? In the real world, bargaining takes place. What is the conceptual explanation for the pricing of the general factors of production that are used in the production process? This is the subject matter of this chapter of MES.

It should be remembered that the factors of production provide services. Entrepreneurs rent these services by the unit. Murphy summarizes: "This chapter [of MES] explains the determination of prices for unit factor services in the ERE [and ... "hence as they tend to be in the real world"]. A capitalist will be willing to hire

an additional unit of a productive resource so long as its rental price is lower than its discounted marginal value product (DMVP). The marginal value product (MVP) is the additional revenue that can be imputed to the marginal unit of a productive factor. The discounted MVP is then simply the present market value of the (future) MVP. For example, if an additional ... [day] of labor will generate \$110 of additional revenue in one year's time, a prospective employer will pay no more than \$100 today to hire this worker if the interest rate is 10 percent."

" ... The MVP is determined by the marginal physical product (MPP) times the price of the product. That is, the prospective buyer [of unit services of factors of production] estimates the increased physical output (i.e., quantity of the good to be sold) due to an additional unit of a factor [the MPP], and multiplies this by the market price of these extra goods." Murphy includes a parenthetical comment that warns as the quantity of the good provided to the marketplace increases, then the price of that good tends to fall. Because of this "the true MVP will actually be less than this computation would suggest." However, an entrepreneur can take the knowledge of this into consideration

when making a purchase-of-a-factor decision, and the above process does explain what is going on in the real world. Any additional production due to the usage of the marginal unit of a factor is not going to increase overall market supply so much that price is drastically affected (in all likelihood, anyway). In any case, prices are not perfect information, but they are the best information available when planning. Technically, the economist explanation is: "Additional units of supply are allocated to uses that are less and less urgent. Consequently, the MVP (and DMVP) of a factor declines as its supply increases."

MPP → marginal physical product = the increased output due to the increased unit of a factor of production (the increased quantity of the good to be sold resulting from using an additional unit of a factor of production)

Price = the price of the product to be sold

MVP → marginal value product = the MPP times the price ( $MPP \times \text{price}$ )

Interest rate = the prevailing interest rate in the market (the societal rate of time preference)

DMVP → discounted marginal value product = MVP discounted by the going interest rate (the present market value of the future MVP)

A buyer of a unit of factor services → will consider buying and likely buy only IF → DMVP > hire price of the unit factor service

For the next nuanced teaching, please remember that a "**specific**" factor of production can only be used to make one thing, e.g., our previously mentioned widget-making machine. The widget-making machine cannot be used to make anything other than a certain kind of widgets and this is why it is a specific factor of production. Labor is the nonspecific factor of production. It can be used in what amounts to innumerable different kinds of production. Most factors of production are nonspecific. The context of the productive situation will determine if a factor of production is specific or nonspecific.

**"A nonspecific factor** (i.e., one used in several lines of production) will be priced according to DMVP, where each successive unit is assigned to the most productive, yet unfulfilled, use. **A specific factor's DMVP is calculated as the difference between the unit**

price of the final product and the sum of the prices of the nonspecific factors used in its production. For example, the nonspecific factor of labor may have a DMVP of \$10 per hour. If one dose of a certain medicine can be created with one hour of labor and one pound of a certain type of berry, and this berry has no other economic use [it is a specific factor], then the DMVP of the pound of berries will be equal to the (discounted) price of the dose of medicine (as determined by marginal utility to consumers) minus the \$10 payment to the worker." In other words, to price a specific factor of production we have to perform a calculation – we have to back into it. First, take the final price of the product to be sold and discount it using the prevailing interest rate in the market to get the discounted price (total DMVP). Next, compute each complimentary nonspecific factor of production's DMVP. Subtract the total of the nonspecific factor's DMVP(s) from the discounted final price of the product (the total DMVP) to get a residual amount. This residual amount is the backed into DMVP of the specific factor of production.

A nonspecific factor of production → priced according to its DMVP

A specific factor of production → priced as follows: 1) take the final product's selling price and discount it by the going interest rate (this will determine the discounted selling price of the final product – the total DMVP) 2) calculate the DMVP for each of the complimentary nonspecific factors of production 3) add up the total of all of the complimentary nonspecific factors' DMVP obtained in step 2) and then 4) perform the math of 1) – 3) → 1) – 3) = the price of the specific factor of production's DMVP

If there is more than one specific factor in a production process the DMVP of the specific factors are, once again, backed into. Let us assume there are two specific factors involved in a production process. The process to determine the DMVP of the specific factors is the same as the above - with one caveat. After performing the above steps, there will be what amounts to a residual amount - which is a total amount comprising the DMVP of the two specific factors. How are the owners of the specific factors going to price their unit services and how is an entrepreneur going to know how much they are willing to pay for the services of these two specific factors? It will be via a process of negotiation. In other words, only bargaining can determine their prices once the total amount of

the two specific factor's DMVP is calculated. How this lump total will be priced (allocated between the two specific factors) will be the results of a bargaining process.

The factors of production will tend to be allocated throughout the economy based on where they will have their highest DMVP. This DMVP based allocation will result in some entrepreneurs and their capitalist backers getting the use of the factors they need, and some entrepreneurs not getting the factors they need (because their budget will not allow them to pay enough to hire the factors in question without taking a financial loss). That this is true will frustrate some wannabe entrepreneurs. The reason they will not be able to successfully compete for the factors of production they would like to utilize is the consumers will not pay high enough market prices for the products these wannabe entrepreneurs would like to produce. The consumers are in effect telling these wannabe entrepreneurs, "Do not hire these unit factors because they are reserved for a more important use – a use we value more highly than the use for which you intend to use them." The frustrated wannabe entrepreneur will have to think up a potential product with a higher

value to end consumers and then they can become a successful entrepreneur in reality.

Rothbard makes an interesting point along the following lines. In a highly advanced capitalist economy there is obviously a lot of capital deployed in various productive efforts. As more and more capital is saved and invested the additional amounts of capital are deployed in production processes that take longer and are more complicated. These higher order production processes empirically employ a lot of workers. Conversely, if Crusoe is engaged in berry picking and then immediately eating the berries, he is obtaining what amounts to direct satisfaction from producing and consuming first order goods (consumer goods). His productive efforts do not require capital. But most productive efforts do. It is true that in a modern economy some people sell direct services to end consumers, e.g., a barber cutting hair. Rothbard argues that capital provides most laborers their ability to be paid, today, while helping to produce a product that will not be sold until the future. In other words, in a modern capital-intense economy most workers are paid via capital (**a wages fund**), and not directly through consumption – though consumption is, of course, the goal of all

production. In further other words, capital which supports production is the key to a higher standard of living for most workers.

Economically speaking, Rothbard has pointed out: "The price of the unit service of every factor, then, is equal to its discounted marginal value product. This is true of all factors, whether they be 'original' (land and labor) or 'produced' (capital goods). However, as we have seen, there is no net income to the owners of capital goods, since their prices contain the prices of the various factors that co-operate in their production. [Other than explaining the pricing principle Rothbard is saying or implying two things in this quoted passage. First, the owners of capital goods have a gross income less cost payment to their productive factor inputs resulting in a net income to them and this net income will tend to equal the natural rate of interest – a payment for a time-related service. It will be explained later why it is important not to overlook the gross minus factor costs distinction. Second, he is saying that the costs of the capital good are paid backward to the original factors of production, land and labor.] Essentially, then, net income accrues only to owners of land and labor factors and to capitalists for their 'time' services. It is still

true, however, that **the pricing principle** - equality to discounted MVP [DMVP] - applies whatever the factor, whether capital good or any other."

Rothbard and Murphy next clarify that a better definition of a capital good is a **"reproducible means of production."** This is more refined than the previously used "produced means of production." This clarification helps to distinguish when depletable resources are being extracted from the earth, e.g., coal mining or petroleum. What is extracted is not reproducible and so is considered as a depletion of land. Murphy has this as follows: "As we have seen, permanent, nonreproducible factors are classified as land, while goods that can wear out but are reproducible are classified as capital goods. But what of nonpermanent, nonreproducible productive resources, such as diamond mines? The crucial test is whether such resources can be reproduced by land and labor factors, and the answer is no. Hence depletable resources (oil, natural gas, etc.) are to be classified as land."

Capital good = a reproducible means of production

A capital good → wears out in production + must be reproduced (i.e., replaced, if continuing higher production is desired)

Depletable resources → classified as part of land

Geographic land will tend to be "a combination of land (in the economic sense) and capital goods." Rothbard clarifies "land" in the economic sense as follows: "Whether or not a piece of land is 'originally' pure land is in fact economically immaterial, so long as whatever alterations have been made are permanent - or rather, so long as these alterations do not have to be reproduced or replaced.<sup>15</sup> ... [Rothbard's footnote 15:] "'Nonreplaceable' as a criterion for land, in contrast to capital goods [replaceable], is not equivalent to 'permanent.' 'Permanent' is a subdivision of 'nonreplaceable.' It is clear that permanent improvements do not have to be replaced. However, depletable natural resources, such as coal, ores, etc., are not permanent, but are also nonreplaceable. The key question is whether a resource has to be produced, in which case it earns only gross rents [because it is classified as a capital good]. If it does not or cannot, it earns net rents as well. Resources that are being depleted obviously cannot be replaced and are therefore

land, not capital goods. ..." "Land that has been irrigated by canals or altered through the chopping down of forests has become a present, permanent given. Because it is a present given, not worn out in the process of production, and not needing to be replaced, it becomes a land factor under our [economic] definition. In the ERE, this factor will continue to give forth its natural powers unstinted and without further investment; it is therefore land in our analysis."

... "The capital goods are those which are continually wearing out in the process of production and which labor and land factors must work to replace. When we consider physical wearing out and replacement, then, it becomes evident that it would not take many years for the whole capital-goods structure to collapse, if no work were done on maintenance and replacement, and this is true even in the modern, highly capitalist economy." This is why production cannot be assumed or taken for granted; **production must be achieved.**

Alterations to geographic land → that do NOT have to be reproduced or replaced → are permanent → now considered as → land (in the economic sense)

Alterations to geographic land → that DO have to be reproduced or replaced → are not permanent → that portion now considered as → capital goods, not land, (in the economic sense)

Rothbard clarifies the meaning of the word “permanent” as: “The ‘permanence’ with which we are dealing refers, of course, to **the physical permanence of the goods**, and not to the permanence of their value. The latter depends on the shifting desires of consumers and could never be called permanent.”

Authorial summary of the land discussion above: Part of what a normal person would just call *geographic land* has to be parsed in order to be accurately described in economic terms. In all likelihood the normal person’s “land” is part land and part capital goods in economics-speak. The part that is capital goods is any part that would wear out in the process of production and have to be reproduced, i.e., replaced – if production is to continue at the higher level of producing with the capital good. If an alteration to natural land does not have to be continually redone, e.g., the one-time cutting down of trees, then that improvement (making that physical land cleared land) is permanent and is therefore now land in the economics sense. If

the land includes depletable resources, e.g., coal or oil, those depletable resources are not replaceable. Because they are not replaceable we cannot consider them capital goods in the economic sense. We have to consider them as land in the economic sense. "Nonreplaceable" (in Rothbard's classification) includes "permanent improvements we do not have to replace (reproduce)" plus "depletable resources which are [also] not replaceable."

Replaceable (reproducible) → capital good

Nonreplaceable → either: 1) permanent (like cutting down trees as a one-time clearing of the land or 2) non-permanent (like depletable resources) → both 1) and 2) → land

Your author will let Murphy clarify a couple of final points to end this section. "The market price or capitalized value of a durable asset will, in the ERE, be equal to the sum of its future rental earnings (due to the asset's [durable ongoing] flow of services), discounted appropriately by the rate of interest. In one sense, only laborers earn 'pure rent' in the ERE, and the only types of income are wages and interest. This is true because even land factors have a capitalized value, and hence the rental

payments accruing to their owners are (if only implicitly) interest returns due to time preference. For example, even someone who discovers an unowned plot of land that yields \$10,000 in annual rents, is still (in the ERE) merely earning an implicit interest return on his capital ‘investment.’ This is because the market value of his land will be \$200,000 (assuming a 5 percent rate of interest), and thus if the man chooses to receive the annual rental payments, he is forgoing the potential \$200,000 in present goods.” This is because he could sell the land for \$200,000 if he chose to and use them to buy present (consumer) goods.

### **Section 8.8 Production: entrepreneurship and change**

This section will discuss some important points relative to entrepreneurship and change. Rothbard’s MES is almost 50 pages on “Production: Entrepreneurship And Change” and so this section is limited to summarizing certain key points. Because Murphy’s *Study Guide* (SG) did such a nice job of summarizing many of Rothbard’s key points, your author will sometimes quote Murphy’s SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy’s SG

unless your author specifies he is quoting from MES or PM.

The previous explanation of prices was derived from an analysis of the evenly rotating economy (ERE). In the ERE there are no entrepreneurial profits or losses because the mental construct ERE has no uncertainty in it. There is a pure (natural) rate of interest return to capitalists who advance money to pay the factors of production before the product is sold to the next lower stage of production and so on down to the final sale to consumers. One of the purposes of this section of the book is to understand the movement of prices when the future is not certain, i.e., in the real world. Murphy explains a key difference between economic analysis using the ERE and the real world: "The primary difference is that in the real world (unlike the ERE), the marginal value products of productive factors must be estimated by the capitalist-entrepreneurs at the time of hire. There is always the possibility of erroneous estimates, and hence the possibility of profit and loss." ... "In the ERE such over[valuations] or undervaluations are impossible, because the future is known with certainty. Every factor will be paid its correct DMVP. In the real world, entrepreneurship

establishes a tendency for [toward] correct factor prices."

"... Entrepreneurial profit occurs when someone buys factors at a certain price and sells the resulting product for a certain price, such that he reaps a higher rate of return than the prevailing rate of interest. Such an entrepreneur has taken advantage of a general undervaluation of the particular factors; had others generally been aware of the future sale price of the product, they too would have [could have] entered into this market (to earn the higher rate of return). Entrepreneurial loss entails the opposite, in which a capitalist invests in relatively overvalued resources only to find that he can sell the product at a price that does not correspond to the rate of interest. (Even if his future revenues exceed his money expenditures on factors, this is still a loss to the capitalist because he could have earned more money by lending his funds out at interest.)"

Entrepreneurial profit → Sales proceeds – purchase price of the factors of production = an amount → corresponding to a return > the return from the prevailing rate of interest

Perhaps an example of the above might prove helpful. If an entrepreneur rented a building for 10, hired laborers for 30, bought raw materials for 25, and rented a widget-making machine for 15, his total direct costs would be 80 ( $10 + 30 + 25 + 15$ ). If he borrowed all of the necessary capital in the form of money, and the absolute interest cost was 5 during the time it took to achieve production and sale, now his total costs are 85 (80 in direct costs + 5 in interest costs). Let us say production took one year and he sold the output for 100. He has an entrepreneurial profit of 15 computed as follows: 100 in revenue – 80 in direct costs – 5 in interest costs paid to capitalists = 15 net return. In economic terms, the net return of 15 already includes paying the capitalists for the use of their money to pay the factors of production prior to the time of the sale of the final product. The entrepreneur was able to spot under-utilized and less appreciated factors of production, survive a financial vetting process to obtain capital funds, manage production during the year to successfully produce the widgets, sell the widgets for 100, repay the capitalists their funds plus the 5 in interest costs, and the resulting 15 is entrepreneurial profit. In this simplified case the rate of return that the 15 represents is

obviously greater than the prevailing interest rate return that the 5 represents because it is already net of the 5. And in absolute terms the entrepreneurial profit is 15.

If we modify our above example in two ways we can demonstrate an economic loss that looks like a profit to most people. First, we will modify our example so that the entrepreneur uses his own funds during the production process. Second, we will assume his direct costs were 98 instead of 80. The results are an economic loss of 3, but an absolute return of 2, computed as follows: 100 sales proceeds – 98 of direct costs = 2 net return (to an accountant). But we know (estimate to be precise) the entrepreneur could have put his own funds out at interest and earned 5 during the time of production. If we take the 2 net return and subtract 5 of lost interest opportunity costs = -3 economic net return (a loss of 3 to an economist). Of course it can be even worse than this if an entrepreneur overpays factors of production and suffers absolute losses in addition to his financing costs. It happens all the time in the real world. Rothbard always emphasizes the market economy is a profit AND loss economy. Rothbard makes the following biting point when ridiculing the idea of a “rate of

profit": "The absurdity of the concept of 'rate of profit' is even more evident if we attempt to postulate a rate of loss. Obviously, no meaningful use can be made of 'rate of loss'; entrepreneurs will be very quick to leave the losing investment and take their capital elsewhere."

The market economy → a profit and loss economy = True

Quoting again from Murphy: "Entrepreneurs tend to eliminate profit and loss opportunities [by competing with each other]. By investing in those lines [of production] offering higher rates of return, they bid up the factor prices [thus reallocating those factors from a line of production offering lower rates of return to the line of production offering the higher rate of return] and force down the product prices [by increasing supply in the temporarily higher profit line], thus shrinking the rate of return [in the higher profit line]. On the other hand, by fleeing from unprofitable lines [capitalists shift their capital out of an industry], the supply of the final product is reduced (raising its price) while the demand for the relevant factors [in the lower profit line] is reduced (lowering their prices); the net result is a rise in the rate of

return [of the lower profit line]. Were all further change ruled out [which it can never be], entrepreneurial profit-seeking would restore a uniform rate of return to all lines corresponding to the prevailing degree of time preference [the natural rate of interest].” All of the above adjustments to reallocate factors of production and production itself to the more highly valued products and services happen without the need for central planning. Entrepreneurs function as change agents for consumers using market prices as distributed intelligence to know what to do.

Entrepreneurs function → as change agents → for consumers → using market prices → as distributed intelligence

Consumer satisfaction increases → via the entrepreneurs → who provide a social function → without the need for either 1) central planning or 2) force

“Entrepreneurs thus bid up the prices of undervalued factors [of production] and reduce the prices of overvalued factors. From the point of view of allocating resources to best satisfy consumer preferences, **the profit and loss**

**mechanism serves a definite social function.”**

Rothbard then discusses the effect of “net investment” in an economy. We can imagine a current state of affairs. From there, we can imagine a state of affairs where people as a whole learn to think longer-term, i.e., their time preference falls. In other words, people save more and invest more. People restrict present consumption and devote more to investment in future production. The gross investment of this new situation will exceed the gross investment of the prior situation, i.e., there is a **positive net investment**. This positive net investment frees up some of the factors of production that were previously utilized to produce consumer goods and goods in the other lower stages of production (those closest to the production of consumer goods). The freed up factors of production will now be employed in higher stages of production. This lengthens the production structure. Murphy has this as follows: “This ‘lengthening’ of the production structure corresponds to a more ‘capitalistic’ process [more intensive use of capital throughout the economy]. The price spreads will fall between [production] stages, corresponding to a lower natural rate of

interest; this is consistent with reduced time preferences.

Although net investment requires a temporary curtailment of possible consumption (i.e., saving), once the consumer goods 'come out the pipeline' of the lengthened structure, there will be higher total output than previously. Thus, capitalists [those who save and invest] refrain from current consumption in the hope of achieving a greater amount of future consumption."

All of this requires people to think longer term, have the discipline to produce more than they consume, i.e., save, and to invest more in the future. When people do, there will be aggregate profits in the economy. Aggregate profits occur whenever there is net saving and net investment, i.e., "whenever gross investment exceeds the amount necessary to maintain the previous structure of production." Please remember that some savings and investment is always necessary just to maintain the current level of the structure of production. If this does not occur then the resulting capital consumption is going to decrease future production.

Aggregate profits occur whenever → net savings + investment is > the investment amount necessary to maintain the previous structure of production

The new and longer overall structure of production will affect the pricing of the factors of production. "Labor, the ultimate nonspecific factor, will generally benefit from increased savings. Ironically, the investors themselves will only enjoy a temporary gain, as the enhanced profits are eroded away by readjusted factor prices." Beyond the complete explanatory scope of this summary (but included to be as complete as possible), what will likely occur is that the nominal incomes (money incomes) of at least some of the factors of production will decline. But the prices of consumers' goods, due to much greater output, will fall even more. In other words, wage rates and ground rents might very well see a decline in nominal income, but will experience an increase in real income. They will experience an increase in real income because their lower money incomes will buy more consumer goods per money unit, i.e., the prices of those consumer goods will fall even more due to their increased production.

Rothbard has this as follows:

"That the general trend of original-factor incomes and prices may well be downward is a startling conclusion, for it is difficult to conceive of a progressing economy as one in which factor prices, such as wage rates [labor] and ground rents [land], steadily decline. What interests us, however, is not the course of money incomes and prices of factors, but of **real incomes** and prices, i.e., the 'goods-income' accruing to factors. If money wage rates or wage incomes fall, and the supply of consumers' goods increases such that the prices of these goods fall even more, the result is **a rise in 'real' wage rates and 'real incomes'** to factors. That this is precisely what does happen solves the paradox that a progressing economy experiences falling wages and rents. There may be a fall in money terms (although not in all conceivable cases); but **there will always be a rise in real terms.**

The rise in real [wage] rates and [real] incomes is due to the increase in the marginal physical productivity of factors that always results from an increase in saving and investment. The increased productivity of the longer production processes leads to a greater physical supply of capital goods, and, most important, of consumers' goods, with a

consequent fall in the prices of consumers' goods. As a result, even if the money prices of labor and land fall, those of consumers' goods will always fall farther, so that real factor [of production] incomes will rise."

Money price incomes (nominal incomes) to factors of production (e.g. labor) are not as important as → **real incomes** = True

The lower money income laborers earn → will go farther in buying the consumer goods (satisfactions) they are working for = True

Murphy has a great summary paragraph pertaining to whether an economy is advancing, staying the same, or declining. "A **progressing economy** is one in which there are net aggregate profits, a **stationary economy** is one in which aggregate profits equal aggregate losses, and a **retrogressing economy** is one in which losses exceed profits. A progressing economy corresponds to one with net investment, while a retrogressing economy suffers from a reduction in gross investment (i.e., net disinvestment) [capital consumption]."

Net investment → aggregate net profits → progressing economy (in modern terms, a growing economy)

Stationary economy → aggregate profits and aggregate losses equal each other

Net disinvestment (capital consumption) → aggregate losses → retrogressing economy (in modern terms, a contracting economy)

When there is net investment the length of the production process increases. A wisely chosen longer production process will increase overall production. "This of course does not mean that every longer process will be more physically productive, but merely that there always exists at least one such process (that is both longer and more productive)." And net investment now makes it possible to determine and utilize that longer and better production process. **Net investment increases real production.** Murphy has a nice summary paragraph on this:

"Other things equal, actors prefer to achieve their consumption goals sooner rather than later. Consequently, they will first exploit the shortest processes, i.e., the ones that involve

the least amount of waiting time [the low-hanging fruit]. The only reason an actor would invest his resources in a longer process is that it promises a greater quantity of output. It is time preference that acts as the ultimate 'brake' on engaging in indefinitely lengthy processes. Thus, because of a process of selection, at any given time there are always lengthier, more productive processes 'on the shelf,' that have not been yet exploited because of the waiting involved. For this reason, new savings (and investment) can always yield a higher return to the original factors (after the required delay). Thus capital accumulation alone, even without scientific discoveries or other technological advances, can allow for a continual rise in the standard of living."

Capital accumulation (net savings + net investment) → increases the general standard of living (even without technological advances)

Capital accumulation + technological advances  
→ can greatly increase the standard of living

As alluded to above, and now made more explicit: "When land and labor factors are invested in lengthier processes, their physical output is greater, leading (eventually) to higher

per capita consumption [a higher standard of satisfactions (living)]. Net investment (and the corresponding aggregate profits) allow for temporary gains to the [capitalist] investors, but **ultimately all increases in productivity will be imputed to the land and labor factors** (raising [real] rents and [real] wages)." In a sad irony, many laborers deplore capitalism - but only capitalism can raise their real standard of living (real wages). One can think of it as the difference between attempting to produce with tools and without tools. Capital enables the necessary tools (and sophisticated machinery, etc.), for much greater production. In the below Life Chart "tools" should be understood in the broadest possible sense to include machinery, computer programs, etc., etc., etc.

Capital → tools → increased production

The increase in gross investment (more capital being deployed in the productive processes) can only occur if there is a lowering of the overall societal time preference – enough people think longer term and decide to provide for a greater amount of satisfaction in the future. By thinking longer term they consume less in the present (save) and deploy more capital (invest) in greater future production and

satisfaction. Murphy summarizes: "When time preferences drop and foster higher investment, this corresponds to a reduction in the natural rate of interest [lower societal time preference]. The reverse is also true. Thus a progressing economy is characterized by falling interest rates, while a retrogressing one is characterized by rising interest rates."

Eugen Bohm-Bawerk was the Austrian economist who (in substance) came after Carl Menger and preceded but overlapped Ludwig von Mises. He did a lot of path-breaking work on capital theory and also waylaid Socialism as a possible economic system. In doing so, he devised a number of prescient observations. Your author will turn one of them into a reworded Life Chart below:

When people save and invest → they are NOT → spending less on consumption → BUT RATHER → they are spending LESS on present consumption → in the hopes of spending MORE on future consumption

The money price of interest on the loan market is more nuanced than understanding the natural (pure) rate of interest, which is based on societal time preference. "The actual market

rate of interest is composed not only of the pure [natural] interest rate (due to time preference), but also a [risk premium] component due to the likelihood of default on a loan (or poor returns on a production process)." An easy way to understand this is if the natural rate of interest was four percent a banker could also charge what amounts to a risk premium depending on who the borrower is, what the entrepreneurial process is that they are attempting to achieve, etc. The risk premium will be added to the natural rate of interest to form important components of what the marketplace actors understand as **the money price of interest on the loan market**. Your author is not saying that a modern banker thinks in these economist terms when determining what to charge a borrower, but it is the reality, nonetheless.

At a minimum, "the money price of interest" → on "the loan market" includes → the natural rate of interest + a possible risk premium

One last point in this section is the distinction between **risk** and **uncertainty**. Murphy explains it quite nicely - again in summary form: "Following the pioneering treatment by Frank Knight [a 20<sup>th</sup> Century economist], the distinction between risk and uncertainty is that

risk refers to unknown outcomes with quantifiable probabilities. Risks can be insured against, while uncertainty cannot. All entrepreneurship involves bearing uncertainty; it cannot be transferred away.”

Risk → refers to → unknown outcomes with quantifiable probabilities

Risk → can be insured against (for example, a life insurance contract)

All entrepreneurship → involves bearing uncertainty

Uncertainty → cannot be transferred away (unlike risk being transferred in an insurance contract)

Human action → involves speculation → dealing with uncertainty

### **Section 8.9 Production: particular factor prices and productive incomes**

This section will discuss some important points relative to particular factor of production prices and productive incomes. Rothbard's MES is over 70 pages on "Production: Particular

Factor Prices And Productive Incomes" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

This section discusses the effects of a changing economy on the prices of the particular factors of production. It also summarizes some pricing information for land, labor, and capital goods.

"Rent is the price paid for the hire of unit services of a factor [of production]; the price for a durable factor in its entirety is (in the ERE) equal to the present discounted value of its future rents. Net rents are equal to gross rents earned minus gross rents paid to owners of factors (necessary to produce a capital good). [The owners of capital goods charge a price to their buyers at the next stage of production – a lower order in economics-speak. This price is a gross price for what their capital goods produced. But this is not a net income to them

because, looking through all of this, they have to pay the labor and land factors of production that went into the producing of the capital good. What they pay to the labor and land factors are the gross rents to labor (see Life Chart below) and gross rents to land (see Life Chart below) leaving the owners of the capital goods a net amount, which will equate to the time preference rate of interest – what regular people would call their “profit.” In other words, the owners of capital goods receive a gross price but then pay out costs to the labor and land that went into producing their capital good. This leaves them with a net profit, but that net profit is the going rate being “paid” in that economy for time preference.] In the ERE, only land and labor factors earn net rents, because a capital good’s gross rent is entirely imputed to the land and labor factors (plus time) necessary for its construction. A wage is simply the hire price of a unit of labor service. ... It is an important empirical fact that labor has tended to be scarcer than land; this is why there are always plots of submarginal land but not submarginal ('unemployable') labor.”

Rent → the price paid → for the hire of unit services → of a factor of production

Labor → earns net rent → a wage → the hire price of a unit of labor service (it is net rent because labor has no money price cost to pay to an earlier production stage) (gross rent received – zero money cost to pay = net rent, i.e., for labor gross rent and net rent are the same)

Land → earns net rent → a rent → the hire price of a unit of land (natural resources) (it is net rent because land has no money price cost to pay to an earlier production stage) (gross rent received – zero money cost to pay = net rent, i.e., for land gross rent and net rent are the same)

Capital goods → earn gross rent → a selling price charged to a later production stage (lower order production number in economics-speak) → BUT → capital goods owners must pay: 1) labor costs and 2) land costs → gross rents earned – gross rents paid to labor and land = net rents earned (the net rent earned is a price spread) (the net rent earned will tend to be the going time preference rate, i.e., interest) (this Life Chart is for the ownership and operation of a capital good; for the sale of a capital good, see the next Life Chart)

The sales price → of a capital good → tends to be → the present discounted value of → its future rents (take the projected rents for the life of the capital good and discount this income stream by the price of time, i.e., the natural interest rate)

The sales price → of any durable asset → tends to be → the present discounted value of → its future rents (future satisfactions (utility) if a durable consumer good, e.g., a house)

Empirical fact → labor has tended to be scarcer than land

Scarce labor → relative to land → means → there will be some unused land (submarginal land exists) (land that might be used later, but not right now)

Labor, being scarce, is always employable → at the right productive price = True

In terms of labor, there is no difference between "management" and "labor" (regular workers) – both are hired to perform certain tasks.

Land can be used for different productive purposes. Because of this there is an opportunity cost to how land is used. For example, if land is used for agriculture, it cannot be used at the same time for housing. The landowner provides a valuable service to society by allocating its utilization to the "highest and best use." In actuality, this is true for all factors of production. "To the extent that land (in the economic sense) is permanent, the only reason for 'speculative withholding' is that an owner does not wish to commit the land to a present use that would delay its conversion to a more valuable use in the future." An example of this might prove helpful. If a farmer was actively farming their land and a nearby city was growing in the direction of his farmland, the farmer might start receiving offers to purchase his land. The real estate developers making the purchase offers might want to build any of the following, or some combination thereof: single family homes, apartment buildings, retail shopping centers, commercial buildings, or industrial buildings. If a current purchase offer were to be received the farmer would likely seriously consider it. However, if the farmer felt that if he speculatively held out that he would receive an even higher offer in the future, the farmer might turn down what looks like a viable

offer in order to continue farming his land. The farmer might sell in the future, but not right now. In the future the offer price for his land might get so high the farmer actually sells. In all of this if the farmer is correct he will make a speculative profit – which helps allocate land usage to its optimum. If he is incorrect, it is his loss.

Labor, as a nonspecific factor of production, has many alternative uses. Because of this price matters a lot to both the supply of and the demand for labor. Generally speaking, if the price offered for labor is high more people will offer their labor services and existing workers will offer more of their labor services (will work more hours, etc.). The converse is also true. Also generally speaking, if the price of labor is low there will be more labor demanded (buyers of labor will be willing to purchase more labor services). All of this is saying that the price of labor is elastic in economics-speak.

“Wage rates will tend toward equality for equivalent labor units. However, a laborer’s total compensation consists of psychic elements as well, which may prevent equalization of money wage rates.” An example of psychic elements is a worker might accept less than the

market price for performing a service because they really like the type of work, the working conditions, or the employer personally.

Conversely, a worker might demand to be paid more for performing a service than he would otherwise because the nature of the work is unpleasant (working in a coal mine, or cleaning a portable toilet, etc.).

A laborer's total compensation → includes psychic elements + the wages they receive

Some of the psychic elements include: 1) the working conditions 2) demeanor of the employer 3) whether the work is enjoyable or not 4) duration of the work day 5) work schedule 6) etc.

"If the supply of capital goods increases, ceteris paribus this will increase the MPP [marginal physical product] of labor and ultimately real wages per capita. Thus the rise in real wages over time need not be due to the merits of the workers. For example, an increase in investment in the auto industry will cause the physical product of auto workers to rise (since they work with more and better tools). This will raise wage rates in that industry, which in turn will draw workers from other occupations into it.

The reduced supply of workers in, say, the food service industry will raise the equilibrium real wage in it. Hence the cafeteria workers will earn a higher real wage, not because of harder work or training, but because of capitalists investing in auto plants."

Capital goods ↑ worker productivity ↑ real wages ↑

More capital goods increases worker productivity and workers receive higher real incomes = True

Capitalism benefits workers = True

An employer cannot pay a worker more in total wages than the worker's DMVP (discounted marginal value product). Remember, production increases per additional worker and this increased production (marginal physical product) has an imputed price on the market. This is the marginal value product (MVP). But the employer (the capitalist entrepreneur) is paying the worker today for production that will not be sold until later (the employer is advancing capital to the employees). Hence, the worker's MVP has to be discounted to a lower number to reflect the price of time on the market. The employer cannot pay the worker

more than their estimated DMVP otherwise the employer would take a loss and deplete their capital. In this instance they would do better to just put their capital out (invest) into the capital market. It turns out that the payments to workers tend to end up being in a fairly narrow payment range. Competition between workers and between employers causes this to be so. If a worker is not receiving his DMVP from a particular employer they will tend to look for and be able to find a different employer who will pay them up to their DMVP and so the worker will change jobs. But if an employer, through error in estimation or cost accounting, persists in paying workers more than their DMVP the employer will likely earn a loss and go out of business and all of the workers will be discharged. If laborers, employers, labor unions, and government officials understood economics there would be so much less confusion and hurt feelings – particularly when it comes to the next point. Since an employer cannot pay more than the worker's DMVP to a worker, all of the worker-associated labor costs, paid for by the employer, have to be included in the DMVP total. This includes all of the following: 1) direct wages (gross wages) 2) employer-paid social insurance taxes, e.g., Social Security and Medicare in the USA 3)

workers compensation insurance payments paid by the employer 4) unemployment taxes paid by the employer 5) health insurance paid by the employer 6) any other insurances paid by the employer, e.g., life, vision, dental, or disability insurance 7) employer-paid pension contributions 8) any other labor-related costs attributable to the worker, paid for by the employer. What this means (but is not commonly understood) is that labor is being forced to pay for all of the supposed benefits mandated on its behalf – whether a worker wants the benefits or not. If a government mandates workers' compensation insurance then the worker is, in effect, buying accident insurance. If a labor union contract calls for contributions to a private retirement plan, then the worker is being forced to save for his retirement out of current earnings. If the government mandates employer contributions to unemployment insurance then the worker is buying unemployment insurance. If an employer includes health insurance in the employee's compensation package, whether due to government mandate, union contract, or competition among employers, the worker is, in effect, buying health insurance. All of the above costs come out of the worker's pay. **They have to.** They are "the unseen," but personally felt

costs of governmental interventionism and various labor union negotiations. Without the above costs the employee's gross direct wages would increase, i.e., their income paid as number one above would go up. In other words, item number one above would increase by the total of items 2-8 above. As a separate and important side note: of course employee-paid income taxes being withheld from gross wages also acts to further reduce what a worker finally takes home in pay.

Non-wage → employee "benefits" "paid for" by the employer → are really deducted from DMVP by employers → AND therefore → reduce the workers' gross wages (number one, above)

Non-wage → employee "benefits" → are, in actuality, paid for by each employee, **NOT** the employer = True

As more and more of a worker's pay is mandated by the government or labor union contracts to be in various non-wage forms, the workers wages do not increase very much, if at all. Talking-head pundits wring their hands and deplore the lack of growth in wages, but it is very easy to understand. That any of this is a puzzle to workers, government officials, or non-

Austrian economists is a sad commentary on our times. There are economic laws. Those economic laws are in operation. We cannot have something for nothing.

The same group who evidently does not comprehend the reasons for the lack of wage growth also does not understand one of the other major troubling ongoing events in the modern era. This is poor to no overall real growth in the economy. As mentioned earlier in this chapter in the section covering savings and net investment, without an increase in capital being deployed, there will be no growth – i.e., a stagnant economy instead of a progressing economy (or even a retrogressing economy). As already explained, a progressing economy is one in which there is an increase in net investment (more capital employed). The increase in capital leads to more production per worker and the real standard of living rises. If there is no growth or sub-standard growth (as is largely the case as this is being written) it is not a mystery. It is because there is no net investment. No net investment means at best a neutral economy. And in an economy with no or minimal real growth, but with more and more non-wage-mandated worker benefits, the average worker will suffer. And they will suffer even more if

income taxes go up at the same time, as those taxes will be withheld from their pay. In other words, no net investment (no increasing amount of capital employed), means no economic growth, and this means no real increase in the standard of living from growth – at best the economy stays about the same. Compound this, from the average worker's point of view, with non-wage mandated worker benefits (which must come out of the gross wages of the worker), and you effectively have lower take-home pay for employees. The lack of net investment is why not enough economic growth is happening (from the government-official, mainstream academia, talking head, and average citizen point of view). And all of the above is why take-home pay growth is not happening, either.

No new capital → beyond maintaining the existing production structure = no growth

People who hate capitalism → hate capital being deployed to increase production → hate growth (whether they understand this or not)

The average worker is being squeezed by: 1) lack of economic growth due to no new net investment (or worse, real decline from capital

consumption) + 2) a higher and higher percentage of their gross pay is in non-wage mandated benefits + 3) higher income and social taxes are withheld from their gross pay resulting in much lower effective net take-home pay

Moving on, economics does not assume full employment because men can choose not to work, i.e., to enjoy leisure. What true economics deduces is that someone can get a job by lowering the price they are asking for their labor services. "Thus it is not jobs that are the goal, but high-paying jobs, and in order to achieve this goal we need capital accumulation [net investment] (to raise the DMVP of labor), not government 'pump priming.'" Government pump priming to get growth is an ignorant fiction as government spending can only occur by first taking money from one man to give to another and this has been discussed in the prior chapter so nothing more will be written here.

To achieve → higher paying jobs → we need capital accumulation (savings and net investment) (more capital deployed per worker)

Rothbard and Murphy also remind us that prices determine costs and not vice versa. The

“costs of production” are actually the “prices” of the factors of production.

Prices → determine costs

The costs of production of one production stage  
→ are the prices → (gross incomes) of the factors of production of a preceding production stage

“A business owner’s gross income consists of: (a) interest on capital invested, (b) (implicit) wages for his managerial tasks [if any], (c) rents of ownership-decision, and (outside the ERE) (d) entrepreneurial profit or loss.” Item (b) only applies if the business owner is also functioning as the manager. Rothbard has included (c) because it is the business owner who chooses the managers and makes the most important overall decisions pertaining to the business and because, per Rothbard: “... the ultimate responsibility and control of production rests inevitably with the owner, with the businessman whose property the product is until it is sold. It is the owners who make the decision concerning how much capital to invest and in what particular processes. The ultimate decisions concerning the use of their property and the choice of the men to manage it must

therefore be made by the owners and by no one else." Your author thought it a nice summary and so included it, but it could easily be argued that (c) could be subsumed into (d) – the entrepreneurial profit or loss category. This is because if (c) is not done well the losses mentioned in (d) will show up. Conversely, if (c) is done well the profits mentioned in (d) will show up. It is a nuanced Rothbard point and your author can live with his explanation.

Rothbard points out that many small business owners sell their labor services directly to consumers. "A particularly important category of laborer-entrepreneurs is that of the sellers of personal services to consumers. These laborers are generally capitalists as well. The sellers of such services - doctors, lawyers, concert artists, servants, etc. - are self-employed businessmen, who, in addition to interest on whatever capital they have invested, earn an implicit 'managerial' wage for their labor. Thus, they earn a peculiar type of income: a business return consisting almost exclusively of labor income. We may call this type of work direct labor, since it is labor that serves directly as a consumers' good rather than hired as a factor of production. And since it is a consumers' good, this labor service is priced

directly on the market." The consumer will demand so much of the services offered, depending on price. The personal service business owner will supply their services based on a schedule of prices, but also taking into effect the value of leisure and any other uses they could put to their time, e.g., joining the job market as a high-paid specialist instead of being a business owner. Once again, marginal utility, marginal productivity, and supply and demand determine the outcome.

It should be noted that a business owner is only able to impute an implicit earnings amount if there are explicit (actual) prices on an actual market. These explicit prices are needed to estimate any implicit amounts, e.g., if it makes more sense to hire a manager versus doing the management themselves, if they should hire another professional to work under them, etc. Rothbard's and Murphy's main point here is that you cannot assume prices or make them up – they have to come from an actual market.

Rothbard and Reisman made an ingenious contribution to economics by pointing out that if one firm were to merge with all other firms and become, as it were, the only firm, there would no longer be a market for the various factors of

production that it utilized - hence the business could not engage in cost accounting to determine the profitability of its various lines. This would be a chaotic situation resulting in misallocations and depletion of capital (waste and loss). The chaos of Socialism (as pointed out by Mises) would be a special case of this more general phenomenon. This would never occur on the free market, but it is an interesting and thoughtful observation.

Murphy summarizes the economics of location and special relations as follows: "The same price will emerge for the 'same' good, but this [what an economic good is] is defined from the point of view of the consumers. Thus an orange-in-Florida is not the same good as an orange-in-New-York, and hence the prices for oranges may differ in the two regions. Production centers will not be located merely on the basis of technical efficiency; the cost of transporting the goods to the final consumers must also be considered. ..."

The approach of the classical economists, particularly David Ricardo, was incorrect in that there is NOT a two-fold process in which goods are first "produced" and then "distributed." This idea left the door open to social do-gooders and

government officials to think they should inject themselves into the discussion and propose a different distribution from the production that first occurred. Murphy clarifies the truth of the matter: “Rather, **goods are produced and distributed at the same time**; if one alters the incentives facing producers (such as who gets to consume what), then this may upset the total size of the ‘pie’ overall. It is true that richer individuals have a greater say in determining the course of production, but their greater wealth is itself a result of prior market activities [they produced more in the past]. On a free market, all wealth is achieved through prior acts of homesteading, production, or receipt of a gift.” It is the mindset of a busybody or a thief to attempt to interject himself into the situation, after production has occurred, and opine or attempt to determine the outcome of how that production will be utilized. The one who produced a good will decide (based on their value scale of preferences) what to do with it next. They might use some of the production themselves and they might trade some of it to other productive people for their goods. It is their choice. In other words, the producer had a goal or intent in mind as to what they would do with the goods they were going to produce and they should be left free to attempt

to achieve that goal. If it will make any envious busybodies feel better, please consider the following: Harkening back to the discussion in this book's 7.4 Bureaucracy Section, pertaining to price rational versus bureaucratic, it should be noted that market forces are always at work that tend to reduce the arbitrariness of all of the marketplace participants. The larger the number of marketplace participants, the narrower the band of trading ranges – and the higher opportunity cost price to be paid for not being rational. All that being said:

Production + the distribution of what is produced → are decisions of → the producer

Murphy has a fantastic summary of Rothbard's chapter and of this section and his quoted summary will function as a section-closing Life Chart:

"In the ERE, the Austrian economist can explain the height of all market prices in a logical fashion. Consumer valuations determine the marginal utility of consumer goods, which ultimately determine the prices of these goods. The rental prices of land, labor, and capital factors [of production] are then determined on the basis of these prices, and the technological

recipes of production, by computing the DMVP of a productive factor. The pure [natural] rate of interest is determined by the time preference schedules of individuals, and this rate is used to compute the capitalized present value (i.e., asset price) of durable goods, based on their known [estimated] future rental prices.

Outside the ERE, actual market prices will tend toward these final values. Uncertainty due to changing conditions will always leave open the possibility for forecasting errors. Profits will accrue to those entrepreneurs who best deploy scarce resources for the satisfaction of consumer desires."

### **8.10 Monopoly and competition**

This section will discuss some important points relative to monopoly and competition. Rothbard's MES is over 125 pages on "Monopoly And Competition" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from

Murphy's SG unless your author specifies he is quoting from MES or PM.

Economic theories pertaining to monopoly (including the resulting antitrust laws), cartels, intellectual property, and competition are so voluminous that library shelves full of books have been written about them. Since this is a book about Life Charts, your author will mainly chart the correct way through this intellectual mine field. If the reader is interested in learning more, they can read Rothbard's chapter in MES on the topic.

First, the concept of "consumer sovereignty" needs to be understood. Rothbard and Murphy do not like the term "sovereignty" (and neither does your author) because it is an inappropriate political metaphor. Murphy has this as: "... on a free market [per natural rights], individuals have complete control over their bodies and other property. Consumers can't force producers to make certain goods [which is why "sovereign" is a bad choice of words]; they can merely try to influence producers (to the extent that they seek monetary returns) by their spending decisions." In other words, force is not involved - consumer preferences demonstrated as purchases guide entrepreneurs

and their financial backers as to which goods and services to provide. If consumers do not like the price of a good, they can substitute purchase a different good – or not buy at all. Consumer purchases, or lack thereof, send messages to producers - whether the producers want to hear those messages or not.

The subject of **cartels** is virtually guaranteed to get a heated discussion underway. Rothbard provides an incredible service, however, by using praxeological analysis to diffuse the topic. The results turn out to be surprising. Murphy does a nice job of summarizing and so your author will begin by quoting him below:

"The alleged evil of a cartel is that it restricts output and thus hampers the achievement of consumers' sovereignty. But consider the 'worst case' scenario of a cartel that actually destroys product in order to increase its profit. Clearly the excess production was a mistake that will tend not to be repeated; even a cartel would rather produce the amount it intended to sell, rather than overproduce and then destroy the excess. The true 'waste' then is not the destroyed product, but rather the scarce resources that went into the production of the excess units; once the cartel produces the

profit-maximizing amount in the future, these resources will be channeled elsewhere." In other words, seeing the unseen, if a cartel produced too much in one year it really prefers not to destroy over-produced product. In future years it will tend to lower production to what it wants to sell. When it lowers production it will do so by using less factors of production – not as many factors of production are required to produce less. These factors of production, e.g., excess labor, will go 'elsewhere' and produce more in the new industry they find utilization in. The increased production in those non-cartelized industries will have to lower prices due to the increased production and consumers will benefit from those lower prices. Further, consumers do not have to purchase the product of the cartelized industry. They are free to boycott that particular industry.

The cartelized industry → lowers its production,  
→ which increases production in other industries  
→ prices decrease from the increased production in the other industries → consumers benefit from the lower prices in the other industries

Consumers are free to boycott the cartelized industry by not buying its products = True

Rothbard's next major point is that no one regards the pooling of capital through the formation of a corporation to be "sinister" or "inefficient." Further, generally speaking, mergers for increased efficiency in production or sales are also not criticized. Then Rothbard astutely asks (in so many words), "What is the difference between a multi-firm cartel pooling its knowledge and efforts to maximize member profits?" In other words, it is a praxeological law that all human action is attempting to intervene in the present to obtain a more satisfactory future state – to maximize psychic and, if applicable, economic profits. Why would anyone expect a cartel to do anything different? No one is forced to exchange (trade) with the cartel.

"In a free market, firms will tend to be the optimum (from the consumers' point of view) size. On the one hand, lower unit costs of large-scale production will tend to increase firm size, but on the other, the overhead costs of bureaucracy eventually check this trend. The ultimate limit is the chaos that would ensue if a firm eliminated the market prices for its inputs and products." This would occur if a firm attempted to vertically integrate all of its production processes under one roof, so to

speak. By doing so they would no longer have the benefit of market prices for certain of their production processes, and this would force them to arbitrarily allocate the factors of production for those processes – leading to waste.

Allocating factors of production arbitrarily is what Rothbard calls “islands of calculational chaos.” It would not take long for such a firm to be outcompeted, and for its capitalist owners to demand management and other operational changes. The same principle (the lack of economic calculation) is the big reason why Socialism fails and why there is no reason to ever fear the coming of one giant business cartel that will dominate the world.

“Voluntary cartels (i.e., those not supported by government restriction) formed for the purpose of restricting output and raising prices are inherently unstable. First, there will always be an incentive to cheat on the cartel agreement and produce more than the assigned quota. [This happens all the time with the Organization of Petroleum Exporting Countries (OPEC) as a prime example.] Second, the more efficient members will demand larger and larger quotas over time; why should they restrict their own output in order to benefit inefficient competitors? [The restricted production costs

the better producers' sales and profits.] Third, even if the members of the cartel can reach an agreement and obey it, if they are truly earning 'above normal' returns, outsiders will enter the industry." [New competitors will enter the industry to make a higher return on their capital invested.]

Rothbard address the straw-man argument that cartels hurt consumers because the consumers' sovereignty (freedom to buy or not) is realizable, only to the extent to which the power of substitution exists. First, consumer sovereignty has been shown to be a bad political metaphor, not having a place in economics. Second, Rothbard's observation eliminates this confusion in thinking as follows:

"But surely this is a complete misconception of the meaning of freedom ["consumer sovereignty" in Rothbard's retort]. Crusoe and Friday bargaining on a desert island have very little range or power of choice; their power of substitution is limited. Yet if neither man interferes with the other's person or property, each one is absolutely free. To argue otherwise is to adopt the fallacy of confusing freedom with abundance or range of choice. **No individual producer is or can be responsible for other**

**people's power to substitute.** No coffee grower or steel producer, whether acting singly or jointly, is responsible to anyone because he [the producer] chose not to produce more. If Professor X or consumer Y believes that there are not enough coffee producers in existence or that they are not producing enough, these critics are free to enter the coffee or steel business as they see fit, thus increasing both the number of competitors and the quantity of the good produced." In other words, no producer is a slave to "sovereign consumers" and who can therefore be "found guilty" for not producing enough. The producer is free to produce what and how much they wish and the consumer can buy or not buy from them. Ultimately, producers who want to grow their business and, worse case, stay in business need to serve consumers. But consumers are not sovereign taskmasters lording it over producers like a master in the past lorded it over a slave.

Murphy answers another criticism waged against cartels, which is that their large capital structure prevents potential competitors from competing against them and this allows for long-term high profits. "But no individual needs to come up with \$20 million [or more] to enter the automobile industry; a large number of

individuals can pool their assets by forming a corporation.” And this happens all the time.

Changing the topic to **monopolies**, per Murphy: “A monopoly may be defined as (1) a single seller of a good or service, (2) the recipient of a government privilege, or (3) a business unit that can achieve monopoly prices. The first definition is vacuous; everyone is a monopolist in this sense. The second definition is legitimate, and focuses on government intervention that hampers welfare. The third definition is empty once we realize there is no such thing as ‘monopoly price.’” Number one applies to an individual selling their labor services, a restaurant selling its prepared food, or to any other business entity. All are unique and in that sense a monopolist. All charge as high of prices as they can obtain. In other words, by definition number one, everyone is a monopolist – which is why it is vacuous and can be disregarded. Number two is where any real problem lies. All that is necessary to get rid of any monopolies pertaining to the second definition is for the government intervener into the economy to revoke the specially granted monopoly privilege – which is ethically what should be done. Number three is one of Rothbard’s unique and genius contributions to

monopoly theory. Murphy has a further nice clarification: "The third definition is empty once we realize there is no such thing as 'monopoly price.' Simply put, there is no such thing as a 'monopoly price' to which we can contrast a 'competitive price'; there is no way we can even in principle define these concepts. All we can discuss is the unhampered price that would emerge on a free market." In other words, prices ONLY come from the market and there is only the free market price. Any supposed "monopoly price" or "competitive price" is, in essence, an assertion and this is why number three also turns out to be a non-event.

So-called "natural monopolies" are where a single location of a mineral or other extracted commodity dominates overall production. However, virtually all commodities have some kind of substitute and buyers never have to purchase. Further, there are almost always some other sources of the supposedly monopolized commodity that can be obtained from other geographical locations. And the owners of the "natural monopoly" have opportunity costs associated with not utilizing their asset.

Labor unions are sometimes discussed within the topic of monopoly. Murphy has a great summary and so your author will use his summary as a Life Chart on the topic:

"Although a union presents a coherent example of restriction of output and the achievement of higher prices, this is not an example of monopoly; the privileged workers gain at the expense of nonunion members. [Your author wrote on this in the previous chapter and so will not elaborate more here.] A typical argument for unions is that the marginal productivity determination of wage rates, in practice, leads not to a unique value but rather a zone of possible wage rates. The problem with such a justification is that such zones of indeterminacy shrink as more and more people enter the market [so the argument is void]. Moreover, in practice unions often rely on the actual use (or at least threat) of violence to achieve such 'bargains' with management." [This was also written about in the previous chapter.] Further, since workers are already being paid their DMVP (in essence), no one can get them more than that on a sustained basis.

Lastly, Murphy summarizes patents and copyrights: "On a free market, there would be

no analogue to the patent; someone who independently discovers a technological recipe would be free to begin using it immediately. However, there would be copyrights, in the sense that it would be illegal to fraudulently impersonate another individual when selling a good or service.”

Patents → a form of government-issued special privilege → would not exist on a free market = True

Copyrights → would exist in a free market → because fraud is a crime = True

### **8.11 Money and its purchasing power**

This section will discuss some important points relative to money and its purchasing power. Rothbard's MES is about 120 pages on "Money And Its Purchasing Power" and so this section is limited to summarizing certain key points. Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG

unless your author specifies he is quoting from MES or PM.

Some of the central points concerning money were covered in Section 7.6 of the last chapter entitled, "Money Fallacies." Many other points concerning money were in Section 8.3 "Indirect Exchange" and Section 8.4 "Prices And Consumption" of this chapter. These sections need to be read in conjunction with this section to get a more complete overall picture concerning money. This is because it would be redundant for your author to thoroughly cover for a second time such things as: the reasons for the business cycle, money being a more marketable commodity that becomes commonly accepted as a medium of exchange, money solving the double coincidence of wants and the divisibility problem, Mises' regression theorem, etc. With all of that said, and in order to follow the flow of Rothbard's chapter, your author will sometimes list a key sentence or two with minimal further explanation.

Section 8.3 dealt with the emergence of money out of barter and Section 8.4 dealt with the formation of money prices. This section analyzes the impact changes in the money relation have upon the unhampered market.

As previously mentioned in Section 8.4, the price of money is determined by the interaction between supply and demand. Murphy summarizes as follows: "Money is unique in that its 'price' is not a single number ... . Rather, the price of a unit of money is an entire vector of the money commodity's exchange ratios with units of every other good and service available on the market. The purchasing power of money (PPM) is thus its 'price.'

The total demand for money consists of (1) the exchange demand for money (by sellers of all other goods who wish to purchase money) and (2) the reservation demand (by those who already hold money) [people's money balances].

At any given time, all units of money are in someone's possession, i.e., comprise part of someone's cash balance. There is no such thing as money 'in circulation.' Thus it is arbitrary to denounce 'hoarding.'

The supply of money at any given time is a vertical line; regardless of the PPM, there are just so many units of money in the economy [the total stock of money]. The equilibrium PPM [money's price] is then determined by the

intersection of the total demand curve with the total stock.”

When the demand for money increases this means that people wish to hold a stock of money balances higher than the actual stock in existence. When this happens many people will complain about a “shortage of money.” However, this “shortage” of money balances can and will be eliminated through a rise in the PPM of money (prices fall and money exchanges for more goods and services). A similar but reverse analysis will hold for a drop in the demand for money. In this case money prices rise and money buys less goods and services. “If the total stock of money changes, the PPM also adjusts until the quantity demanded of money equals the size of the new stock. The total stock of money increases with mining, etc., but decreases through wear and tear, and as the money commodity is devoted to industrial or consumption purposes.” Money can be used in consumption through the manufacture of jewelry, etc. Money can be used in production, e.g., to plate electronic components and as lead wires in high-intensity light emitting diodes (LEDs), etc. The total quantity of money adjusting through physical utilization is empirically small compared to all of the gold

that has been mined and refined into bars and coins. At any rate, **the bottom line is that prices adjust** to compensate for changes in monetary demand and for money's consumer and productive utilization as a commodity, so there is always enough money to perform its main function as a commonly accepted medium of exchange.

Any monetary changes due to 1) changes in demand OR supply changes due to: 2) the usage of the money commodity for consumption purposes or 3) the usage of the money commodity for production purposes or 4) any lost money via wear and tear or physical loss → are handled by → changes in the money prices of goods and services = no problem to worry about

What men really want are more consumer goods and more producer goods. Money is primarily useful (apart from the consumer uses and productive uses mentioned above) as a medium of exchange. "Increasing the money stock (aside from its nonmonetary uses) can't make the community richer per capita; it can only redistribute wealth." In the previous chapter your author wrote, "the early receivers of the newly created money benefit the most –

which is why governments set up central banks and their cohort banks." The reader can read a longer explanation there.

In regards to the demand for money, there would be no usage of money in the ERE because there is no uncertainty in the ERE. People would lend out their cash balances with corresponding maturity dates to coincide with when their bills came due. "In the real world of uncertainty, 'idle' cash balances perform a useful service, as they are a means to cope with unplanned expenditures."

Cash balances → perform a useful service → they are a means to cope with unplanned expenditures (unforeseeable future events, e.g., the loss of a job, medical emergency, etc.)

"People's demand for money may be influenced by their speculation about future changes in the PPM. For example, if a woman expects that prices in general will rise greatly in a few months, this may lower her current demand for money (i.e., she will spend more). Thus her **expectation** of a future fall in the PPM will lead to a reduction in the current PPM of money." If people expect a lot of inflationary price increases they will make certain purchase

decisions now – before prices have a chance to rise so much. If enough people do the same then “to the extent that future changes in prices are fully anticipated, present prices will adjust.” In other words, prices can and do adjust quickly – including the price of money.

When an economy is growing it will be because there is more capital deployed per person, i.e., net investment. The progressing economy will have longer production processes and a more intensive division of labor. This will, other things being equal, result in an increase in the overall demand for money. Offsetting this likely trend, to some degree, is the development of money payment clearing systems reducing the demand for as much money.

Murphy makes a great point regarding a commonly held idea. “Some reject the notion of a demand for money, because ‘people always want more money.’ Yet this is true for all producer and consumer goods! It is simply not true that people always want more money (cash); indeed, anyone who owns any nonmonetary asset demonstrates that he or she does not want ‘more money.’” In other words, if it were really true that “people always want more money,” then why don’t those people sell

all of their physical possessions and work a lot more hours to get more money. The answer is because each person has a HOV – a scale of value preferences and money is only one item on their scale of value preferences - which includes nonmonetary items such as leisure.

"The PPM and the rate of interest are not inherently connected. For example, the demand for money could increase (raising the PPM) [prices fall], yet if time preferences remain the same, this will not affect the (real) rate of interest. Instead, each person could increase his cash balances by reducing expenditures on present and future goods in a proportion reflecting the original time preference." The result of the last sentence is that the real rate of interest (the natural rate of interest) will be the same. As previously explained, interest is the price of time on the market. Money is a commonly accepted medium of exchange. These are two different things. People get confused because 1) debts are priced in money and 2) have a loan interest rate associated with them (the money price of interest on the loan market).

"A warehouse may issue certificates entitling the bearer to a certain good stored in the

warehouse. If the community has no reason to doubt the reliability of redemption, the certificates may circulate as goods-substitutes. In the case of money, the warehouse may realize that it can issue a greater number of certificates than it can redeem; this is 'fractional reserve banking' (FRB), and explains banks' current susceptibility to 'runs.' In a free market, FRB would be illegal because of its fraudulent nature."

Fractional reserve banking → inherently fraudulent = True

The supply of money can increase because of the public acceptance of money substitutes as being, in essence, the equivalent of money itself. "Because the public may accept **money-substitutes** as readily as **the original money commodity**, they are a commonly accepted medium of exchange and hence must be classified as money. 'Money in the broader sense' refers to the total supply of money (including **money certificates**) [a money certificate is the equivalent of a warehouse receipt for money where the money is actually in the warehouse (100% reserve banking)] in people's cash balances, while '**money proper**'

or '**standard money**' refers only to the supply of the original money commodity."

"Under 100-percent reserve banking, deposits in the banking system do not influence the total supply of money, but merely change its composition (between certificates and money proper). Under FRB, however, the deposit of money proper can lead to an increase in the overall supply of money." In other words, under 100-percent reserve banking either the commodity money proper or the money certificate is in use, but the total of the money proper plus the money certificates in exchange transaction usage equals what the money proper total would be if only money proper were being used in exchange transactions. Conversely, in FRB the deposit-receiving bank can, in addition to issuing what amounts to money certificates, also issue either: 1) additional paper banknotes (which will almost certainly not be distinguishable from money certificate notes issued and could be central bank approved uniform banknotes all banks issue) or 2) checkbook loans. And since the total of 1) plus 2) is obviously greater than the commodity money proper (received in deposits) this expands the money supply via these uncovered money substitutes – which Mises terms

"fiduciary media." Economist Dr. Hans-Hermann Hoppe astutely observed: "fiduciary media are property-less titles in search of property."

Money proper (standard money) → refers only to the supply of the original money commodity

A money certificate = a warehouse receipt wherein the warehouse (bank) actually has the money proper in its custody for safekeeping (100-percent reserve banking)

Under fractional reserve banking → a deposit of money proper → allows for the bank to issue → money substitutes > money proper → a problem

The problems of fractional reserve banking can manifest in at least two important ways: 1) **inflation**, because the money substitutes are accepted and used as money (in the broader sense) and this increased supply of money lowers its price (the PPM) and 2) checkbook loans (**credit expansion**) increase the supply of money causing inflation and, even worse, leading to the business cycle (as explained in Section 7.6 of the last chapter).

With 100-percent reserve banking (honest banking), "banks could still earn an income by charging for their warehouse services (i.e., checking accounts). They could still operate as credit intermediaries by borrowing from individuals (i.e., savings accounts with time deposits) and lending the funds to borrowers at a higher interest rate. This latter activity is consistent with 100-percent reserve banking because the deposited funds are not the lenders' [savers'] money for the duration of the loan [to the bank]; the depositor (into a savings account) has sold present money for future money [the money supply has not increased; it has changed hands.]"

Any new money always enters the economy at specific points – which is to say that not everyone receives a pro rata increase in the new supply of money at the same time. The early receivers of the increased supply of money, e.g., the government, get to make purchases of goods and services before the general price level increases (the PPM declines). **An increase in the money supply is never neutral.**

Murphy summarizes the determination of prices, relative to being affected on both the money side and the goods (and services) side: "The ultimate determinants of the PPM are: (1) the stock of all goods [the supply of goods], (2) the reservation demand for money [money in people's cash balances], (3) the stock of money [the money supply], and (4) the reservation demand for goods [goods which will be offered for sale later]. The first two determinants increase the PPM, while the latter two decrease it." This is because the more goods there are the price of those goods in terms of money will go down (the PPM will increase). Conversely, the greater supply of money will result in the prices of goods going up (the PPM going down).

Like all other goods, the money commodity will tend to have one price on the market. When people notice that the price of goods and services in a large city, e.g., London, is higher than the price of goods and services in a smaller town, they are making the mistake of not realizing that a good in London is not the same economic good in a small town – despite any physical similarities between the two different economic goods.

"The use of clearing houses greatly facilitates interregional trade. If French consumers had to ship gold to Russia every time they wished to buy a Russian good, and vice versa, then there would be a lower volume of trade. In contrast, with clearing only the net surplus of gold needs to be shipped from one country to the other." Similarly (as pointed out previously), the development of money payment clearing systems reduces the demand for money (need for as much money).

"An individual's 'balance of payments' must always be in balance, so long as cash balances and credit transactions are included. In general an individual will always have huge 'trade deficits' with the owners of retail shops [because they spend money on goods and services] and huge 'trade surpluses' with his employer [because they sell their labor time for money]. The balance of payments for an entire nation is simply the aggregation of all the individual citizens' balances of payments."

Murphy summarizes the fact that some goods function as kind of "quasi money" - as follows: "Some goods (such as jewels and high-grade debentures [bonds]) are very liquid and hence function as quasi money. However, they

are not actually money because they cannot be used to settle debts at par. Nonetheless, their high marketability raises their demand even further, and investment in them will carry a lower rate of return.” As an example of the above, many individuals and institutional investors invest in government bonds and those government bonds are highly liquid and tend to pay a lower rate of interest. This is a kind of quasi money that Murphy is referring to.

Because some people are confused on this point, “bills of exchange are credit instruments, not money substitutes.” This is because there is an element of credit risk associated with them. With the money commodity or a money substitute, the money (in the broader sense) is in someone’s cash balance and not subject to the type of credit risk associated with a bill of exchange.

“If there are two or more commonly accepted media of exchange, their exchange ratio will be such that no arbitrage opportunities are available in selling the moneys against other goods. This is termed **purchasing power parity**. For example, if an ounce of gold buys 1,000 DVDs while an ounce of platinum buys

2,500, then the equilibrium exchange rate must be 2.5 ounces of gold for 1 ounce of platinum."

Purchasing power parity → the exchange ratio → of two different commonly accepted media of exchange → will tend to result in → no arbitrage opportunities being available → in selling the moneys against other goods

"The holistic approach to money is epitomized in the equation of exchange,  $MV=PT$ . This is an identity that states that the number of money units [M] multiplied by the average rate of turnover ('velocity') [V], must equal the average price [P] time the number of transactions [T]. Apart from its lack of subjective marginal theory [not considering the valuations and actions of individuals], there are grave flaws with this approach. The concepts of velocity and average price are completely empty; they are really just placeholders necessary to fill out the equation." Rothbard takes quite some time completely demolishing this equation. Suffice it to say that if someone uses the above equation, or the word "circulating," or the term "velocity" in reference to money it is pretty safe to conclude they have not read Mises' *Theory Of Money And Credit* and

they do not really understand money. Sorry for the authorial bluntness.

As previously explained, money does not measure value and (as explained in Section 7.6 of the prior Chapter) money cannot have its PPM stabilized. Any indexing method proposed is arbitrary and favors one group of people at the expense of another group of people.

"Particular businesses may fail because of entrepreneurial misjudgment. But during the bust phase of the 'business cycle,' we see evidence of widespread error. This cannot occur on an unhampered market; ..." The widespread error was explained in Section 7.6 of the previous Chapter and Rothbard postpones his explanation of this until his next chapter, our next section.

### **8.12 The economics of violent intervention in the market**

This section will discuss some important points relative to the economics of violent intervention in the market. Rothbard's MES is about 167 pages on "The Economics Of Violent Intervention In The Market" and so this section is limited to summarizing certain key points.

Because Murphy's *Study Guide* (SG) did such a nice job of summarizing many of Rothbard's key points, your author will sometimes quote Murphy's SG [emphasis mine throughout]. In other words, the quotes in the following section will be from Murphy's SG unless your author specifies he is quoting from MES or PM.

Regarding *Power And Market* (PM), this chapter 12 of Rothbard's MES is in essence a summary of PM. Since this is the case, and because this book is already lengthy, your author will forego charting PM in lieu of charting this chapter of Rothbard - but will instead include several pertinent quotes from PM.

Rothbard's MES has concentrated on a free society – a society in which everyone respects property rights. Next he praxeologically analyzes, per Murphy, "the effects of violations of property rights, and in particular the effects of State action, i.e., institutionalized and widespread violations" of property rights.

The State → engages in → institutionalized → widespread violations of property rights

Those institutionalized interventionist violations of property rights can be praxeologically analyzed = True

Rothbard begins by defining "**intervention**" and then classifying different types of intervention. Murphy's summary handles this well: "Intervention is the intrusion of aggressive physical force into society. [MES adds: "it means the substitution of coercion for voluntary actions."] The economic analysis of 'private' coercion is the same as government coercion, but we focus on the latter because of its greater prevalence and number of apologists. **Autistic intervention** occurs when the aggressor uses force on an individual such that no one else is affected. **Binary intervention** occurs when the aggressor establishes a hegemonic relationship between himself and the victim. **Triangular intervention** occurs when the aggressor uses force to alter the relations between a pair of subjects."

Intervention → the intrusion of aggressive physical force into society (the substitution of coercion for voluntary actions)

Autistic intervention → the aggressor uses force on an individual such that → no one else is affected

Binary intervention → the aggressor establishes a hegemonic (dominant – submissive) relationship between himself and the victim

Triangular intervention → the aggressor uses force to alter the relations between a pair of subjects

Rothbard will mainly focus his analysis on State interventions because, per MES:  
"Empirically, the vast bulk of interventions are performed by States, since the State is the only organization in society legally equipped to use violence and since it is the only agency that legally derives its revenue from a compulsory levy. It will therefore be convenient to confine our treatment to government intervention - bearing in mind, however, that private individuals may illegally use force, or that government may, openly or covertly, permit favored private groups to employ violence against the persons or property of others."

The next Rothbard set of points to be made is that in a free market people only participate in an exchange if they believe (ex ante expectations) they will benefit due to the trade. If the exchange turns out to not satisfy them as much as they thought it would (ex post

realizations), then they can perhaps take steps to correct their error. They can hopefully learn from their experience and then trade again. All of the above is peaceful and tends to help the individuals in society advance toward their goals. There has not been a substitution of coercion for voluntary action. Murphy has this as follows: "In a free market, people only participate in an exchange if they believe they will benefit; thus the market 'maximizes' ex ante utility of everyone in society. Any intervention, in contrast, increases the utility of the aggressor and necessarily reduces the utility of the affected subjects." "...each act of government intervention always harms at least one party, and moreover suffers from indirect consequences that further distort the economy."

Intervention → increases the immediate satisfaction (utility) of the aggressor → but necessarily reduces the satisfaction (utility) of the affected subjects

In the free market there are mechanisms in place to discover and eliminate error and to discover and expand success. An example is if too much were paid for factors of production the entrepreneurial error is revealed via losses and the business closes down or drastically

reorganizes. The failure is discovered and contained. Conversely, entrepreneurs who make profits expand their businesses and give jobs to more people, etc. The success is discovered and leveraged – scaled to be larger. Murphy has this as follows: “People always expect to benefit from voluntary exchanges, and in practice they usually will do so. In particular, inept businesses soon go bankrupt while entrepreneurs who make good forecasts earn profits. In contrast, in the government sector there are no mechanisms to minimize error. When a government policy fails in its stated objectives, the politicians do not necessarily suffer and the voters may not be sophisticated enough to perceive the true causes of the failure.”

Per Rothbard: “Coercive intervention, on the other hand, signifies per se that the individual or individuals coerced would not have voluntarily done what they are now being forced to do by the intervener. The person who is coerced into saying or not saying something or into making or not making an exchange with the intervener or with a third party is having his actions changed by a threat of violence. The man being coerced, therefore, always loses in utility as

a result of the intervention, for his action has been forcibly changed by its impact. In autistic and binary interventions, the individual subjects each lose in utility; in triangular interventions, at least one, and sometimes both, of the pair of would-be exchangers lose in utility."

In the free market it is those entrepreneurs who provide the greatest amount of consumer-pleasing goods and services whom advance. In other words, genuine service (not coercion) is the path to advancement in the free market. What about advancement in the government? This has already been covered in Section 7.4 of this book (regarding bureaucracy and state-owned-enterprises) and also in Section 4.6 (why the worst get on top). Beyond the necessary government function of dealing with the bad guys it comes down to: advancement through service in the free market versus advancement through skill at coercion (force) and apologetics for coercion in the government sector. **The very character of the two sectors is different** and this results in big differences as to who rises to the top. Rothbard has this as: "For one thing, the politician and the government expert receive their revenues, not from service voluntarily purchased on the market, but from a compulsory levy on the inhabitants. These

officials, then, wholly lack the direct pecuniary incentive to care about servicing the public properly and competently. Furthermore, the relative rise of the 'fittest' applies in government as in the market, but the criterion of 'fitness' is here very different. In the market, the fittest are those most able to serve the consumers. In government, the fittest are either (1) those most able at wielding coercion or (2) if bureaucratic officials, those best fitted to curry favor with the leading politicians [political animals] or (3) if politicians, those most adroit at appeals to the voting public [liars]."

Advancement in the free market → service → to consumers → via voluntary exchanges

Advancement in the government sector → coercion (or apologetics for coercion)

Revenue in the free market → derived → from service to consumers (voluntary purchases)

Revenue in the government sector → derived → from coerced exactions from taxpayers  
(compulsory levies)

Rothbard summarizes where we are so far:

"In sum, ... With intervention, one group gains directly at the expense of another, and therefore social utility is not maximized or even increased; there is no mechanism for speedy translation of anticipation into fruition, but indeed the opposite; and finally, as we shall see, the indirect consequences of intervention will cause many interveners themselves to lose utility ex post [this was explained in Section 7.3 of this book (the third way fallacy)]. The remainder of this chapter [section for our purposes] traces the nature and indirect consequences of various forms of intervention."

Rothbard covers **triangular intervention** next. Triangular intervention is where the aggressor uses force to alter the relations between a pair of subjects. The two main types of triangular interventions are 1) price controls and 2) product controls. "Product control regulates the product itself, or the people involved in the exchange. In contrast price control regulates only the terms of the trade."

Triangular interventions are of two main types:  
1) price controls or 2) product controls = True

Price control → regulates only the terms of the exchange (trade)

Product controls → regulate A) the product itself  
OR B) the people involved in the exchange

We will cover price controls first and Murphy has a nice summary: "A price control involves the use of force to alter the terms on which individuals exchange goods or services. When the government sets a **maximum price** (or price ceiling), it threatens force against anyone caught charging a price above a specific amount. Maximum prices lead to shortages, i.e., situations where quantity demanded exceeds quantity supplied. (A prime example is the shortage of apartments due to rent control.) ... 'Nonprice rationing' then comes into play, including queues, favoritism for certain customers, and discrimination against unpopular groups. ... When the government sets a **minimum price** (or price floor), it makes it illegal to pay below a certain price. Minimum prices lead to surpluses, i.e., situations where quantity supplied exceeds quantity demanded. (A prime example is the unemployment due to the minimum wage.)"

Because Mises did such a thorough job of discrediting the government intervention of prices controls, and because this was already

covered in Section 7.3 (the third way fallacy) of this book, no more will be written here. The bottom line is that price controls do not work without huge negative unintended consequences.

Product controls were also thoroughly covered in Section 7.3 and so a summary of salient points is all that is necessary here. The bottom line is pretty simple: a production restriction restricts production and so production is less. Less production is bad because the real standard of living decreases. When the real standard of living decreases there will either be less men living or those living will not live as well. Because production restrictions (product controls) also involve people controls of some type, Rothbard gives quite a few different examples.

An outright prohibition of a good or service when there is consumer demand will lead to "black markets" as the suppliers of such goods and services will be selling outside of legal channels. Murphy adds, "The reduced supply leads to higher prices, but also to an inferior product as the sellers cannot resort to economies of scale and name-brand advertising." Objectionable demands for goods

(such as illicit drugs) and services (such as prostitution) have to be addressed via objective ethical principles. In other words, the problem is with the value system of the person demanding for the objectionable goods and services. Rothbard is just analyzing peoples' choices and deducing what is going to happen next.

When the government does not outright ban a good or a service, but then allows their provision through a privileged group, the government has in essence conferred a grant of artificial monopoly on that privileged group. The privileged group only exists as a result of a government intervention and all government interventions have unintended negative consequences. Murphy has an extensive summary, as follows: "All of the alleged effects of free market cartels and monopolies do apply to government cartels and monopolies." Following are examples of typical monopoly grants:

*Compulsory cartels* occur when the government forces firms in an industry to restrict output. This helps inefficient firms and hurts consumers.

*Licensing* is a threat of violence that limits the permissible producers to particular groups (those who have obtained the license). The ostensible purpose of most licensing is to ensure quality and safety for consumers. Even so, the intervener necessarily eliminates the option of lower-quality but cheaper services. On the free market, sellers of adulterated products could be prosecuted for fraud and/or injuring the buyer's body.

A *tariff* is a tax placed on imports in a particular industry. It directly injures domestic consumers [they must pay higher prices] and foreign producers [whose revenues go down], and it indirectly injures domestic exporters in other industries [whose revenues go down]. *Immigration restrictions* confer a restrictionist wage to the domestic laborers, raise prices to consumers, and distort the location of workers and capital [worldwide].

*Child labor laws* raise wages for adult workers and reduce total output. Compulsory school attendance lowers utility even more than a mere prohibition on work. [Some children would do better and learn more about how to function in the real world by learning how to work, including learning a trade. The parents

and the child involved would make the choice and not have the State make it for them.]

*Congscription* [being drafted into state service, in particular the armed forces] reduces the supply of able-bodied adult laborers, distorting production and raising wages.

*Government unemployment benefits* slow the transferral of displaced workers to new jobs, and help mask the harmful effects of unionism and other restrictionist policies.

*Antitrust* laws stifle efficient mergers and penalize those firms that gain market share by satisfying customers. *Conservation laws* defy the time preference schedules of individuals and confer gains to particular factor owners. ...  
Whenever a unit of such a resource is consumed, it will be in the 'present.' Why then should future generations receive special consideration, especially since they will be wealthier [if there is a free market and net investment] than the present generation? Conservation laws do not provide more for the future, but at best only provide more natural resources at the expense of capital goods. ... On a free market, owners tend to maximize the present discounted value of their assets."

Other grants of government special privilege include what Murphy and Rothbard call *penalties on market forms*. “Arbitrary penalties on specific organizations harm efficient producers. Examples include taxes on chain stores, laws limiting hours of business operation, outlawing of pushcart peddlers, and corporate income taxes.”

“A *patent* is a monopoly privilege granted to first discoverers of certain inventions. Far from being a legitimate form of property right, a patent is a restriction on the ability of others to use their property. The utilitarian argument for patents - that they are necessary to stimulate the ‘proper’ amount of research and development - relies on an arbitrary value judgment that the free market level of research would be ‘too low.’ Patents do not in fact encourage innovation per se, but rather distort the relative amounts of innovation in patentable and nonpatentable fields.” Patents were also discussed in the prior chapter. They would not exist in a free market, but copyrights would.

“The right of *eminent domain* allows a privileged group to compel the sale of property (generally land). For example, a railroad may

be allowed to force homeowners to sell their property located in the path of a proposed new line. Eminent domain is of course a brazen violation of property rights that results in distortions in relative levels of investment.”

Rothbard analyzes bribery and notes that bribery to get a government official to ignore the enforcement of a prohibition (that should never been issued in the first place) is equivalent to buying a government license to engage in a nominally illegal act. It is in essence a *defensive bribe*. Per Rothbard, a defensive bribe is “the purchase of a permission to operate after an activity is outlawed.” An *invasive bribe* is where someone pays a bribe to obtain “the right” to do something “legally” that would never be allowed for in a free market. Per Rothbard, “a bribe to attain an exclusive or quasi-exclusive permission, barring others from the field, is an example of an invasive bribe, a payment for a grant of monopolistic privilege.” To that extent, paying such an invasive bribe is a move away from a free market while paying for a defensive bribe is a move toward a free market.

Per Murphy: “All true monopolies are conferred by government privilege and can be eliminated quite easily. Limited liability

corporations do not enjoy special government privileges; on the free market investors could form such a company and any employee or customer would deal with them at his or her own risk."

Lastly, "the typical justification for government control of the mint is that reliable standards are necessary in money. This argument ignores the abysmal record of government debasement, and it also proves far too much: Exact standards are necessary for machine-tools, yet this does not prove the need for a nationalization of this industry. On the free market private firms could certify coins and stamp them with a name brand." There is no need for government minting, as any private sector firm coining money would know that assayers would continually be checking on the quality and quantity of their coins.

Rothbard extends praxeological analysis to both taxation and government spending. We will cover some key points concerning taxation first. Your author cannot devote a lot of space to lengthy explanation because this book is already long and also because it is basically clear that taxation will be minimal after Jesus Christ returns to the earth to reign as King.

There will be a tithe on increase from land and a head tax to support the Temple. Perhaps there will be a few other taxes, but they should prove minimal. Christ understands the destructiveness of taxation and the importance of production. And so it is unlikely that anyone in the future will feel a terrible burden from taxation or the threat of taxation that is anything like what is experienced today.

Taxation drains resources away from the private sector and enables the distortions government spending causes. It also severs "distribution" from "production." In regards to taxes we can identify and categorize two groups of individuals: 1) taxpayers and 2) tax consumers. Tax consumers are government workers, politicians, citizens who receive tax subsidies, and business owners who receive what amount to tax subsidies. It is not correct economically speaking to say that a government employee pays taxes. If they make 100 and "pay" 30 of taxes they are still to be considered as the recipient of a net 70 in taxes from actual taxpayers. Because there are two categories of citizens in regard to taxation, there is no possible "equality of treatment" in taxation across the citizenry. In other words, the only way there could be equality of treatment is if

there were no taxpayers – but this is context dropping when we are discussing taxation.

Taxes → create two categories of individual citizens → 1) productive taxpayers and 2) tax consumers (net receivers of tax money)

Taxes → unjustly sever → distribution from production (there is no such thing as a “just” tax at the human level)

Pertaining to taxes, there is no possible “equality of treatment” across the citizenry = True

There is no such thing as a “neutral tax.” All taxes coercively remove property from the producers (the taxpayers) and give that property to tax consumers. There is nothing neutral about that. Murphy summarizes why “flat taxes” and “head taxes” are not neutral: “A so-called flat tax is not the equivalent of a price, because in the market rich customers do not pay in proportion to their income [a lower income taxpayer pays a higher percentage of their income in taxes]. A head tax would be better (in this respect), but it too is coercive; some taxpayers would be forced to fund certain government activities that they abhor.” The two

Jehovahs can impose a modest Temple tax because they own the universe and the Temple will provide services for all of mankind. Paying a modest Temple tax will likely make every family feel like they are welcome there and belong.

**" ... The total level of taxation is far more significant than the specific forms of the tax."**

There is no such thing as a neutral tax = True

The total level of taxation is the most significant taxation consideration for a society = True

**"Tax incidence** refers to the actual long-run burden of taxation, which may differ from the immediate target. No tax can be shifted forward." The problem of taxation is not who pays the tax immediately, but who will pay the tax in the long run. This is the question of tax incidence. What are the unseen effects of the tax?

Tax incidence → who will pay the tax in the long run

"It is a myth that taxes on a firm can be 'passed on' to customers. If firms could really do this - i.e., raise prices to generate extra

revenues to offset a new tax - then why didn't the firms do it before? It is true that a tax will eventually raise prices paid by consumers, but this is achieved by lowering profitability and hence supply [because marginal producers are put out of business], which then raises the equilibrium price." In other words, firms are already charging a market clearing equilibrium price for the various goods and services. If firms thought they could just increase prices without it impacting market demand in a negative way they already would have raised prices. So, for example, when a sales tax is imposed, it is going to lower the amount of product sold and this will hurt the marginal producers such that some of them will go out of business. This will decrease the total supply of that good, which will increase market prices. What is not seen is that the businesses that must collect and pay the sales tax have to pass this tax backward ultimately onto labor and land, the original factors of production. What all of this means is that a sales tax is not passed forward onto consumers, but is an income tax passed backward onto labor and land. Rothbard makes the telling observation: "No longer does every factor of production earn its discounted marginal value product [DMVP]. Now, original factors earn less than their DMVPs, the

reduction consisting of the sales tax paid to the government.”

Taxes cannot be ‘passed on” (shifted forward, ultimately to consumers) = True

Taxes can be and are shifted backward onto Labor and Land = True

“An **excise tax** distorts resource allocation (as all taxes do) by shifting demand from consumers to politicians, but also because it only applies to particular goods. Excise taxes too are ultimately taxes on income, not just consumption.”

Income taxation penalizes production and shifts property from taxpayers to tax consumers. Murphy adds: “Just as a parasite must take care not to kill its host, there is an upper limit on taxation.” Another problem with the income tax is that it tends to raise time preferences (people think shorter-term). People have a harder time saving money and then investing in the future when they are trying to sustain themselves with what amounts to only after-tax income. Income taxes definitely reduce the utility of the worker. If they have to work additional hours in order to obtain enough

after-tax income to live, then they lose out on leisure they otherwise could have enjoyed.

Income taxes → penalize production

Income taxes → cause men to think shorter-term

**"Excess" profit taxation** is a direct penalty on successfully being an entrepreneur, i.e., on serving one's fellow man.

As previously mentioned, taxes on wages cannot be shifted onto the employer (nor can mandated employee benefits). If an employer pays its workers more than their DMVP they are on their way to going out of business. If that happens, needless to say, ALL of the workers will lose their jobs.

Neither 1) taxes on wages or 2) mandated employee benefits can be shifted to the employer = True

A tax on capital is one of the most destructive taxes - future production will be curtailed. "Gifts are transfers, rather than payment for production. Consequently taxes on gifts are taxes on capital. These taxes weaken

private charity and family ties.” Estate taxes are taxes on accumulated capital. A wealth tax would be a tax on capital. Rothbard points out: “In a sense, all taxes are taxes on capital. In order to pay a tax, a man must save the money. This is a universal rule. **If the saving took place in advance, then the tax reduces the capital invested in the society [a tax on capital].** If the saving did not take place in advance, then we may say that the tax [on income] reduced *potential* saving [ergo, an income tax]. Potential saving is hardly the same as accumulated capital, however, and we may therefore consider a tax on current income as separate from a tax on capital.”

Progressive income taxation, where those earning more income pay a higher percentage tax rate and thus more absolute income taxes, operates thusly: 1) they reduce the incentive to work and 2) empirically, they reduce the total savings and investment in a society because the rich tend to save and invest more. It should be noted, however, that even with a progressive income tax both the rich and the relatively poor are both being deprived of their property by the government.

"It is impossible to tax everyone uniformly. First there is the distinction between taxpayers and tax consumers; since the latter pay no taxes, clearly 'uniformity' is only possible if no one pays any taxes. Second, there is the problem of defining income. For example, should it include services in kind? Should it be calculated as a yearly average?" To further clarify why it is not possible to tax everyone uniformly, even if there is a uniform percentage tax rate those with higher production will pay more in absolute taxes.

"Some economists conflate the benefit and cost principle when they justify proportional taxation on the grounds that the rich benefit more from government protection than the poor. Yet this assumes that the government somehow helped them earn their incomes. On its own terms, the benefit principle is nonsense: If each taxpayer were truly taxed according to how much he or she benefited from government services, then it would be pointless to provide the services in the first place. Moreover, all bureaucrats would have to work for free."

**"Property taxes** must rely on assessed values which can't be known outside of market sales." Property taxes are capitalized into the

sale price of the property and hence, negatively affect asset values.

Taxation is not the only type of binary intervention by the government. Government expenditures distort resource allocation away from what it otherwise would have been, had those taxed been allowed to spend their own money. Rothbard analyzes various government expenditures and the results are interesting. He uses two broad categories of government expenditures and your author quotes him as follows:

“Broadly, we may consider two categories of government expenditures: **transfer** and **resource-using**. Resource-using activities employ nonspecific resources that could have been used for other production; they withdraw factors of production from private uses to State-designated uses. Transfer activities may be defined as those which use no resources, i.e., which transfer money directly from Peter to Paul. These are the pure subsidy-granting activities.”

Of course Rothbard realizes that both categories of government expenditures could be said to transfer resources and use resources, e.g., to

obtain tax money and then to pay the salaries of the bureaucrats involved in the government programs. Further, "Both subsidize: the supply of governmental services, as well as the purchase of material by government enterprises, constitutes a subsidy." However, the categories make sense to retain because they are distinct enough at their core.

Government expenditures are consumption expenditures – not investment. This is because government agents spend government funds in order to achieve their ends. Ergo, all government spending is to be considered as consumption spending. Murphy has a nice paragraph surrounding this: "Economists often try to gauge the 'productive contribution' of government activities by the size of its expenditures. Yet this is directly opposite from the market approach, where value is gauged by how much customers spend on products, not by how much the business itself spends in making them! So-called government 'investment' is misnamed because there is no reason to believe such projects will serve the future consumption desires of consumers." In other words, there has been no private sector financial vetting process involved which would rationally allocate actual investment into producing goods and

services that consumers really want. Instead, a government bureaucrat or politician has arbitrarily decided to tax away producer resources and spend them on a government project – which may or may not provide some benefit to consumers. At any rate, the government expenditure is consumption from an economist point of view. And this consumption expenditure is different from how the marketplace participants would have spent their own money if they were allowed to keep it.

Government expenditures → are consumption expenditures (not investment)

Any government subsidies to individuals or businesses distort resource allocation relative to what the free market outcome would have been. If the government subsidizes a business that otherwise would have failed, it is voiding the decision of the marketplace participants who decided not to patronize the business enough to allow it to continue operations. In this case the agents of the people, the government, are overriding the decision of the principal, the people (the citizens) – the agents' supposed boss. If the government is taxing away resources from the taxpayers to give subsidies to different individual citizens (tax consumers)

the government is engaging in **institutionalized injustice**. Any level of government spending beyond what is necessary to collectively organize the individual right of self-defense is institutionalized injustice and a marketplace distortion. The marketplace distortion sends the wrong pricing signals to producers. Also, some men who could have been real entrepreneurs providing goods and services to private sector consumers, now become pseudo-entrepreneurs looking to sell artificially demanded goods to the consumer known as government.

Government subsidies → an act of injustice

Government subsidies → the agent (the government) overrides the will of the principal (the people)

Government subsidies → penalize the efficient → to subsidize → the inefficient (waste resources)

Rothbard points out that when the government provides goods and services via what amounts to a state-owned-enterprise (SEO) that the SEO many times engages in arbitrary pricing decisions that are below market prices. The market price tends to be set at

equilibrium – where the quantity supplied equates to the quantity demanded. An SEO arbitrarily decreed price could cause chronic electricity, water, and other shortages because the price is not high enough to rationally allocate resources. Empirically speaking, the market price will more flexibly fluctuate to rationally allocate resources, whereas government prices tend to be more static. When the government price is not high enough a shortage will occur. When the government price is too high a surplus will occur. Further, a SEO can never be run as a business because its capital structure is obtained via coercion – taxation. And a private sector business cannot declare itself a monopoly provider of goods or services, but the government can. Murphy further points out: "No government service can be 'free' because of the scarce resources involved, but by charging low (or zero) prices, the government causes shortages and conflict."

Government SEO pricing decisions → are rarely at equilibrium → resulting in shortages or surpluses

Government SEOs → can never be equated to → a private sector business

No government service can be free = True

Rothbard also points to what Mises taught regarding “bureaucracy,” i.e., government spending. To refresh the readers’ memory, the bureaucracy does not have the benefit of marketplace prices and so cannot perform rational resource allocation guided by 1) a financial vetting process and 2) cost accounting. The decision to undertake a government-spending program (above the proper role of government) is arbitrary. The decision to begin, the allocation of startup funds, and ongoing expenditures are all arbitrary decisions. Murphy has this: “By severing the link between customer and revenue, government officials have no feedback mechanism and cannot decide, even *ex post* [after the fact], if they are performing properly.”

A conclusion regarding all of the above easily follows. It is this: the smaller the government, the less arbitrary and wasteful are the cumulative investment and spending decisions in a society. In other words, the larger the share of the investment and spending decisions that are left in the private sector, the more rationally will those investment and spending decisions be made. And this will enable less waste, more

growth, and much better consumer satisfaction. It will also train individuals to be productive and to save and invest for their own futures – and this will lead to more developed human beings.

Wise individuals → forming a society → will minimize irrational (arbitrary) investment and spending decisions

To minimize arbitrary investment and spending decisions → means → to limit government → to the smallest possible size, while still allowing it to perform its necessary role

Another problem with government spending decisions (which are over and above the expenses necessary for proper government) is this: the decision-making process itself and the resulting expenditures are subject to continual arguing and fighting. This is because the decisions are arbitrary and so everyone can have an opinion. This leads to special interests engaging in never-ending political battles over control of the government budget. This infighting is inherently irrational (lacking in the intellectual virtues) and unprincipled (lacking in the moral virtues). It is an attempt to use force, fraud, or political intrigue to achieve one's goals

without having to provide genuine marketplace service to others.

Arbitrary government spending decisions → allow for → everyone to have an opinion (there are no rational criteria to utilize)

Arbitrary spending decisions → allow for → continual fighting → by special interests

"Government enterprises necessarily cause conflict. For example, consider the controversies over religion in government schools. By its very nature, the government acts on behalf of 'society' and thus the lack of unanimity on a given issue will lead to strife."

Any attempt to categorize government enterprises as somehow equating to public ownership similar to that of an investor owning shares of a public company is nonsense.

"Ownership is the ultimate control and direction of a resource." By way of example, a citizen cannot sell his or her "share" of a public park the same way they can sell their shares in a publicly traded company that is listed on a stock exchange. And this proves they do not own it. A conclusion that follows from this is that "pseudo-capital" is trapped in government

owned assets and cannot easily be reallocated to better serve consumers (citizens). Murphy has a further enlightening summary paragraph: "Even government officials do not truly own resources at State disposal, because they enjoy only temporary control. In contrast to popular belief, politicians are inherently shortsighted and tend to use resources too quickly [because they know they will only be in office a short time, the politicians tend to make short-term-maximizing decisions leaving any follow-on problems to their successors]. Private owners, on the other hand, can always sell their property for its capitalized value, and thus will exploit it at the optimal rate. [Private property owners will tend to think long-term and not do foolish things in the short-term that would harm the long-term value of their asset.]"

Government owned assets → have been funded with funds coerced from taxpayers

The funds coerced from taxpayers → are government consumptive expenditures that are tantamount to "pseudo-capital" → which cannot be accessed by taxpayers, → nor easily be reallocated to provide better citizen satisfaction

"Funds taken as 'premiums' for social security schemes are not in fact invested, but instead are spent on immediate consumption by the government. Such schemes are not true insurance." Further, such schemes are not a true pension plan.

Rothbard has an extensive section on binary government intervention pertaining to money. Money precedes government and does not come from government. There is no praxeological or economic reason why government should be involved in any way concerning money. The only reason government should be involved with anything pertaining to money is if money is stolen, but that is on the legal side, not the economic side. When the government charters central banks, licenses their banking system cohorts, and allows these extra-market entities special privileges such as legal tender laws, a monopoly on banknote issuance, the ability to engage in fractional reserve banking, etc., the government engages in the very activities it is supposed to prohibit and punish. The marketplace does not need government to establish or "regulate" the value of money. As previously pointed out, it is neither possible nor necessary to make the value of money stable. And private minters of money can do the same

job as government minters so there is not even a need for the government to mint coinage. Some of the other central points concerning money were covered in Section 7.6 of the last chapter entitled, "Money Fallacies." Many other points concerning money were in Section 8.3 "Indirect Exchange" and Section 8.4 "Prices And Consumption" of this chapter. Ergo, your author will mainly quote the below six paragraphs from Murphy's excellent summary of Rothbard in order to give the flavor of Rothbard's analysis, to refresh the reader's memory, and to make a few other important points.

"**Inflation** is any artificial increase in the money supply. **Credit expansion** is a particular type of inflation where the new money enters the economy through the credit market. All inflation raises prices and distorts the market, but credit expansions are particularly pernicious as they cause the boom-bust cycle."

"In a credit expansion the government artificially lowers the interest rate, thereby spurring investment in higher stages of production. There is a temporary 'boom' period of illusory prosperity [which government politicians like to take credit for – though they

have nothing to do with private sector production]. But unlike a genuine expansion spurred by actual saving, in the case of credit expansion the capital structure becomes unbalanced and eventually entrepreneurs realize that their plans cannot be fulfilled. The 'bust' ensues when businesses discontinue the unprofitable lines and resources must be reallocated to their proper uses." And then the politicians and government apologists blame capitalism when capitalism had nothing to do with the government interventions creating the real problem.

"Under a commodity standard, credit expansion is naturally limited by the need for redeemability. [100-percent reserve banks only issue money certificates so there is a limit on money certificate banknote issuance and any commodity based lending they engage in matches savers' and lenders' time horizons. In short, there is no artificial bank-caused increase in the money supply.] Even under a fiat standard, individual banks always face the possibility of a run. However, central banking greatly expands the scope for credit expansion." What Murphy is summarizing is that even under a commodity standard 100-percent reserve banks can issue banknotes - which are money

certificates. If the bank issuing the money certificates issues more of them than they have commodity money then to the extent there is over-issuance the bank has left 100-percent reserve banking to engage in fractional reserve banking and has issued some money substitutes. If all of the money certificates plus the money substitutes are presented for redemption at the same time the bank will not be able to redeem all of them. If the public becomes aware of this there could be a bank run. A fractional reserve bank (FRB - which virtually all modern banks are) are very susceptible to bank runs because they issue huge amounts of money substitutes which cannot possibly be redeemed if too high of a percentage of the public wants redemptions at the same time. These fractional reserve banks (operating under a fiat – not commodity – standard) are very vulnerable to potential bank runs. But central banks acting in coordination with each other (and their FRB cohort banks) can greatly increase credit expansion. This is because if they are all doing it on a coordinated basis it is less likely that any one bank will fail due to having to redeem money substitutes from non-bank customers (customers of other banks). The central bank and cohort banks can also devise and implement money-clearing

systems that enable speedy net settlements and engage in cross-bank liquidity-providing lending agreements to minimize the chance of bank runs. In other words, the public may not become aware of the weakness of a FRB bank and so a weak bank can avoid or postpone a bank run.

"The government promotes credit expansion by weakening the above checks. For example, government guarantees of bank deposits lowers the likelihood of runs, and central banking allows a uniform credit expansion on the part of all member banks." If only one cohort FRB bank was aggressively expanding loans, e.g., it would be very susceptible to a bank run. But much less so if all FRB banks were aggressively engaging in credit expansion at the same time – but then you get the business cycle.

What the central bank and the government cannot altogether prevent is this: "In the face of hyperinflation [runaway inflation], the public's demand for the fiat money drops precipitously, causing prices to rise even more than one would expect from the increases in supply. In extreme cases the currency will be abandoned altogether." In other words, if the public wants

to hold less of the fiat money they will spend it to get rid of it and this will very quickly drive up prices. If it all happens fast enough hyperinflation can occur (similar to what happened in Germany in the early 1920's) and the currency might stop being accepted at all.

Fiat money substitutes → can lead to hyperinflation AND → the risk of the currency being abandoned altogether

"The various government programs to 'fight inflation' are absurd, since (price) **inflation is caused by the government's expansion of the money supply.**"

A government program → to fight inflation → is an absurd smokescreen → because central bank and government interventions → expanding the money supply → are the cause of inflation

Rothbard has a point to make regarding government borrowing that at first might seem counterintuitive. Murphy summarizes:  
**"Government borrowing is not inflationary per se; it merely diverts spending from private capital goods to projects favored by the government.** However, to the extent that government borrowing is financed through credit

expansion, inflation is a common side effect [inflation also occurs via what governments in the modern era refer to as “quantitative easing” – which is a euphemism for fiat money creation]. Government borrowing is harmful because it siphons funds that would otherwise have gone into private investment.” Because government spending is consumption expenditure, if the funds are borrowed from the private sector the citizens have, in essence, lent to government instead of making an investment in a private sector business. In short, we have arbitrary government consumption expenditure instead of rational private investment into greater future production. In the modern era where nations (such as the United States and Japan) and regions (like the EU) engage in “quantitative easing” to finance out-of-control government budgets, the quantitative easing is resorted to in order to keep the bond market interest rates low. This is because if the governments in question cannot sell enough bonds (borrow enough) from the public at a set interest rate the only way they can borrow is to offer a higher interest rate. But a higher interest rate on the accumulated governmental debt (the national debt) would cause very unpleasant negative effects. Those negative effects would almost certainly include 1) higher

money price of interest loan rates likely triggering the “bust” phase of the business cycle and 2) absolute interest payments going to unsustainable levels in government budgets. Quantitative easing (money creation via computer entry) is resorted to and then government bonds are “bought” in what amounts to a pseudo-transaction in order to keep the money price of loan and government borrowing interest rates from rising. It should be noted that no government or central bank has it in its power to affect the pure (natural) rate of interest on the time market. They can only manipulate the money price of interest on the loan market and the money price of interest on the government bond market and they cannot even do that without triggering all of the eventual negative repercussions resulting from government interventionism into money.

Rothbard also points out that government efforts to stimulate “growth” are flawed for at least the reason that it is forcing productive citizen consumers to invest in the future at the expense of present consumption. But that should be a personal decision for each citizen. It is a government interventionist attempt to change the time preference of its citizens. Further, as previously pointed out, any

government spending does not stimulate growth because what was spent to do X by the government was taken from the citizens in the form of taxes – thus preventing Y from happening (Y being whatever the citizens would have spent their own funds on). There is no stimulus or growth due to government spending.

Rothbard has a section in his Chapter 12 of MES that is better handled by referring to its counterpart Chapter 6 in PM – *Antimarket Ethics: A Praxeological Critique*. The title is a little bit confusing but the content of the chapter is interesting. What Rothbard is doing here, per Murphy's SG, "is using value-free economics [praxeological analysis] to rule out ethical goals that people have where those ethical goals rest upon false beliefs concerning a market economy." In other words, some people have ethical goals where they would like to do away with or somehow modify a market economy in order to achieve their ethical goals – the "Antimarket Ethics" portion of the chapter title. These people have false beliefs about the free market and those beliefs are subject to praxeological analysis – the "A Praxeological Critique" portion of the chapter title. Beyond what Rothbard and Murphy teach, these people are not aware that the two Jehovahs created the

universe with a logical structure, created the mind of man with a logical structure corresponding to the logical structure of the universe, and commanded man to take action, all as previously explained. Ergo, there is no way the people who do not like 1) the free market, 2) natural laws discoverable by reason, 3) individual natural rights, 4) praxeology (the logic of action), or some combination thereof are going to be able to overturn value-free praxeological analysis pertaining to economics because it is built into the nature of the universe and into the nature of man himself. Of course there is "a logic of action" because it was designed to be so. Back to Rothbard, he uses praxeology to critique the coherency of the beliefs and goals of those in opposition to some aspect of the free market. In other words, the people who have the ethical goal of wanting to change some aspect of the free market or eliminate it entirely have their ethical goals praxeologically analyzed by Rothbard. They do not fare well.

Praxeology is a value-free science, which is why it needs to be married to ethics to complete the picture for man.

Rothbard can himself introduce the task he has chosen, from PM:

"PRAXEOLOGY—ECONOMICS—PROVIDES NO ULTIMATE ethical judgments: it simply furnishes the indispensable data necessary to make such judgments. It is a formal but universally valid science based on the existence of human action and on logical deductions from that existence. And yet praxeology may be extended beyond its current sphere, to criticize ethical goals. This does not mean that we abandon the value neutrality of praxeological science. It means merely that even **ethical goals must be framed meaningfully** and, therefore, that praxeology can criticize (1) existential errors made in the formulation of ethical propositions and (2) the possible existential meaninglessness and inner inconsistency of the goals themselves. If an ethical goal can be shown to be self-contradictory and conceptually impossible of fulfillment, then the goal is clearly an absurd one and should be abandoned by all. ... What we do propose to discard are those ethical goals that are conceptually impossible of fulfillment because of the inherent nature of man and of the universe.

We therefore propose to place a restriction on the unlimited validity of anyone's ultimate ethical valuations. In doing so, we still are not pushing beyond the bounds of praxeology to function as ethicists, for we are not here attempting to establish a positive ethical system of our own or even to prove that such a system is attainable. We believe only that praxeology should have the right of veto, to discard any ethical propositions that fail to meet the test of conceptual possibility or internal consistency.

Furthermore, we maintain that whenever an ethical goal has been shown to be conceptually impossible and therefore absurd, it is equally absurd to take measures to approach that ideal."

Ethical goals → should be praxeologically vetoed and abandoned → IF 1) they are conceptually impossible of achievement or 2) are internally inconsistent (illogical)

If an ethical goal → has been shown to be absurd (items 1) or 2) in the Life Chart immediately above) → it is also absurd → to take steps toward the achievement of that goal

Per Rothbard: "There are two types of ethical criticisms that can be made of the free-market system. One type is purely existential; that is, it rests on existential premises only. The other type advances conflicting ethical goals and protests that the free market does not attain these goals. (Any mixture of the two will here be placed in the second category.) The first type says: (1) The free market leads to consequence A; (2) I don't like consequence A (or consequence A is objectively unlikable); (3) therefore, the free market should not be established. To refute this type of criticism, it is necessary only to refute the existential proposition in the first part of the argument, and this is, admittedly, a purely praxeological task.

The following are brief summaries of very common criticisms of the free market that can be refuted praxeologically and that, indeed, have been refuted, implicitly or explicitly, in other writings:

(1) The free market causes business cycles and unemployment. Business cycles are caused by the governmental intervention of bank-credit expansion. Unemployment is caused by unions or government keeping wage rates above the

free-market level. Only coercive intervention, not private spending, can bring about inflation.

(2) The free market is likely to bring about monopoly and monopoly pricing. ..." This has been refuted in Section 8.10 earlier in this Chapter.

"(3) The government must do what the people themselves cannot do. We have shown that no such cases can exist. [The government hires companies and people to do tasks and if the task is important from a consumer or societal basis then those same companies and people, not working for the government, can do the same task.]

There are other criticisms, however, which infuse various degrees of ethical protest into the argument. This chapter [PM Chapter 6] will be devoted to a praxeological critique of some of the most popular of these antimarket ethical contentions."

Murphy's SG of PM summarizes Rothbard's introduction as follows: "Praxeology is a value-free science; economics alone cannot imply value judgments. However, praxeology can demonstrate that certain ethical values either

(1) rely on false propositions concerning cause and effect [e.g., the free market causes business cycles] or (2) are conceptually impossible of fulfillment [e.g., the government can intervene without setting off a chain of undesirable negative consequences]. **Thus praxeology cannot indicate the correct value judgments, but it can 'veto' absurd ones.**

If we can demonstrate that X is an impossible and hence absurd goal, then it follows that any attempts to move toward X are likewise absurd, because the means derive their justification (value) from the sought end." Basically Rothbard holds as follows: any attempt to achieve the impossible according to the laws of nature is incoherent. There is some further discussion on "is and ought: and goal achievement later in this chapter.

Your author will quote an ethical clarification from Rothbard and himself toward the end of the next section.

The next series of paragraphs give summations answering certain of the main criticisms of the free market. Because Murphy has a lot of concise summaries of these

Rothbardian praxeological refutations, your author will quote him quite frequently below.

One criticism of the free market is that the marketplace participants do not always know what is in their own best interest. It is an elite-type criticism and Murphy explains: "The advocate of laissez-faire does not, contrary to popular belief, assume or require that all or even most people always act in their interest; it asserts rather 'that everyone should have the right to be free to pursue his own interest as he deems best.' The consumers are admittedly not experts in all fields, but they can always hire experts to advise them. And if they are too ignorant to do so successfully, how then can they vote for wise politicians to choose for them?" Further, the feedback of psychic losses from bad decisions will enable people to develop at least some wisdom over time – which is one of the central tasks of human development.

Another marketplace criticism is that many of the people in a society have immoral tastes - which lead to bad decisions. It should be obvious that immoral tastes, when existing, would be present in any type of economic organization of society. And immoral tastes are frequently revealed in the elites' choices

themselves. Your author will handle this toward the end of this chapter, but for now: "Once one admits that consumers' preferences may be overridden due to immoral tastes, there is no limit to government control of 'evil' or 'dangerous' books, newspapers, etc. It is entirely useless to use force to (attempt to) achieve moral behavior, because without an uncoerced choice people cannot be moral." In other words, force cannot be used to create morality in a man, which is why the two Jehovahs gave man free will. The government can use force to prevent a crime or catch a criminal, but force cannot make the criminal moral. The criminal will have to choose to be moral. The idea of righteousness plus force does not work in either theory or practice.

Righteousness + force → does not work → either in 1) theory or 2) in practice

"Another straw man critique assumes that the market would work only if men were angels. On the contrary, regardless of one's views concerning human nature, the market - which penalizes evil and rewards good - is far preferable to the government, which promotes those individuals most adept at wielding coercion." Men would not be angels in any form

of societal organization. Your author will also handle this one in more detail later in this chapter.

A nonsensical and very common criticism of the free market is that the free market fails to achieve the goal of equality. Murphy summarizes why it is an impossible to achieve goal: "Considering the diversity of human skills and their different locations in time and space, 'equality' is an obviously nonsensical goal. ... " When one considers Rothbard's Postulate One - that there is a variety of human and natural resources (which your author holds to be an axiom) it is inconceivable for their ever to be equality among human beings. Rothbard's earlier mentioned point that any attempt to achieve the impossible according to the laws of nature is incoherent (and a waste of time and valuable resources), and this means that the goal of equality can be summarily dismissed once and for all.

Another criticism of the free market is that it makes men insecure. Actually, being thrown out of the Garden of Eden made men insecure - along with the insecurity of knowing that sin carries with it the death penalty. The human condition is that the future is unknown, which is

why all action is speculation. No elite-criticizer of the free market can actually change the human condition pertaining to the future being uncertain and the resulting insecurity pertaining to this fact. Murphy further points out there are things that men can do to become more secure, such as "the free market provides security through [personal acts of] savings, entrepreneurship, insurance, and charity." Further, your author observes that the intention of the two Jehovahs to give each family land meant that anyone who needed the security of being directly connected to the land and being in the immediate presence of loved ones could build a life on the family land. This would not eliminate all insecurity but life would no doubt be slower paced and more predictable for such a one. If change is happening too fast for someone then they can retreat to the family land and regroup or just downshift to a slower pace of life. A further observation is that if enough people made that kind of lifestyle choice, entrepreneurs would have to offer enough in wages to make it worthwhile for someone to leave the family land. And then the relatively high pay of such an offer could be used to generate the savings, etc., that Murphy pointed out. In addition to savings, the average man can reduce their risk by avoiding non-productive

borrowing, i.e., consumer debt and not have a family larger than they can afford to properly care for.

A European-elite and ignorant-historical criticism of capitalism is as follows: "It is a myth that medieval craftsmen and peasants were perfectly happy, until modern capitalism 'alienated' them from their labor. The status society forced workers to remain in very specific occupations, regardless of aptitude or interest. In any event, a return to the institutions of the Middle Ages would require the starvation of a large portion of the world's present population." The status society is a static society that was largely feudal in organization with an overlay of the Catholic Church. It was a "society of status" instead of a "society by contract" and this kept people in their born-into and assigned-by-birth places. There was very little, if any, upward mobility. To un-sugarcoat this, there was very little in the way of human development and people had short and hard lives. In the United States, as recently as the year 1900, the life expectancy of an adult male was only the mid-40s to high-40s. Further, if people went all the way back to "nature" in their societal organization and reverted to being, in effect, hunter-gatherers,

then the earth could only support around 11,400,000 total people (about 57,000,000 total square miles of actual land divided by 5 square miles per hunter-gatherer is about 11,400,000 total population). Some estimates are lower - around 10,000,000 total people. And other estimates are higher - around 50,000,000 total people (57,000,000 square miles, but only 30% - 40% is actually substantially usable because 20% is mountains, 20% is desert, and 20% is always covered with snow leaving, at most, 40% of the 57,000,000 total square miles which equals 22,800,000 square miles substantially usable, with maybe two people per square mile = 45,600,000 - rounded by your author to 50,000,000 total people). By any reasonable calculation, to revert to hunter-gatherer status would depopulate over 99% of the people from the earth. To be fair, the amount of square miles per hunter-gatherer is debated, but usually it falls somewhere in the ranges mentioned above - at least in the articles your author read. The main point is that it is a struggle to survive for mankind and this is not capitalism's fault. The higher productivity associated with capitalism enables many more men to be alive and to live well on the earth, relatively speaking. That there is a scarcity of means for unlimited human wants is the context

of the human situation - it is NOT an attribute of capitalism. Even worse for mankind, in a hunter-gatherer scenario, is that it forces men to view other men as competitors for a very limited food supply, which leads to a warring state of mind where men attempt to dominate over other men. And, hunter-gathers take from the earth and then move on, without adding anything sustainable back to the earth - thus having to wait for the earth to regenerate what the hunter-gatherers have taken away. This is in contrast to the abundance generated by an unhampered market economy based upon private property and the division of labor where men cooperate in their efforts to have dominion over the earth and do such things as planting fruit trees, etc.

The abundance generated by capitalism → allows for about 99% more people to be able to live on the earth, as compared to hunter-gatherer "society"

Social do-gooders criticize the free market because they believe there should be more charity, including government social programs. "Before charity can occur, prior production is necessary. The unhampered market is far more

productive than any rival system and hence can create the most goods for everyone. It is also not truly 'charity' to take property and distribute it to others at gunpoint. The government has no interest in solving the problems of those who (allegedly) need its help, but prefers that they remain indefinitely dependent." Your author will cover charity later in this chapter. Charity at gunpoint is an example of righteousness plus force. In the free market people are free to give to the causes and people they choose based on where charity ranks on their personal HOVs.

"Another typical objection is that the market, though it may be very productive, **causes** people to focus on material ends, rather than spiritual concerns. This criticism relies on the empty notion of an 'economic' end. Yet economy is simply the application of means to achieve desired ends; there are no separate 'economic' ends to be contrasted with idealistic or spiritual ends. [Obviously, a market does not "cause" people to do anything. A person chooses to do or not do something. Personal choices are revealed through marketplace exchanges.]

Even if we believe people should adopt altruistic ends, it still does not follow that the market is objectionable. Indeed, someone who seeks maximum monetary income is precisely the person catering to the wishes of others (the consumers)! [They are serving others.] ...

The market doesn't deal in 'material' goods so much as exchangeable goods (and services). To the extent that the market provides ever greater quantities of exchangeable goods, it lowers their marginal utilities and hence raises the relative importance of nonexchangeable goods." This argument is basically tantamount to the "economic man" fallacy discussed in the previous chapter. Both idealistic or spiritual goods and physical goods are on one's personal scale of value preferences (HOV). People can order their importance as they choose. This is not a fault of capitalism. It is the human condition.

A nonsensical criticism of capitalism is that a completely free market would "implement Social Darwinism in which the strong destroyed the weak. Yet this biological analogy overlooks the criterion of 'fitness' in a marketplace: serving the wishes of the consumers. Those

who feel the market has been too harsh with particular people are free to set up assistance programs.” Biological metaphors imported into economics almost always render foolish conclusions. Such is the case here. Further, those greatly served by successful entrepreneurs are not destroyed and cease to exist, as they would be if they were eaten in the jungle. They have their highest value satisfied when making an exchange and this is why they made the exchange. They are free not to exchange if they believe the contemplated exchange will not satisfy them. Entrepreneurs do not point guns at customers.

There are other criticisms that stem from a lack of comprehension concerning “economic power.” “Those who claim that government must counterbalance private economic power (such as that wielded by an employer) mischaracterize the situation. If an employer refuses to hire a worker, he is merely exercising his property right; i.e., he is simply refraining from exchanging his money for the worker’s labor services. If the government can justly use violence to compel an exchange [the hiring of the worker], then the individual worker would likewise be entitled to take the employer’s

money through force [if the government agent can do it, so can the principal – the individual].” That this would be wrong is clear and so no more need be written. Further, any references to “robber barons” do not make sense in a free market. Unfortunately, they do make sense in a hampered market economy, one beset with government interventions and the granting of subsidies to pseudo-entrepreneurs. Once again, the free market is criticized for the results of government interventionism. In the free market one can only become rich by genuinely serving many other people.

Another attempt to vitiate the outcome of the free market is the attempt to establish “**positive** human rights” that would enable a government elite to take from taxpayers (producers) and give to tax consumers in order to “provide” some level of arbitrarily decreed basic human living standards. This forgets the truth that individual natural rights are “negative” in the sense that they prohibit force and fraud as acts against another human being. Only individual natural rights are capable of being mutually possessed by all men, thus requiring no positive action to be taken by any other human being – hence their designation as being “negative.” Individual natural rights fulfill the

universalization principle (a general ethical rule should apply to all men equally). This is NOT the case with any proposed positive rights. No human or government has a “positive” human right to stick a gun at someone else’s head and demand they provide their private property to the gunman who will then distribute the stolen property to those the gunman feels are in need. The idea of “positive human rights” is actually a fraudulent concept and a rationalization for an act of force to be used upon a human being who did nothing to deserve force being used upon them. Murphy has a summary of Rothbard’s analysis: “It is pointless to argue that ‘human rights’ should trump property rights, for **all rights are ultimately property rights.**

Moreover, they are property rights of humans.”

At the human level each man has a property right in self-ownership, a property right in liberty, and a property right in originally appropriated other property. This is why all rights are ultimately property rights. This was previously explained earlier in this book.

All rights are ultimately property rights = True

Property rights → belong to humans = True

“Human rights” > property rights = False

"Positive" human rights are: 1) incoherent + 2) institutionalize injustice

"Contrary to popular opinion, the free market is not chaotic and harmful, but rather results in the best possible achievement of orderly commerce and psychic utilities for all members of society. In contrast, each act of government intervention always harms at least one party, and moreover suffers from indirect consequences that further distort the economy."

Rothbard's Chapter 7 in PM – *Conclusion: Economics And Public Property* has several sections containing information that is worth noting.

Murphy's summary of Rothbard's explanation of the nature of economics and its uses is helpful: "Economics is a science that provides us with true laws of cause and effect. It tells us that if we know A is true, then we conclude that B must also be true. Even though the logical implication is necessarily true (if our deductions are free of error), the conclusion B is only true when the initial assumption A is satisfied.

On an unhampered market, the economic theorist is of little use to the businessperson. However, in a regulated market, the economist can often provide insight because he understands the effects of [government] intervention." The reason an economist is of little use to a businessperson when there is an unhampered market is because the two Jehovahs set things up so that praxeological laws automatically moderate many kinds of action – including the harmony of interests revealing itself in the free market. Just like a businessperson might not need to be able to explain the laws of physics, he might not be able to explain praxeological laws either. But this will not stop them from seeing the need to provide a service to their fellow man and then providing it. In a regulated economy, hampered with many different kinds of harmful government interventions, the case is different. In this case economists can be useful to special interests in explaining the effects of interventions, and the arguments of the economists are used on both sides of many policy debates. This creates an artificial "need" for economists skilled at understanding and explaining the effects of government interventions. This is why so many financial institutions, industry trade groups, labor unions, political parties, etc., employ what

Rothbard refers to as mainstream economists (non-Austrian economists – those who do not understand or use praxeology).

"The mainstream economist often smuggles dubious value judgments into his allegedly scientific work. Beyond this, mainstream economists often openly announce the ethical goal - such as 'equality' - and then design policies to approach it. They are wrong for thinking that their role as mere advisor is still neutral, for by helping others achieve the goal, they implicitly endorse it." What Murphy is pointing out here is that Rothbard calls out the mainstream economists who do this as no longer meeting their own standard as scientists, which is to be "value-free" scientists. In actuality, science should support life as a value and be bias-free.

"Even the Wertfrei [value-free] economist can play a role in public policy questions. First, using only praxeology, he can rule out meaningless or conceptually impossible ethical goals championed by others, and he can also refute popular objections to the market that rely on false propositions. Second, the Wertfrei economist can explain all of the myriad consequences of government intervention

and of complete socialism, and contrast these effects with the description of a free market economy." ... "Wertfrei was the German term Mises often used to describe economic science. It means 'value-free.' This doesn't mean that the study of economics commits one to nihilism [in the sense there are no values], but rather that economics itself is a positive (versus normative) enterprise that discovers true causal relations in the world. [Positive in this sense means discovering and explaining what is happening in the real world. Normative in this sense means to prescribe what "should be" normal (ethical).] In the same way, medicine is value-free; one must study bacteria or cancer in a neutral way to understand them.

..."

Rothbard points out that there are only two methods of social relations, **the market principle** versus **the hegemonic principle**. Then he creates a genius summary table showing the differences, which your author quotes in its entirety below:

"SOME CONSEQUENCES OF:

THE MARKET PRINCIPLE

individual freedom

THE HEGEMONIC PRINCIPLE

coercion

general mutual benefit (maximized social utility)	exploitation - benefit of one group at expense of another
mutual harmony	caste conflict: war of all against all
peace	war
power of man over nature	power of man over man
most efficient satisfaction of consumer wants	disruption of want - satisfaction
economic calculation	calculational chaos
incentives for production and advance in living standards	destruction of incentives: capital consumption and regression of living standards”

### **8.13 Private property as the link between ethics and economics**

The final two sections of your author's Chapter Eight, section 8.13 and the following section 8.14, do not formally track either Rothbard's MES or PM. With that being said, your author, in these two important sections, utilizes many of the concepts that Rothbard thought through. Any responsibility for the

following praxeological and other analysis and explanation is obviously your author's.

God the Father owns himself. Jesus Christ, as King of Kings and Lord of Lords, owns himself - but yields to the will of the Father. Since they have the same value system they are working together on jointly agreed upon goals. It would not be possible for a mere man to approach the throne of God, argue that the two Jehovahs do not own themselves, and not pay a price for such ignorant insolence. Self-ownership is a key ethical principle pertaining even to the two Jehovahs.

God the Father → owns himself

Jesus Christ → owns himself and yields to the Father voluntarily (Luke 22:42)

God the Father created the universe through Jesus Christ (Ephesians 3:9 and many other places).

God the Father → created the universe → through Jesus Christ

As previously explained, the doctrine of **original appropriation** is very important for

human (and angelic) understanding. When God the Father created the universe with and through Jesus Christ they mixed their minds, their personalities, and their labor with whatever the universe is made out of. Your author writes, "whatever the universe is made out of" because man is still learning about dark matter, dark energy, sub-atomic physics, etc. What is clear is that the universe is made out of something and the two Jehovahs did the making. They legitimately and justly own the universe. Satan thought he could ignore original appropriation, charge the throne of God, and reassign ownership of the universe to himself, through force. He failed. More than that, he was wrong. Satan was wrong intellectually. And Satan was wrong morally. Further, Satan took the wrong action to attempt to steal the universe that did not belong to him in any conceivable logical way. This is why your author wrote that the doctrine of original appropriation is of value, not just to human beings, but to angels – who evidently did not get it. Now they do. One-third of them had to learn the hard way. The other two-thirds probably understand it now – at least they understand that the two Jehovahs know they own the universe and possess superior force to defend it from criminal aggressors.

The two Jehovahs → own themselves AND  
mixed their minds, personalities, and labor →  
with what the universe is made out of → to  
create the universe

The two Jehovahs → were **first in time** → when  
they created the universe → and now own the  
universe → via original appropriation

The two Jehovahs → justly own the universe →  
via the doctrines of 1) self-ownership + 2)  
original appropriation

The universe → is the private property → of the  
two Jehovahs

All angels + all men → are guests → in the two  
Jehovahs' universe

The above is an important part of the  
context of the human situation. Another  
important part of the human situation is that the  
two Jehovahs are engaging in a divine  
individualism process to create unique MRP  
divine individuals.

No one will survive the vetting of the divine  
individualism process that does not recognize  
(once pointed out to them in a way they can

understand) the doctrine of original appropriation.

The “Most High” is God the Father. The number two being in the universe is Jesus Christ – the only name under heaven whereby men can be saved. They clearly own themselves, the universe they created (Psalm 96:5), and everything and everyone in that universe (Psalm 100:3, Ezekiel 28:13).

Another important part of the context of the human situation is that men were created to have dominion over the earth, not each other. Men were created with a limited lifespan (scarce time), limited resources (scarce means), and told to bear fruit – to be productive. Part of bearing fruit is growing in the moral and intellectual virtues. And part of bearing fruit is learning how to be productive in terms of using limited resources so that one can generate enough to stay alive and to also (hopefully) flourish physically - as well as flourishing spiritually, mentally, and emotionally, of course. A man was created in such a way that he is forced to take action in order to be able to continue to survive. Knowing this because they created us, the two Jehovahs created both the universe and man in such a way that the

universe could make sense to man. In short, in your author's previously explained solution to the mind-body problem, the universe was created with a logical structure that is not going to change. And man was given a spirit component that enabled the mind of man to have a logical structure that corresponds to the logical structure of the universe. This necessity was already explained in detail in Section 4.3. The necessity of the consistency of the logical structure of the universe praxeologically self-limits the two Jehovahs and allows for nature to be consistent – in other words, for there to be natural laws discoverable by reason (man's mind).

The correct solution to the mind-body problem  
→ reveals the necessity of the consistency of the logical structure of the universe

This means that → there are consistent natural laws → discoverable by reason

This means that → there are individual natural rights → discoverable by reason

The last part of the above paragraph effectively takes a guillotine to Hume's guillotine (explained in Section 4.3) and destroys the idea

that nature can somehow change from one day to the next. This belief is wrong. It is a false premise if one reasons from it. And if one reasons from a false premise one will get an incorrect conclusion – which is what happened to Hume and all those who attempt to get rid of natural law. Nature is consistent. There are natural laws. Entities have properties that can be discovered and explained using reason. The law of identification is intact. The law of cause and effect is intact. And in those cases where we cannot use deductive reasoning we can use a “totality of reasoning” approach to get as close to the correct answer as humanly possible.

Nature is consistent = True

The law of identity and the law of cause and effect are both intact = True

Also, as previously explained, there is a need for methodological dualism – one scientific method for the natural sciences and one scientific method for the social science of human action, i.e., praxeology and its subset field of economics. And one must study at the individual level to understand human valuation, choice, and action. There is a logic of action – praxeology. The ability of humans to choose

and take action necessitated the second scientific method because the scientific method of the natural sciences cannot account for human choice - and never will be able to. Interestingly, praxeology applies to the two Jehovahs when they are dealing with contingent beings that have freedom to choose, i.e., humans for our purposes.

Also previously explained is that the two Jehovahs did not and do not want human experimentation where an "elite" group of men decide to play "god" and experiment on their fellow men. This type of action puts men into the Adolph Hitler / Josef Mengele category of human monsters. This also applies to the more seemingly (but not really) benign efforts by those who believe there are not economic or ethical laws, e.g., American Institutionalists and their disastrous life-destroying interventionist policies. Ergo, the two Jehovahs devised **praxeology** whose **principles and their application could be known in advance** - thus obviating any supposed need for human experimentation and obviating any rationales for war, or other unprincipled action. From praxeology comes the general theory of human action and also all of the economic laws and their effects. Your author also alluded to

praxeology being usable to understand at least some ethical truths that are embedded into the structure of the universe, e.g., individual natural rights and original appropriation. And this is why your author led off this Section 8.13 with the two central facts that the two Jehovahs own themselves and are the original-appropriator creator-owners of the universe. **The important derived fact from these two central facts is that the universe is the private property of the two Jehovahs.**

The important derived fact → from the two central facts (1. the two Jehovahs own themselves and 2. original appropriation) → the created universe → is private property → of the two Jehovahs

The universe is the private property of the two Jehovahs = True

This is why Satan hates private property, original appropriation, and logic. So do the "elite" men and other men who follow him.

In an earlier chapter your author wrote:  
"First, there can be rational and objective ethics starting with the axiom that life is better than death. Second, there are requirements for the

living to continue living, for example, regarding the need to obtain and use property to stay alive. Third, there is need for freedom to obtain and use property in order to stay alive. Life, liberty, and property are necessary for a man's life on this earth. Since all men are men, these same three things are necessary for other men, too. Ergo, all men need to respect and not violate each other's life, liberty, and property, aka the natural rights of man. Objective and rational ethical principles are possible, even if some inductive reason to complement deductive reasoning is necessary to establish them. There is nothing better to put in their place. It is important to correctly understand the context of the situation, i.e., that the two Jehovahs are operating in a teleological way through a divine individualism process. Because God IS attempting to create divine individuals God OUGHT to structure the universe logically, structure the human mind logically, grant free will, etc. Anyone, including God, operating in a means-ends structure with purpose, having chosen a goal, then must proceed logically [in a correct manner] to achieve that goal. In other words, praxeology extends to God when God is dealing with contingent beings. Since God **is** attempting to achieve a goal, then he **ought** to choose the appropriate means and take the

appropriate actions to achieve that goal. ... It turns out that praxeology, purposeful human action, is but a, comparatively speaking, small-scale version of the two Jehovahs' purposeful divine actions. Both, properly understood, are teleological. Both, properly understood, take risks and pay costs to achieve goals."

The two Jehovahs → are operating in a means-end structure with purpose → i.e., teleologically

The two Jehovahs → are subject to praxeology

The two Jehovahs → God

Men made in the image of God → also must operate in a means-end structure with purpose → teleologically

Men → are subject to praxeology

The logic of action → devised by God → allows for 1) key ethical principles + 2) economic laws → to be known in advance (**without the need for experimentation**)

Praxeology allows for principles, concerning sentient beings taking action, to be known in advance - without the necessity of the cruelty

and waste of human experimentation. The two key logical principles concerning the derivation of ethics are: 1) self-ownership and 2) original appropriation. Both self-ownership and original appropriation relate to the concept of private property and show how such property justly becomes private property.

When we understand that the correct context of the situation is that the two Jehovahs are using a divine individualism process to achieve a goal they have set for themselves (and us), we also understand that they are operating teleologically and are subject to praxeology when dealing with contingent beings. We understand their way of life is the only way of life and that choosing life entails choosing a unity of values (a package of linked values) that pertain to life. Peace is one of those linked values. Force is not. Truth is one of those linked values. Fraud is not. Peace and truth are important to life. Force and fraud are destructive to life.

Man is a miniature divine individual in training - so to speak. Man must operate teleologically and be subject to praxeology. The two Jehovahs gave man the honor of creating us in their image and likeness and they gave us the

dignity of a logically functioning mind. They also took the risk of giving us free will – liberty to choose. **They also, at our human level, gave us self-ownership.** At the “human level” means a man dealing with other men. At the divine universal level the two Jehovahs own all men.

The two Jehovahs → gave us free will (liberty)

The two Jehovahs → at the human level → gave us self-ownership

The two Jehovahs → gave man → the earth to have dominion over

Based on a totality of reasoning we can logically derive human self-ownership in at least two different ways. First, we can consider the context of the human situation and understand that the Father and the Son own themselves, know we are made to be like them, and so we must own ourselves – at the human level. The two Jehovahs own everything, including us, at the divine level. But we are going to drop down, as it were, to the human level where we must live - for now.

The second way we can use a totality of reasoning to know we own ourselves has been previously written about earlier in this book – primarily in the section on “natural law.” A brief recap at this time might prove helpful. There are only three possible choices for who owns a man: 1) himself or herself or 2) everyone owns a portion of everyone else or 3) supermen elite own regular human beings (or regular elite men own what amount to sub-human beings as a derivative of number 3). Number three is false because all men are men ( $A = A$ ), and number three has been shown by your author (earlier in Section 4.6 of this book) to be false every way something could be false – intellectually, biologically, etc. There are no supermen and regular men. And there are no regular men and sub-humans. There is no shred of empirical evidence or logical reasoning that could establish number three, so number three is out. Number two could never work because man has to take action on this earth. And if every time a man needed to take action he had to get the consent from his other owners (all other men and women on the planet) he would starve to death before any action could be taken. Further, number two is not logical because it involves what amounts to an impossibility loop in reasoning. Each man being owned by all

other men would still not explain how each other man possessed the right to own anything, including a small percentage of all other men. It kicks the intellectual can down the road to no avail. It does not logically explain how each man initially owned the right to own a small part of all other men. In short, it is incoherent as an explanation. It amounts to an illogical and arbitrary assertion. Number two could not possibly work in practice and is not logically consistent in any way that could be coherent if an attempt were made to apply it as a principle. Further, when one understands (post-Mises) that there is no rational allocation of resources under Socialism (only arbitrary declarations from a gang in power) it is clear that "all owning all" is irrational and would lead to war – if men could even live long enough to get to the point of war. In other words, "How did you initially come to own yourself enough to own a part of me? Did you get permission from every other human being on earth to own part of yourself?" Number two is incoherent and could never work. This leaves us with number one, the correct answer of self-ownership.

At the human level → self-ownership = True

As previously explained, self-ownership plus the mixing of one's mind, personality, and labor with previously unowned resources enables the establishment of private property – which man needs to be able to utilize in order to stay alive on this earth. Life is the fundamental value. Man needs to stay alive. It turns out that original appropriation, **the first in time use of property in the commons** makes that property private and hence usable to the man who had the brains, initiative, and who took the pains to do the work to make it so. **Private property is logical and just.** And private property fulfills the command by God to man for man to have dominion over the earth. **Private property enables man to fulfill this divine law command and private property fulfills what natural law and individual natural rights would dictate** – that a man lawfully and ethically obtain and use property that is necessary to sustain his life. **Private property enables an area of exclusive jurisdiction and moral space.** And why, IF ONE ACTUALLY KNOWS THE CORRECT CONTEXT OF THE HUMAN SITUATION, should this surprise anyone? We are made in God's image and likeness. **We are doing the same thing at the human level the two Jehovahs did at the level of the universe,** which is: 1) we are functioning per the correct ethical principle that

we own ourselves AND 2) we are using the just, right, and logical ethical principle of original appropriation to establish private property and then use said private property to sustain life - the ultimate value. ...

God is operating teleologically using a means-end structure with purpose, is subject to praxeology when dealing with contingent beings, and used the ethical principles of self-ownership and original appropriation to correctly assert private ownership over the entire universe. Man is forced to operate teleologically, is subject to praxeology, and uses the ethical principles of self-ownership and original appropriation to correctly assert private ownership over the property in the commons he mixes his labor with. The two Jehovahs have the ethical right to own the universe as their private property and they do. Man made in God's image has the ethical right to private property, too. And man's most important private property ownership right is self-ownership, the forerunner to every other right. Ergo, man owns his own life, his liberty, and any property in the commons he makes his own via original appropriation. And all of the above, once explained and understood, should be no surprise to a moral, rational, and

productive person. It will be a big surprise to the immoral, irrational, parasites.

The key ethical principles are: 1) self-ownership + 2) original appropriation

Self-ownership + original appropriation → enable logical + just + right ownership → of private property

Private property → is necessary for life

Self-ownership → is the core aspect → of private property

First in time → is a core aspect → of original appropriation

A key aspect of original appropriation is the idea of "**first in time**" and it is important to explain this. There is no logical reason why someone who was not physically present when someone else first used original appropriation to obtain just title to private property should be able to claim ownership. The first-comer had some combination of: 1) brains 2) initiative 3) foresight 4) work ethic 5) physical proximity, etc., to take the action before anyone else did of making property in the commons useful for their

purposes by mixing their labor with it. An easy example to understand is at the level of the universe. Satan is a created latecomer. What possible reason could Satan propose whereby he should have some kind of ownership interest in the universe? None. And since Satan had neither logical argument, nor justness of his cause in any assertion contrary to the two Jehovahs owning the universe, this is why he "had to" charge their throne and try and steal the universe by force. The universe is the private property of the two Jehovahs. Any attempt to take it from them is an attempt at parasitical theft and it will require the use of force. The protection of private property is included in the prohibitions contained in the Ten Commandments. These prohibitions can be derived from Exodus 20:10 ("your gates"), are specific in verse 15 ("You shall not steal") and verse 17 includes a warning to not even get close to stealing ("you shall not covet your neighbor's house ... nor anything that is your neighbor's"). If a latecomer was physically present but did not have the foresight or brains to see property in the commons to be valuable or saw it as valuable but lacked the initiative or was too lazy or preoccupied with something else to take the action to mix their labor with it, then too bad. They have no claim. Time matters to

human beings. There is a too early and a too late to many things pertaining to life. If two different men wanted to use the same item of property as a means to achieve their end, then there will be conflict. First-in-time original appropriation eliminates any confusion over who should be able to use an item of property as a means. If a particular item of property is very important for someone to use as a means, but they are not the owner, then they can offer consideration to the owner in the hopes they can acquire title to or usage rights for that property. This allows for mutually beneficial contractual exchanges to occur. In other words, use of property become subject to mutual adjustment and compromise via contractual negotiations and is not based upon physical conflict.

Pertaining to the above, Rothbard (the praxeological social science genius) figured out how important **self-ownership** and **original appropriation** were and he explained the implications in a brilliant book entitled, *The Ethics Of Liberty*. He, of course, did not tie what he figured out into the Bible the way your author did. But what he discovered and explained was brilliant. Dr. Hans-Herman Hoppe is a Rothbard disciple, philosopher, and Austrian economist. He added to Rothbard's explanation

in an also brilliant book entitled, *The Economics and Ethics of Private Property*. Hoppe showed how **private property functions as an intellectual bridge**, as it were, **linking economics and ethics**. Both books are in the top twenty books your author has ever read and both are to be highly praised for their intellectual efforts. Private property and its antecedent and constituent concepts of self-ownership and original appropriation link the core ethical principles and economics.

Something is antecedent if it logically precedes and something is constituent if it is a necessary compositional characteristic of something else – not an ingredient you use to make something else, but a constituent characteristic of what it means for that something else to exist. In this case, self-ownership and original appropriation are antecedent to private property and they are constitutive of what it means for there to be private property.

Private property → links ethics and economics

Hoppe's book and insight explaining private property as the link between ethics and economics should not be a surprise – should we stop and think about it. Since the two Jehovahs created everything, including math, logic, the

natural sciences, praxeology, ethics, etc., and since they own the universe, why would it be some kind of surprise if – to use a game of cards metaphor where the “Ace of Trump” is the high card a user could ever play and playing it would win the game – they gave themselves the “Ace of Trump” to play whenever they needed to? It would not be a surprise. The Ace of Trump being, of course, private property.

(Ethics is not based upon card game metaphors. Ethical principles are objective.) The two Jehovahs rightfully own everything. To be good guests in their universe man must acknowledge their private ownership and control of the universe and to abide by their divine law and natural law rules, including respecting the individual natural rights of other men.

Fortunately, the two Jehovahs have the correct package of the unity of values pertaining to life and wish to share them. Also fortunately, the two Jehovahs possess the unity of virtues in their person and are motivated by love and enabled by wisdom to manage the universe in a benevolent way. It would be otherwise if Satan ran the universe. And of course the actual truth (your author’s metaphorical card game aside) is that it is only logical that a first-in-time being who does the actual work should own something versus an envious latecomer who would like to

decree they somehow own part of the original appropriator's work. Envy and the rationalization of evil have led to terrible things. "Ownership by decree" leads to war with all of war's attendant and lasting evils.

There is yet another way to explain how private property can be derived and this is via the process of "**argumentation**." From your author's point of view all of the above establish the case for private property and its antecedent and constituent concepts in an irrefutable way – at least pertaining to divine law and a "totality of reasoning" natural law way. Nevertheless, since this a book on Life Charts it makes sense to give a summary explanation of this creative way to establish private property. Both Rothbard and Hoppe (neither understanding the divine individualism context of the human situation and so without the benefit of resorting to divine law) used it. As a point of clarification, argumentation can be termed philosopher-speak for attempted intellectual dispute resolution. A key point in argumentation is to provide for a conflict-free way of interacting. Argumentation may lead to "agreeing to disagree." It is what is implied in the process of argumentation that Rothbard and Hoppe wish to focus on, because

the implications of argumentation can yield some surprising results.

There are two ways to resolve a dispute – force or argumentation. Force would ultimately lead to killing everyone who disagreed with you and then you would be “right.” Obviously, this is Satanic and wrong. Force or argumentation correspond, in substance, to “the hegemonic principle” versus “the market principle” and to being a parasite versus being a producer. When Rothbard and Hoppe looked into argumentation they discovered that argumentation is or should be a peaceful process. Further, what is implied in argumentation ties back to self-ownership, liberty, and private property.

With apologies to Rothbard and Hoppe in advance, your author will summarize the essence of the argumentation ethic. And your author will presume the person on the other side of the argument is peaceful (someone who will not engage in force or fraud against another person or their property) and someone who wants to understand truth principles.

An important element to understand in all of this is the **“non-aggression axiom,”** which Hoppe explains as follows: “According to the

nonaggression principle, a person can do with his body whatever he wants as long as he does not thereby aggress against another person's body. Thus, that person could also make use of other scarce means, just as one makes use of one's own body, provided these other things have not already been appropriated by someone else but are still in a natural unowned state. As soon as scarce resources are visibly appropriated - as soon as somebody 'mixes his Labor' with them, as John Locke phrased it, and there are objective traces of this - then property (the right of exclusive control), can only be acquired by a contractual transfer of property titles from a previous to a later owner, and any attempt to unilaterally delimit this exclusive control of previous owners or any unsolicited transformation of the physical characteristics of the scarce means in question is, in strict analogy with aggressions against other people's bodies, an unjustifiable action." Hoppe points out that acquiring title through **first-in-time original appropriation** is a superior and practical ethic, especially when compared to **a latecomer-decreed** standard of ownership. Your author briefly mentioned the latecomer part a few pages earlier, but now wants to take a few sentences to point out some shortcomings with "property by decree." Property by decree would

mean that no one could ever really own anything. This is because after a piece of property was made private, someone else would just come along later and then assert by arbitrary decree that they now own the property in question. The original appropriator, the first-in-time private property owner, would disagree. The latecomer would disagree with the disagreement, etc. No one could securely own and use anything and the human race would go extinct. Hoppe further explains:

“... the general theory of property ... [is] a set of rulings applicable to all goods, with the goal of helping to avoid all possible conflicts by means of uniform principles ...”

“... The compatibility of this principle [the general theory of property] with that of nonaggression can be demonstrated by means of an *argumentum a contrario*. First, it should be noted that if no one had the right to acquire and control anything except his own body (a rule that would pass the formal universalization test) [a general ethical rule should apply equally to all], then we would all cease to exist, and the problem of the justification of normative statements [what we ought to do] simply would not exist. The existence of this problem is only

possible because we are alive, and our existence is due to the fact that we do not, indeed cannot, accept a norm outlawing property in other scarce goods next to and in addition to that of one's physical body. Hence, the right to acquire such goods must be assumed to exist.

Now, if this is so, and if one does not have the right to acquire such rights of exclusive control over unused, nature-given things through one's own work (by doing something with things with which no one else has ever done anything before), and if other people have the right to disregard one's ownership claim to things which they did not work on or put to some particular use before, then this is only possible if one can acquire property titles not through labor (i.e., by establishing some objective, intersubjectively controllable link between a particular person and a particular scarce resource), but simply by verbal declaration, by decree.

However, the position of property titles being acquired through declaration is incompatible with the above-justified nonaggression principle regarding bodies. For one thing, if one could indeed appropriate property by decree, this would imply that it would also be possible for

one to simply declare another person's body to be one's own. Clearly enough, this would conflict with the ruling of the nonaggression principle, which makes a sharp distinction between one's own body and the body of another person."

"Property by decree" → is illogical + will lead to unending conflict

From reading the above few paragraphs your author hopes the reader can also see how brilliant Hoppe is. At any rate we now return back to what must be inherent in argumentation (the preconditions) in order to decide matters peacefully. First, if you are going to argue **there must be a standard of what is right**, i.e., it is presumed there is a correct (right) answer – else why argue? There must be a **norm** to aspire to. This does not seem like much to admit to. However, once you admit there is a standard of the right – a norm – you are also admitting there are inter-personal and objective ethical standards. There goes nihilism. And there goes subjectivism in ethics. (A very important nuance is that subjective consumer choices remain an important component of economic theory because they determine marketplace valuations. This is not what we are

discussing here.) What we are discussing here is that there are objective inter-personal ethical standards and these standards must be capable of being universalized, i.e., they must apply to everyone equally. As a point of refinement, just because a standard is capable of being universalized does not make it good, per se, but if a proposed general ethical principle cannot be made to apply to everyone it is certainly not good. Second, to argue requires some additional elements and one of these is control over oneself, so now we are back to self-ownership again. If a person does not own himself or herself then who does and how did they get title? This was already covered concerning the three possible answers and only self-ownership is coherent and capable of being universalized. Third, one needs the freedom to argue and so we are back to liberty. Fourth, one needs at a minimum a place to stand and the ability to use original appropriation to peacefully obtain and use the property we need to stay alive, so we are back to private property or the use of private property (you could be standing on another person's property – with their permission). Argumentation ethics (properly understood and applied) lead to or imply self-ownership, liberty, and original appropriation, which lead to private property

being converted and used to sustain and enhance life, the ultimate value. Hoppe in particular does a step-by-step and thorough explanation of argumentation ethics and can be read for more detail should the reader care about pursuing this line of reasoning. If one is looking for truth principles, then all intellectual roads ultimately lead back to the two Jehovahs, what they did, and how it is all justified and right.

Conflicts or potential conflicts can be resolved via 1) argumentation OR 2) force

Property by decree (envious latecomer decree)  
→ leads to conflict → leads to war → death

Only argumentation → is peaceful → preserves life

Because property is necessary for life → there must be inter-personal and objective rules (rules that can be universalized and are peaceful) → for how property becomes → private and now usable (as a means)

Argumentation → encompasses 1) self-ownership + 2) liberty + 3) the use of property (standing ground) to argue + 4) the right to

make property in the commons private via first-in-time original appropriation

Because private property being converted from the previously unused commons is less frequent these days (in part because governments have inappropriately kept “ownership” of huge tracts of land off of the market) most people have to obtain private property through exchanges with whoever currently happens to own it. This is particularly true for those just starting out in life, e.g., young adults entering the workforce. This is why knowledge of catallactics (the praxeological science of marketplace exchanges) is so important. When we understand praxeology we know that acting man intervenes in the present to attempt to change the future to a state of affairs he hopes to find more satisfactory. He is trying to exchange his current situation for a better one. **Exchange is an important part of human development.** We have a scale of preferences, we would like to trade some of what we have for something we value more (perhaps some of our time as labor), and we exchange with someone else willing to trade. Each of us needs to have the liberty to make the peaceful and honest exchanges we believe will improve our satisfactions and sustain our lives.

As an additional further important point that fits here as well as anywhere: Property and property titles are distinct entities, and an increase of the latter without a corresponding increase of the former does not raise social wealth but leads to a redistribution of existing wealth. Mankind should have learned this, in particular in regards to money substitutes versus actual commodity money, but evidently has not.

Praxeology, the argumentation ethic, and a totality of reasoning enable the derivation of some of the core inter-personal and objective ethical principles. They enable the discovery and elucidation of individual natural rights. It has been shown how important self-ownership and original appropriation are. Divine law also establishes inter-personal and objective ethical principles. Praxeology further enables us to learn the general principles of human action and economics – including catallactics – one of the most important parts of praxeology and economics.

Rothbard figured out that praxeology further allows the derivation of other objective ethical principles pertaining to what should and should not be considered a crime and this will be explained throughout the rest of this section.

Private property turns out to be a key component of this discussion as well. For Rothbard to come to understand that self-ownership and original appropriation enable not just the establishment of private property for economic purposes, but also that private property and praxeology can be used to derive objective ethical principles pertaining to a standard of what should or should not be considered a crime is a great achievement. Further, he also explained principles of how crime should be handled by individuals and society. He did this in his book *The Ethics of Liberty* and for the reader's benefit your author will summarize some of his key findings below.

Before we do that, however, Murphy (in his SG of PM) has a nice definition and a couple of observations about the nonaggression axiom and what Rothbard was doing. "The nonaggression axiom states that no individual may initiate the use of force. It is sometimes supplemented to explicitly prohibit the initiation of theft and fraud [like what Maybury did in formulating his two laws]. Ultimately the axiom ... means that the default position is a universal respect for everyone's just property rights. However, once someone violates those rights, at that point it is permissible to use force against

the aggressor [you can lawfully defend your individual natural rights]."

Your author quotes Murphy again - in this and the next paragraph: "One objection to market-based defense is that the State must initially define property rights, and then the market process can proceed. This is simply wrong, as legal scholars using their reason and voluntary persuasion can realize the objective properties of a free legal order [private property precedes the State and is not beholden to it]. In particular, they would discover the necessity and justice of self-ownership and the homesteading principle." The "homesteading principle" is another way of saying "original appropriation."

"In a free society, the great majority of judges would unilaterally endorse the Law Code [and in the future, divine law] that enshrined the nonaggression axiom and spelled out its implications. The function of the judges would be to apply the Code to the specific cases brought before them voluntarily by disputants."

Murphy's summary includes a telling passage about the intellectual and moral corruption of citizens when instead of a society having a small

government with a clear, limited, and achievable purpose (previously explained) we end up with an Organic State – a State grown large and engaging in what amounts to criminal activity to the detriment of its citizens. “It is certainly possible that particular [private security] agencies [who would likely handle a larger share of the security work for planned communities, etc.] might potentially become criminal. The difference is that there would be no systematic legalized method of plunder [like the institutionalized injustice engendered by an Organic State] in a libertarian society [a society with an unhampered market economy].

**Everyone would immediately recognize the criminal activities for what they were.** In contrast, many subjects under States (especially democratic ones) view taxes as voluntary ‘contributions’ that are agreed upon at the polls. Because of the excellent propaganda efforts of the intelligentsia, most people do not consider taxation as theft, or war as mass murder, or conscription as indentured servitude.”

Your author has explained that economic laws are part of praxeology. Economics takes a person’s goal as a given and then analyzes the means used. Economics utilizes the subjective theory of human valuation in its analysis.

Economics is ethically neutral, but praxeology can be used to analyze ethical goals. Ergo, to complete the picture for human beings economics and praxeology have to be "married" to ethics. In ethics, there are objective values, e.g., the unity of the package of values pertaining to life. **Private property links ethics and economics.** Private property is critical to human life and must be protected. Hoppe points out that "... the initial principles of self-ownership and first-use-first-own, i.e., original appropriation, homesteading ... pass the universalization test - they hold for everyone equally - and they can at the same time assure the survival of mankind." They are therefore non-hypothetically or absolutely true ethical rules and human rights.

Rothbard uses original appropriation, self-ownership, private property, and praxeological analysis to derive that: a crime consists of having force used against a person and their justly owned private property. Per Hoppe, "... as Rothbard pointed out, such common economic terms as direct and indirect exchange, markets and market prices, as well as aggression, invasion, crime, and fraud, cannot be defined or understood without a prior theory of property. ... A definition and theory of property

must precede the definition and establishment of all other economic terms and theorems."

A correct theory of property is necessary → for BOTH → 1) economics + 2) for inter-personal ethics, including a definition of crime

Rothbard calls out that there should be a proportionality of punishment and strict liability and both items agree with divine law, properly understood (Exodus 21). Of course the injured person can decide to forgive, but when a case comes before a judge the judge needs to go by divine law, natural law, strict liability, and the proportionality of punishment when deciding cases. Of course the judge will use other principles, too, like logic, truth, the upholding of individual natural rights, the facts of the case including the context of the situation, etc.

Hoppe points out: "Because man cannot not act as long as he is alive, and he must use scarce means to do so, he must also permanently choose between right and wrong conduct. The fundamental question of ethics - what am I here and now rightfully allowed to do and what not is thus the most permanent, important, and pressing intellectual concern confronting man. Whenever and wherever one

acts, an actor must be able to determine and distinguish unambiguously and instantly right from wrong." "... Man cannot temporarily suspend acting; hence, tentative conjectures and open questions simply are not up to the task of a human ethic."

Man must take action = True

Man needs to know right from wrong at the time of his action (before he acts) = True

The private property of others → is **not** ethically available for use → as a means → in taking action = True

Rothbard's praxeological effort at the delineation of what is and is not to be considered a punishable crime does not answer all ethical questions but it provides a great service to mankind. At the criminal level the nonaggression axiom answers what is and is not a crime. Was someone or his or her property aggressed against and injured? If so, there is strict liability and a proportionality of punishment in order to reestablish justice - as best as possible under the now less than ideal circumstances. "We may define anyone who aggresses against the person or other produced

property of another as a criminal." Rothbard is using the phrase "produced property" to mean any private property one lawfully owns either through original appropriation, gift, inheritance, personal productive efforts, such as working and trading, or via any other lawful means.

A criminal → anyone who aggresses against either: 1) the person or 2) private property → of another

Rothbard understands that what rises to the level of a crime is the subject of "**political philosophy**," but there is still the additional question of what is moral or not – which is the subject of "**personal ethics**." Obviously, something that rises to the level of a crime is immoral, too. But something that is immoral may not rise to the level of a crime. Quoting Rothbard (who also quotes Professor James Sadowsky):

"We shall be speaking throughout this work [*The Ethics Of Liberty*] of 'rights,' in particular the rights of individuals to property in their persons and in material objects. But how do we define 'rights'? 'Right' has cogently and trenchantly been defined by Professor Sadowsky:

'When we say that one has the right to do certain things we mean this and only this, that it would be immoral for another, alone or in combination, to stop him from doing this by the use of physical force or the threat thereof. We do not mean that any use a man makes of his property within the limits set forth is necessarily a moral use.'

Sadowsky's definition highlights the crucial distinction we shall make throughout this work between a man's right and the morality or immorality of his exercise of that right. We will contend that it is a man's right to do whatever he wishes with his person; it is his right not to be molested or interfered with by violence from exercising that right. But what may be the moral or immoral ways of exercising that right is a question of personal ethics rather than of **political philosophy** - which is concerned solely with matters of right, and of the proper or improper exercise of physical violence in human relations. The importance of this crucial distinction cannot be overemphasized."

Political philosophy → is concerned with matters of right AND ...

Any improper exercise of → physical violence (or threat thereof) → in human relations is a crime

Personal ethics → concerns the morality of how a right was exercised

In the next section your author will briefly elaborate other societal and personal sanctions that can be applied to help immoral and ill-mannered people learn some lessons should they commit an act – which does not rise to the level of a crime – but which is morally unacceptable or in bad form. For now we are discussing crime, which is a breach of an individual's natural rights by another individual. This book already has a Section 4.5 on the corruption of law and this section has legal principles in it. What is needed for mankind is for someone (it is not going to be your author) who has the time and the mind to extend Rothbard's praxeological analysis pertaining to law and crime. Of course said praxeological analysis and exposition needs to be integrated with, i.e., harmonized with divine law. We will only cover a few more key and diverse points in this section. The quotes will be from *The Ethics Of Liberty* unless specified otherwise.

Rothbard attempted to "establish the political philosophy of liberty and of the proper sphere of law, property rights, and the State."

People sometimes ridicule as simplistic what is known as "**Crusoe Economics**" because they do not understand its purpose. The purpose of "Crusoe Economics" is to isolate (set) man against nature – which is exactly what the two Jehovahs did when man was thrown out of the Garden of Eden. Man is set against nature and this is part of the context of the human situation. "Crusoe Economics" helps simplify the complexities of modern life so we can derive principles from what is a real world situation (man against nature), only on a smaller scale (Robinson Crusoe on his island). Crusoe analysis can also help with the derivation of law principles. This is because the man Crusoe named Friday enters into Crusoe's world. Rothbard explains as follows:

"If Crusoe economics can and does supply the indispensable groundwork for the entire structure of economics and praxeology - the broad, formal analysis of human action - a similar procedure should be able to do the same thing for social philosophy, for the analysis of the fundamental truths of the nature of man vis-

à-vis the nature of the world into which he is born, as well as the world of other men.

Specifically, it can aid greatly in solving such problems of political philosophy as the nature and role of liberty, property, and violence."

Rothbard speculates as to what would happen if Crusoe came to have amnesia. He would come to realize that he has himself, is conscious, but he does not instinctively know what to do. There is a natural world around him and he needs to obtain food, clothing, and shelter - and he will have to work to get them. He also needs the technical knowledge of how to get things done. He has to 1) choose his goals, 2) learn how to achieve them by using resources he obtains from nature, and then 3) transform those resources into capital goods and then consumer goods. Crusoe learns he has to first produce before he can consume. He learns he has many goals but only limited time, resources, and energy with which to achieve them. "And so man, not having innate, instinctive, automatically acquired knowledge of his proper ends, or of the means by which they can be achieved, must learn them, and to learn them he must exercise his powers of observation, abstraction, thought: in short, his reason.  
Reason is man's instrument of knowledge and of

his very survival; the use and expansion of his mind ... ." Through introspection Crusoe learns that he is free – he has free will.

"The critical and unique facts about man and the ways in which he must live to survive - his consciousness, his free will and free choice, his faculty of reason, his necessity for learning the natural laws of the external world and of himself, his self-ownership, his need to 'produce' by transforming nature-given matter into consumable forms - all these are wrapped up in what man's nature is, and how man may survive and flourish."

When Friday is introduced a need also arises for interpersonal objective ethical principles to be learned. This was discussed already above.

There is confusion by many people regarding "freedom" and "power." Rothbard has a great paragraph clarifying the matter:

"We have seen that Crusoe, as in the case of any man, has freedom of will, freedom to choose the course of his life and his actions. Some critics have charged that this freedom is illusory because man is bound by natural

laws. This, however, is a misrepresentation - one of the many examples of the persistent modern confusion between freedom and power. Man is free to adopt values and to choose his actions; but this does not at all mean that he may violate natural laws with impunity - that he may, for example, leap oceans at a single bound. In short, when we say that "man is not 'free' to leap the ocean," we are really discussing not his lack of freedom but his lack of power to cross the ocean, given the laws of his nature and of the nature of the world. [It should be noted that no populist dictator, religious leader, or social reformer is able to alter this reality for man because the laws of nature are not going to change. Hence it is pointless, futile, and a waste of life to follow such a clueless promise-maker.] Crusoe's freedom to adopt ideas, to choose his ends, is inviolable and inalienable; on the other hand, man, not being omnipotent as well as not being omniscient, always finds his power limited for doing all the things that he would like to do. In short, **his power is necessarily limited by natural laws, but not his freedom of will.** To put the case another way it is patently absurd to define the 'freedom' of an entity as its power to perform an act impossible for its nature!" Rothbard further points out: "Perhaps

the one great advantage of the term 'liberty' over its synonym 'freedom' is liberty is generally used only in the social, and not in the purely philosophic free-will sense, and is also less confused with the concept of power."

Natural laws → limit man's power NOT his free will = True

Rothbard elaborates what is known as the "**title transfer theory**" of contractual exchanges. When two people exchange property they not only exchange the commodities they also exchange the legal titles to the commodities. In short, what is transferred is the commodity plus the legal title to the commodity and then the acquirer has both the thing and the title to the thing. Rothbard points this out because in his analysis a crime is committed only when property is unjustly taken – but not when a promise (not involving property being transferred) is broken. A few examples might prove helpful. If Smith sold and delivered his horse to Jones for an ounce of gold, now Jones has both physical possession of the horse and the legal title to the horse and Smith has both the ounce of gold and the legal title to the gold. The transaction is complete and there is no problem. In another

example let us say that Smith rented his tractor to Jones for money and then Jones for some reason refused to return the tractor to Smith at the end of the rental term. In this example there is a problem. Jones, while in physical possession of the tractor does not have legal title to the tractor, Smith does. Smith can go through a legal process to get his tractor back and Jones will have to pay an extra amount representing proportional damages plus court costs for not giving Smith his tractor back at the end of the rental term. Beyond the scope of this section of the book there is a nuanced point Rothbard is setting up to make, which is this. When there is a breach of promise where no private property changed hands, there is no crime involved – only what amounts to a personal ethical moral failure. There is no interpersonal crime that has been committed, but there has been the breaking of the person's word. Continuing on to use Smith and Jones in another example: if Smith promised to lend Jones his tractor, but there was no deposit securing the contract and no other physical consideration changed hands, then Smith is not guilty of a crime when he does not lend Jones his tractor - but he is not behaving morally. Rothbard explains:

"The right of property implies the right to make contracts about that property: to give it away or to exchange titles of ownership for the property of another person. Unfortunately, many libertarians [Rothbard could be looked at as basically an ethical libertarian], devoted to the right to make contracts, hold the contract itself to be an absolute, and therefore maintain that any voluntary contract whatever must be legally enforceable in the free society. Their error is a failure to realize that the right to contract is **strictly derivable** from the right of private property, and therefore that the only enforceable contracts (i.e., those backed by the sanction of legal coercion) should be those where the failure of one party to abide by the contract implies the theft of property from the other party. In short, a contract should only be enforceable when the failure to fulfill it is an implicit theft of property. But this can only be true if we hold that validly enforceable contracts only exist where title to property has already been transferred, and therefore where the failure to abide by the contract means that the other party's property is retained by the delinquent party, without the consent of the former (**implicit theft**) [like your author's tractor example above]. Hence, this proper libertarian theory of enforceable contracts has

been termed **the 'title-transfer' theory of contracts.**"

As previously mentioned, much more thoughtful work needs to be done to properly ascertain and explain crime via praxeological analysis and then integrating the results into divine law. It is just beyond the scope of this book to do it. More "intellectual hands" (minds) are needed to do some of the "heavy lifting." It should be noted that God gave ancient Israel statutes in order to give the societal leaders directions for their minds to think in should some civil-organizing statutes be necessary. Any such statutes would be kept minimal and conform to both divine and natural law. And God gave ancient Israel some examples of judgments in order to give societal judges directions to think in. One of the more astounding things your author noted when reading Rothbard is something Rothbard derived that ties in almost exactly with the Bible. And this makes sense because there is no doubt in your author's mind that the two Jehovahs used a praxeological reasoning process to derive certain ethical principles. It has to be the case because any action is of course praxeological (the logic of action), and when more than one individual comes into play there is going to be

**interaction** and this means there is the need for interpersonal objective ethical principles pertaining to what ACTIONS and INTERACTIONS are and are not allowed. Hence, there must be a praxeology of societal ethics, too, because any society is composed of individuals taking action. The below is what really struck your author (Rothbard was using the example of the theft of \$15,000 to make his point):

"... Let us return to the theft of the \$15,000. Even here, simple restitution of the \$15,000 is scarcely sufficient to cover the crime (even if we add damages, costs, interest, etc.). For one thing, mere loss of the money stolen obviously fails to function in any sense as a deterrent to future such crime. [Rothbard is saying that if a thief's downside is simply returning what he stole plus some court costs it creates a situation (from the thief's incorrect point of view) that if he gets away with his theft, he wins. If not, he only has to return what he stole and that creates a "win if I don't get caught, break even if I do" scenario, which is not good.] ... If, then, we are to say that the criminal loses rights to the extent that he deprives the victim, then we must say that the criminal should not only have to return the \$15,000, but that he must be forced to pay the victim another \$15,000, so

that he, in turn, loses those rights (to \$15,000 worth of property) which he had taken from the victim. In the case of theft, then, we may say that the criminal must pay double the extent of theft: once, for restitution of the amount stolen, and once again for loss of what he had deprived another."

"For every case of trespass, for ox, for ass, for sheep, for clothing, for any kind of lost thing, which another claims to be his, the cause of both parties shall come before the judges. Whom the judges shall condemn, he shall pay double to his neighbor." Exodus 22:9, MKJV

There is a logical structure to the universe, to action, and to ethics. And man, using reason, can learn more than he perhaps initially realizes.

Regarding production and exchange: "... the exchangers transfer ownership rights, and, in each case, ownership rights are acquired in two ways and two ways only: (a) by finding and transforming resources ('producing'), and (b) by exchanging one's produce for someone else's product - including the medium of exchange, or 'money' commodity. And it is clear that method (b) reduces logically to (a), for the only way a person can obtain something in exchange is by

giving up his own product. In short, there is only one route to ownership of goods: production-and-exchange." Of course one may trade the property of one's labor in exchange for goods (including the money commodity) and thereby obtain ownership through the production of labor exchanged for goods.

Rothbard discusses why parasitical predators should be dealt with and not tolerated and encouraged as they are by the modern State. "Now the man who seizes another's property is living in basic contradiction to his own nature as a man. For we have seen that man can only live and prosper by his own production and exchange of products. The aggressor, on the other hand, is not a producer at all but a predator; he lives parasitically off the labor and product of others. Hence, instead of living in accordance with the nature of man, the aggressor is a parasite who feeds unilaterally by exploiting the labor and energy of other men. Here is clearly a complete violation of any kind of universal ethic, for man clearly cannot live as a parasite; parasites must have non-parasites, producers, to feed upon. The parasite not only fails to add to the social total of goods and services, he depends completely on the production of the host body. And yet, any

increase in coercive parasitism decreases ipso facto the quantity and the output of the producers, until finally, if the producers die out, the parasites will quickly follow suit.

Thus, parasitism cannot be a universal ethic, and, in fact, the growth of parasitism attacks and diminishes the production by which both host and parasite survive. Coercive exploitation or parasitism injures the processes of production for everyone in the society. Any way that it may be considered, parasitic predation and robbery violate not only the nature of the victim whose self and product are violated, but also the nature of the aggressor himself [whose personal character is negatively affected], who abandons the natural way of production - of using his mind to transform nature and exchange with other producers for the way of parasitic expropriation of the work and product of others. In the deepest sense, the aggressor injures himself as well as his unfortunate victim. This is fully as true for the complex modern society as it is for Crusoe and Friday on their island."

All property is private and the legitimate owner should be able to enjoy it without molestation by others. However, a question

arises. Does the possessor of property have it legitimately or did they obtain possession by means of a criminal act? It turns out this is a critical question.

**"We thus have a theory of the rights of property:** that every man has an absolute right to the control and ownership of his own body, and to unused land resources that he finds and transforms. He also has the right to give away such tangible property ... and to exchange it for the similarly derived properties of others. Hence, all legitimate property-right derives from every man's property in his own person, as well as the 'homesteading' principle [original appropriation is sometimes called "homesteading"] of unowned property rightly belonging to the first possessor.

**We also have a theory of criminality:** a criminal is someone who aggresses against such property. Any criminal titles to property should be invalidated and turned over to the victim or his heirs; if no such victims can be found, and if the current possessor is not himself the criminal, then the property justly reverts to the current possessor on our basic 'homesteading' principle."

Rothbard demolishes what he calls the "Columbus complex" where a Christopher Columbus comes along, lands on one beach of an entire continent, and then proclaims perpetual ownership over the entire continent. The bottom line refutation is that Columbus did not mix his labor with all of the land pertaining to that continent and so does not really own it in the original appropriation sense of the word. And Rothbard points out that once someone does mix their labor with previously unowned land they do NOT have to continually use the land. As previously explained in the economics section, sometimes land is sub-marginal and therefore not currently in use, but reserved for future use. The key element of using original appropriation to establish ownership is the first-in-time mixing of one's labor with previously unowned resources in the commons – not continuous usage. For example, a farmer may fallow all or part of their land for a time to allow for the soil to replenish (Leviticus 25:4).

Rothbard points out that the police should not be exempt from the violation of the natural rights of others. If they arrest the wrong person they have an obligation to make proportional restitution. If they arrest the correct person they did their job. In your author's opinion

more work will have to be performed in this area of logical reasoning. The general idea here is for the police to understand they are performing a serious job on behalf of the protection of the individual citizens' natural rights and therefore they are not to be a systematic widespread violator of those natural rights – at least not without consequence to any policemen in error.

Regarding fraud: "Under our proposed theory would fraud be actionable at law? Yes, because **fraud is** failure to fulfill a voluntarily agreed upon transfer of property, and is therefore **implicit theft**. If, for example, A sells to B a package which A says contains a radio, and it contains only a pile of scrap metal, then A has taken B's money and not fulfilled the agreed upon conditions for such a transfer - the delivery of a radio. A has therefore stolen B's property. The same applies to a failure to fulfill any product warranty. If, for example, the seller asserts that the contents of a certain package include 5 ounces of product X, and they do not do so, then the seller has taken money without fulfilling the terms of the contract; he has in effect stolen the buyer's money. Once again, warranties of products would be legally enforceable, not because they are 'promises,' but because they describe one of the entities of

the agreed-upon contract. If the entity is not as the seller describes, then fraud and hence implicit theft have taken place."

Fraud → amounts to → implicit theft

Rothbard points out that another important point about the title-transfer model he proposes is that a person can sell a partial interest in property. "The only proviso is that there must, at every time, be some existing owner or owners of all the rights to any given property."

There is a misunderstanding or confusion by some people who believe a "crime" has been committed against them if their property value goes down due to the noncriminal act of another person. An example might clear up this confusion. If for years a family owned the only pizza parlor in a moderately sized town they might come to expect that the value of their family business would continue unabated. If sometime later a competing pizza parlor opens up in the same town and also has the audacity to make what customers regard as good pizza, the first pizza parlor owners would probably not be too happy. No crime has been committed against either the persons or the property of the initial pizza parlor, however. The value of what

they could sell their business for, post-competition, would in all likelihood go down. In short, a good legal system respects and protects individual natural rights from a physical-violence standpoint **not** an economic-value standpoint. Competition among legitimate property owners is part of life. May the person who provides the best and most services to others experience the greatest success. Let all others learn and keep trying.

A good legal system → protects individual natural rights → from a physical-violence standpoint → NOT from an economic-value standpoint

Rothbard makes a good and clarifying point in an effort to eliminate confusion pertaining to the phrase "right to life." His suggestion is to substitute the phrase "right to self-ownership." This is because if someone mysteriously (at the human level) has a decreed "right to life" then others can be handed the bill - instead of the person under consideration as having to pay their own way. In other words, "At whose expense is the person's decreed 'right to life'?" Since a good legal system would acknowledge and act on the principle that everyone owns himself or herself there is no implied potentiality

for the possibility of being able to hand the bill for their existence to someone else. Again, this is why so-called "positive" rights are nonsense.

Rothbard has this: "But one vital distinction between a genuine and a spurious [positive] 'right' is that the former requires no positive action by anyone except noninterference. Hence, a right to person and property is not dependent on time, space, or the number or wealth of other people in the society; Crusoe can have such a right against Friday as can anyone in an advanced industrial society. On the other hand, an asserted right 'to a living wage' is a spurious one, since fulfilling it requires positive action on the part of other people, as well as the existence of enough people with a high enough wealth or income to satisfy such a claim. Hence such a 'right' cannot be independent of time, place, or the number or condition of other persons in society."

Rothbard addresses the subject of risk as follows: "... We live in a world of ineluctable and unmeasurable varieties of uncertainty and risk. In a free society, possessing full individual rights, the proper assumption of risk is by each individual over his own person and his justly owned property. **No one, then, can have the right to coerce anyone else into reducing**

**his risks; such coercive assumption is aggression and invasion to be properly stopped and punished by the legal system.** Of course, in a free society, anyone may take steps to reduce risks that do not invade someone else's rights and property; for example, by taking out insurance, hedging operations, performance bonding, etc. But all of this is voluntary, and none involves either taxation or compulsory monopoly."

Rothbard has a good explanatory comment pertaining to the saying "the ends justify the means." "... For what else but an end could possibly justify any means? The very concept of 'means' implies that this action is merely an instrument toward arriving at an end. If someone is hungry, and eats a sandwich to alleviate his hunger, the act of eating a sandwich is merely a means to an end; its sole justification arises from its use as an end by the consumer. Why else eat the sandwich, or, further down the line, purchase it or its ingredients? Far from being a sinister doctrine, that the end justifies the means is a simple philosophic truth, implicit in the very relationship of 'means' and 'ends.'" Your author would offer the following additional clarification:

Perhaps a better distinction would be that the end justifying the means does not apply if an immoral end were being pursued or if immoral means were being utilized. What is appropriate is the knowledge that the correct goal will only be achieved by using suitable means and those suitable means derive their backward imputation of value from the goal being pursued.

"The end justifies the means" = True → when pertaining to economics

"The end justifies the means" = False → when pertaining to ethics

### **8.14 Some additional praxeological, economic, and ethical thoughts**

This section is devoted to authorial observations pertaining to praxeology, economics, ethics, and divine law. It is not intended to be complete nor systematic but your author thought it important to give a number of additional Life Chart points. Hopefully these additional points will help fill in various gaps and suggest areas for further study. As mentioned in Section 8.13 there is additional intellectual work to do pertaining to praxeology and law, including integrating praxeology with divine law.

All of this said work should be done with the idea in mind of helping average men and women understand what it is important to do and not to do in order to build successful lives. Your author has attempted to do just that throughout the pages of this entire book. With all the above in mind please note that there may not be what amounts to seamless systematic continuity in this section of the book. Lastly, it should go without saying that the reader is free to reject any authorial musings that cannot be directly tied to either divine law or natural law.

Earlier in Section 8.13 we spent some time discussing Rothbard's theory of property and theory of what constitutes a crime – at the human level. Obviously, the two Jehovahs can designate a "crime" as they will in divine law. Your author suspects that when divine law and natural law are completely and systematically explained (at some point in the future) there likely will not be a difference. The two Jehovahs may even choose to excise some of the divine law they added after the fact – in order to simplify aspects of divine law. For example, in Jeremiah 7:22-24 they added sacrificial laws. While sacrifices likely go back to Adam (Genesis 3:21), or to at least Abraham (Genesis 12:7, 15:9-21), perhaps the system of sacrifices was

not what God originally intended. It appears that once added they are here to stay because Ezekiel 40-48 detail instructions for a new Temple and the sacrifices are part of that prophecy for what is going to happen after Jesus Christ returns. But what could happen is the two Jehovahs might choose to either rewrite the Bible to make it easier to understand or add parenthetical comments and footnotes to assist the reader. Or, they might leave it the way it is. Even if they choose to leave it the way it is, there will be kings and priests who know their roles and who will teach human beings holy versus profane, clean versus unclean, acceptable behavior versus unacceptable behavior, etc. People will know right from wrong before the fact – before they take action. This is important because human development is the work of God and if people are confused about what is right and what is wrong they will make unnecessary mistakes – both moral and intellectual. Of course for those who cooperate with the two Jehovahs in their divine individualism process they will also receive the help of receiving the Holy Spirit.

With the above paragraph in mind here is your author's suggestion as to how to keep rules and regulations from multiplying to the point

where no man knows if he is acting correctly or not, and the burden of government is so great that precious capital is consumed and then people suffer. If actions less than optimum were divided into several broad categories then different levels of (pick your word) "punishment," "sanctions," "admonishments" could be applied without destroying society and the people in it. Your author is purposely painting with a broad brush below in order to give your mind a direction to think in – so please allow for a little latitude in regard to the lack of complete precision. As your author previously mentioned, there is more work to do to get this right for humanity. The below is a suggestion for thoughtful consideration.

Crime → violence, credible threat of violence, theft, or fraud against → persons or their private property

Crimes → punished by strict liability + proportional restitution + (possibly double restitution) (per Bastiat, crimes would be punished by *legal restraints*)

Immorality → immoral acts not rising to the level of a crime (for example, a broken promise, personal drug abuse, etc.)

Immoral acts → punished by being religiously ostracized (for example, the offender cannot go to the Temple until they repent and change), OR possibly by being socially ostracized (if a man, they cannot get a good wife until they change), OR businessmen may choose not to exchange with them (to do business with or be associated with them), etc. (per Bastiat, these would be “punished” in the hopes of helping the offender realize the importance of *moral restraints*)

Ill manners → acts that are repugnant to acceptable social behavior (not a crime and perhaps not immoral, just gross and unnecessary behavior such as not bathing, belching out loud, inappropriate comments, etc.)

Ill manners → punished by being socially ostracized (you are not invited to social outings, e.g., to dinner, or to a party, or banned from a community potluck, etc., until you agree to behave acceptably)

Parasitical behavior → not being productive enough to pay your own way, and then attempting to mooch off of others or calling for government interventionist action to allow you to continue to be non-productive

Parasitical behavior → punished by not giving them food and not helping them in any way until they change and are willing to work ("For even when we were with you, we commanded you this, that if anyone would not work, neither should he eat." 2 Thessalonians 3:10, MKJV)

The above categorization and guidelines for punishment (societal reaction) would go a long way toward helping individuals come to see they have obligations to fulfill if they want to experience the benefits of society. The idea is to help men and women see they will be punished if they commit a crime to the level it is not worth it. Further if they do not exercise moral restraint and exhibit some social manners they will be not welcome at the most important places such as the Temple, and they will miss out on valuable family, social, and business opportunities should they not learn and change. Rules and regulations will not change bad people. But those rules and regulations will cost the good people in society - who are stuck with the financial cost and the waste of life in terms of complying with them. Unnecessary rules and regulations can also have the tendency to corrupt the character of those who end up with

the task of enforcing them. Many bureaucrats and police officials are very unhappy people.

Legal scholar, philosopher, and author Lysander Spooner observed that vices are acts, while repugnant, that do not rise to the level of a crime. “**Vices** are those acts by which a man harms himself or his property. **Crimes** are those acts by which one man harms the person or property of another. Vices are simply the errors, which a man makes in his search after his own happiness. Unlike crimes, they imply no malice toward others, and no interference with their persons or property.” For the most part, all human acts are either virtuous or vicious. It is an empirical fact of life for human beings that all men exhibit some virtuous acts and some vicious ones. Since all men, at times, act viciously, who is to decide what vices are punishable? Since all men commit some vices to some degree, if vices were to be considered as crimes there would be no one left who was not in prison. Who could judge the vices since all judges are human beings who sometimes exhibit vices themselves? The same holds true for policemen and lawyers and juries. Who would sit on the jury if society put everyone in jail that was “guilty” of committing a vice?

"Or how can you say to your brother,  
Brother, let me pull out the splinter in your eye  
[another man's vice], when you yourself do not  
see the beam [vice] that is in your own eye?  
Hypocrite! First cast out the beam out of your  
own eye [vices out of your own life], and then  
you shall see clearly to pull out the splinter that  
is in your brother's eye." Luke 6:42, MKJV

Along the same lines your author believes that after Jesus Christ returns to the earth (Revelation 19) people will be taught that to "join society" they must agree to respect other people's natural rights – in essence, to follow Maybury's two laws. These two laws are very easy to explain and understand and they can be taught to even grade school children. If someone were not willing to do so then they would be forced to try their hand at living in isolation (in a man against nature scenario), but that is a hard and lonely life. A further problem for one choosing such a life is they will be considered an outlaw if they have committed a crime - with all the risk and likely result of such a designation. The "best" case scenario of such a lifestyle choice is a hard life where one is always suspected. It would just be easier to accept there are natural laws, divine laws, and that life in society is a better life and then to

conform to reasonable societal obligations in order to join it. There is no place in the universe one could travel to in order to escape from either divine laws or natural laws, anyway.

To "join" society → other people's natural rights must be respected + you need to keep your word + exhibit some basic manners

Ultimately, part of societal obligations will be to pay the Temple tax and to tithe on agricultural increase if one accepts the two Jehovahs' offer of conditional free family land. Most will accept this and pay both. It should be noted that the two Jehovahs allow for payment in kind so the farmers do not have to sell their produce for money in order to pay the tithe. They just have to pay in kind (in the commodities they grew, not in money). As to whether there will be additional financial obligations it is hard to say – probably so, but they will be kept to a minimum. Here is why. A long time before Mises figured it out and explained it the two Jehovahs knew that a bureaucratic function has no market prices to guide it and is therefore arbitrary and tends to be wasteful. There simply is no rational calculation available to guide decision-making. They further knew that with big governments

you get small people and they are in the "people-maximizing business." They further knew that government expenditure is consumption expenditure. Consumption expenditure is necessary for private citizens, but savings and investment builds for the future. They would like mankind to think long-term, at least in terms of eternal life, but also in terms of leaving an inheritance for your family (Proverbs 13:22), etc. If you just put these three facts together you get the following:

Fact one → there is rational calculation available in the private sector VERSUS having to resort to what amounts to arbitrary decree in the governmental sector AND

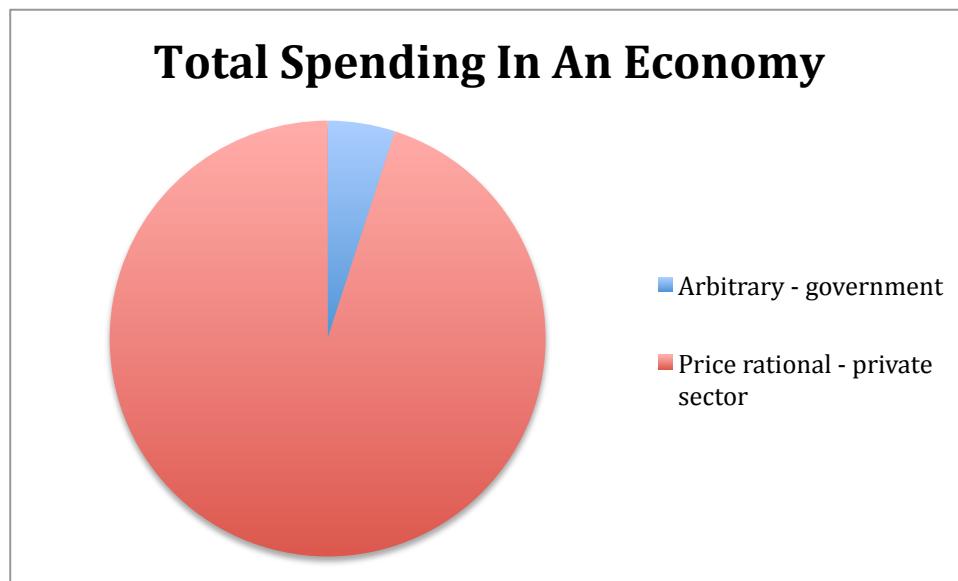
Fact two → big government MEANS → underdeveloped people AND

Fact three → government expenditure is capital consuming consumption expenditure VERSUS some private sector activity is savings (capital formation) plus investing (capital deployment for greater future production) THEN

The wisest society → will limit government to the smallest possible size → that still allows for

government → to effectively deal with natural rights violators

The below graph conveys a conceptual idea only. It is not intended to be a strict numerical designation of the size of a society's limited government.



The size of the pie slices representing total spending in an economy are an example of the concept of minimizing government spending so that the moral, intelligent, and productive citizens benefit. The immoral, irrational, and

parasitical citizens would not have the government available to use as a tool to rob their fellow citizens and distribute the loot (after bureaucratic handling charges) back to them. Worse for them, **the government would have a clarity of focus to deal with criminal acts**, which MRP citizens would not commit. Worse still for them, they would face various levels of social ostracizing to help them understand the importance of growing mature and becoming responsible.

Further, your author wants to point out that ancient Israel was meant to have a citizen army – not a standing army. **Warfare preparedness** takes a huge toll on a society in terms of financial costs, wasted and lost lives, etc. By having a citizen army these costs are, if not avoided, minimized. It is also quite likely that with a small government there will be no government debt. A debt claim is, after all, basically a title to a not-yet-existing future good. It is better to avoid having to produce a good in the future just to satisfy a creditor's debt claim. Without government debt it would leave future children and grandchildren with an unencumbered fresh start. It is relatively easy to pay the costs of a small government and then there is no need for governmental debt

accumulation due to government budget deficits. We can add the further fact that each family receiving family land means there is no need for a formal welfare system with its gigantic bureaucracy which damages lives on both sides of the taxpayer / tax consumer equation. The largest costs of most governments are defense (war preparation), social welfare transfer payments, interest on bloated government debts, and bureaucratic salaries attempting futile interventionist measures that are neither necessary nor desirable. If ancient Israel had done, and any modern nation would simply do what the two Jehovahs instructed, the size of the government inside of the more important society would be very small.

A further point before moving on is that **there is no need for the government to be involved in any way with the money commodity or banking.** The money commodity will arise from the market (likely gold) and private minters can provide the necessary coinage. Private commodity banks can provide money certificates (100-percent reserve banking) and non-inflationary lending, as previously explained. Government should not be involved as it can add no value and society

can avoid the evils of: institutionalized injustice, the business cycles that occur via central banks and the fractional reserve banking system, inflation, and out of control government spending.

The government should not be involved with the money commodity or with banking = True

In terms of attempting to further minimize the negative effects of crime, some possibilities could be having the criminal work off their debt to their victim instead of costing society through incarceration. And there might be occasions where the criminal is sentenced to wear a tracking bracelet and not be allowed to leave the family land of the family they belong to. Family members do not hesitate to speak up to each other when a family member steps out of line. After a period of time the criminal might realize they are paying too great of a price and change their behavior so as not to miss out on becoming a productive and welcomed member of society.

Along the lines of joining society - by agreeing to keep Maybury's two laws and learning morality and manners - producers will want to exchange with others. Producers will

specialize in various lines of production and take advantage of the capital formation that will likely occur more rapidly once the non-MRP irresponsible are more effectively dealt with. The exchanges among producers happen via marketplace trades. The market is a process that happens to have locations. **To “join a market” one must first be a producer.** Of course many people “join a market” and exchange by providing their labor services to producers to assist with their productive efforts. A labor is a producer of personal services. But it should be noted that **there is no place “in a market” for non-producers** – those who have produced no goods and are unwilling to work as laborers. Accordingly, real markets in good and effective societies would keep out (ignore) parasites and beggars, who would not be welcome. Parasites, beggars, criminals, and their ilk are non-market actors.

To “join a market” → one must first be a producer and this can, of course, include being a producer of labor services (one must have something others value so as to engage in exchange)

Examples of → non-market actors → criminals, parasites, and beggars

This goes along with the previously-mentioned idea of “the market principle” versus “the hegemonic principle” in that there are two ways to obtain what one needs in order to live: 1) via production or 2) via being a parasite off of the efforts of producers.

If non-market actors were unsuccessful in their parasitical efforts, but still refused to change, they would find themselves in a Robinson Crusoe situation – them against nature. It would be a hard and lonely life. No doubt some of the people who chose to rebel against joining society would in time contrast the “fruits” of their efforts fighting nature by themselves with what a MRP person could achieve in society. And then some of them would repent and change.

Frederic Bastiat wrote that he observed what he termed “**the law of responsibility**” and “**the law of solidarity**.” The central idea of “the law of responsibility” is that if someone errs they will receive in return negative blowback. They will experience a bad result and this psychic loss (and perhaps financial loss, too) will teach them to be more responsible in the future. The idea behind “the law of solidarity” is that

other peoples' errors can flow over into our lives and hurt us. "But if you bite and devour one another, take heed that you are not consumed by one another." Galatians 5:15, MKJV.

Government and social reformers should NOT attempt to shift where the loss falls from irresponsible actions. Otherwise they will prolong bad behavior and choices, in addition to becoming instruments of injustice. In short, thinking they are helping people in need of help they shift the losses from the irresponsible to innocents and hurt everyone in the process.

Beyond this "Executive Summary" your author will let Bastiat speak for himself – as he so eloquently does:

"For the laws of Providence to be considered as harmonious, it is not necessary that they exclude evil. It is enough that evil have its explanation and purpose, that it be self-limiting, and that every [resulting] pain be the means of preventing greater pain by eliminating whatever caused it [whether the cause be an immoral choice or ignorance, etc.]. Society is composed of men and every man is a free agent. Since man is free, he can choose; since he can choose, he can err; since he can err, he can suffer. All error breeds suffering and this suffering either falls upon the one who has

erred, in which case it sets in operation **the law of responsibility**, or else it strikes innocent parties, in which case it sets in motion **the law of solidarity.**" ... "The action of these laws, combined with the ability that has been given us of seeing the connection between cause and effect, must bring us back, by the very fact of suffering, to the path of righteousness and truth [morality and rationality]. ... But in order that evil (suffering) should fulfill this mission, we must not stretch Solidarity artificially, so as to destroy Responsibility – in other words, we must respect Liberty [the freedom of the individual must be respected which is why the two Jehovahs granted men liberty – free will].

Should human institutions step in to oppose in this respect the divine laws, evil would not the less flow from error, only it would shift its position. It would strike those whom it ought not to strike. It would be no longer a warning and a monitor. It would no longer have the tendency to diminish and die away by its own proper action. Its action would be continued, and increase, as would happen in the physiological world if the imprudences and excesses of the men of one hemisphere were felt in their unhappy effects only by the inhabitants of the opposite hemisphere."

... "But in order that experience should afford us this lesson, in order that it should fulfill its mission, develop foresight, explain the series of consequences that flow from our actions, pave the way to good habits, and restrain bad ones - in a word, in order that experience should become an effective instrument of progress and moral improvement-the law of Responsibility must come into operation. The bad consequences must make themselves felt, and evil must for the moment chastise us.

Undoubtedly it would be better that evil had no existence; and it might perhaps be so if man was constituted differently from what he is. But taking man as he is, with his wants, his desires, his sensibility, his free will, his power of choosing and erring, his faculty of bringing into play a cause that necessarily entails consequences that it is not in our power to elude as long as the cause exists; in such circumstances, the only way of removing the cause is to enlighten the will, rectify the choice, abandon the vicious act or the vicious habit; and nothing can effect this but the law of Responsibility."

Experience → has a mission → to learn cause and effect + to develop **future foresight** → that is to improve human choices so as to eliminate the primary cause of evil → wrong choices

For experience to fulfill its mission → the law of responsibility → must be allowed to operate

Bastiat was a genius. People bemoan the evil in the world and the foolish and criminal acts that cause it. But rules and regulations and the attempts by governments, religions, and social reformers to mitigate THE EFFECTS of evil without addressing the causes of evil will not work. They will only temporarily suspend the law of responsibility by shifting the effects of evil from the heads of the ones who deserve it onto the MRP members of a society. Thinking they do well, **they actually perpetuate evil.** In essence, they work against the two Jehovahs and against the human race.

The above discussion of the laws of responsibility and solidarity are along the lines of why your author wrote a previous book entitled *Values, Choices & Consequences*. And it is one of the major reasons why he wrote this book. Until people change their value system

they are going to make many bad decisions and those decisions will have bad consequences. They need to change their value system from a Satanic one to the unity of the package of values that pertain to life of the two Jehovahs. We do not help people by preventing them from growing mature. People can grow mature in at least two important ways: 1) via conceptual learning and 2) via experience (both good and bad experiences). They can also learn if they are observant, from seeing the effects of the experience of others. If religious leaders, government leaders, and social reformers deplore the habits and tastes of large segments of the general populace they need to understand that the only real change that will occur is when people change **ethical value systems**. Then their personal choices, including their subjective purchase decisions in the marketplace, will reflect these better ethical values. Until that time some of marketplace demand will be for immoral and other items reflecting bad ethical values and unrefined tastes. Ethical value systems are, in substance, objective (they reflect what is objectively good for an entity). Purchase decisions in the marketplace reflect subjective personal preferences as to what will make someone satisfied. The subjective personal preferences (values) will not improve

unless the objective ethical value system changes. When the objective ethical value system of a person changes they look at the world differently. Part of looking at the world differently entails ordering their personal scale of preferences differently – including the taking into consideration of both objective ethical values and objective empirical facts when making decisions, including spending decisions. The spending decisions are still subjective as to what the person believes will make them more satisfied, but now the person is much less likely to spend on items that would actually hurt them or be in bad taste. All of this is your author's attempt to state what should be obvious by now: objective ethical values and the subjective value theory of economics compliment each other and are not contradictory to each other. This is why praxeology and ethics need to "get married" to each other. A change to better ethical values (objective ethical values) will also change people's subjective ideas as to what will make them happy and then their discretionary behavior, including subjective spending decisions, changes accordingly. In the future, when other minds help do some of the heavy intellectual lifting (on this subject,) there is no doubt in your author's mind that better

explanatory words will come along. For now, this is the best that he can do.

Part of the problem of oversized, super-sized government, and the “unavoidable” subsequent monetary inflation that comes with it, is that it turns people into short-term thinkers. If a significant portion of what you are saving is in real terms inflated away, what is the point of saving and investing? People produce less, save less, and invest less in the future. And this means there is less capital available for entrepreneurs to use in increasing production and in creating jobs. Without capital, production is being attempted with less and worse tools and less and worse machinery. The same social reformers, Institutionalists, Progressives, Socialists, etc., who call for big government and all kinds of interventionist measures evidently do not realize government expenditures consume capital. Yet these same people are currently fretting about the lack of growth in the world economy. Ironically and sadly, at the same time they are concerned about “growth” they advocate for policies that involve capital consumption. Economic laws are in constant operation everywhere. And there is nothing free and unpaid for in the universe.

To generate growth → what is required is → net investment (more capital accumulation and effective deployment)

To obtain net investment (more capital) → people must: 1) think longer-term + 2) produce + save, i.e. make a greater provision for the future

To help increase net investment further → shrink government expenditures

**Inflation causes or contributes to:**

- Inability to rationally calculate
- Short-term thinking
- Increased and likely unwise risk-taking
- Cheapening of products (lack of authenticity being accepted, e.g., veneer instead of solid wood, etc.) (smaller sizes for the same price)
- Older people being very badly hurt
- Repairs and maintenance not being done
- Loss of confidence in government
- People being hurt in terms of character (ethics) and thought
- Business failures and misallocations and waste of capital
- Perception of reality is undermined - which means men are undermined

Your author believes that the two Jehovahs really know what they are doing when it comes to human society and it is too bad the ancient Israelites failed themselves and humanity. Here are some aspects of what your author believes the two Jehovahs were going for. They know that while labor is an important factor of production, real human progress comes from a solitary genius making an intellectual breakthrough. The genius may not be formally educated, but gifted in perhaps a fairly narrow area of knowledge or mechanics, etc. Or, they may be a formally educated scientific genius that had the brains and the courage to think in ways not thought of before. It does not matter for our purposes here. As Mises observed: "A new idea is an answer provided by its author to the challenge of natural conditions or of ideas developed before by other people." In addition to advancing material production a genius can also advance art, philosophy, or any other areas of life. There is an aspect of truth that progress comes from all members in society in that progress depends on capital being available in order to implement the breakthroughs of the geniuses, and there is an aspect of truth that progress comes from all members of society in that it takes labor as a factor of production to

generate the production. What is false in the idea that progress comes from all members of society is that without the idea for a better way (which comes from the genius) society stays in pretty much the same place. Laborers doing the same work in the traditional way results in pretty much a status quo situation. The real jump forward comes from the genius when he or she basically ignores what they were taught and discovers something that had occurred to no one before them. For the most part geniuses do not care what other people think and they certainly do not learn their breakthrough from other people. In other words, "they boldly go where no man has gone before." What is not generally realized is that **by prohibiting envy and theft the two Jehovahs were attempting to free the geniuses.** Sadly and ironically, the genius is typically held back from greatly helping his fellow man by the antagonism and opposition from his fellow man.

Another aspect of what the two Jehovahs were going for (but did not achieve due to human error) was for **the criminal element in society to be identified and neutralized.** Evidently there are some people who do not sufficiently develop empathy and this leads them to disregard as irrelevant the pain their

acts cause others. In the worst of cases these people are literally destructive psychopaths. The societal laws and small effective government have to identify and neutralize these predator-monsters. Once one of them were to commit a crime they have to be found and accept their punishment, making the victim as whole as possible as soon as possible. To the extent they did not they would be branded **outlaws** and treated like a dangerous animal to be hunted down and killed. In other words, the two Jehovahs know that even if predators are a relatively small percentage of the human population they can cause damage far beyond their numbers if not neutralized. (Your author has heard figures that about two percent of the general population is this way, but this would be a hard thing to know for sure.) The same is true for opportunistic petty criminals like employees who steal from their employers, smash and grab thieves, etc. An example of damage escalating due to attempted petty theft is as follows: Your author knows of a home where two thieves attempted to break in and steal but the thieves were surprised by the owners of the home actually being at home. The thieves did not succeed but the family involved ended up spending thousands of dollars on better windows, a security system, bars on

certain windows, etc. Other families in the same neighborhood did the same. Your author estimated the attempted theft caused tens of thousands of dollars to be spent in a neighborhood in an attempt to make it harder for thieves to break into houses and steal. If the thieves were "successful" at their theft they would have garnered maybe a few hundred dollars of personal belongings. In other words, the thieves' gain is trivial compared to the damage they caused. But predators do not care about other people. This net loss to local society is in addition to the fear, anxiety, and uncertainty experienced by the members of the good families living in that neighborhood. The damage in changed spending patterns they caused was in the tens of thousands of dollars. It later became known that the thieves in question stole for a living – they had no interest in getting an honest job and productively working for a living. A small effective government that spends its time on protecting its citizens' natural rights and an active citizenry working together to neutralize predators would free citizens to spend their time on producing, instead of on how to keep from being stolen from. Think of it this way. If being a predator is dangerous, because there is an effective government and determined citizen resistance,

then predators either have to: 1) become outlaws, which is even more dangerous for them as now anyone can kill them without legal repercussions, or, 2) they have to face nature by themselves – which is hard and ironically they will have to produce in nature. Since they would have to produce in nature, anyway, why not just reform and join society – which is what is hoped for.

Another aspect of what the two Jehovahs were going for, but did not achieve, was for the average person in society to learn how to become moral, rational, and productive. The failure was due to human error, not the two Jehovahs. With free will, but with no government interventionist measures in place to redistribute wealth from producers to parasites, the average person in society has what amounts to only a few options. They can be farmers or ranchers or whatever they come up with on their family land. They can go face nature by themselves - but in all likelihood they would already know how hard facing nature is from being a family farmer and so this option is unlikely as it would just be easier to work with other family members on the family land. Or, they can agree to work for an entrepreneur. Or, they can start a business and be productive in

an entrepreneurial way. What they cannot do is to be envious of the geniuses, successful entrepreneurs, capitalist investors, or any other successful person and expect that their envy would get them anywhere. By being given self-ownership of their person and by receiving family land there are no excuses that, "I never got a chance, etc." And there would literally be no societal or governmental mechanism in place for them to latch onto which would get them any unearned wealth from productive others. Crime would not pay and is dangerous. Envy is a waste of time and would not get them anything. Ergo, if they want more satisfactions out of life they need to produce more exchangeable goods – whether it be actual goods or labor. **They would be forced to be productive** in order to get ahead, to move forward in life. And society would be structured in such a way that "the law of responsibility" was not tampered with by other men. If someone is not successful today they can learn from experience and hopefully be more successful in the near future.

The above few paragraphs of what your author believes the two Jehovahs were going for can be summarized in the below Life Chart:

The two Jehovahs were going for a society where → 1) crime would not pay and the predators would be identified and neutralized, 2) the geniuses would be free to create, (unimpeded legally so they do not have to fight the state; unimpeded morally so they do not have to fight religion; and unimpeded socially so that they do not have to fight their fellow citizens, i.e., envy would not be directed at them where they almost have to apologize to their fellow citizens for moving the human race forward), and 3) regular average people would know that to get ahead in life they must learn to be moral, rational, and productive – to be responsible for their own lives.

The shorthand of the above Life Chart → 1) neutralize the predators + 2) free the geniuses + 3) everyone else (regular people) forced to be responsible for their own lives and hence, to be productive in some capacity

This seems like as good a place as any to point out something that should be obvious, but evidently is not. In terms of **productivity** and in terms of **intellectual achievement** ... **justice requires proportionality** and not equality. In terms of divine law, natural law, and other regulatory laws (necessary societal

laws) justice requires equality (before the law). This important distinction, not being widely understood, has caused a lot of hurt feelings and wasted effort and lives. The two Jehovahs tried to prevent this from happening when they banned envy (Exodus 20:17), but they did not go out of their way to explain it.

Justice → in terms of production and in terms of intellectual achievement (a form of production)  
→ requires proportionality

Justice → in terms of laws applying to a member of society → requires equality (before the law)  
(Leviticus 19:15)

Because justice in terms of productivity is proportional, and because the market functions as a discovery mechanism, no one who would like to be an entrepreneur can just assert that they would be successful based on pedigree, education, their "great idea," or anything else.

**Successful entrepreneurs come from the market.** In other words, other peoples' valuations and actual purchase decisions will determine if you are a great entrepreneur or not. A great entrepreneur will imagine a better future and deliver it in the present and this will be validated by the purchase decisions of his or

her customers (not his or her big mouth). If really successful the entrepreneur has achieved a just success because they very effectively served their fellow man. In so doing they functioned as change-for-the-better agents for consumers, who did not have to buy from them.

The purchase decisions of consumers (or of lower order stages of production if a business-to-business endeavor) → determines who are successful entrepreneurs and how successful they are

Along these same entrepreneurial-assertion lines it is very important to point out a fact that many people either do not understand or would like to disregard. The hard fact of life is that **prices CANNOT be inserted into the market because they come from the market.** Even a powerful government cannot insert a price into the market. This is why minimum wage laws, maximum selling price laws, etc., do not work without severe negative consequences. The market is a discovery process and does not listen to dictators. The market also does not listen to social reformers, religious leaders, and coffee-shop philosophers, etc. Market prices, from voluntary private property transactions using money, enable the discovery of at least

the following: 1) which products and what quantity should be produced and this includes quality, style, size, material composition, etc. 2) by whom should they be produced 3) where they should be produced 4) what ownership and capital structure should be used 5) which production processes should be used 6) etc.

The market → is a discovery process

Prices cannot be inserted into the market → because prices come from the market = True

A question for others skilled in divine law and praxeology to ponder is this: Do the Father and Jesus Christ have what amounts to a scale of preferences of values they work for in order to achieve? Your author has clearly (hopefully) shown that praxeology applies to the two Jehovahs when they are dealing with contingent beings. What about when they are not? They evidently could just create a natural entity into existence (Genesis 1), but do they have to or choose to work (instead of just decreeing a final result) when dealing with nature, too? One possibility concerning nature is that it could be like a craftsman making the structure of a piece of furniture and deciding how to stain it later, or building the structure of a house first and then

later on deciding on the finishing details, or something like that. Your author is not sure but the below scripture is interesting, particularly in the New Living Translation:

"But Jesus replied, "My Father never stops working, so why should I?" John 5:17, NLT

"But Jesus answered them, My Father works until now, and I work." John 5:17, MKJV

Of course the Ephesians 2:10 scripture, "for we are their workmanship ... " could explain the John 5:17 scripture. But perhaps there is more to the story that we just do not yet understand. Time will tell.

Praxeology and the requirement to take action to sustain our lives on the earth, forces a man to make choices – to discriminate. "Discriminate" has become a loaded and pejorative word, but to discriminate means to choose. We have to choose whether we want to or not – but we do not and should not be racist or sexist, etc. In the free market if an entrepreneur did not hire someone solely because of the color of their skin, their sex, etc., they would be out-competed by smarter entrepreneurs who hired based on merit. In

other words, the two Jehovahs designed prejudice and bigotry to have self-inflicted penalties associated with them. But man is forced to choose and “discriminate” should not be a loaded word, in of itself.

Volumes more could be written on the evils of central banking and some day it will be. There is no doubt in your author's mind that central bankers, politicians that enabled them, cohort bankers, and anyone else involved on the inside will go down in history as the moral equivalents of a Hitler. They have severely injured or destroyed millions upon millions of lives. They have also destroyed currencies. For instance, the purchasing power of money (PPM) of the United States Dollar (USD) has declined by about 98% since the central bank of the United States came into existence. This is obviously a wholesale financial slaughter of anyone who saved funds in dollars. In some other nations it has been even worse. No honest empirical historical assessment could show that the PPM of the USD or other currencies has been preserved or stabilized. Further, inflation-measuring mechanisms have been redefined in order to under-report consumer price increases. But there is an even larger problem because for inflation to only

measure consumer price increases is a sleight of hand. The increase in the money supply caused by the issuance of money substitutes beyond the commodity money deposited does not just buy consumer goods. The money substitutes also purchase factors of production, stocks, bonds, real estate, etc. The prices of virtually all assets go up and this is a reason why, for instance, that the prices of stocks on the world stock markets are high in nominal (money) and historical terms (as your author writes this). In short, official inflation is under-reported and the effects of inflation on asset prices is either not reported at all, or not emphasized. But the real effects of inflation especially hurt those not favored by the inflationism-interventionism policy of the government. Some of the negatively affected are those who receive the money later than the government-elite first-receivers of money, e.g., those on fixed incomes like pensioners, private sector young people struggling to come up with enough money to buy a consumer durable like a home, private sector family savers, etc. The real effects of inflation hurt most people – particularly those in the private sector who are not involved in working on government contracts. Government is not supposed to favor some people at the expense of others. The Bible actually alludes to

the above in many places and your author will quote just one such passage below. As previously mentioned, those responsible will be painted with divine radar and dealt with by the two Jehovahs.

"Once like pure silver [emblematic of commodity money], you have become like worthless slag [emblematic of money substitutes]. Once so pure, you are now like watered-down wine. Your leaders are rebels, the companions of thieves. All of them take bribes and refuse to defend the orphans and the widows. Therefore, the Lord, the LORD Almighty, the Mighty One of Israel, says, "I will pour out my fury on you, my enemies! I will turn against you. I will melt you down and skim off your slag. I will remove all your impurities. Afterward I will give you good judges and wise counselors like the ones you used to have. ... ""  
Isaiah 1:22-26, NLT

A charitable interpretation of the original rationale for the men behind the formation of the central banks to manage the money supply probably involved a false dichotomy and a bad theory resulting in the wrong choice. The bad theory using the false dichotomy was something along the lines of either the central bankers will

have to manage the money supply or the politicians will manage the money supply. Politicians clearly cannot be trusted to control themselves so the default choice (in their false dichotomy scenario) was made to allow the central bankers and their cohort banker team to manage the money supply. And then over time the central bankers set up their fractional reserve banking system with its special legal privileges like legal tender laws, the monopoly on banknote issue, exemption from being prosecuted for fraud, the ability to grant checkbook loans, etc. **But there was a third choice available and it was the correct and disregarded choice.** The third choice was for the people themselves to use commodity money in their daily lives and to appoint any such agents as they themselves might choose to in performing certain 100-percent-reserve banking operations for them – such as commodity-based lending. The people themselves should have been in control of the money supply and this would conform to both divine law and natural law and result in the respect of natural rights. Of course gold mining would slightly increase the stock of money but this has historically been very small – usually about 1.5 – 2.0 percent per year. This small increase can easily be handled by an economy via modest price adjustments

(as could a larger increase through larger price adjustments). This correct third option would have likely prevented huge government budget deficits because the government would either have to tax away the commodity money from the people (resulting in hard questions from citizens) or the government would have had to entice citizens to lend them commodity money (with higher and higher interest rates, but that would be somewhat self-limiting because it would affect the private sector money price of interest rates). Both of those options have immediate visible negative effects because if the size of government in a society gets too large it shuts down economic activity in the private sector and even the man on the street, not educated in money or economics, can feel and see what is going on. The PPM would likely increase over time as the production increases from the private sector delivered a larger amount of goods and services each year than the amount of new gold mined each year and nominal prices might very well fall because of this. But real incomes for laborers and landowners would increase. Young people could more easily form households. Older people would see the purchasing power of their hard-earned savings increase – not be inflated away like it is today. People could think and plan

longer-term without being effectively punished for it. It would pay to save and it is therefore much more likely that more capital would be created and utilized for greater production. And there would be the further benefit of justice in knowing that a gang of illogical, immoral crooks could not manipulate money, politicians, etc., in order to benefit their relatively small cadre of associates at the expense of most of the unseeing general public.

Of the choices of who should be in charge of a society's money supply → 1) central bankers 2) politicians 3) people and their agents (if any) → number three is correct → the first two are disasters

Even worse than all of the above, the people, their progeny, and their assets were all pledged to the central bankers and the men behind them. This means that today we not only have **fiat money** (substitutes) we also have what amounts to **fiat property**. This is because you do not really own something you have to pay property taxes on – the government does. The government functions as a collection agent for the central bankers. And even worse still, we have **fiat freedom** that stems from human legislation not check by either divine law or

natural law. And all the above effectively means that in a sense we have what amounts to **fiat people.**

With central banks in charge of the money supply AND governments acting as their collection agents AND 1) the people, 2) the progeny of the people, and 3) the property of the people → pledged as “security” for government debt → we now have → A) fiat money, B) fiat property, and 3) fiat “freedom,” → all of which mean we have, in essence, 4) fiat people (people who are actually legally enslaved to Satanic monsters)

The central bankers and their pseudo-economist apologists do not understand something Mises explained in 1912 in his *The Theory Of Money And Credit*. Murphy also is to be commended for having a *Study Guide to The Theory Of Money And Credit* and your author will shortly quote several definitions and important points from him. Before that let the reader remember an important distinction concerning money versus other goods. There are 1) consumption goods (goods of the first order) and 2) production goods (goods of higher orders) and 3) commodity money (the generally accepted medium of exchange). Money

obviously is not a consumer good because it is does not directly yield satisfaction, like eating a sandwich. The money is exchanged for a sandwich, which is eaten as a consumer good. One possible further way to look at it is that money is not consumed – it still exists before and after one obtains and then spends it. Money is not a producer good because it is not a commercial tool like a widget-making machine or a computerized accounting system used to help keep the books and records, etc. Of course money is used to buy the factors of production but it itself is not really a factor of production. The best economic practice is to recognize all of the above and use a threefold classification of goods. Money is not a consumer good and it is not a producer good – it is a medium of exchange.

The threefold system of the classification of goods is important = True

The threefold system → a good → is either: 1) a consumer good or 2) a producer good or 3) money (a commonly accepted medium of exchange)

The reason to use a threefold system of classifying goods turns out to very important to

moral, rational, and productive thought. And that reason has escaped central bankers, politicians, most economists, apologists for big government, and most of the general public. Money forms a part of what is called "**private capital**" but it does NOT form a part of what is called "**social capital.**" Your author will let Murphy define both below:

"**Private capital** can be defined as the aggregate of the products that serve as a means to the acquisition of goods. Money should clearly be included in this category [because it can be used to buy the factors of production], and in fact historically an interest-bearing sum of money was the starting point of the concept of 'capital.'

Over time, [economic] theorists realized that money was 'barren' and did not directly yield its 'fruits' the way physical [agricultural] seeds or human labor could. To explain why people would be willing to pay interest on money loans, we must recognize that money can be exchanged for other, productive goods. This observation reinforces the decision to classify money as a medium of exchange, rather than a production good: the only way to salvage the inclusion of money as a part of private capital, is

to distinguish it from other production goods and recognize its special ability to be exchanged for them.”

Private capital = social capital + money

“**Social (or productive) capital** can be defined as the aggregate of the products intended for employment in further production. If we deny that money is a production good, then obviously it cannot be a part of social (or productive) capital.”

Social capital is the aggregate of the products intended for employment in future production. This would include tools, machinery, computers, etc. To remind the reader the factors of production are capital goods (reproducible means of production), land, and labor. **The key point is that none of the factors of production can be created via computer entry or printed like money substitutes can.** And money proper (commodity money) cannot be created by computer entry or printed either. Those running the central banks, the cohort banks, politicians, talking heads in media, pseudo-economists, and big government apologists do not behave like they understand that the factors of production

cannot be magically created by computer entry or a printing process. Money substitutes can be. When the central bankers create more money substitutes they are, in effect, adding to "private capital," but not in an honest way, like gold mining would be. But they ARE NOT adding to "social capital" and it is social capital that generates future production. The central bankers can create all of the money substitutes they want (prior to the destruction of the currency) and none of this money substitute creation will assist in actually increasing production. The artificially created money substitutes, though not commodity money, function as money in the broader sense – as long as they are accepted and used like commodity money by the general public. (As an economic note there is no need to get into the nuances of credit money, fiat money, fiduciary media, etc., right here, as your author does not need to do so to make the main point of this series of paragraphs. Basically your author is using a simplified "commodity money" versus artificially created "money substitute" classification in this series of paragraphs in order to make his point.) Mises and Rothbard have demonstrated that any amount of money can effectively do its job as a commonly accepted medium of exchange (prices adjust in real time

based on the dynamic real world situation). By increasing the money supply the central banks do increase private capital – with the negative effect of altering and subverting marketplace prices. But this increase of private capital does not matter because in terms of increasing production the central bankers cannot just create social capital and the other factors of production (land and labor). It is beyond the power of any man or group of men to do so.

**This is the delusion of trusting in central bankers.** They have no power to actually affect real production, but they can harm it by distorting the pricing intelligence that an unhampered market would have provided. Further, they can also destroy justice in a society whereby natural rights are lost. They can also enable out of control budget deficits and government debt accumulation. They enable the catastrophic destruction and waste of capital resulting from business cycles. And they can ultimately gut the PPM of a currency entrusted to them. Worse for them, they have made the two Jehovahs their enemy.

Social capital → cannot be created via computer entry or a printing process

Private capital → whose composition includes money, → thereby including "money substitutes," → can be increased via computer entry or a printing process

The central bank caused → increase in private capital → does NOT increase production → because the increase in private capital comes from → non-productive money substitutes

The central bank cannot → magically increase → 1) laborers 2) land 3) or capital goods → all of which are necessary for real production increases

Central banks are destructive of society for at least these reasons: 1) currency debasement 2) enablement of government deficits 3) leading to enablement of un-payable levels government debt 4) institutionalized injustice via the loss of citizens' individual natural rights, ergo we now have what amounts to fiat money, fiat property, and fiat freedom 5) institutionalized injustice via new money substitute creation going first to the government elite and central banker elite cohorts 6) misallocation and the waste of capital and the individual pain experienced as a result of the credit-expansion-caused business cycles 7) the confusion-causing distortion of

inflationary-contaminated marketplace prices impairing the ability of citizens to make good decisions (real undistorted prices should have been available, but were not) 8) the contaminated character and minds of bankers, lawyers, politicians, bureaucrats 9) turning citizens into short-term thinkers, fame chasers, and gamblers, etc.

The end of this long and painful road is either a currency collapse, or debt repudiation, or some combination along those lines. If and when this happens your author believes that the government-enabled central banks will still believe they are "entitled" to set up a new currency - though they clearly do not understand praxeology, economics, or money. They will want to engage in further monetary experimentation, which is tantamount to further human experimentation – but men are not lab rats.

In terms of who should handle the money in an economy, there are three principal choices: 1) politicians or 2) the central bank and their cohort banks or 3) the people. The correct choice is 3) the people – using commodity money.

All of the above negatives occurred because enough people did not really understand praxeology, economics, money, catallactics, and other knowable subjects. And your author is convinced that some talking heads still do not understand, to this day, the difference between private capital and social capital and the difference between the commodity money and money substitutes. And so there is a societal and personal price to be paid for this lack of knowledge. In an authorial speculation ... if the governments of the world get into real trouble they will probably allow the creation of "helicopter money" – money substitutes that are created and directly given to the citizenry in the hopes that the resulting citizen consumer spending will stimulate demand and then hence stimulate production – revealing they do not understand Say's Law either. But this would be just the creation of price-altering intelligence-hurting money substitutes and will not allow for real production because the helicopter money is the consumer equivalent of private capital being increased through the increase in money substitutes. Production will not increase, but will instead be altered to go in different directions. It is like someone going down a highway and purposefully putting out signs with the wrong directions that people then follow. In

other words, production will not increase but be altered and it is highly likely there will be even more misallocations of precious social capital.

Natural scientists publish theories and the facts to back them up so that other scientists can duplicate their experiments and confirm or refine the first theory. This process can go back and forth for quite some time and it usually leads to good results, but not always. The first theory can be referred to the "thesis." The counter-proposed second theory to oppose and correct (or replace) the first theory can be regarded as the "anti-thesis" or antithesis. The theoretical jousting back and forth to lead to the hoped for correct and "final" theory, might result in a "synthesis" of the good parts of both the thesis and anti-thesis. Your author has no major objection to the truth unfolding over time in what amounts to a community process of discovery and refinement of what is correct. For the natural sciences in particular this is just a part of the process. No human being has all knowledge and so it has to be this way. Over time, the body of knowledge available to the human race increases and civilization can advance. Where a problem lies is when some social or metaphysical reformers lift the back-and-forth dual of scientific theories out of its

correct intended usage and set up what amounts to metaphysics pertaining to theories. Your author writes “metaphysics” because the social or metaphysical reformers somehow think the first theory is always wrong, the second theory is better than the first, but also wrong, and “Walla,” the third theory is the magical correct synthesis of “truth” – THE correct answer. There is an obvious problem with this approach (in addition to the false metaphysics being expounded and rationalized via this supposed magical way to derive at truth). The problem is that the theory could be wrong, the antithesis could also be wrong, and any resulting synthesis could also be wrong. In short, all the theories involved and whatever social reform was attempting to be rationalized via them, could all be wrong. With any bad theory (including a bad theory about theories) any action taken based on the same will then get you get a bad result. It happens all the time.

The use of a bad theory interpreting limited, complex, and dynamic empirical facts is particularly harmful. This sometimes comes into play when some social reformers visit a ghetto, barrio, or other poor neighborhood in part of the world. If the social reformers do not understand praxeology and economics (or the divine

individualism process) they will interpret the empirical things they observe with a wrong theory. For example, they might advocate for the government to get involved to alleviate poverty. But the government cannot alleviate poverty because the government is a consumer, not a producer and only production alleviates poverty. Any government interventions will have negative attendant consequences and they will certainly not alleviate poverty.

Another ridiculous effort based on bad theory is that some “Progressives” evidently want to equalize outcomes in nature – as if that could actually be done. It is an axiom that there is a diversity of people and natural resources – notwithstanding Rothbard’s classification of same as a postulate. There is no way to even come close to equalizing outcomes from unequal inputs. This is due to at least all of the following (apologies in advance for authorial bluntness): 1) you would have to kill all of the geniuses 2) you would have to freeze a dynamic universe into a static state 3) you would have to steal all the wealth in existence from private property owners and redistribute it somehow - thereby destroying capital on a widespread scale (And could you distribute everything equally? Could you cut up a mountain full of minerals and

redistribute it equally to everyone on earth?) 4) you would have to ignore the fact that if there is no more private property and marketplace exchanges then there are no more prices, and so the “equal” distribution of pieces of factors of production cannot even be somewhat realized because rational calculation is no longer available for your to utilize in your misguided attempt 5) you would have to ignore the fact that capital will be consumed and not replaced and then production will plummet and people will die en masse such that the earth is literally depopulated and 6) you would have to be completely un-empathetic (like a psychopath) while watching human suffering on an unprecedented scale 7) etc. And then later explain to the two Jehovahs you meant well while you were actually serving Satan their enemy.

Many good-hearted people establish charities and charitable foundations in order to give back to society by helping individuals in need. It is a personal choice to do so and your author has nothing to say about how someone else spends his or her honestly obtained money. Regarding charity, however, it is important to realize that most charity will amount to capital consumption. This is because a person in need will likely

immediately consume whatever they receive in charity. It is possible that a portion of the charity will function as a de facto investment with ongoing benefit to the receivers of the charity. An example of this might be where a charity helps drill a water well in a local village thus saving many person days of time walking to obtain potable water. The person days saved can be re-allocated to greater agricultural or other production and in this sense the water well remains a form of capital. But most charity is effectively immediately consumed. And it is important to not get confused regarding production and consumption.

Production must precede consumption = True

Capital is what aids production = True

Capital consumption decreases production = True

Most charity → capital consumption = True

Charity → reducing capital → moves society further away from alleviating → overall poverty

Capital → deployed to hire workers in production  
→ helps relatively poorer people: 1) **earn** and 2)

**learn** (develop job skills for further ongoing production)

Capital → profitably invested → is sustainable

Some further authorial observations pertaining to divine law are that the Bible seems to indicate that those in need be evaluated as worthy to receive aid (Proverbs 3:27) and that such aid be mainly in the form of food and clothing (1 Timothy 6:6-8, James 2:15-16, Matthew 25:35-36). (When much younger your author received very short-term and finite help and it was really appreciated.) Intelligent help can really assist someone to move forward in life – but it needs to be intelligent help, not help that “voids” “the law of experience.” This leaves open the question of three major forms of human need, which are medical services, housing, and transportation. Why are they not mentioned (or emphasized) in divine law? Authorial speculation alert: Medical services are likely not mentioned because divine law considers death as part of the cycle of life and it would be incumbent upon all men to be ready to answer for their lives at any time. We are all going to die and the Bible does not seem to indicate that other people's medical bills should effectively consume societal capital in what

amounts to a vain attempt to try and prevent it. Obviously it is a personal choice to evaluate the context of dynamic situations and then decide if it is possible or wise to help in any given situation. It is also possible that the two Jehovahs intended to provide healing at times, depending on the circumstances as they saw them. Lastly, each family receiving free land and building up a homestead over time would enable most families to look after the chronically sick in their own families, providing them the comfort they could in a familiar setting, surrounded by loved ones. Sorry for the authorial bluntness, but it is not your author's universe and this is the best he can do on this touchy subject. As for housing, the two Jehovahs' intent for was for each family to be given free land. Each family who did not wish to continue to live in a tent and to sleep on the ground would over time construct a dwelling place. The initiative would be on each family. In short, housing is not included in divine law because someone can always live in a tent and sleep on the ground and still be alive. As for transportation, most people walked when the Bible was written, or rode an animal. Nowadays someone can always take public transportation of some kind, ride a bike, or walk. Charity shrinks in size if it is in essence limited to food

and clothing and the recipient is expected to also work to offset some of the costs. The need for charity would really shrink in size if governments worldwide stopped their interventionist policies and allowed for a free market in labor services and in international trade. A poor person could then get a job by lowering their asking price and it is very likely they would produce enough on their own to not also need charitable assistance. Using the largest societal camera angle possible ... indiscriminate widespread charity – if consumed immediately, which most of it most likely would be – would move society away from more production and less poor people due to large-scale capital consumption. At the micro level intelligent charity can really help someone “who is drowning” recover and move forward in life.

This is why Proverbs 3:27 is probably the best one-scripture guide pertaining to charity where we can derive that charity is intelligent, short-term, and local. And the best form of charity is a productive job for those who are able to work.

Charity given to other cultures is probably a mistake. Ancient Israel was to be a light on a hill and a society that other nations would want to emulate. They failed the human race. If

another culture has a high time preference, which is to say the people comprising it are very short-term thinkers and actors, and those actors are unwilling to produce and save, ergo they have nothing to invest in greater future production, or if they are stuck in a seemingly endless cycle of inter-tribal wars, there is no physical solution to their problem. Giving capital to them would make the human race poorer. A man forms capital by thinking longer-term, producing, and then engaging in self-denial (savings). Put into naked terms, if someone in an envious wrong attitude was asking or demanding a greater share of capital what they are in essence asking for is: "Can I have and consume some of your previous self-denial?" The changes needed are a spiritual change in ethical value systems, better education in praxeology and economics, a lowering of time preferences, a cessation of hostilities, and then capital might be deployed in a way that is production-enhancing instead of what amounts to the reinforcement of behavior based on a negative value system.

Many people criticize the wealthy – owners of large amounts of property. There are two important points your author wants to touch on regarding this kind of criticism. First, in a free

market if someone has accumulated a large amount of wealth it is because they have provided genuine service to a very large number of other people. They have earned their wealth and are entitled to it. If, however, they have gotten their wealth through such pseudo-entrepreneurial efforts as padded government contracts, or it is the residual legacy of family inheritance pertaining to prior military conquests, or from other non-market activities then the criticism can be seen to be justified because the wealth did not come from service, but from special pull, conquest, theft, or outright fraud. Second, if it will make the reader feel better about unearned wealth of the type mentioned just above, this wealth would almost certainly diminish over time – or at least it would if we had a free market. In a free market the owner of wealth has to reinvest it in order for it to be maintained or increased. This is only possible if the wealth is invested in such a way that it leads to products or services people are willing to exchange for. In other words, wealth has to be continuously employed in ongoing service to the public or it will shrink or it will change ownership into the hands of someone who knows how to best serve the public at the present time. In other words, in an unhampered market economy **capital is**

**"forced" into service.** If someone does not think that the two Jehovahs think long term, think again. The next generation of a family investing inherited wealth might lose it all and this is why many families invest in property. But property itself diminishes over time and so it also takes ongoing intelligence and capital to maintain. In short, it would seem that the two Jehovahs built into natural law that wealth in a free market - to be preserved or increased - must be employed in ongoing service to others.

Maintenance was mentioned just above and there is a point to be made concerning it. Maintenance is an important part of the ongoing operational success of a business. Whenever one can empirically observe that a business is not maintaining its facility it is likely that the business is having a hard time charging enough revenue to pay for all of its costs of operation – including the adequate maintenance. This is a nice way of saying the business is in the process of slowly going out of business. If a business cannot adequately budget for ongoing and proper maintenance on its buildings, machinery, tools, etc., then it becomes obvious because you can actually see the effects and you can also see just how short-lived social capital is. When it

happens to an entire region you have what amounts to a "rust belt."

Many times laborers have a short-term and narrow point of view. This was partly discussed earlier in this book. What your author would like to specifically address here is the idea that a laborer can somehow insert a price for their labor services into the market. Your author realizes that a laborer would not choose to put the above thought into those words. Nevertheless, many laborers act on the above incorrect thought without realizing it. Here is how they do so. For this example your author will use dollars as the currency unit, but it could be any currency unit. If a laborer is used to making 15 dollars per hour, but loses their job, they are inclined to believe they should still make 15 dollars per hour in their next job. And this is only natural. While the 15 dollar per hour price did come from the actual market that is a past condition of action in a dynamic world. Perhaps a nearby plant just closed down and now there are competing workers who will effectively do the same work as our laborer for only 12 dollars per hour. The man who is used to making 15 dollars per hour has the right to be disappointed with the current situation and he has the right not to work for a time if he has the

savings to support himself. If he has to continue working in the present conditions and if he wants the work he will have to lower his asking price to 12 dollars per hour and find a new employer to hire him. Let us say our laborer does just that. He lowers his asking price to 12 dollars per hour and gets a new job at that rate of pay. If our example ended right here, with a new lower-paying job but with the worker in a good attitude about it all, then there is nothing more to write. Many times, however, the laborer feels cheated. This is even though his new employer had nothing to do with the laborer losing his prior job or with the nearby plant closing. The cheated laborer errs intellectually in at least two important ways. First, he believes the world should be static so he can continue to have his old job at the 15 dollars per hour he earned at his old job. Second, he believes that the 15 dollar per hour past price of his labor services is an unchangeable number (or should be) and he should be able to unilaterally insert that price into any new labor market situation. But the world is dynamic, not static. And neither the laborer, nor anyone else is entitled to insert a "price" into the market and still call it an actual marketplace price. Prices come from the market. They cannot be inserted into the

market. Unfortunately, things can get much worse than the above intellectual errors because some laborers (not all) will now make what amounts to an ethical error to compound their intellectual errors. This is what some laborers will do – again, certainly not all of them. They will either work less hard “Since you are not going to pay me what I am really worth,” or they will steal three dollars an hour worth of something from their new employer. This does not apply to all laborers, only those who commit the rationalized ethical breach. Any who do so are wrong and will have to change because they unwittingly just changed the character of their person from being a producer to becoming a thief. It is not worth three dollars an hour to become a thief. Employee theft is one of the largest preventable costs in some businesses, e.g., retail.

Much more can and will be written pertaining to praxeology, economics, ethics, and human development - and your author hopes that it will be soon (but not by him).

## **Chapter Nine**

### **The Bible As Endoxa And A Game Theory Pushback Against The Natural Scientists**

The thoughts and actions of many individuals living during the 1800's contributed in a variety of ways to God being, in essence, "pushed to the sidelines" or even "out of existence." This is not to say there were not active churches and millions who still believed in God. There were and are. But a secular trend was gaining momentum in a way that is impossible to deny. The Romantic Era artists and intelligentsia wished, hoped, and believed that there were no longer any limits. Socialism came forward as a materialist and determinist secular "savior" for mankind. Darwin's theory of evolution supposedly provided a theory to explain human existence without God having to have been involved. The businessmen were achieving large production increases due to increasing net investment, the de facto opening of the North American continent, numerous innovative ideas actually being implemented including mass production techniques, and other factors. They were implementing into products the discoveries

of the natural scientists – which were many. Moving forward throughout the 1800's and into the 1900's the Institutionalists in Germany and then America offered the State as "God" on the earth. The humanist era, as it were, accelerated. Onward and upward was the de facto and largely secular mode of operation ... but to what? The nationalist conflicts revealing themselves in the two World Wars, with the pain of the Great Depression in between, interrupted the onward and upward secular trend and provided some sobering opportunities for reflection. But those sobering opportunities for reflection proved to be of no avail as the secular, humanist, and Statist trend continues to this day. Interestingly, the natural scientists have somewhat emerged as intellectual leaders - experts providing not only vetted scientific facts, but also possible explanations for human existence. And they have set themselves up as arbiters, as it were, as to what counts for knowledge. Some of them behave as though social scientists are, what amounts to, intellectual stepchildren.

While natural scientists fulfill a valuable role that is quite helpful to the human race, to where can they actually lead the human race? In their worldview the human race is basically an

evolved and intelligent ape and we are more or less an accident of both evolution and natural selection. When we die we are dead and that is it. **In their worldview there is no ultimate purpose to human life.** They have scientific debates as to whether the universe will ultimately collapse back onto itself or continue to expand but what they do not debate about is "the fact" that there is no God or ultimate purpose to human life. If the universe collapses back onto/into "itself" we are all dead. And if the universe keeps expanding, but we as individual members of the human race only live to 70 years, 80 years, or with scientific and medical advancement 120 years, we are still dead for all eternity. There is no **meaningful place** to which the natural scientists can lead the human race – follow them where, to what end? The natural scientists cannot give anyone eternal life. The best they and the specialized medical scientists can do is to lengthen the human life span – but that is a physical lengthening. And perhaps they can also improve the quality of life while we are physically alive. Both of these efforts your author applauds.

Back to the expanding secular trend: is it any wonder that after children are taught by the

State's schools they have a depressed and unenthusiastic worldview – and then resort to mind-altering drugs to escape from a reality that is effectively meaningless to them? Though America has a high standard of "living" tens of millions of Americans are on anti-depression drugs. Millions of others resort to illegal drugs to make the pain of life more manageable. Evidently, from their point of view if there is no meaning to life and life is full of hardship and pain, why not self-medicate some of the pain away? We are all going to die anyway. Earlier in this book your author referenced the Martin Heidegger quote, "We are each a being unto death." This is where a non-life-oriented bankrupt philosophy can lead. It is to the point that many millions of people are avoiding living their life by attempting to escape through drug abuse, which if not checked can cause their own physical death. Based on what they are taught by philosophical, governmental, and natural scientific leaders there is no point to life – so why not just die? And so they do. Should any of us be surprised? They believe what they are told and then make choices based on those beliefs that lead to very bad consequences.

Earlier in this book your author discussed "empiricism," "radical empiricism,"

“materialism,” and “scientism.” Radical empiricism attempts to frame the intellectual and scientific discourse as: “the only things that shall be debatable among philosophers shall be things definable in terms drawn from experience.” In essence, radical empiricists set up intellectual debate and science in such a way that they are the arbiters of truth and the ones whose opinion matters. Evidently these hard-core natural scientists believe in materialism where only matter and energy exist in the universe. Some materialists also believe in scientism – the idea that human consciousness and choice will eventually be explainable by reducing biology to chemistry and chemistry to physics – particles in motion causing reactions. In other words, there really is no free will. And other materialist scientists believe in behaviorism – conditioned response. Your author previously wrote on these things and is just refreshing the reader’s memory because there is a point to be made against these “arbiters of acceptable knowledge” and radical empiricist “leaders” of the human race.

Your author apologizes in advance to his normal readers, but not to the radical empiricists for what comes next. In terms of game theory, the radical empiricists amount to:

## GAME THEORY MENTAL DEFECTIVES

Here is why. Even if the radical-empiricist natural scientists are correct, they lose. If that is not bad game theory, then your author does not know what is. Who, but a mental defective, would bet their eternal life on a theory where if they happen to be correct they end up dead for all eternity? What difference does it make if you get to, in effect, look down upon the rest of the human race for a comparatively short period of time and then die? Can the human race really be expected to follow you? If so, follow you to where – the blackness of death for all eternity? In this kind of a scenario even a Newton or an Einstein's life ends up being pointless – as does everyone else's. And most of these radical-empiricist natural scientists are nothing – at the human level – compared to a Newton or an Einstein. And it goes without saying that if the radical-empiricist natural scientists are incorrect, which they are, it will not be very pleasant for them to stand before the judgment seat of God. As your author has previously explained, a man is either going to become a unique MRP divine individual or die – to be exterminated from existence. So these radical-empirical natural scientific "intellectual leaders" are playing "a

game" where if they are correct they die and if they are incorrect they die – hence their "game theory mental defective" designation.

Your author has provided an explanation for the actual context of the human situation and he has explained the opportunity each man and each woman has to become an eternal and unique MRP divine individual. This is a completely different philosophy - an outlook with hope. Yes, there is evil in the world and life can be hard but there is ultimate meaning and purpose behind our lives. There are many scriptures your author could quote, which touch on the above topic and the times we live in, and the below is one of them:

"To the Chief Musician. A Psalm of David.  
The fool has said in his heart, There is no God!  
They acted corruptly; they have done  
abominable works, there is none who does  
good. The LORD looked down from Heaven on  
the sons of men, to see if there were any who  
understood and sought God. All have gone  
aside, together they are filthy; there is none  
who does good, no, not one."  
Psalms 14:1-3, MKJV

When the philosophical, intellectual, and moral leadership that is provided to the average man and woman rejects the actual context of the human situation and then provides what amounts to nothing in comparison and return, then you get moral relativism, intellectual skepticism, ridiculous Philosophies of History, intellectual bullies, etc. It leads to nihilism, personal existentialism, moral relativism, human experimentation, and suffering. And what they really lead to is hopelessness. And so people check out. They try to rebel against reason and reality - as if that could work. They are trying to somehow find meaning in a purposeless and mainly hopeless life. This is why it is so important to actually understand the context of the human situation and to behave (act) accordingly.

The natural scientists, including archeologists, anthropologists, etymologists, DNA specialists, biologists, physicists, and others have identified facts which they believe cannot be reconciled with the Bible. But your author contends that **the Bible**, properly understood, **is endoxa for man**. Who is correct? Let the reader keep reading and then you can decide for yourself. As an authorial reminder, without the correct theory you get the

wrong answer. This holds true for both science and for Biblical interpretation. There is an answer for scientific facts seemingly not in agreement with the Bible.

One of the best books your author ever read was *Before The Dawn: Recovering The Lost History Of Our Ancestors* by Nicholas Wade – a science writer for The New York Times, Nature magazine, and Science magazine. Mr. Wade told the story of mankind using archeology, anthropology, paleoanthropology, and linguistic analysis (in this case linguists tracing language origins backward through time), all integrated with the latest DNA findings to help correlate and interpret key events in human and pre-human history. The book discussed current scientific thought surrounding a number of key facts pertaining to human history and pre-history. Some of those key facts are listed below [any emphasis in quotations is mine throughout]:

- \* Apes and pre-humans split off about 5,000,000 years ago.
- \* Bipedalism (traveling upright on two feet) occurred about 4.4 million years ago.

- \* Australopithecines began to eat meat about 2.5 million years ago. The eating of meat made a larger brain size possible. *Homo habilis* began about this time.
- \* The first stone tools began about 2.5 million years ago. It is likely that *Homo habilis* was the creator and user of these stone tools.
- \* Not much seemed to happen for the next 800,000 years but then a third genetic revolution showing itself as the new species *Homo ergaster* arose. It could be that *Homo ergaster* was a descendent of *Homo habilis* but there is not enough fossil information available for proof. *Homo ergaster*'s brain volume of 800 cubic centimeters was still far below our modern capacity but the rest of its skeleton has most of the modern human features. This included arms of human length. This could suggest *Homo ergaster* left tree dwelling and began to live on the ground. Also, there was evidently the "pair bond system" of a male and female bonding together from the former male and female hierarchy system prior to that.
- \* About 1.7 to 1.8 million years ago early humans left Africa in a migration(s). Now

separated from the African homeland, various groups followed their own evolutionary path. *Homo erectus* occupied East Asia and *Homo neanderthalensis* (Neanderthals) occupied Europe and sometimes parts of the Near East. The Neanderthals developed good weaponry like stone-tipped thrusting spears and evidently fought against people trying to migrate from Africa.

- \* *Homo erectus* (probably a descendent of *Homo ergaster*) was in Asia at least 1.0 million years ago and maybe as early as 1.6 – 1.7 million years ago – based on stone tools found in Northern China.
- \* At least 500,000 years ago a human lineage had reached Europe. This could have been through another *Homo ergaster* descendant known as *Homo heidelbergensis*. The new migrants likely evolved into the Neanderthals. They were broad-boned and thickset people who were well adapted to the cold.
- \* both *Homo erectus* and the Neanderthals are referred to as “archaic” humans – archaic in distinction to the human lineage who remained in Africa and ultimately became modern. It was in Africa about 500,000 years

ago that brain size relative to body size increased significantly. And it was not until about 200,000 years ago that it reached the modern standard – concerning physical size.

- \* As recently as 50,000 years ago there were at least three human-type species – Homo erectus in East Asia, the Neanderthals in Europe, and the ancestral human population in Northeast Africa. There might have been what amounts to a fourth, Homo floresiensis, on the island of Flores in Indonesia (or they might arguably be classified with Homo erectus, too).
- \* There was evidently not much change in tools from 1.7 million years ago to about 250,000 years ago.
- \* The African Middle Stone Age lasted from about 250,000 years ago to 50,000 years ago. It was in Africa that people began to attain the skull size and skeleton of contemporary humans and this was about 200,000 years ago. The earliest skeletal evidence goes back to about 195,000 years ago and commonly found evidence goes back to about 100,000 years ago. This is why **anatomically modern man** dates to 100,000 years ago. They are classified as anatomically modern,

though they were not behaviorally modern.

- \* Genetic evidence is unnaturally straight as if all the non-surviving competing human lines were pruned away. It could be that one line survived warfare and thus became "modern."

On the other hand chimp lines total either four or five subdivisions depending on who is doing the classifying.

- \* Human-type hair on the head dates from about 200,000 years ago
- \* Modern human behavior, as judged by archeologists, means living like hunter-gatherers. Though anatomically modern man dates from 100,000 years ago, behaviorally modern man dates from about 45,000 years ago – most prominently in Europe. There is evidence of more and better tools and the playing of musical instruments from this time. There is also evidence of burying the dead with rituals and also evidence of trade networks.
- \* **About 50,000 years ago** it is possible that **language emerged** and this was the explanation for the innovative leap forward for

mankind. Mankind, a social species, could now utilize more precise thoughts, transmit knowledge (communicate at a much higher level), and plan longer range. Evidence shows that humans could speak before leaving Africa and so language must have occurred by 50,000 years ago.

- \* Mr. Wade writes something quite interesting: "EVOLUTION'S RAW MATERIAL is the gene pool of a species and the mutations that arise at random in those genes. This formidable constraint means that an organ or faculty cannot be created out of nothing; it can only be shaped, by gradual stages, out of some existing structure, and each of those intermediate stages must confer advantage in its own right.

One reason why human language is so deeply puzzling to biologists is that it seems to defy this rule. It is a vibrant, fully developed faculty in people, but is not possessed, even in rudimentary form, by any other species. It seems to have popped up into the recent human line from nowhere."

- \* Art tends to be equated with language by archeologists and both become common in

the archeological record about 45,000 years ago. Art shows symbolic thinking. Tools also improved in quality and variety and archeologists believe this indicates that the makers of the tools had a different word for each tool.

- \* Using genetic DNA analysis “a date around 59,000 years ago seems a reasonable estimate for the time when the Y chromosomal Adam walked the earth.” “The mitochondrial Eve appears to have lived considerably earlier ... about 150,000 years ago – but that may reflect the difficulty of dating mitochondrial DNA, which gathers mutations more rapidly than does the Y chromosome.”
- \* “Three major events in modern human evolution - the perfection of language, the formation of the ancestral human population and the exit from Africa - seem to have happened quite close to each other in time, around 50,000 years ago.”
- \* “It seems unlikely that the ancestral people [pre-modern in anatomy and behavior] closely resembled contemporary populations in behavior. The human skull and frame were

then much heavier than those of people alive today, suggesting that the ancestral human population was physically aggressive, more accustomed to violence and warfare."

- \* "The **Universal People** is a concept of the anthropologist Donald Brown, who devised it as a counterpart to [Norm] Chomsky's Universal Grammar. Though most anthropologists emphasize the particularity of the societies they study, Brown is interested in the many aspects of human behavior that are found in societies around the world. These universal human behaviors range from cooking, dance, and divination to fear of snakes. Many, such as the facial expressions used to express emotion, seem likely to have a strong genetic basis."
- \* The Universal People tend to have families as the basic social group and "groups are defined by the territory they claim." They have supernatural beliefs and practice magic and divination. They try and control the weather. They have standards of sexual attractiveness and marriage is institutionalized. They sing and dance and have a shelter of some kind. They make tools and weapons.

- \* "Indeed specific evidence has now emerged suggesting that the human brain has continued to evolve over the last 50,000 years. The evidence ... rests on the finding that two new versions of genes that determine the size of the human brain emerged only recently, one around 37,000 years ago and a second at 6,000 years ago. Given the brain's continued development, the people of 50,000 years ago, despite archaeologists' tag for them as 'behaviorally modern,' may have been less cognitively capable than people today."
- \* The bow was invented about 20,000 years ago.
- \* Fishing likely started about 25,000 years ago.
- \* Sheep were domesticated about 10,000 years ago.
- \* About 72,000 years ago people started wearing clothes.
- \* "As hunters and gatherers, the ancestral people probably lived in small egalitarian societies, without property or leaders or differences of rank. These groups engaged in

constant warfare, defending their own territory or raiding that of neighbors. When they grew beyond a certain size, of 150 or so people, disputes became more frequent, and with no chiefs or system of adjudication, a group would break up into smaller ones along lines of kinship.”

- \* Religion probably reinforced kinship bonds to help cohere societies. And religion might have been used to punish people viewed as freeloaders or social misfits and also to help unify the society when fighting territorial wars.
- \* “The adaptations for three principal social institutions, warfare, religion and trade, had evolved by 50,000 years ago. These may have included warfare centered round a defense of territory, religious ceremony as a means of social cohesion, and an instinct for reciprocity that governed social relations within the group and trade with those outside it.”
- \* About 15,000 years ago in the Near East people founded the first settled communities. It turns out this was a telling and important social transition from earlier and still contemporary hunter-gatherer societies. The

hunter-gatherers' societies were egalitarianism and lacked non-portable possessions. But the people in these newly settled societies developed "a new social structure with elites, specialization of roles, and ownership of property." And now these settled societies began to produce storable surpluses of food and also other products. This led to trade between human groups and ultimately it led to more complex societies.

- \* Written records go back to at least 5,000 years ago.
- \* Lactose tolerance goes back to about 5,000 years ago, ergo cattle become even more valuable.
- \* "The Neanderthals, who evolved west of the Urals some 127,000 years ago, were a strikingly distinct variation on the human theme. Their bodies were stocky, with barrel chests and muscles like weightlifters'. They had large heads, with bony brow ridges on the front of their skulls, and strange buns or ridges on the back." They sometimes engaged in cannibalism. The archeological record shows that "the Neanderthals were behaviorally inferior to modern humans."

\* “[Matthias] Krings and [Svante] Pääbo [then of the University of Munich] estimate that the mitochondrial ancestress of humans and Neanderthals lived 465,000 years ago, give or take a couple of hundred thousand years either way. Genes usually split sometime before populations split, so this means Neanderthals split away from the hominid line sometime after 465,000 years ago. Their presumed predecessors, known as *Homo heidelbergensis*, are known in Europe from around 500,000 years ago, but it is not until 127,000 years ago that distinctive Neanderthal fossils appear.

The Neanderthals’ home territory stretched from Spain in the west to points east of the Caspian sea. In the Near East it included the lands that are now Turkey, Iraq and Iran.”

- \* Dogs were probably domesticated about 15,000 years ago.
- \* “‘Mongoloid,’ a term from physical anthropology, refers to the skull shape typically found among East Asians and many American Indians. ... The puzzle is that mongoloid skull types, although now owned by

the largest of all human racial groups, do not show up indisputably in the archaeological record until about 10,000 years ago. ... ”

- \* Agriculture started about 10,000 years ago. Einkorn wheat was evidently first with rye, barley, and other grains following about the same time.
- \* Modern races likely formed about 10,000 – 12,000 years ago.
- \* Wade holds that the two most important developments in the history of man are “1) behaviorally modern man (presumably due to language) about 50,000 to 45,000 years ago and 2) settlements, about 15,000 years ago.” As previously mentioned, the establishment of settlements initiated new ways of thought pertaining to social relationships, including private property and social hierarchies, as examples.
- \* Because hunter-gatherers tended to own almost no personal property there was not a material difference in wealth between people. People tended to behave as more or less equals. The first settled communities show evidence that houses and property storage

facilities were likely privately owned. This was a big change. Because personal private property was now “allowed” (part of the fabric of society), there were some people who acquired more than others, and this gave them greater status. “The old egalitarianism disappeared and in its place there emerged a hierarchical society, with chiefs and commoners, rich families and poor, specializations of labor, and the beginnings of formal religion in the form of an ancestor cult.”

- \* Despite the great progress that DNA scientists have made (and are making) the fact remains that the genes that “account for” human behavior are largely unknown.
- \* It is speculated by some scientists that the modern mind is a quite recent development.
- \* Warfare was a routine “occupation” of primitive societies. One scholar, Stephen LeBlanc, of Harvard noted that “we need to recognize and accept the idea of a nonpeaceful past for the entire time of human existence.” Further: “To understand much of today’s war, we must see it as a common and almost universal human behavior that has

been with us as we went from ape to human.”

- \* In an interesting series of observations by Wade: “The essence of religion is communal: religious rituals are performed by assemblies of people. The word itself, probably derived from the Latin *religare*, meaning to bind, speaks to its role in social cohesion. Religious ceremonies involve emotive communal actions, such as singing or dancing, and this commonality of physical action reinforces the participants’ commitment to the shared religious views.”

“... It [religion] was then co-opted by the rulers of settled societies as a way of solidifying their authority and justifying their privileged position. Modern states now accomplish by other means many of the early roles performed by religion, which is why religion has become of less relevance in some societies. But because the propensity for religious belief is still wired into the human mind, religion continues to be a potent force in societies that still struggle for cohesion.

A distinctive feature of religion is that it appeals to something deeper than reason: religious truths are accepted not as mere

statements of fact but as sacred truths, something that it would be morally wrong to doubt. This emotive quality suggests that religion has deep roots in human nature, and that just as people are born with a propensity to learn the language they hear spoken around them, so too they may be primed to embrace their community's religious beliefs."

- \* Language is necessary for religion and so in dating religion it cannot precede language. It is likely that religion appeared about the same time as when language did - about 50,000 years ago. "The sacred truths have to be stated."
- \* The sacred truths of a religion are not provable but the faithful believers tend to accept them as being unquestionable. "In doing so, like assemblies of the faithful since the dawn of language, they bind themselves together for protection or common action against the unbelievers and their lies."
- \* "What underlay this coevolution of religion with social structure? It seems that the important coordinating role of ritual in hunter-gatherer societies did not end when leaders and elites emerged in settled societies.

Instead, the elites coopted the ritual practices as another mechanism of social control and as a means of justifying their privileged position.

Making the religion more exclusionary gave the elites greater power to control the believers. To justify the ruler's position, new truths, also unverifiable and unfalsifiable, were added as subtexts to the religion's sacred postulates, such as 'The chief has great mana,' 'Pharaoh is the living Horus,' or 'Henry is by the Grace of God King.'"

- \* The thinning of the human skull known as "gracilization" started about 40,000 years ago. This was when humans started becoming "less passionately hostile." Human skulls and teeth shrunk almost like wild animals being domesticated. An example is like a dog as compared to a wolf. Mr. Wade believes humans were domesticating themselves. The more aggressive males ended up with a lesser chance of successfully breeding.
- \* The earliest known wheels date to 3400 BC
- \* Archaic states (as in governments) date to about 5,000 years ago
- \* The first cities were about 6,000 years ago in

Southern Mesopotamia. This is as opposed to settlements that were about 15,000 years ago.

- \* Writing was invented about 3400 BC.
- \* Mr. Wade offers what amounts to a nice summary: "With this script in hand, we can begin to trace the finest workings of the grand process that Darwin could see only in outline. The picture is still far from complete. But as the previous chapters [of Mr. Wade's book] have recorded, a wealth of information has already been retrieved from the darkness. We can see how the human form was shaped, step by step, from the anatomy of an apelike forebear, losing its body hair and developing darker skin as recorded in the gene for skin color. Human behavior, whether in the search for reproductive advantage or the defense of territory [survival], shows clear continuity with that of apes. But it also developed its own characteristic pattern with two pivotal steps: the emergence of long lasting bonds between men and women some 1.7 million years ago, and at 50,000 years ago the evolution of language. Language, a novel evolutionary faculty enabling individuals to share a sequence of precise thoughts

symbolically, opened the door to a new level of social interaction. Early human groups developed the institutions that shape even the largest and most sophisticated of today's urban societies. These included organized warfare; reciprocity and altruism; exchange and trade; and religion. All were present in embryo in the hunter-gatherer societies of the Upper Paleolithic. But it required another development, a diminution of human aggression and probably the evolution of new cognitive faculties, for the first settlements to emerge, beginning 15,000 years ago, and it was in the context of settled societies that warfare, trade and religion attained new degrees of complexity and refinement."

By jointly using archeology, historical language research, and DNA analysis, along with other scientific disciplines, modern researchers are more accurately than ever putting together pieces of information that can advance our knowledge concerning the story of humans. And their joint research efforts are unfolding on an ongoing basis. But do the facts they have uncovered and the speculative narrative that can be told from these facts show that the Bible is incorrect, and therefore all who believe in it

are unscientific people in disregard of the facts of science? The short answer is, "No."

Your author has made the point on several occasions that **the Bible should be considered as the best source of endoxa** – the vetted information of the wise. Further, your author can accept the currently known archeological and other scientific record pertaining to human history. How can that be? It is because if you know where to look in the Bible and have the correct theory you can account for all of the above. Please read on.

Most people assume the creation story depicted in the Bible is, in essence, linear starting with Genesis 1:1. It is not. The Bible has the information pertaining to creation located in many different places and all of this various information taken together reveals important details.

For example, in Genesis 1:1 it is revealed that, "In the beginning God created the heaven and the earth." The word "created" is the Hebrew word "bara" and it means to bring into existence from literally nothing. Verse two reveals more information:

"And the earth was without form and empty.  
And darkness was on the face of the deep. And  
the Spirit of God moved on the face of the  
waters." Genesis 1:2, MKJV

The word "was" in verse two is the Hebrew word "hayah" which is translated in other places as "became" or "come to pass." The words translated as "without form" is the Hebrew word "tohuw," but it could also be translated as "waste." Ergo, a possible translation (and a better one in your author's mind) is as follows:

"And **the earth became waste and empty.**  
And darkness was on the face of the deep. ..."

Or, "the earth had become waste and empty."

Normally your author does not like to get into technical translation issues because generally speaking the translators do a good overall job. However, in this instance it is important. It is important for at least two reasons. First, we have to ask why did the earth become waste and empty? Second, it is clear there is an unspecified time period that occurred between Genesis 1:1 and Genesis 1:2. There is no reason why God would create the earth in verse one - without any form issues -

and then immediately in verse two cause what he created in verse one to become waste and empty. This makes no logical sense and it is almost certainly not what actually happened. It is clear an event occurred and whatever it was happened earlier in time than the events described in verse two, but after the events described in verse one. A distinct possibility for this event which resulted in the earth becoming waste and empty, is that a pre-Adamite creation of men (or pre-people) was wiped out by a great flood sometime prior to this current phase of the two Jehovahs' creation process. This current phase of the two Jehovahs' creation process is described starting in Genesis 1:3 (and in other places in the Bible).

Before we get into more specifics of what could have happened, there is another couple of Hebrew words that your author wants to reference. The first is "asah" which means to create from something that already exists. You could think of this perhaps like a furniture maker creating furniture out of wood and nails, which already exist. The word "asah" is more akin to making something than creating something from nothing (bara). The two words are not interchangeable, which is shown in that they are both used in Genesis 2:3. Your author does

NOT agree with everything theologian Frank Caw writes, but I believe he has the below explanation of "bara" and "asah" correct:

"Genesis 1 and Genesis 2:1-3 and Exodus 20:8-11; 31:17 sometimes are used to prove that God literally created the entire universe in six days and that, Scripturally-speaking, a pre-Adamite creation was impossible. But whenever it is stated that God 'made' the earth and the heaven, or any part thereof, it is referring to the restoration of the immediate heavens and earth sometime after the pre-Adamite destruction portrayed in Genesis 1:2. Since the word 'made' is translated from the Hebrew word ASAHI, meaning to make something out of already existent materials, it is in direct contrast to the Hebrew word BARAH, which means literally to create from absolute nothingness as in Genesis 1:1. Thus, after Genesis 1:1, the only BARAH acts of literal creation were on those occasions when God imparted life to Adam and Eve and the animals - after their physical bodies were ASAHI 'made' from the dust of the earth. Everything else was simply restored to its original condition or ASAHI 'made' from already-existent materials on earth. That is why Genesis 2:3 states that God both

'created' and 'made' during the six days of Genesis 1, and why the two words are not interchangeable as some critics try to argue."

"And God blessed the seventh day, and sanctified it: because that in it he had rested from all his work which God created [bara] and made [asah]." Genesis 2:3, KJV

The second word your author wants to call out is the word "deep" in Genesis 1:2, but not to get into the Hebrew word and its translation as your author accepts the translation. The same Hebrew word is used in Psalm 36:6 and Psalm 104:6:

"Your righteousness is like the great mountains; **Your judgments are a great deep;** O LORD, You keep man and beast."  
Psalms 36:6, MKJV

"You covered the deep as with a robe; the waters stand above the mountains."  
Psalms 104:6, MKJV

The above two verses imply that God sometimes uses a great flood of water covering everything including the mountains as his judgment upon evil. This is further confirmed by reviewing a

few key points concerning the flood that occurred when Noah was upon the earth. The same Hebrew word from Genesis 1:2, Psalm 36:6, Psalm 104:6, and Genesis 7:11 (Noah's time) is used pertaining to the great deep. It is "teh-home" Strong's word 08415.

"In the six hundredth year of Noah's life, in the second month, in the seventeenth day of the month, in this day all the fountains of **the great deep** were broken up, and the windows of the heavens were opened up. And the rain was upon the earth forty days and forty nights."

Genesis 7:11, 12, MKJV

When we understand that God judged the earth during Noah's time, that only eight people were saved (Genesis 7:13), and this judgment was a "great deep" then we can infer that what happened which resulted in the earth becoming waste and empty in Genesis 1:2 was a judgment from God in the form of a flood.

Because there is no time period specified in the Bible for this time gap between Genesis 1:1 and Genesis 1:2, it could be any period of time – including up to many billions of years.

There is an unspecified time gap → between  
Genesis 1:1 and Genesis 1:2

The duration of this gap of time → is unknown  
To refresh the reader's memory the angels  
were created before the earth was.

""Where were you when I laid the foundations of the earth? Tell me, if you know so much. Do you know how its dimensions were determined and who did the surveying? What supports its foundations, and who laid its cornerstone as the morning stars sang together and all **the angels shouted for joy?** "Who defined the boundaries of the sea as it burst from the womb, and as I clothed it with clouds and thick darkness? For I locked it behind barred gates, limiting its shores. I said, 'Thus far and no farther will you come. Here your proud waves must stop!'" Job 38:4-11, NLT

Ergo, the angels have been around a long time. How long is not specified. What is specified in several other passages of scriptures is somewhat shocking. We will start with Ezekiel 28:11-19:

"And the word of the LORD came to me,  
saying, Son of man, lift up a lament over the

king of Tyre, and say to him, So says the Lord Jehovah: You seal the measure, full of wisdom and perfect in beauty. You have been in Eden the garden of God [Genesis 3 – the serpent]; every precious stone was your covering, the ruby, topaz, and the diamond, the beryl, the onyx, and the jasper, the sapphire, the turquoise, and the emerald, and gold. The workmanship of your tambourines and of your flutes was prepared in you in the day that you were created. **You were the anointed cherub that covers**, and I had put you in the holy height of God where you were; you have walked up and down in the midst of the stones of fire [planets and/or stars]. You were perfect in your ways from the day that you were created, until iniquity was found in you. By the multitude of your goods they have filled your midst with violence, and you have sinned. So I cast you profaned from the height of God, and I destroy you, **O covering cherub**, from among the stones of fire. Your heart was lifted up because of your beauty; you have spoiled your wisdom because of your brightness. I will cast you to the ground; I will put you before kings, that they may behold you. By the host of your iniquities, by the iniquity of your trade, **you have profaned your holy places** [sanctuaries or places of worship]; so I brought a fire from

your midst; it shall devour you, and I will give you for ashes on the earth, before the eyes of all who see you. All who know you among the peoples shall be astonished at you; you shall be terrors, and you will not be forever." Ezekiel 28:11-19, MKJV

The king of Tyre is obviously not human. The Bible confirms this by referring to him as a cherub in the Ezekiel 28 passage, above. Frank Caw explains below [any emphasis mine throughout]:

"However, even a casual reader can easily discern that this 'king' is not human if we interpret this biblical scripture in a plain, literal manner, . . . Instead, the description clearly is that of Satan ruling over the earth before his 'moral fall' from grace and perfection, eons of time before the creation of Adam and Eve. Accordingly, the above scriptural passage describes an immensely wise and beautiful and powerful personage who obviously must be Satan. No other creature, certainly no mere mortal, could begin to lay claim to such beauty and perfection, and supernatural wisdom, and awesome power, and fabulous wealth. Certainly no man, with the exception of Adam, was ever created by God, or allowed to enter the garden

of God in Eden. Likewise, never has a mere man walked up and down in the midst of the stones of fire (stars) [or planets] and the mountain of God. Only Satan could match this incredible description. In the above passage, we are told that Satan was perfect from the very first day he was created by God until sin and iniquity were found in him as a direct result (according to Isaiah 14:12-17) of pride which came over him because of his power and beauty and importance as the premier angel throughout the universe. Verse 16 [of Ezekiel 28] continues by saying that Satan was cast out of the mountain or Kingdom of God and banished from the stars of Heaven, and that someday (according to Revelation) he will be cast out permanently, forever. Verse 18 states that Satan and his kingdom subjects worshipped God **in sanctuaries or tabernacles** [holy places] which gave Satan the opportunity to slander God through traffick [sic] which led to his iniquity, and later, the iniquity of his earthly subjects and a third part of the heavenly angels. Yet verses 18 [after the semi-colon] and 19 also describe the exploits and destruction of a visible personage well-known and recognizable by men on the earth, namely, the Antichrist! The only reasonable explanation ... is that Antichrist and Satan will share the same physical human-body

... [for a time, perhaps until the Antichrist is destroyed by fire as mentioned in Revelation 19:20.]”

What could the above reference to Satan having places of worship, trading in something illegal (traffic), and being in rebellion against God mean? Mr. Caw continues:

“Accordingly, perhaps one of the most extraordinary theological concepts in the Bible is the proposition that God created and destroyed an ancient civilization on earth eons before the time of Adam and Eve. Although the Bible says nothing about how long ago all of this took place, it does seem to indicate that a pre-Adamite society did exist at one time in the distant past. So, if this is true, it obviously negates any reasonable conflict between evolutionists and creationists concerning the earth's true geological age because, regardless of the age that science gives to the earth, the Bible agrees. Thus, if true science ultimately proves that the earth's fossil record is simply the result of Noah's Flood, as argued by some 'creationist' scientists, then once again the Bible agrees. ...”

"How you are fallen from the heavens, O shining star, son of the morning! How you are cut down to the ground, you who weakened **the nations!** For you have said in your heart, I will go up to the heavens, I will exalt my throne above the stars of God; I will also sit on the mount of the congregation, in the sides of the north. I will go up above the heights of the clouds; I will be like the Most High."

Isaiah 14:12-14, MKJV

Pertaining to the above Mr. Caw observes:

"Satan is portrayed as ruler of the nations on earth until he experienced his moral and physical fall. He 'didst weaken the nations' through the use of slander against God (... Ezek. 28:16-18), eventually corrupting the hearts of all the people on earth and a third (Rev. 12:4, 9) of the angels in Heaven. He even went so far as to incite open rebellion against God, and 'ascend(ed) above the heights of the clouds' and 'ascend(ed) into heaven' in order to 'exalt (his) throne above the stars of God' and 'be like the most High.' However, he was quickly and surely 'cut down to the ground' by God.

This scriptural passage [Isaiah 14:12-14 with the aforementioned Ezekiel 28:11-19 and

Revelation 12 scriptures] proves beyond any reasonable doubt that there were nations of people inhabiting earth at the time Satan rebelled against God, and that Satan succeeded in causing them to rebel with him. The phrase, 'which didst weaken the nations,' makes this quite clear. Since Satan was already a morally-fallen creature when he tempted Eve in the garden of Eden, this confirms that there was a pre-Adamite civilization on earth sometime before Adam and Eve were told to 'replenish' the earth."

Another interesting point is that use of the word "replenish" in Genesis 1:28. Not all translations have the word as "replenish," but some do and translating it in this way seems to convey the idea involved:

"And God blessed them: and God said unto them, Be fruitful, and multiply, and **replenish** the earth, and subdue it; and have dominion over the fish of the sea, and over the birds of the heavens, and over every living thing that moveth upon the earth." Genesis 1:28, ASV

It turns out that after the flood of Noah's time God used the same Hebrew word in Genesis 9:1 when he told Noah to replenish the earth. It is

clearly the intent that when God was dealing with Noah, that God wanted Noah's children and their wives to propagate. This was after God's judgment of the great deep of that flood upon the earth. God wanted them to replenish the earth with more people. And God used the same Hebrew word in instructing Adam. The implication is that there were men (or pre-people) before Adam was on the earth.

"And God blessed Noah and his sons, and said unto them, Be fruitful, and multiply, and **replenish** the earth." Genesis 9:1, ASV

There were eight people (men in the generic sense of the word) alive after the flood that occurred in Noah's time. In other words, it was **NOT** a complete wipeout from a "mankind point of view." In another interesting passage of scripture, however, there obviously WAS a complete wipeout of "man." This passage of scripture is found Jeremiah 4:23-27:

"I looked on the earth, and, lo, it was without form and void; and the heavens, and they had no light. I looked on the mountains, and, lo, they quaked; and all the hills were shaken. I looked, and, lo, there was no man, and all the birds of the heavens had fled. I

looked, and, lo, the fruitful place was a wilderness, and all its cities were broken down before the face of the LORD, before His fierce anger." Jeremiah 4:23-26, MKJV

There are a number of telling points to be made pertaining to the above passage of scripture and your author will once again quote Mr. Caw:

"Jeremiah describes a time when the earth was 'without form, and void,' or as we determined earlier in Genesis 1:2, 'waste and empty.' But never since the creation of Adam and Eve has all of the earth been completely desolate and empty without any life whatsoever. Not even Noah's world-wide flood destroyed all of the birds, people and vegetation throughout the earth as described in this passage. (Genesis 8:10-11, 17-19). Unlike the flood that completely destroyed Satan's pre-Adamite Kingdom, Noah's Flood did not last long enough to destroy all the plant life on earth, and Noah's Ark provided a place of refuge for Noah and his family and some of the animals and birds. Therefore, the horrific, barren conditions described by Jeremiah must apply to the pre-Adamite creation, after its cataclysmic destruction by God, when absolutely everything

was totally demolished without a trace left behind."

In light of the promises in Genesis 9:8-11 (quoted below) it is clear that the flood Jeremiah is referring to is not the flood of Noah's time, nor can it be prophetic of any flood in the future. It logically must be referring to a flood that occurred before Noah's time and the only Biblical candidate is the destruction described in Genesis 1:2. This makes sense as Jeremiah uses the same verbiage as that of Genesis 1:2.

"And God spoke to Noah, and to his sons with him, saying, Behold! I, even I, establish My covenant with you, and with your seed after you; and with every living creature that is with you, of the birds, of the cattle, and of every animal of the earth with you; from all that go out from the ark, to every animal of the earth. And I will establish My covenant with you. **Neither shall all flesh be cut off any more by the waters of a flood. Neither shall there any more be a flood to destroy the earth.**"  
Genesis 9:8-11, MKJV

The flood Jeremiah described must be the flood God used as a judgment to destroy the world that then was – a pre-Adamite world. This is

further corroborated by noticing a scriptural passage found in 2 Peter 3:3-7:

"First, knowing this, that there will come in the last days scoffers walking according to their own lusts and saying, Where is the promise of His coming? For since the fathers fell asleep, all things continue as they were from the beginning of creation. For this is hidden from them by their willing it [willful ignorance and refusal to think], that the heavens were of old, and the earth out of the water, and through water, being held together by the word of God, through which **the world that then was, being flooded by water, perished.** But **the present heavens and the earth** being kept in store by the same word, are being kept for fire until the day of judgment and destruction of ungodly men."

2 Peter 3:3-7, MKJV

The "world that then was" perished by a great flood. This is NOT the flood of Noah's time because "Noah's world" did not completely perish. And now "the present heavens and the earth" are being kept in store (preserved) by God and will ultimately be judged by fire. The judgment by fire (explained a few verses later in verses 10-13) will evidently be when the new heavens and a new earth (Revelation 21) are

created and only those who are righteous spirit beings will remain. Fire will burn up everything else. Verse five, above, reveals that when God created the original earth that it was not completely under water ("the earth out of the water") and so it must have come to be completely under water as a result of the flood mentioned in Jeremiah 4. This flood likely destroyed a pre-Adamite world that had become corrupted through Satan's efforts. This pre-Adamite world had men (or pre-people), cities, nations, and places of worship.

Because it is not easy to piece together all of the above your author understands that many people reading this will be astounded.

Nevertheless, the Bible is endoxa if you know where to look. The Bible does allow for the earth to be very old and for there to be either men or what amounts to pre-people during that time period extending backward, prior to Adam. It should be no surprise that the evil being, Satan, could have morally and intellectually corrupted this world. That God destroyed this corrupted world with a judgment involving a flood should also be no surprise. And all of this is why your author can quite comfortably accept the archeological record as currently understood. It is also why your author can

accept any subsequent corrections to the archeological record. The archeological record does not contradict the Bible, properly understood. That the archeological record relative to man goes back for hundreds of thousands or millions of years does not surprise your author at all. There are many possible explanations that can be reconciled with the Bible. The two Jehovahs could have used either natural selection as part of a very lengthy creative process pertaining to man, or they could have undertaken what amounts to a period of beta-testing with pre-people before making the final decision to proceed with Adam. The two Jehovahs might also have been testing some of the angels' ability to administrate as much as testing pre-people. Or, there could be another reason as yet unknown.

It is necessary to clear up a possible objection pertaining to Adam being designated as the first man. As a housekeeping point, the two Jehovahs are the original appropriators and owners of the universe. Accordingly, they get to name stars (Psalm 147:4) and everything else they choose to. And they also get to decide when man is now ready to be designated as being in the image and likeness of God. And they get to decide when they give the spirit in

man in enough fullness to allow for human thought, as we know it. If the two Jehovahs chose to create what amounts to pre-people or to use a natural selection process over millions of years to get to the place where they were now ready to begin this phase of their creation story, then so be it. What possible difference could it make to you or me? What is important is that from their point of view Adam is the first man. What is important from our point of view is that the "second Adam," Jesus Christ, working with and for God the Father, created what amounts to a bridge from death to life for those cooperating with the two Jehovahs in their divine individualism process.

"But now Christ has risen from the dead, and has become the firstfruit of those who slept. For since death is through man [see Romans 5:12 and discussion a few paragraphs below], the resurrection of the dead also is through a Man. For as in Adam all die [because each of us has sinned and come under the death penalty, Romans 3:23, 6:23], even so in Christ all will be made alive. But each in his own order: Christ the first-fruit, and afterward they who are Christ's at His coming; then is the end, when He delivers the kingdom to God, even the Father; when He makes to cease all rule and all

authority and power. for it is right for Him to reign until He has put all the enemies under His feet. The last enemy made to cease is death."

1 Corinthians 15:20-26, MKJV

"And so it is written, "**The first man, Adam,** was made a living soul," the last Adam was a life-giving Spirit [Jesus Christ]. But not the spiritual first, but the natural; afterward the spiritual. The first man was out of earth, earthly; the second Man was the Lord from Heaven. Such the earthly man, such also the earthly ones. And such the heavenly Man, such also the heavenly ones. And according as we bore the image of the earthly man, we shall also bear the image of the heavenly Man."

1 Corinthians 15:45-49, MKJV

Romans 5:12 helps explain how sin entered the world and by it death. Mr. Caw has a good explanation and so your author will quote him once again:

"Romans 5:12 reads: 'Wherefore, as by one man sin entered into the world, and death by sin; and so death passed upon all men, for that all have sinned.' Sometimes people use this passage to prove there was no death in the world until Adam sinned, thereby making a pre-

Adamite world and its subsequent destruction an impossible proposition. A closer analysis, however, shows that it simply means that Adam brought sin and death to himself and his descendants - but nothing is said about any humanoid beings who may have existed before Adam.

... according to Strong's Hebrew-Greek Dictionary, the Greek word translated here as world is KOSMOS, defined as an orderly arrangement, which by implication means the earth and/or its inhabitants, literally or figuratively. In other words, KOSMOS can be defined as 'people' or 'social system.' This is corroborated by at least sixty different biblical scriptures using the word KOSMOS in such a way that it can only mean people. Therefore, Romans 5:12 merely teaches that Adam caused sin and death to plague the world or social system of humanity, but it has no relevance whatsoever in regards to another world or social system of humanoid beings who were not descendants of Adam and Eve."

Your author has written a previous book entitled *Water Miracles In The Bible: Satan Conquered*. This book details some of the symbology of various ancient cultures. The

main purpose of the book is to show that throughout the Bible the two Jehovahs repeatedly used water miracles in order to defeat Satan and those following him. The actual water miracles are used in what amounts to a symbolic way. Also in the book there is a section pertaining to "Legacy Civilizations And Serpent/Dragon Worship." This is because many of these civilizations are bound up with serpent and dragon symbolism. The bottom line from the book is that Satan is ultimately going to be conquered, evil will be extinguished, and the good guys will win in the end. It is pretty clear that some strange things have happened in the distant past and that evidently the two Jehovahs have had to, in essence, push the reset button and wipe out what was going on in rebellion against them. Your author will use several paragraphs from that section of his book below.

The Bible, being the true word of the true God, would just ignore Babylonian, Sumerian, Canaanite, Ugaritic, and other myths, correct? Actually, not correct. Below are just a few of the places where the Bible seems to make reference to these myths.

"In that day the LORD with his sore and great and strong sword shall punish leviathan the piercing serpent, even leviathan that crooked serpent; and he shall slay the dragon that is in the sea." Isaiah 27:1, KJV

In Isaiah 27:1, God is actually boasting that he is the real God and he shall slay the dragon that is in the sea (Satan). The real God is going to slay the real dragon – just not yet.

"O LORD God Almighty! Where is there anyone as mighty as you, LORD? Faithfulness is your very character. You are the one who rules the oceans. When their waves rise in fearful storms, you subdue them. You are the one who crushed the great sea monster. You scattered your enemies with your mighty arm. The heavens are yours, and the earth is yours; everything in the world is yours - you created it all." Psalms 89:8-11, NLT

"By his power the sea grew calm. By his skill he crushed the great sea monster. His Spirit made the heavens beautiful, and his power pierced the gliding serpent. **These are some of the minor things he does**, merely a whisper of his power. Who can understand the thunder of his power?" Job 26:12-14, NLT

"Awake! awake! Put on strength, O arm of the LORD. Awake! as in the days of old, in the generations of old. Was it not You who cut Rahab into pieces, piercing the sea-monster?"  
Isaiah 51:9, MKJV

It is interesting how many times God uses the sea and references *serpent*, or *Rahab*, or *Leviathan* (Job 41), or "the sea monster."

God also discusses his mastery of the sea in Psalm 77 and 93:

"The waters saw thee, O God, the waters saw thee; they were afraid: the depths also were troubled." Psalms 77:16, KJV

"The floods have lifted up, O LORD, the floods have lifted up their voice; the floods lift up their waves. The LORD on high is mightier than the noise of many waters, yea, than the mighty waves of the sea." Psalms 93:3, 4, KJV

Over and over again, throughout the Bible, God continually mentions that he is greater than the storming waters. And that he is greater than Leviathan, or Rahab or whatever names he chooses to give to Satan.

The "Overview" section of Wikipedia's "Dragon" entry has the following:

" ... Dragons are often held to have major spiritual significance in various religions and cultures around the world. In many Asian cultures dragons were, and in some cultures still are, revered as representative of the primal forces of nature, religion and the universe. They are associated with wisdom—often said to be wiser than humans—and longevity. They are commonly said to possess some form of magic or other supernatural power, and are often associated with wells, rain, and rivers. In some cultures, they are also said to be capable of human speech. In some traditions dragons are said to have taught humans to talk."

Your author believes that when Satan and his fallen angel team were evicted from heaven they were, for the most part, confined to the earth. As they spread around the world, they deceived mankind (and perhaps pre-Adamic "people") virtually everywhere. And since Satan is identified in scripture as a dragon, or a serpent, and since Satan has deceived the whole world, this is why the various cultures and

religions of the world worship serpents and dragons. Across the world there is almost no end to the monuments showing serpents and dragons.

The legends of Atlantis (Poseidon), Lemuria (Mu), an Egyptian Osirian civilization, an Indian Rama civilization, etc., are possible candidates for the Jeremiah 4 and 2 Peter 3 world-destroying flood scriptures quoted above. The Indian Rama civilization refers to Nagas - serpent gods who take long sky trips. Who really knows if God destroyed these ancient civilizations a long time ago? It could very well be. The main point is that Satan has been fighting against the two Jehovahs for a long time. And part of this fighting likely involves periodic destruction from God upon these evil serpent-worshipping, dragon-worshipping civilizations. The Aztecs, Hopis, Mayans and others believe in the destruction of many worlds before our own. Perhaps all of this is one of the main, but less obvious, reasons for the below very famous scripture:

"That which has been is that which will be, And that which has been done is that which will be done. So, **there is nothing new under the sun**. Is there anything of which one might say,

"See this, it is new"? Already it has existed for ages Which were before us."

Ecclesiastes 1:9, 10, NASB

Further, around the world there are numerous legacy civilizations with huge monuments covered with serpent and dragon imagery. By legacy civilizations I mean civilizations that seemingly sprouted up quickly - much faster than one would think possible. Many of these legacy civilizations have monuments that have extremely heavy and very precise stones that make them impossible to construct today, even with modern machinery. How did seemingly primitive men build such elaborate megalithic structures and why do those structures indicate serpent and dragon worship? Many times local traditions teach that men from space, who were giants, built these structures and cities. (Remember that Satan and the fallen angels probably had an inter-planetary system they were administering and so perhaps they pose as being from space as part of their attempt to deceive mankind.) Usually they used very accurate astronomy in building these megalithic structures. And then these megalith builders taught the local population how to make implements of war, how to worship the serpent god, the importance of

wisdom in attempting to become god, astrology, astronomy, etc. In addition to the similarity of having huge megalithic stone structures, most of these cultures have satanic symbolism in the form of pyramids, obelisks, sun wheels, the eye of Horus, groves of trees, serpent/dragon imagery, etc. How could cultures around the world spring up at about the same time with very similar symbolism? The answer is they were legacy civilizations, which were given some technology and a religion to believe in. The kings and priests of these ancient civilizations used technology, magic, and witchcraft to control their people. The kings also many times assert that they are descended from the gods. Also in many cases these pseudo-leaders have taught some form of serpent-dragon worship and seek to exercise lordship over the peoples. This is referenced in an interesting passage of scripture, found in Isaiah:

“O LORD our God, other lords beside thee  
have had dominion over us: but by thee only  
will we make mention of thy name.”  
Isaiah 26:13, KJV

**The Bible is endoxa for man.** Satan and his team of evil fallen angels have been fighting against both God and man for longer than we

understand. And Satan has evidently corrupted both pre-Adamite civilizations and post-Adam human civilization. There is nothing new under the sun.

Natural selection is a possibility for human history. Evolution is not. There are numerous reasons why, and your author is only going to list some of the most telling and pertinent as this is not a book on evolution.

First, it is impossible for even a relatively modest entity that is complex, but not currently living to become alive (without God), as it violates the scientifically accepted law of **biogenesis** - complex life only comes from existing life, via reproduction. Per Wikipedia's entry on biogenesis: "... complex living things come only from other living things, by reproduction ... . That is, modern life does not arise from non-living material, which was the position held by spontaneous generation." Evolution cannot adequately explain even relatively simple complex forms of life, e.g., multi-cellular organisms.

Second, even if we allowed for the impossibility of spontaneous primitive life to have occurred it still would not enable evolution

to be true. This is because the miraculously now existent primitive life would immediately die. Even a single-cell organism is very complex with numerous biological subsystems. All of these subsystems would have to be miraculously contained and simultaneously present in the single-cell organism. If even one of them were missing the organism would die. These subsystems would have to enable eating, digestion, and reproduction, at a minimum. The mathematical odds against this are staggering. The organism would not have a way to eat. If it did have a way to eat it would not have a way to digest. And even if eating and digesting were against all odds available to it, it would not have the simultaneously ability to reproduce. In short, the organism would not exist in the first place, but if it did it would immediately die.

Third, even allowing for the impossibilities contained in reasons one and two, it is even more exponentially ridiculous to believe that infinitely more complicated forms of life, like man, could evolve and exist.

Fourth, random chance could not have generated the biological structure known as a DNA-containing nucleus.

Fifth, it is inarguable that proteins themselves cannot reproduce because they need DNA. The bottom line is that DNA cannot exist without proteins and proteins cannot exist without DNA and it is not possible that both evolved at the same time.

It should already be apparent that evolution is not a credible explanation for life, but the next three points are possibly even more problematic for the believers in evolution – particularly point eight.

Sixth, evolution in substance violates the core and widely accepted scientific principle of **entropy** – the gradual decline into disorder. Merriam-Webster's Collegiate Dictionary definition of entropy (2a) is: "entropy is the degradation of the matter and energy in the universe to an ultimate state of inert uniformity;" the (2b) definition is: "a process of degradation or running down or a tend to disorder;" the (3) definition is: "chaos, disorganization, randomness." If we were to stop right here we would already notice that evolution violates a core principle of biology (biogenesis) and a core principle of physics (entropy). Your author realizes that entropy applies at the level of the universe and that is

why he wrote "in substance," above. In substance, entropy would seem to argue for a breakdown into disorganization or a tendency to disorder - and not a leap forward, which life would have to be considered.

Seventh, many times believers in evolution explain that the reason for the existence of a specific feature of an organism is that the organism had a need for the feature and so, over time, the organism "evolved" the feature it needed. Per Wikipedia: "Cells stop dividing because the telomeres, protective bits of DNA on the end of a chromosome required for replication, shorten with each copy, eventually being consumed." Without arguing about the above, pertaining to the need to evolve a necessary feature, it leads to a follow-up question concerning man. Why does man have what appears to be a lifetime cell division limit? Why would at least a 5,000,000 or so year evolutionary process to get to modern man not have evolved a solution to the problem of what amounts to a limit on the total number of times our cells can divide? This lifetime cell division limit means we get old and die. But we need to live. Why did we not evolve a way around this limit? And why are we basically stuck with a 70

- 80 year average (from a Western point of view) lifespan?

Eighth, here is the most intellectually devastating criticism of all, and your author has never heard of it being put forth before. Before your author bluntly states this criticism of evolution he needs to lay down some preliminary information about "ribosomes." Per Wikipedia's entry on "ribosome": "The ribosome ... is a complex **molecular machine**, found within all living cells, that serves as the site of biological protein synthesis (translation). Ribosomes link amino acids together **in the order specified** by messenger RNA (mRNA) molecules. ... The sequence of DNA, which **encodes the sequence** of the amino acids in a protein, is copied into a messenger RNA chain. It may be copied many times into RNA chains. Ribosomes can bind to a messenger RNA chain and use its sequence for determining the correct sequence of amino acids. **Amino acids are selected, collected, and carried to the ribosome** by transfer RNA (tRNA) molecules, which enter one part of the ribosome and bind to the messenger RNA chain. It is during this binding that the correct translation of nucleic acid sequence to amino acid sequence occurs. For each coding triplet in the

messenger RNA there is a distinct transfer RNA  
that matches and which carries the correct  
amino acid for that coding triplet. The  
**attached amino acids** are then linked together  
by another part of the ribosome. **Once the**  
**protein is produced** [manufactured], it can  
then fold to produce a specific functional three-  
dimensional structure although during synthesis  
some proteins start folding into their correct  
form." The bottom line of all of the above is  
that the ribosome, INSIDE OF A CELL, is a  
miniaturized protein-manufacturing machine. It  
manufactures the tens of thousands of different  
proteins making up the human body by laying  
down one amino acid at a time in what amounts  
to a pick-and-place sequencing metaphorically  
similar to the pick-and-place computerized  
machine process an electronic manufacturer of  
populated circuit boards uses when  
manufacturing sophisticated precision  
electronics. By way of example it would not be  
possible to make the miniaturized circuit boards  
of a modern cell phone without using a  
computer-controlled pick-and-place electronic  
machine to lay down the surface-mount  
electronic components in just the correct  
location on an electronic circuit board. If the  
reader is interested they can watch such a  
process on YouTube® or other Internet video

site. Just go to a video site and search on "high speed electronic pick and place machine" and then watch a short video. It should be noted that it is very difficult to manufacture a miniature product; it is much easier to manufacture a larger version of a product. Further, it should be noted that most manufacturing facilities only make a fairly limited number of products – usually not more than maybe 100 or so. The thought of making tens of thousands of different products in the same factory is not conceivable to a human entrepreneur and his or her associated management team. It is notable that Wikipedia's definition uses the words: "**molecular machine**," "in the order specified," "encodes the sequence," "amino acids are selected, collected, and carried," and "the correct translation of nucleic acid sequence to amino acid sequence occurs," and "once the protein is produced."

A further point your author wants to make is that in computer programming there is the frequent usage of what amounts to "**lookup tables**." Per Wikipedia, a lookup table is: "In computer science, a lookup table is an array that replaces runtime computation with a simpler array indexing operation. The savings in

terms of processing time can be significant, since retrieving a value from memory is often faster than undergoing an 'expensive' computation or input/output operation." In the definition of "ribosome" we can notice the phrase "the correct translation of nucleic acid sequence to amino acid sequence occurs." This, in substance, is the use of a lookup table in the manufacture of proteins. The lookup table contains information that is encoded in DNA (looking all the way back through the process). In substance and in essence the miniaturized protein-manufacturing machine uses information that is encoded and stored in DNA.

**Information does not evolve.** It is encoded. And when we further consider the elements of: manufacturing, miniaturization, the huge number of individual proteins involved, information encoded into DNA, the use of lookup tables, the accurate scientific designation of the ribosome as a machine, etc., **there is no way this evolved.** And without the manufacturing of proteins there would not be life. It is the genius work of the two Jehovahs!

Evolution is a mutually accepted delusion by the mainstream scientific community. And there is no need for such delusion as many of the greatest scientific geniuses of the past, e.g., Sir

Isaac Newton and Albert Einstein believed in God and tried to figure out what he was doing.

Authorial speculation Life Chart → the two Jehovahs signed their name in some fashion somewhere, like an artist would (perhaps in DNA or using DNA, or somewhere else)

As a brief chapter recap there is a scientifically accepted archeological record that is constantly being updated. The fact of the matter is that this archeological record has evidence that the earth is quite old and so was a pre-Adamite people or pre-people. This does not contradict the Bible because the Bible allows for the earth to be very old and for pre-people or beta-testing people to have existed. The two Jehovahs evidently wiped out an ancient pre-Adamite population because of evil. The Genesis account of the creation of Adam as the first man is correct for this era of the two Jehovahs' creative process. The two Jehovahs are the original appropriator owners and operators of the universe and it is within their purview to designate Adam as the first man from their determining point of view. Natural selection or beta testing could have been part of a pre-Adamite process the two Jehovahs used. In other words, natural selection can easily be

true. Evolution is false. The Bible is endoxa for man.

## **Chapter Ten**

### **"I Just Want To Be Happy" Requires Cooperation With God**

In Chapter Three your author explained the personal means for each man and woman to become "happy." To refresh the reader's memory it was to become a moral, reasonable, and productive human being (an MRP individual). And it was mentioned we each have a need to experience a positive "community of emotion." The way to experience a positive community of emotion is build into your life other men and women of good will who are also attempting to become MRP individuals. It is important to have others of like mind to love, to work together and play together with, to intellectually stimulate each other, and in general to share life experiences with. In fact, to experience a positive community of emotion is one of the reasons why people worship God together and keep religious festivals together, etc. No one really wants to be lonely. For a time they may want to avoid other people because "hell is other people." But what they

really want is for other people not to be hell and to enjoy them.

The vast majority of those who have ever lived have had to walk on an intellectually and spiritually confusing road – “a road with too many signs and no directions.” This has resulted in short and hard lives – in lives that have experienced all too much confusion, frustration, and pain. The Biblical book of Daniel mentions that at the time of the end “knowledge will be increased” (Daniel 12:4). But it does not matter how much knowledge increases or how many facts the human race has if that knowledge and those facts are interpreted with the wrong theories. The multiplying of facts and the acquisition of more and more knowledge are, metaphorically-speaking, the “signs” on the road; but these facts and this accumulated knowledge, by themselves, provide no directions. The wrong theories interpreting these accumulating facts will lead to the wrong conclusions. And then bad decisions will be made, with the ensuing negative consequences. There are many paths that lead to death, but only one path that leads to an abundant and eternal life. It has been one of the purposes of this book **to chart this path** – to provide a

spiritual and intellectual road to travel on – with directions.

It turns out that what your author has provided, when specifying that each of us should want to become an MRP individual and to experience a positive community of emotion with like-minded others, is this: some credible and general content for the word "**happiness**."

The general content criteria → of happiness → is as follows: 1) becoming a moral person (obtaining and using the moral virtues) 2) becoming a reasonable, rational, and intelligent person (obtaining and using the intellectual virtues) 3) becoming a productive (fruit-bearing) person, especially working to be productive in activities that you are both good at and that you also enjoy (using the virtues you have to bear fruit) and 4) experiencing a positive community of emotion through fellowship with the God the Father, Jesus Christ, and other like-minded MRP individuals

Your author would contend that no one is really going to be happy if any of these general content criteria pertaining to happiness are missing. It should be noted that the human condition should be taken into account by each

of us pertaining to both one's self and others. For example, since we are each ignorant, just of different things, we cannot expect to know what we do not know. We can expect to value the intellectual virtues and to attempt to obtain more of them and to use them once obtained. The same thing holds for having to repent – just of different things. Each of has moral failures and so do all of the others we must interact with. That said, however, we should value the moral virtues and seek to obtain and use them in order to become better people.

By way of example, if the general content criteria are not in place then people start doing crazy things like one of the following: 1) rob a bank thinking that if they get away with the money they will be "happy" or 2) raid a neighboring village in order to steal their property or women in order to "be happy" or 3) shoplift in order to get something that will "make them happy," etc. Happiness has to have credible general content criteria or people will attempt to be happy in immoral or unwise ways – and then they will make themselves and the people around them miserable, which is to say they will not be happy and neither will the others they come in contact with. And this is the story of the human race.

Attempts to "be happy" → must be constrained by (remain within) → the general content criteria of "happiness" (within objective ethical and social principles) (action must be in accord with virtue and social etiquette should be kept in mind when taking action)

The general content criteria of "happiness" → can be thought of as **decision filters**

The idea of "decision filters" can be illustrated by the following questions one can ask oneself, prior to taking an action: 1) Is what I am about to do moral, or not? 2) Is what I am about to do reasonable? 3) Is what I am about to do productive? 4) Is what I am about to do relationship enhancing or relationship destroying? Etc.

A necessary point of clarification is as follows. The general content criteria for "happiness" is mandatory, but because the two Jehovahs granted us each free will (liberty), we can choose the particular aspects of happiness for our lives. In choosing the particular aspects of happiness we must always stay within the following minimum boundaries: 1) divine law 2) respect for others' individual natural rights and

3) acknowledgement that the two Jehovahs created and own the universe, with the further implication that we are guests in their universe and must respect their wishes. Within these guidelines we can choose the particular aspects of what we believe would make us happy. For example, one can choose to be a white-collar worker in a large city or to be a family farmer in a rural province (department or state). One can choose to marry or not. One can choose to have children or not. One can choose to earn less money and to have a simpler life as an artist, etc. The difference in living conditions will manifest themselves quite clearly based on each of the above personal choices – all of which can be acceptable.

A **meaningful life** can be found by cooperating with the two Jehovahs in their divine individualism process. A **good life** can be developed, over time, through an understanding of praxeology and ethics and prudent personal choices. These prudent personal choices can result in finding ways to be productive that we enjoy and are good at, and in finding a positive community of emotion through sharing life with family and likeminded others. The meaningful and good life can

hopefully include many pleasant moments, moments where we are happy right now.

It was a great dignity to be given the freedom to choose and each man and each woman must learn how to exercise that dignity in a constructive manner. Each of us must learn how to "grow in grace and in knowledge" – which is to say to grow in the moral and intellectual virtues (2 Peter 3:18). Each of us must learn how to become productive - to bear fruit. This takes both time and the space to grow. Each of us must learn to develop judgment. Developing judgment can occur in various ways, usually including at least the following: 1) some conceptual learning, which your author hoped to assist with when he wrote this book, and also 2) learning from experience. Learning from experience comes from making judgments and taking action based on those judgments – and then *the Law of Responsibility* comes into play and we get both positive and negative feedback. We can learn from both success and failure. And this physical life, while important, is basically a training ground to develop eternal MRP divine individuals.

The liberty we possess enables us to work with others to produce more than we can

produce ourselves. We can also get together with, worship with, and play with others. However, if we choose to use our liberty to band together into undesirable and destructive groups, then the members of the human race will suffer greatly – and so we have. We should not use our liberty to band together into 1) gangs 2) tribes 3) mafias 4) armies or 5) governments if any of these collectives are operating under the Satanic core values of force and fraud. The results of force and fraud are: enemies made, counter-attacks, and endless wars (or preparations for wars) - with the resulting loss of life, liberty, and property, and all of the accompanying pain, suffering, and heartache for the losses suffered. Nor can we use our liberty to follow pseudo-leaders with bad theories (the wrong directions) and expect to achieve a good result. If any leader advocates a particular action based on a bad theory they are a pseudo-leader, not a real leader. An easy example of this is a Hitler. Less easy examples to understand are those who reject praxeology and economic laws, such as the American Institutionalists – who are currently negatively influencing the world. But there is no end of bad “isms” to criticize because there are many roads that lead to death. And anyone who is following any “ism” or pseudo-leader where the

core values being utilized are either force or fraud (or both) will ultimately find out they are being led toward death. **Principle matters.**

Many times you can hear someone sigh and say, "Can't we all just agree?" But the only way for real and constructive agreement to occur is TO AGREE ON PRINCIPLE. There is a standard of THE RIGHT. This is why it is a tragedy that natural law has been "thrown out" by most of the human race, and similarly that divine law has been ignored.

Individual natural rights, derivable from the laws of nature, could have acted as a veto-mechanism over what amounts to collective and religious evil and stupidity.

If we were to use a metaphor, "Mankind," and on purpose make the conceptual realism error of attributing thought and action to a collective, we could metaphorically observe the following: Mankind, for the most part, has traded our divine individualism birthright for collective evil and stupidity. Mankind has followed a murderer, Satan, to find life. And Mankind has followed a liar, Satan, to find truth.

Even "universal agreement" by a very large collective of humans will not save any of those

involved when what is agreed to does not conform to THE RIGHT. And any action taken based on what is wrong is going to lead to vast numbers of actual human beings suffering and perhaps even physically perishing. There is no safety for anyone who is a member of a collective if that collective is basing its actions on force and fraud. All of this has been previously explained.

What needs to be emphasized is the importance of human beings understanding the context of our human situation AND to further realize the importance of cooperating with the two Jehovahs in their divine individualism process. Our cooperation is necessary because of free will. The two Jehovahs cannot force minds and then still contend that the forced mind willingly chose them and their unity of the package of values that pertain to life. And so mankind has been allowed to learn what it can from the operation of the Law of Responsibility and mankind has also been allowed to learn from the operation of the Law of Solidarity – where men's poisonous decisions and their negative results have flowed back into each others' lives. If a man's or a woman's mind is closed to reason, they must be allowed to learn things the hard way. The problem with this is

that even after experiencing short, hard, and unhappy lives people still do not understand why their lives were as they were. They still do not have the correct theory of THE RIGHT. And this has been what this book has attempted to provide. There is a road that leads to life – a road with directions – if one is willing to stop and think. Once one stops and thinks then it can be discovered that giving one's time, energy, obedience, and possessions, etc., to pseudo-leaders who are either wittingly or unwittingly working, in effect, for Satan is helping the team that is actually destroying you as a person. It is also destroying your children. And it will destroy your grandchildren, too.

What your author is basically stating concerning the human race is that speaking collectively we are in a big hole we have dug for ourselves. And since this is the case, the first thing we should do as the human race is to "stop digging." The digging is cooperating with Satan and those in league with him and those he has duped into being in league with him. Each member of the human race can decide to stop digging – and we should. We can acknowledge that the two Jehovahs own the universe. And we can decide to change our minds concerning following the Satan-inspired

value system leading to eternal death by adopting the two Jehovahs' unity of the package of values that lead to an abundant eternal life. Not one of us can decide for others. Each of us must decide for ourselves. If we allow our life to continue to be used as "human fuel" for a human-race-destroying collective of any kind, we are, unfortunately, part of the problem.

Why do human beings help what hurts them? Why do men choose the incorrect means in an attempt to achieve "happiness"? They do so for a variety of reasons, including the following:

- Ignorance or incorrect education
- Believing that feelings and/or intentions and/or wishes will somehow negate cause and effect
- Believing there is safety from reality in numbers
- Believing that platitudes, slogans, symbols, or sympathetic magic will produce a good result
- Misidentified constitutive means (wrong goal) (wrong thought concerning what a good result would be)
- Misidentified instrumental means (not understanding what will cause the

desired good effect)

As humans we can choose the wrong goal, achieve it, and still be unhappy. This is known as choosing **the wrong constitutive means**. We can also choose the right goal, but then go about achieving it in an inappropriate way (via the use of incorrect means), and so then not even achieve the goal at all. This is known as choosing **the wrong instrumental means**. For man, using either force or fraud is using the wrong instrumental means. Fortunately, man can learn from both kinds of errors, change, and then succeed the next time.

The two Jehovahs think long-term ... very long-term. They can heal. And they can resurrect, which is healing at an entirely different level. Ergo, they can afford to be patient while human beings learn from both the Law of Responsibility and the Law of Solidarity. Evidently, in their minds the process of human beings following Satan via adopting the wrong death-generating system of values is something that can ultimately be turned around for good. (In an authorial speculation: it seems like the two Jehovahs are, in essence, inoculating the human race against sin.) But turning things around for good ultimately requires human

cooperation with the two Jehovahs. And this is why it is so important for each of us to decide to do just that – to cooperate with the two Jehovahs in their creative process where we are their workmanship (Ephesians 2:10). What is necessary is never unwise – in this case that human beings experience and then reject evil. *The Good & Evil Sausage Factory* will eventually produce quality “products” – divine individuals.

God the Father and Jesus Christ themselves categorically reject evil because evil causes pain, suffering, and death, etc. This is to say that they reject evil as a goal, i.e., ongoing unending evil clearly cannot be any part of an abundant eternal life. However, that is not what is at issue. What they want is for mankind to reject evil, too, **both as a means AND as an end**. God and Christ, while rejecting evil as an end, are effectively and substantively using it as a means to get men to reject evil, period.

Philosopher and author Paul Rosenberg wrote an essay entitled *Liberty: The Unapplied Cure*. In it Mr. Rosenberg mentioned that he saw hurting people in pews that knew they needed help. Quoting him [emphasis mine]: “They were in pain, they had failed to become what they wanted to be, they had hurt others,

they were lost in the midst of a confusing world, and they didn't know a way out." These people were desperate for help. "... The target audience of the [religious] huckster is sitting in front of their TV at 1 AM because they are depressed, guilty, desperate, and they need something."

... "How many personal problems do you suppose thrive on [lack of] self-esteem? The answer, pretty clearly, is 'most of them.'

And how many personal disasters occur because people are afraid to use their own judgment? The answer is most of them.

So how many problems would fade away if self-esteem and judgment weren't at such abysmal levels? Yeah, [the answer is] most of them.

The people in the huckster's pews were trained to believe that their role in life was to fear and obey, not to imagine and judge and opine. They had their wills crushed by hierarchy and its institutions. They were confused by smooth-talking people in expensive suits. They were intimidated by people in uniforms. They

were repeatedly shamed. They were taught to bow before the idol of authority.

Those are the sources of their problems, and they are precisely the kinds of problems that real, applied liberty [within the confines of objective ethics] chops up."

... "Healthy, free, and confident people do not reflexively obey, and such people are an existential threat to their [the elites'] systems.

Rulership [of the pseudo-leader kind] requires its subjects to be confused, insecure, and ashamed. And that requirement is sickening millions [billions] of souls."

When people do not understand the context of the human situation they do not understand that each of us is a work in progress and each of us has moral failures we need to repent of. The repentance of our sins (by us) and the forgiveness of sin (by the two Jehovahs) can remove low self-esteem because now one stands uncondemned (Romans 8:1) and now one has become a begotten child of God (Acts 2:38). Each of us should now understand the importance of obtaining and using the moral virtues so as to become a better person, going

forward. **We cannot change the past** (Philippians 3:13). We can acknowledge mistakes, learn, and change. That each of us is ignorant of different things allows us to understand the importance of developing and using the intellectual virtues. We can ask for divine wisdom (James 1:5) from God and we can get advice from our fellow men and women who have such advice to give (Proverbs 11:14). When seeking human advice do not go to an electrician to get advice on plumbing, etc. Go to the person who has expertise in that field and then think for yourself before you decide what to do. Understanding that the human condition and the laws of praxeology requires us to think, value (form judgments), and then to take action AND that each human being is "in the same boat," allows us to be patient with others and ourselves as we learn and grow. In the past, each of us took at least some actions based on ignorance, and sometimes also moral failure, and so we have to forgive ourselves, and then others and so move on.

"But let patience have its perfect work, so that you may be perfect and entire, lacking nothing. But if any of you lacks wisdom, let him ask of God, who gives to all liberally and with no reproach, and it shall be given to him."

James 1:4, 5, MKJV

Remember “you cannot put an old head on young shoulders.” If you have ever had children you know what your author is saying here. But the saying does not only apply to children. It applies to all of mankind, from the divine perspective. It takes time to develop the good judgment that comes from experience. This is why social do-gooders and the elite err when they attempt to think for other people and when they attempt to shield other people from the consequences of their actions. No social do-gooder or elite is going to be able to successfully oppose the two Jehovahs’ granting of free will. Either the Law of Responsibility is going to function or the Law of Solidarity is – and no human being has the power to alter this. And this is why it is so important for each human being to admit they have been following the wrong directions and to start cooperating with the two Jehovahs and their divine individualism process. Each of us must acknowledge they are the rightful and true original appropriator owners of the universe. Each of us must adopt the unity of the package of values that leads to an abundant eternal life. Each of us must work to obtain and use the moral and intellectual virtues. Each of us must learn to become

productive. And each of us must learn enough social and communication skills to get along with like-minded others. Regarding becoming productive, in time you will become good at what you like to do. You will receive pleasure from being good, intelligent, and productive and you will receive honor from so doing. And you will receive pleasure from interacting with like-minded others.

“indeed to those who with patience in good work are seeking for glory, and **honor**, and **incorruptibility**, everlasting life.”  
Romans 2:7, MKJV

When we decide to cooperate with the two Jehovahs we are choosing the noble and the good. We are rejecting the base and the evil. It might require a change of friends or job or where we live so as to be repositioned in such a way so that one can experience the encouraging positive community of emotion from others of like mind – others who are seeking to become MRP unique divine individuals. Obviously, please be wise and get counsel from both God and wise others and think hard before making any drastic life changes. But they might be necessary.

Our life should matter to us. We can think of life as an activity, and the activities that make up our life need to conform to what is moral, rational, and productive. Our free will (liberty) is to be guided within objective ethical principles.

In the above quoted Romans 2:7 scripture and in 1 Corinthians 15:51-54 there is a word that is very easy to read over and that word is "**incorruptible**." Incorruptible is a very "pregnant" word.

"Behold, I speak a mystery to you; we shall not all fall asleep, but we shall all be changed; in a moment, in a glance of an eye, at the last trumpet. For a trumpet shall sound, and the dead shall be raised **incorruptible**, and we shall all be changed. For **this corruptible must put on incorruption**, and this mortal must put on immortality. But when this corruptible shall put on incorruption, and when this mortal shall put on immortality, then will take place the word that is written, "**Death is swallowed up in victory.**" 1 Corinthians 15:51-54, MKJV

In philosopher-speak the word "incorruptible" has what are known as pre-conditions. You can think of pre-conditions as peeling away layers of

the intellectual onion going backward in order to see the pre-conditions that must exist in order for the condition itself to also exist.

The pre-conditions of *incorrputible* are at least as follows: 1) a person must always know the right from the wrong and then 2) one must always choose the right (the good). But number one also has what amounts to a pre-condition, which is that for number one to be true we must know the context of the situation. This is because one cannot know what is right for a given situation if one does not also understand the context of the situation. Ergo, in order for us to know right from wrong we also have to know the context of the situation. This is all very powerful. Here is why. As far as your author can determine, at the present time there are only two beings in the universe who actually know the context of any situation AND have all of the intellectual virtues in their person so as to always know the right course of action AND have all of the moral virtues in their person so as to possess the righteous character to always do the right. Those two beings are God the Father and Jesus Christ. This number is going to change – hopefully in the not too distant future. Post-resurrection, those human beings who have become spiritual Israelites will be

incorruptible, too. This means that each resurrected MRP unique eternal divine individual will also possess all of the intellectual virtues and all of the moral virtues in their person, too. Further, they will either know the context of the situation or be wise enough to ask the two Jehovahs what the real context of the situation is and so we will always be able to both know the right and also to then do the right every single time, i.e., be incorruptible. There can scarcely be a more powerful word in the English language.

Incorruptible → always doing what is right

Incorruptible has pre-conditions, as follows: 1) knowing the context of the situation + 2) ascertaining right from wrong before acting + 3) doing the right (every single time)

Incorruptible implies → divine healing at the resurrection

Incorruptible implies → post-resurrection → healed individuals now having → all of the moral virtues + all of the intellectual virtues → in their person

Satan is going to be crushed. The one-third of the angels who followed him and became the fallen angels will also be crushed. The elite who have, in one way or another, sold out to the master of lies and murder are going to be exposed, humiliated, and exterminated from the universe (unless repentant). There are only going to be the good guys left in the end. And those good guys are going to be incorruptible.

Our activities in learning how to obtain and use the virtues, in learning how to be productive, and in learning how to get along with others need to be guided by prudence. Quoting from, *Aristotle In English: The Nicomachean Ethics A Paraphrase Edition* by Manuel Nunez: "Prudence can be defined as seeking out and engaging in the kind of behavior that will enable us to live well. A prudent person thinks about what actions are ultimately best for his life, and does them, even if they cause temporary pain or discomfort. A prudent person will, for example, save money for the future." Prudent people keep "the goal of well-being in mind" and they learn to be good at determining what is the best course of action to take for the well being of themselves and others in any given circumstance. "... they tend to make the right decisions and take the time to

deliberate their actions in light of the available facts.”

It takes liberty to learn morality. It takes liberty to learn how to be intelligent. It takes liberty to learn how to become productive. We should use our freedom of choice to change our value system to that of the two Jehovahs’, concurrently rejecting Satan’s force and fraud value system. Then our choices and the consequences that follow will improve. It also takes some discipline to follow through with changing our lives. Quoting once again from paraphrased Aristotle: “The disciplined man is one who lives by the plans he has made. He follows his reason, rather than his desires, when he knows those desires are bad.”

Our emotions can also help us to become MRP individuals. They can do so as follows. First, we need to set the goal to achieve the constitutively good life (a meaningful life) – to become an MRP individual. As we endeavor to live in a new manner, our emotions can give us feedback in the form of happiness or sadness as we experience wins and losses along the way. In other words, proper emotional feedback can help us to know if we are going in the right direction or not. This is also true of using

prudence to attempt to achieve the good life (explained earlier in the chapter). Based on the unity of virtues we do not want to be a truther who has what amounts to heartless wisdom or a lover who is unaware of what is really going on. Of course the emotions serve other many other purposes as well, but this is beyond the scope of this book. There is an important place for our emotions in our lives and our emotions should be mature, balanced, and "intelligent." Your author is not an expert on the emotions but it would not surprise him to later learn that there is or should be what amounts to "a unity of emotions" similar to the afore-mentioned unity of virtues. If so, the unity of emotions would likely integrate into the unity of virtues and this is probably yet another set of qualities pertaining to the two Jehovahs. At any rate, we have to seek for guidance through practical reason and moral virtue – not our emotions because our emotions are not "tools of cognition" (the latter phrase coming from an observation from Ayn Rand). Again, our emotions can reinforce whether we are going in the right direction or not. Mixing metaphors on purpose: While there cannot be what amounts to "an amputation of the heart," our emotions cannot "drive the bus" that is our life. We can use conceptual analysis to ascertain whether

something is constitutively good or not based on the nature of what we are analyzing. In other words, our emotions and our intelligence need to be in sync with each other. This can only happen if we are conforming our lives to THE RIGHT. Our emotions are only in balance if they are tied to objective standards or principles of the right (the good) and in sync with the appropriate reaction to them. An example of an appropriate reaction is when there is a death there is sadness and sympathy for the family and friends of the person who died, in addition to our own sadness. Another example is the joy that results from achieving a moral, intellectual, or productive goal, or from seeing a friend one has not seen in quite some time, etc. Our emotions should follow a standard of the right, or a standard of achievement, etc. Our emotions cannot guide our lives disconnected from a standard of what is best in the context of the situation. They can provide supportive guidance and reinforcement.

Moving on ... ancient Israel failed themselves and the human race. Governments have failed their citizens. Religions have failed their members. Behavioral scientists are not going to engineer good human beings. The "isms" are failures based on violating the divine and natural

laws that govern the universe. Materialism will not develop good human beings, either. There is no ultimate answer pertaining to life coming from the natural scientists. And while breakthroughs in medical technology are appreciated, they cannot provide an abundant eternal life. Ultimately speaking, life does have meaning for human beings and there is good that will come from the human condition. But the ultimate good pertaining to the toughness of the human condition will not come from a human government, religion, "ism," or from scientists. Those ultimate good results will come from the love, wisdom, and determination of the two Jehovahs. Because the goals for and the purpose of human life are set so very high, the creative process is hard indeed. Your author believes that seeing all of this human pain is even hard on the two Jehovahs. But to create right character in other individual beings is very much of a challenge, because it comes down to each individual person learning one concept at a time and then each individual person making one good decision at a time.

An important point of clarification (your author has never seen taught before) is that many times we tend to feel that "everything always happens to me." We feel this way

because our five senses are connected to us and we intake things from the environment through our senses. Ergo, we feel that “everything always happens to me,” but the same types of things are happening to all other people as well. The human condition is tough on all of us.

Because we all tend to feel that “everything always happens to me,” your author wants to include some information pertaining to this in the hopes that it will help the reader to further understand the process of character creation that is occurring in each human being. To remind the reader the two Jehovahs are working directly with some human beings now. Other human beings will be worked with more directly later. This will be when they are given a second physical life (which will encompass their first real spiritual chance) to get with the divine individualism program of the two Jehovahs. (This was previously covered in Chapter Five of this book - in the explanation of the Holy Days, specifically concerning the explanation of the Last Great Day.) Whether it is the case that someone is being worked with now or will be worked with later, your author believes the shared information below will prove helpful to understanding aspects of what is going on in our lives. Most of the information is from a previous

book by your author entitled *Creating Characters With Character*. The book was originally written in a conversational, first person style and your author does not feel the need nor desire to edit it to fit the later style of this book. Also, the book excerpt is what amounts to a long analogy and most analogies are not to be taken strictly literally. Because of this the below excerpt uses a slightly different camera angle to the *MRP individual* approach your author has used in this book, so please make due allowances for all of this when reading it – in other words, this book would take preference in any potential conflict between the ideas expressed [emphasis obviously mine throughout].

"Creating characters with character. Could God, 'The Big Entrepreneur In The Sky,' actually be creating characters with character the way a great novelist does? The short answer is, 'Yes.' I believe that is precisely what is happening and in the pages that follow I share with you my reasons for so believing. Some of the reasons are Biblical and some are based on logical reasoning and life experiences.

My research into this subject came about because some day I would like to write at least

one really great dramatic novel and/or screenplay. It might happen and it might not. To be prepared to succeed I have actually undertaken quite a bit of study about how you would go about getting such a job accomplished. And in those studies I learned some interesting lessons paralleling God's process of character creation in us. Some of those lessons are shared below.

A good novel is intense. And to be intense a novel must have drama. And drama involves conflict. Generally it goes something like this: there is a protagonist, who is the main good guy, and there is an antagonist, who is the main bad guy.

In attempting to achieve his goal, the protagonist is faced with a dilemma of some sort. The dilemma develops into a crisis. The crisis builds through a series of complications into a climax. And in the climax the crisis is resolved.

In my research I learned that one of the most difficult jobs a good novelist has, probably the most difficult, is to create interesting characters. And the novelist is forced to start with a blank sheet of paper, which is to say to

create characters from nothing, as it were. This started me thinking.

Then another one of the research books I read had a very interesting subtitle, which is, 'Creating Wonderfully Rounded Characters, Or How To Play God.' I found this to be a fascinating subtitle and it proved to ultimately be the inspiration for this [*Creating Characters With Character*] book. In point of fact, the subtitle impacted my life and I have been thinking about it ever since.

To be very clear, after thinking about it I came to the conclusion that God the Father and Jesus Christ are 'Master Novelists.' They are in the process of making a family of righteous spirit beings with unique personalities. **They are creating characters with character.** And they are doing it by starting with dirt, so to speak. And creating character, in characters, is not an easy job. And it involves a process that is not easy.

One of the research books I read actually advocated writing a 30-page biography on each main character before you start writing the actual novel. I was stunned. A 30-page biography on each main character ... I thought,

'You have got to be kidding me!' That is a lot of work to do before you even begin to start writing your novel.

The reason for writing a 30-page biography on each of your main characters is because you want to end up with all your characters being three-dimensional and well rounded.

So what three dimensions are we talking about? There is **physiological**, which pertains to the character's height, weight, eye color, hair color, build, etc.

There is **sociological**, which is the character's upbringing and background. Were they raised in a tenement, or a penthouse? This obviously makes a difference in how the character develops.

And there is the **psychological**. What is the character's main motivation? What makes them tick? Do they have a burning passion, or are they just mailing in their life?

Great characters do have burning passions that rule their every action. When I read this I immediately thought of the famous scriptural

passage in the book of Revelation, being one of Christ's messages to one of the churches:

'And unto the angel of the church of the Laodiceans write; These things saith the Amen, the faithful and true witness, the beginning of the creation of God; I know thy works, that thou art neither cold nor hot: I would thou wert cold or hot. So then because thou art lukewarm, and neither cold nor hot, I will spue thee out of my mouth. Because thou sayest, I am rich, and increased with goods, and have need of nothing; and knowest not that thou art wretched, and miserable, and poor, and blind, and naked: I counsel thee to buy of me gold tried in the fire, that thou mayest be rich; and white raiment, that thou mayest be clothed, and that the shame of thy nakedness do not appear; and anoint thine eyes with eyesalve, that thou mayest see. As many as I love, I rebuke and chasten: be zealous therefore, and repent. Behold, I stand at the door, and knock: if any man hear my voice, and open the door, I will come in to him, and will sup with him, and he with me. To him that overcometh will I grant to sit with me in my throne, even as I also overcame, and am set down with my Father in his throne. He that hath an ear, let him hear

what the Spirit saith unto the churches.'

Revelation 3:14-22, KJV

I think what God is saying here is, 'I wish you had some passion. I really wish you had some passion.' Great characters have passion. Perhaps sometimes we are a bit boring to God.

Now, a novel cannot be boring, it has to have drama. So let's say, for example, we were going to write and, in our mind's eye, we see one of our characters about to do something. Let's call our character, Scott. Let's say we see Scott get in his car, drive to a convenience store, buy a pack of gum, go up to the cashier, pay for the gum, get back in his car and drive back home. The problem is, there is no conflict. And with no conflict there is no drama. And with no drama, what we see in our mind's eye is not worth writing about because it will be boring for someone else to read.

But, what if Scott goes into the convenience store and just as he is getting ready to select his pack of gum, three masked men come in. One of the masked men discharges a couple of rounds into the ceiling and says, 'This is a stickup. Everybody get down.' Now we have some conflict. Now we have some drama.

Exactly how is Scott going to get out of this? Is Scott going to be able to get out of this? The reader must now continue on to learn what happens next and he wants to continue on to know what happens next because the drama from the conflict makes it interesting and more worth reading about.

Emeril Lagasse, the famous chef, frequently asks, 'Should we kick it up another notch?' For purposes of illustration, let's kick it up another notch. How about if one of the gunmen looks at Scott's face, points the gun right between his eyes and says, 'Hey, you were on that jury that convicted me.'

Well, now it's not so boring, is it? Scott has a real dilemma on his hands and it won't be easy for him to get out of it, if he can. Now the reader is much more motivated to continue on to find out what happens next to poor Scott. That's the writer's challenge – to hold the reader's interest and to get them to keep turning the pages. With your character facing conflict, you have drama.

So why aren't stories smooth and easy? It's because the clever author is always placing obstacles in the path of his characters. It has

been said that the three most important rules for investing in real estate are location, location, and location. Well, the three most important rules for writing a great dramatic novel are conflict, conflict, and more conflict.

Your character will spring to life when he is put to the test. When you force your character to make a choice and to take action, this is when we will learn what kind of a person the character really is. Which brings to mind an interesting scripture in I Peter.

'Beloved, think it not strange concerning the fiery trial which is to try you, as though some strange thing happened unto you: but rejoice, inasmuch as ye are partakers of Christ's sufferings; that, when his glory shall be revealed, ye may be glad also with exceeding joy.' 1 Peter 4:12, 13, KJV

There is a purpose for the test, or trial. The test gives us an opportunity to develop judgment and to grow. There is a saying in business that 'Good judgment comes from experience. Unfortunately, experience comes from bad judgment.' There is a lot of truth to this, isn't there?

'And not only so, but we glory in tribulations also: knowing that tribulation worketh patience; and patience, experience; and experience, hope: and hope maketh not ashamed; because the love of God is shed abroad in our hearts by the Holy Ghost [Spirit] which is given unto us.'

Romans 5:3-5, KJV

The tests have a purpose for God's characters.  
[Many tests come from the Law of Solidarity in operation, including sometimes from bad angelic choices. Some tests are simply a part of the human condition, e.g., we have a shortage of time and resources as we attempt to achieve our goals and to exercise dominion over the earth. And some tests result from the Law of Experience coming into play, i.e., our own bad choices.]

Now, when two or more characters have different goals and are intent on achieving them, conflict results. If the stakes are high and both sides are unyielding, you have the makings of high drama.

In Matthew 4 Satan battles Christ. In verses 10-11, near the end of the conflict it says:

'Then saith Jesus unto him, Get thee hence, Satan: for it is written, Thou shalt worship the Lord thy God, and him only shalt thou serve. Then the devil leaveth him, and, behold, angels came and ministered unto him.'

Matthew 4:10, 11, KJV

So Mathew 4 is an example of an **external conflict** where an important battle was won with Jesus Christ defeating Satan.

Now you have to put your characters into something called a **crucible** if you are a good author. Think of a crucible as the container that holds the characters together as things heat up. Neither side can escape the crucible. So you lock your characters in a crucible, with the antagonist against the protagonist. And they, for their separate reasons, are committed to continuing the conflict until there is a final resolution. That is to say until the final battle is won; the Death Star has been blown up; Rocky is still standing at the end of the 15<sup>th</sup> round; or whatever. That is external conflict. A crucible makes it impossible for your characters to run away from their conflicts.

So, dear reader, let me ask you a question: 'Have you ever felt like you had no way out?' I

feel quite confident there have been times where you have felt exactly that way. You may have even felt betrayed. So what was happening to you and why was it happening? Keep reading.

Again, as 1 Peter said above, in so many words, 'Don't think it strange if a fiery trial comes upon you to try you.' **The Creator knew we would think it strange** and so he provided a gentle warning, in advance, to help us balance both our minds and emotions. And to help us not lose our faith."

A crucible could be considered to be any or all of the following: 1) our human bodies 2) the earth 3) a personal conflict 4) a business conflict 5) a [relationship or] societal conflict 6) a clash of civilizations 7) etc.

"Another good Biblical example of external conflict is found in Daniel 3, in verses 16-18. I am going to use The Living Bible this time:

'Shadrach, Meshach, and Abednego replied, 'O Nebuchadnezzar, we are not worried about what will happen to us. If we are thrown into the flaming furnace, our God is able to deliver us; and he will deliver us out of your hand, Your

Majesty. But if he doesn't, please understand, sir, that even then we will never under any circumstance serve your gods or worship the gold statue you have erected."

Daniel 3:16-18, The Living Bible

Daniel's three friends were locked in the crucible of the Babylonian kingdom. They could not escape either bowing down to the image, or being cast into the fiery furnace. Notice, they did not know if God would protect them for sure. All they could do was to win the **inner conflict**, to make the right decision, and hope that God would deliver them from the external conflict.

Another example of an external conflict is found in Revelation 13, the famous 'mark of the beast' chapter. In that chapter, which you can read for yourself, the faithful to God are locked into a crucible whereby they have to refuse to worship the image of the beast, but if they do refuse to worship said image, they are to be put to death. That is some crucible and some challenge.

Having your characters face the external conflict of a savage opponent, while locked in a crucible, is tough enough. But, there is another thing you can and should do to your characters,

which makes it even tougher for them. You must force them to experience inner conflict.

There are obviously many and varying examples of inner conflict. For purposes of illustration I am just going to recite three.

One example of inner conflict is when duty conflicts with fear. Try to imagine, if you can, what it would have been like to be in one of the Allied forces landing craft on June 6, 1944, about to hit the shores of Normandy. You have a duty, when the door of that boat opens and the Germans are shooting at you, to get your 60 pounds of gear and yourself off that boat, through the water, and up onto the beach. People are getting shot on your right and left and dying all around you. You cannot tell me these brave young men were not afraid. But they had a duty and they had to battle through the inner conflict of fear to get a job done. And they did.

Another example of inner conflict would be something as seemingly simple as a Jew marrying a Muslim. And then all kinds of things happen when they 'meet the parents.' It would make for an interesting and perhaps a very long weekend.

Another example of inner conflict was well dramatized in the movie *Vertical Limit*. At the start of the movie, a daughter, a son, and a father were all rock climbing, and they were all on the same rope when some of the fasteners started giving away. It became obvious, very quickly, that the rope was not going to hold the combined weight of the three people. The rope was just simply not going to hold. It was a terrifying scene to behold. And it was high drama.

The father didn't have the knife, he was on the bottom, and he wanted to make sure his daughter and son lived. He started telling his son, 'You have to cut the rope.' Now, since the father was underneath the son, for the son to cut the rope would be an act that would send his father plummeting to his death. And if he did not cut the rope probably all three family members would die. What a horrific position to have thrust upon you. That's an inner conflict. When you have to do something you don't want to do. His sister is screaming at him, 'Don't cut the rope.' She is thinking with her heart. But the son is the one in the middle with the knife ... And the inner conflict. Does he cut the rope and send his father to his death, or not?

When you don't know what to do, or you have to do something you don't want to do you have an inner conflict.

I am sure we have all experienced various forms of inner conflict. As an author, if you create inner conflict really well, you will have impaled your characters on the horns of a dilemma. Does that sound familiar? Have you ever felt that way? I bet you have.

Whenever your character must have something, or do something for very powerful and convincing reasons and yet cannot have that something for equally powerful reasons, you will have a character that is being ripped apart internally. That is impaling your character on the horns of a dilemma. It is making your characters agonize.

The best example I know of this, by far, is described in Romans 7:14-23. I will again use The Living Bible, because I think it makes the point a little bit better:

'The law is good, then, and the trouble is not there but with me, because I am sold into slavery with Sin as my owner.'

I don't understand myself at all, for I really want to do what is right, but I can't. I do what I don't want to - what I hate. I know perfectly well that what I am doing is wrong, and my bad conscience proves that I agree with these laws I am breaking. But I can't help myself, because I'm no longer doing it. It is sin inside me that is stronger than I am that makes me do these evil things.

I know I am rotten through and through as far as my old sinful nature is concerned. No matter which way I turn, I can't make myself do right. I want to, but I can't. When I want to do good, I don't; and when I try not to do wrong, I do it anyway. Now if I'm doing what I don't want to, it is plain where the trouble is: sin still has me in its evil grasp.

It seems to be a fact of life that when I want to do what is right, I inevitably do what is wrong. I love to do God's will so far as my new nature is concerned; but there is something else deep within me, in my lower nature, that is at war with my mind and wins the fight and makes me a slave to the sin that is still within me. In my mind I want to be God's willing servant but instead I find myself still enslaved to sin.

So you see how it is: my new life tells me to do right, but the old nature that is still inside me loves to sin. Oh, what a terrible predicament I'm in! Who will free me from my slavery to this deadly lower nature? Thank God! It has been done by Jesus Christ our Lord. He has set me free.' Romans 7:14-23, The Living Bible

By allowing the sinful nature to be inside us, there is some serious impaling going on. It is sort of like spiritual weightlifting. Without resistance you cannot build adequate muscle. God has locked each of us into an inner crucible, where we have to battle this human nature all of our lives. Each of us has to face our own nature and with God's help, battle it. You cannot escape from yourself.

Moving on, I learned another thing you can do, in a good dramatic novel, is to let the conflict rise slowly. The reason for this is because conflict develops character; conflict reveals character; and conflict also proves character. You can think of slowly rising conflict, or conflicts, in terms of attacks and counterattacks. In other words the slowly rising conflicts are a series of obstacles or battles.

As an example of slowing rising conflict, in the movie *Star Wars* there was a lot of drama before the ultimate destruction of the Death Star. Somebody had to steal the plans of the Death Star. Then they had to get the stolen plans hidden inside of a robot. Then they had to get the robot off of an enemy spaceship. Then Obi-Wan Kenobi had to be found. There were a lot of challenges and problems to be solved even before the heroes could get themselves into a position to take a one in a million shot. There were a lot of attacks and counterattacks, with some periods of relative peace in between. God himself warns us it is going to be a battle.

'Finally, my brethren, be strong in the Lord, and in the power of his might. Put on the whole armour of God, that ye may be able to stand against the wiles of the devil. For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places.'

Ephesians 6:10-12, KJV

Conflict. The Master Novelists are describing conflict – against a very serious adversary. And the conflicts we face do very much resemble a

steady stream of attacks and counterattacks with relative periods of peace in between.

Moving on, yet again, onto another interesting thing I learned, if you are a really good author, you might want to use a **symbol**, if possible, to show the character's main goal, or to reveal something important about your character.

For example, in Hemingway's, *Old Man and the Sea* there was a Cuban fisherman who was very old. He wasn't sure if he could catch the big marlin anymore. He lived in a simple house. He doubted himself a little bit. His friends doubted him. The community, his village, doubted him.

He had to land the big fish more to prove to himself and the community that he was still a productive man. He needed this confirmation more than he needed the money, or the food from the big fish. So the fish became a symbol of the old man's masculinity.

But would God use a symbol for our hero? If he were a Master Novelist, he just might. If you turn to Mark 6:3, it says,

'Is not this the carpenter, the son of Mary,  
the brother of James, and Joses, and of Juda,  
and Simon? and are not his sisters here with us?  
And they were offended at him.' Mark 6:3, KJV

I believe 'carpenter' could be better  
translated as 'general contractor,' or 'builder.'  
Do you think it was an accidental career choice  
that Christ, when he was working on this earth,  
was a builder? I don't. I believe it was an  
intentional choice to send a clear message and  
to provide a symbol for an important part of the  
work he is doing.

In 1 Peter 2:5 and Hebrews 11:10, it says,

'Ye also, as lively stones, are built up a  
spiritual house, an holy priesthood, to offer up  
spiritual sacrifices, acceptable to God by Jesus  
Christ.' 1 Peter 2:5, KJV

'For he [Abraham] looked for a city which  
hath foundations, whose builder and maker is  
God.' Hebrews 11:10, KJV

Jesus Christ is still building. So is God the  
Father. And it is not an accident that Jesus  
Christ was a builder when he was on the earth.

Now, in a really good dramatic novel there should always be an easily identifiable **core conflict**. Below, I am going to recite a number of scriptures to illustrate this. The first occurs in Genesis 1:26-27 which scriptural passage, I believe, is the theme of the Bible.

'And God said, Let us make man in our image, after our likeness: and let them have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that creepeth upon the earth. So God created man in his own image, in the image of God created he him; male and female created he them.'

Genesis 1:26-27, KJV

It is a great honor to be made in the image of God. It is a tremendous honor to be made in God's likeness. It shows intent on the part of God, the ultimate protagonist, aka the good guy.

In Ezekiel 28:14-15, we have a description of the ultimate antagonist, aka the bad guy.

'Thou art the anointed cherub that covereth; and I have set thee so: thou wast upon the holy mountain of God; thou hast walked up and down in the midst of the stones of fire. Thou wast

perfect in thy ways from the day that thou wast created, till iniquity was found in thee.'

Ezekiel 28:14-15, KJV

Satan's rebellion began THE good versus evil core conflict of the ages. Was it over God's plan to create human beings in God's image and likeness? I don't know for sure. It might have been. It is also possible that Satan rebelled long before human beings were even contemplated. One thing is for sure. It started an epic struggle, throughout the ages, involving many different battles and Bible heroes. We ourselves have also been drawn into this epic struggle. Satan, of course, is not a trivial adversary, at least to humans. God so warns us in 1 Peter 5:8:

'Be sober, be vigilant; because your adversary the devil, as a roaring lion, walketh about, seeking whom he may devour:'  
1 Peter 5:8, KJV

So now we have this good versus evil; builder versus destroyer; truth-teller versus liar; life-giver versus murderer core conflict scenario that we all have a role in.

There are many different definitions of a story, but here is the one I like the best:

A story is a series of consequential events involving **characters that change** as a result of those events.

In other words, a great story is all about characters that change as a result of the conflicts they endure. [The greatest story of all is the two Jehovahs' *Torah Story*, previously explained.]

The characters in the story are goal-oriented. If you think about it, your favorite characters in stories (the great ones) are the ones who grow through the trials and tests they endure. You want to be the character that grows. So do I.

Fortunately, God made it possible for us to grow. In Genesis 2:7 it says:

'And the LORD God formed man of the dust of the ground, and breathed into his nostrils the breath of life; and man became a living soul.'  
Genesis 2:7, KJV

So we started out as dirt. That's how it is. That's the bad news. The good news is that we can grow and change. See below.

'But now, O LORD, thou art our father; we are the clay, and thou our potter; and we all are the work of thy hand.' Isaiah 64:8, KJV

God, our Father, is not going to leave us as dirt. He is working on us [Ephesians 2:10, John 5:17]. ... God is helping us to grow. He is building us up. **He is fusing character into his characters.**

In Acts 20:32 it says:

'And now, brethren, I commend you to God, and to the word of his grace, which is able to build you up, and to give you an inheritance among all them which are sanctified.'

Acts 20:32, KJV

God's motive as the Master Novelist is to help us grow, to build us up. It's very important to remember that. If he breaks us down, it is to build us up. If Satan breaks us down, he is trying to kill us. Fortunately, God [ultimately] controls the process.

There is a scripture that further elaborates on God's intent. It is found in Deuteronomy 8:15-16. God is speaking [to] the ancient Israelites, but it applies to all of us.

'Who led thee through that great and terrible wilderness, wherein were fiery serpents, and scorpions, and drought, where there was no water; who brought thee forth water out of the rock of flint; who fed thee in the wilderness with manna, which thy fathers knew not, that he might humble thee, and that he might prove thee, **to do thee good at thy latter end;**'  
Deuteronomy 8:15, 16, KJV

God is going to do us good at the latter end, and it's important to remember that.

So what happens if you failed some test and you are feeling like a loser, or a failure? Because we all sometimes feel like we failed God, or we failed ourselves, or we failed others. What can we do? Does the Bible say anything about that? Actually it does and it is good advice. In Philippians 3:13-14, it says:

'Brethren, I count not myself to have apprehended [the New Living Translation has 'apprehended' as follows, 'I am still not all I

should be']: but this one thing I do, forgetting those things which are behind, and reaching forth unto those things which are before, I press toward the mark for the prize of the high calling of God in Christ Jesus.' Philippians 3:13-14, KJV

We just have to accept the fact that we have made mistakes and move on. It helps to remember that no human gets through the minefield of life unscathed. No one. We can learn and grow from both our victories and our defeats. In 2 Peter 1:3-8, it says:

'According as his divine power hath given unto us all things that pertain unto life and godliness, through the knowledge of him that hath called us to glory and virtue: whereby are given unto us exceeding great and precious promises: that by these ye might be partakers of the divine nature, having escaped the corruption that is in the world through lust.

And beside this, giving all diligence, add to your faith virtue; and to virtue knowledge; and to knowledge temperance; and to temperance patience; and to patience godliness; and to godliness brotherly kindness; and to brotherly kindness charity. For if these things be in you, and abound, they make you that ye shall neither

be barren nor unfruitful in the knowledge of our Lord Jesus Christ.' 2 Peter 1:3-8, KJV

In verse 5 when it says, 'giving all diligence,' I think it means working with God and his [divine individualism] program. It means deciding to be one of the characters that grows (see the being fruitful reference in verse 8) and cooperating with the Master Novelist as he works to build character into us.

Each battle or conflict might put a certain aspect of character into you that was not there before. For example, that trial that you went through seven years ago might have taught you faith. The trial you went through six years ago might have taught you patience. That trial that you are currently undergoing might teach you endurance, etc. God and Christ are rooting for both you and me and want to do us good in the end.

Now, what makes for a great climax? One famous climax at the end of a story is when Luke Skywalker blows up the Death Star at the end of *Star Wars*. Everybody cheers at that one, right?

There are actually a lot of different ways a novelist can end their story. Surprise can be a fun way to end a story. In Mark 16:5-6, it says:

'And entering into the sepulchre, they saw a young man sitting on the right side, clothed in a long white garment; and they were affrighted. And he saith unto them, Be not affrighted: Ye seek Jesus of Nazareth, which was crucified: **he is risen**; he is not here: behold the place where they laid him.' Mark 16:5-6, KJV

Satan thought he had killed off his adversary, Christ, but Satan was wrong. 'He is risen' are three of the most important words in the Bible. God the Father used the element of surprise and turned things around on Satan by using Christ's death and resurrection to create a bridge from death to life for us, his characters. God's characters were trapped. We were all trapped. But God turned the tables on Satan in a very big surprise.

You can also end your story by exploiting powerful emotions. If you think back to the first *Rocky* movie you will know what I mean. Rocky's main goal was to just be standing at the end of the fight.

At the end of the fight Rocky is beaten to a bloody pulp, but he also gave pretty much as good as he got. And, at the end, he was still standing. He had won the inner conflict within himself and now he knew what he needed to know. He was a good fighter, with tremendous courage, and he was a man. And now he was calling out to Adrian, the woman he loved. For Rocky, it was enough.

The writer exploited powerful emotions to end the story. It did not even matter that Rocky lost the external conflict. He did not win the fight. But he defeated his inner conflict. He got the woman he loved. And he won our hearts with his heart and with his courage and determination.

Another way to end a story is to issue a verdict in the 'court of poetic justice' - one of my personal favorites. If you would like to read a great story that ends with a verdict being issued in the court of poetic justice then read the Bible book of Esther. The entire book covers a story where the bad guy gets what he deserved in the end and in a most unexpected way. Haman, the antagonist, ends up being hung on the gallows that he has built for Mordecai, one of the good guys. If you read the entire story I believe you

will agree that it just doesn't get any better than that, right? It just doesn't. Now, who do you think wrote the story of Esther and Mordecai and Haman? It was and is the Master Novelist.

Whichever way the author decides to end their story, the resolution should make the novel whole. The character should have grown, or not, and the goal should have been achieved, or not.

The Master Novelists foreshadow their ultimate ending by telling us they are in the process of creating an environment where you will want to live. And they are creating character in their characters, so we can grow to the point where we fit in once there.

'And I saw a new heaven and a new earth: for the first heaven and the first earth were passed away; and there was no more sea. And I John saw the holy city, new Jerusalem, coming down from God out of heaven, prepared as a bride adorned for her husband. And I heard a great voice out of heaven saying, Behold, the tabernacle of God is with men, and he will dwell with them, and they shall be his people, and God himself shall be with them, and be their God. And God shall wipe away all tears from

their eyes; and there shall be no more death,  
neither sorrow, nor crying, neither shall there be  
any more pain: for the former things are passed  
away. And he that sat upon the throne said,  
**Behold, I make all things new.** And he said  
unto me, Write: for these words are true and  
faithful. And he said unto me, It is done. I am  
Alpha and Omega, the beginning and the end. I  
will give unto him that is athirst of the fountain  
of the water of life freely. He that overcometh  
shall inherit all things; and I will be his God, and  
he shall be my son.' Revelation 21:1-7, KJV ...

Since Revelation 21 (and 22) give an overview of the environment, what about the people? What happens to God's characters in the end?

1 Corinthians 15, verses 20-26, 49-50, and 51-54 explain:

'But now is Christ risen from the dead, and become the firstfruits of them that slept. For since by man came death, by man came also the resurrection of the dead. For as in Adam all die, even so in Christ shall all be made alive. But every man in his own order: Christ the firstfruits; afterward they that are Christ's at his coming. Then cometh the end, when he shall

have delivered up the kingdom to God, even the Father; when he shall have put down all rule and all authority and power. For he must reign, till he hath put all enemies under his feet. The last enemy that shall be destroyed is death.'

1 Corinthians 15:20-26, KJV

'And as we have borne the image of the earthly, we shall also bear the image of the heavenly. Now this I say, brethren, that flesh and blood cannot inherit the kingdom of God; neither doth corruption inherit incorruption.'

1 Corinthians 15:49-50, KJV

'Behold, I shew you a mystery; we shall not all sleep, but we shall all be changed, in a moment, in the twinkling of an eye, at the last trump: for the trumpet shall sound, and the dead shall be raised incorruptible, and we shall be changed. For this corruptible must put on incorruption, and this mortal must put on immortality. So when this corruptible shall have put on incorruption, and this mortal shall have put on immortality, then shall be brought to pass the saying that is written, Death is swallowed up in victory.'

1 Corinthians 15:51-54, KJV

God's characters are going to be changed in a marvelous manner. And God is working toward that realization constantly.

'For we are his workmanship, created in Christ Jesus unto good works, which God hath before ordained that we should walk in them.'

Ephesians 2:10, KJV

God, the Master Novelist, is working on us! Why? Because we are his characters. And to give us victory through Jesus Christ and that victory is eternal life with other righteous spirit beings, in a great new heaven and new earth. This is what makes God's novel whole.

God isn't writing a 30-page biography on each one of us. For God, that would be 'mailing it in.' Instead, he is investing decades of time and effort and care and thoughtfulness in each of us. He cares about each and every one of us.

We will come back to the novel analogy in a moment. But first, I am going to segway into a concept needing some explanation - which is that God can do things we cannot. Sometimes it helps to state the obvious. More specifically, one of the things God can do, that we cannot, is to use evil for a good purpose.

There is this saying that, 'The end justifies the means.' Now, whenever somebody says this, you pretty much know they are not a good person and they are about to do something terrible. Human beings cannot use evil in order to do good. It is beyond us.

And Ralph Waldo Emerson actually came up with a saying to counter this foolishness, which is 'Cause and effect cannot be severed; for the end preexists in the means.'

I have lived most of my adult life believing Emerson's saying to be true, and I think it is the rule at the human level, but God is better than humans and he can do some things, many things, which we cannot. For example, in Isaiah 45:7 it says:

'I form the light, and create darkness: I make peace, and create evil: I the LORD do all these things.' Isaiah 45:7, KJV

Evil does not exist because God was not smart enough to see it coming. And evil does not exist because God is not strong enough to stop it. Evil exists because God allows it to exist, for a time, for its purpose.

Evil exists because God is using it to provide both internal and external conflicts for human beings, so we can grow to become great characters with character in the real world, not a novel. God, as the Master Novelist, is not thinking at the same level as his characters. ...

Evil causes great suffering, but evidently it is necessary. After all, God is attempting to turn dirt into righteous spirit beings with eternal life. This is no small creative process and it requires extraordinary measures. Evil must be one of those extraordinary measures. And the conflict that evil engenders must be another.

Jesus Christ himself was not immune from it. When he came, with great courage and vision, to this earth, as a man, he had to go through it, too. In Luke 22:42-44, it says:

'Saying, Father, if thou be willing, remove this cup from me: nevertheless not my will, but thine, be done. And there appeared an angel unto him from heaven, strengthening him. And being in an agony he prayed more earnestly: and his sweat was as it were great drops of blood falling down to the ground.'

Luke 22:42-44, KJV

Christ asked for another way but evidently there was not another way and so Christ had to submit to what God, the Father, the Master Novelist had for him. Christ experienced both the internal and the external conflicts that we do. In Hebrews 5:8-9, it says:

'Though he were a Son, yet learned he obedience by the things which he suffered; and being made perfect, he became the author of eternal salvation unto all them that obey him;'  
Hebrews 5:8-9, KJV

Notice he became 'the author of eternal salvation,' which is interesting phraseology from my point of view. See also, Hebrews 12:1-2, where it says:

'Wherefore seeing we also are compassed about with so great a cloud of witnesses, let us lay aside every weight, and the sin which doth so easily beset us, and let us run with patience the race that is set before us, looking unto Jesus the author and finisher of our faith; who for the joy that was set before him endured the cross, despising the shame, and is set down at the right hand of the throne of God.'

Hebrews 12:1-2, KJV

God can create another universe if he wants to. What he cannot do is to create another you. You are unique and you are special to God. He has a lot invested in you. He cares about you. God can just manipulate matter. But for human beings, with free moral agency, it's tougher – even for God. It's a very complicated interactive creative process.

'My brethren, count it all joy when ye fall into divers temptations; knowing this, that the trying of your faith worketh patience. But let patience have her perfect work, that ye may be perfect and entire, wanting nothing.'

James 1:2-4, KJV

The conflict and the suffering produce patience, wisdom, empathy, courage, and a lot of other fruits. The process is not in vain. It is experienced for a reason.

1 Corinthians 15 shows us that God can give us an eternal spiritual body, but evidently he cannot just will righteous character into us.

I know that for some of you this is a really painful message to read. And I have to be the first one to confess: I really dislike the process.

In point of fact, I intensely dislike the process. It wasn't just me studying on how to become a novelist, where I learned about the process. I also spent hundreds of hours thinking about this topic. And maybe more than that, just trying to understand, 'What is happening?' and 'Why is this happening?' and 'What good can come of it?' I have tried to really look at the process from a lot of different camera angles, as well as to look throughout the Bible to get a grip as to what is really happening.

If you are having a difficult time accepting the process, all I can tell you, from someone who has had to do this, is to trust the character of the one behind the process. Remember that in 1 John 4:8 it says that, 'God is love.' So if you don't like the process, at least trust the character of the one behind the process, because God's character is trustworthy and he is faithful. The conflict, the drama, and the suffering are NOT for no reason. They are to build us up. Please remember, he wants to do each of us good at the latter end (see Deuteronomy 8:15-16 referenced earlier). God is perfect and he is love. Trust the character of the Master Novelist.

Next I want to transition into an additional subtopic, which is grace, and the role it plays. As Christians each of us has asked God to remove a temptation from us. And sometimes, or even many times, he does not, so we are stuck with our base desire.

In any case, let's say the base desire is not completely taken away. Especially when you are a new Christian, your 'Plan A' is something like, 'OK God, take away my temptation, or take away all my human nature and then I will obey you perfectly.' That's the 'Plan A' for some Christians.

Well, 'Plan A' doesn't work – at least not completely, right? God does not remove every temptation or test from before us. After all, the inner conflict that the apostle Paul wrote about in Romans 7 was written after he has been an apostle for probably 20 years; after he has met with Christ face-to-face; after he had been taken up into the heaven and seen things he wasn't even allowed to write about (see 2 Corinthians 12). So 'Plan A' doesn't perfectly work.

The next step in the caring Christian's thought process is to form 'Plan B,' which goes something like this: 'OK. I am in a battle to

resist my base desires and to obey God, which is kind of like a spiritual arm wrestling contest. And since my temptations have not been taken away I need to utilize superior force to win the battle. All right, God, just give me more of your Holy Spirit and I will overwhelm and overcome my human nature.' That's 'Plan B.' 'God, if you are not going to take away my base human nature and you are not going to take away specific temptations ('Plan A'), then just give me more of your Holy Spirit so I can win the spiritual arm wrestling contest.'

Both 'Plan A' and 'Plan B' are good things to pray about, and I believe God answers those prayers, though not completely. Not yet anyway. At any rate, he does not evidently give us enough of his Holy Spirit to where we win the arm wrestling contest every time, does he?

So let's think about this honestly for a moment. If God does not completely remove our base desires and he also does not give us enough superior spiritual force to perfectly overcome the base desires, who is responsible for us in this tough creative interactive process of character creation in characters? God is.

Now, I am not condoning sin and I am not condoning a lack of effort on our part. So if you read or thought that, you thought the wrong thing. We definitely have an obligation to resist sin and to submit to God no matter how much of the Holy Spirit we currently have. I am just being honest with you about some of the things we think as Christians, i.e., either 'take away the base desire, or give me more of your Holy Spirit.' In our limited, but potentially exceptional minds, we tend to gravitate to either 'Plan A' or 'Plan B.'

So if God is responsible for us, what is really happening and why is it happening? In my opinion, he has locked us into a crucible where we have ongoing inner conflict and that crucible is our own body. That's my opinion. You can take it or leave it. I believe God is responsible for us and we are his workmanship.

So what is the solution? Is there a solution? Yes there is. Right after the apostle Paul was taken up into heaven, either in a vision or directly into heaven, he was given some difficulties he had to deal with in order to keep him humble. That passage of scripture is found in 2 Corinthians 12, verses 7-10:

'And lest I should be exalted above measure through the abundance of the revelations, there was given to me a thorn in the flesh, the messenger of Satan to buffet me, lest I should be exalted above measure. For this thing I besought the Lord thrice, that it might depart from me. And he said unto me, **My grace is sufficient for thee: for my strength is made perfect in weakness.** Most gladly therefore will I rather glory in my infirmities, that the power of Christ may rest upon me. Therefore I take pleasure in infirmities, in reproaches, in necessities, in persecutions, in distresses for Christ's sake: for when I am weak, then am I strong.' 2 Corinthians 12:7-10, KJV

The solution is that God gives more grace!  
He does this because no human being (excepting Jesus Christ) is perfect. To use a baseball comparison, no human being bats a thousand, i.e., gets a hit every time up at bat. No human being scores 100% on every single test. At some point we fall short and we need grace. Thankfully God gives it to us.

In 1 Peter 1:3-11, God makes it even more plain:

'Blessed be the God and Father of our Lord Jesus Christ, which according to his abundant mercy hath begotten us again unto a lively hope by the resurrection of Jesus Christ from the dead, to an inheritance incorruptible, and undefiled, and that fadeth not away, reserved in heaven for you, who are kept by the power of God through faith unto salvation ready to be revealed in the last time.

Wherein ye greatly rejoice, though now for a season, if need be, ye are in heaviness through manifold temptations: that the trial of your faith, being much more precious than of gold that perisheth, though it be tried with fire, might be found unto praise and honour and glory at the appearing of Jesus Christ: whom having not seen, ye love; in whom, though now ye see him not, yet believing, ye rejoice with joy unspeakable and full of glory: receiving the end of your faith, even the salvation of your souls.

Of which salvation the prophets have enquired and searched diligently, who prophesied of the grace that should come unto you: searching what, or what manner of time the Spirit of Christ which was in them did signify, when it testified beforehand the

sufferings of Christ, and the glory that should follow.' 1 Peter 1:3-11, KJV

'My grace is sufficient for thee' and 'who prophesied of the grace that should come unto you' are powerful portions of scripture. God's grace is the answer to the spiritual arm wrestling dilemma we find ourselves in. God is responsible for us and he provides what is needed. And ultimately what is needed is grace.

Satan, of course, would have us think that God will not extend the grace and also that God's process is cruel, harsh, unloving, and unmerciful. And sometimes we listen to him, instead of listening to God. As human beings we struggle with sin over and over again and we also struggle with various internal and external conflicts. We struggle with other irresponsible human beings who are not yet mature and good people. Life can wear us out and sometimes we feel like a failure on so many levels. So it is important to remember the powerful statement contained in Romans 8:1, where it says:

'There is therefore now no condemnation to them which are in Christ Jesus, who walk not after the flesh, but after the Spirit.'

Romans 8:1, KJV

There is no condemnation, but there are lots of crucibles, conflicts, and tests. But keep walking 'after the Spirit' and know that you are justified through God's final answer, his grace provided via the shed blood of Jesus Christ.

In Philippians 1:6, scripture further encourages us as follows:

'Being confident of this very thing, that he which hath begun a good work in you will perform it until the day of Jesus Christ:'  
Philippians 1:6, KJV

Am I taking this novel analogy too far? Let's turn to some **book of life** scriptures. In Philippians 4:3 it says,

'And I intreat thee also, true yokefellow, help those women which laboured with me in the gospel, with Clement also, and with other my fellowlabourers, whose names are in the book of life.' Philippians 4:3, KJV

Isn't it interesting to see how the Bible denotes ultimate success ... 'whose names are in the book of life.'

As an admonishment about where you do not want your name to be written, please consider Jeremiah 17:13, which you might not have been aware of:

'O LORD, the hope of Israel, all that forsake thee shall be ashamed, and they that depart from me shall be written in the earth [be put to death], because they have forsaken the LORD, the fountain of living waters.'

Jeremiah 17:13, KJV

So failure, a forsaking of God, is denoted by a warning that those so doing shall have their names written in the earth, i.e., from dust they were formed and unto dust they shall return, thus making true the old saying '... from dust to dust.' We don't want our names written in the earth, but rather in the book of life.

Turning back to the positive, Revelation 3:5 says,

'He that overcometh, the same shall be clothed in white raiment; and I will not blot out his name out of the book of life, but I will confess his name before my Father, and before his angels.' Revelation 3:5, KJV

In other words, Jesus Christ is going to say, '**He is one of my characters.**' Insert your name into the previous sentence. Wouldn't you like to hear Jesus Christ, speaking of you, say the words, 'He is one of my characters. I have a lot invested in him and I have got big plans for him. He is one of my characters.'

Further, in Revelation 21:27, it says,

'And there shall in no wise enter into it [New Jerusalem] any thing that defileth, neither whatsoever worketh abomination, or maketh a lie: but they which are written in the Lamb's book of life.' Revelation 21:27, KJV

The master novelist will not write us out of his amazing *Torah Story*. He will not leave us without resources. He will, through a wondrous process, succeed in creating eternal characters, with righteous character, and unique personalities. You are important to God, or he would not have made you in the first place.

But God is just like any other author on this point: without characters you don't have a story. You can read Hebrews 11 to see where God references just some of his characters, characters that believed God and did not quit.

God has invested a lot more in each one of us than some 30-page biography before he starts to write his *Torah Story*. So, when you find yourself locked into a crucible, battling either external or internal conflict, I do not want you to be confused, discouraged, angry, afraid, or to quit. Press on. You are not alone.

I do want you to understand the process so that you can accept the process and submit to it, believing in God the Father and Jesus Christ as the authors and finishers of our faith. I do want you to work with God the Father and Jesus Christ and their process as best you can.

Sometimes we complain against God for indignities suffered, and I am personally very guilty of so doing. It is hard not to take indignities suffered personally and many times I have complained to God about the process. But I think God's basic logic, in answering, is at least somewhat as follows: 'Look, you are not changing me. I am perfect. I am changing you.' I really think it's about as simple as that. 'You can complain all you want, but you are not changing me. I am changing you.' That's what's happening.

As an encouragement, there are two powerful scriptures to keep in mind relative to God being in [ultimate] control of the process and promising to work things for our good. [Let the reader please remember that the two Jehovahs also have free will and can use it when they choose, including to limit trials to what we can tolerate.] The two scriptures are found in 1 Corinthians 10:13 and Romans 8:28:

'There hath no temptation taken you but such as is common to man: but God is faithful, who will not suffer you to be tempted above that ye are able; but will with the temptation also make a way to escape, that ye may be able to bear it.' 1 Corinthians 10:13, KJV

'And we know that all things work together for good to them that love God, to them who are the called according to his purpose.'

Romans 8:28, KJV

Be glad that it was not George Lucas writing you in, as one of the characters in *Star Wars*, because *Star Wars* is not real. It is fiction. Here's an important newsflash. Luke Skywalker does not really exist. But you do. You exist. You are a very special character, in a very real and important *Torah Story*. And in the very real

and epic battle of good versus evil, please note that, in the end: light will banish darkness; truth will expose falsehood and error; God will defeat Satan - after he is done using him; justice will prevail; and there will be the great new environment of a new heaven and a new earth to live in. And there will be righteous characters with unique personalities to share and enjoy an eternity together with [a positive community of emotion].

Will your name be written in the Lamb's Book of Life? It will be if you work with the Master Novelists, God the Father, and the Lord Jesus Christ, to become the great character you were created to be."

Hopefully the above *Creating Characters With Character* interlude was helpful to understand aspects to the human condition and the process of character creation for us, God's characters.

As a point of encouragement, everyone has made bad choices and experienced the negative consequences. The good news is - **there is life after failure** - as a variety of scriptures affirm:

“O LORD,’ I prayed, ‘have mercy on me [King David]. Heal me, for I have sinned against you.” Psalms 41:4, NLT

“To every thing there is a season, and a time for every purpose under the heavens: a time to be born, and a time to die; a time to plant, and a time to pull up what is planted; a time to kill, and a time to heal; a time to break down, and a time to build up;” Ecclesiastes 3:1-3, MKJV

“if My people, who are called by My name, shall humble themselves and pray, and seek My face, and turn from their wicked ways, then I will hear from Heaven and will forgive their sin and will heal their land.”

2 Chronicles 7:14, MKJV

Since there is life after failure and the two Jehovahs’ offer is a ministry of reconciliation (2 Corinthians 5:19, quoted below), if you have made mistakes you can: recognize them, admit them, and repent, i.e., you can change. Your life going forward can be different and better. While your past decisions have obviously affected the present conditions you are now experiencing, you do not have to be a prisoner to your past. As an example Saul was changed, via God’s grace, into the Apostle Paul.

"whereas God was in Christ reconciling the world to Himself, not imputing their trespasses to them, and putting the word of reconciliation in us." 2 Corinthians 5:19, MKJV

Going forward, as previously mentioned, a correct social science causal chain sequence is: values, choices, and then consequences. To refine this a bit further, the following can be utilized:

Correct Unity of the package of Life Values →

Balanced use of Intellectual & Moral Virtues →

Correct Choices →

Good Consequences / Results

Do the two Jehovahs need our help? Yes, they do. How can we help them? By cooperating with them in their divine individualism process. Can we frustrate them and each other if we do not? Yes ... for a while ... until the judgment, when all of us must answer for how we have spent our freedom and our time.

By going through the divine individualism process you will be able to obtain an answer to a question that is central to you ... "Who am I?" The two Jehovahs created you and gave you permission to live and to use your talents and abilities in so doing.

Evil men, out-of-control governments, loss-of-perspective religions, bad religions, gangs, marauding tribes, Satan and his team of fallen angels, and other assorted menaces can make your life very hard and prevent you from enjoying many things. They have wasted so much of so many men's lives that we will never know what might have been accomplished for the human race were it not for their lack of intelligence, lack of good character, and their un-empathetic and parasitical hurtful actions.

However, what no one can permanently take away from you, is any of the following:

- Your character
- Your mind
- Your personality
- Your sense of humor
- Your achievements and experiences

Your family and your friends – assuming they, too, ultimately participate with the two Jehovahs in their divine individualism process

Satan can influence collectives to use men as fuel for their fires, but he cannot take away the two Jehovahs' resurrection promise, nor can he prevent the two Jehovahs from fulfilling it:

"A Psalm of David. The LORD is my light **and my salvation**; whom shall I fear? The LORD is the strength of my life; of whom shall I be afraid?" Psalms 27:1, MKJV

It is just and fitting that the last enemy to be destroyed is death (1 Corinthians 15:26), and death is what Satan's values and ways produce. *Might makes right* destroys everyone and everything it touches.

If any of us refuse to consider the correct context of our situation and then refuse to look beyond the immediate now, we will not know the value and importance of what the two Jehovahs have offered to us. We run the risk of being the acorn that does not grow into the oak tree. We run the risk of missing out on our individual uniqueness being developed and asserted in a constructive and productive

manner. We run the risk of missing out on an incorruptible eternal life.

Divine individualism → our individual uniqueness  
→ developed and asserted → in a constructive + productive manner

Right now, your author would have to echo Ayn Rand's lament: "It takes years, if ever, to accept the notion that one lives among the not-fully-human; it is impossible to accept that notion in one's youth." The reason that men sometimes appear as not-fully-human is because they have neglected or rejected the two Jehovahs and are not currently participating with them in their divine individualism process. Or, they are not currently aware of the two Jehovahs' offer and will be given their chance later (as explained in the Last Great Day section of Chapter Five). In short, these kinds of men have adopted the wrong value package and lack the virtues. They are trying to get away with living in a non-productive manner. And their lives reflect these compound moral and intellectual errors. Unfortunately, the bad decisions they make hurt everyone else, too, based on the Law of Solidarity.

Rand had a further lament, which was along the lines of: "**Nobody builds sanctuaries for the best of the human species.**" In the final analysis Rand will be wrong, because the two Jehovahs have promised to do so. And this is important to understand because all men of good will want to believe and know that there will be a place for them – a place where they can actually flourish.

The Bible promises that the two Jehovahs will some day create a new heaven and a new earth, in essence, a new universe. An entire new universe, complete with a brand new earth, more than qualifies as a nice sanctuary. They further promise that there will be no more death, or sorrow, or pain (Revelation 21:1-5).

"For all creation is waiting eagerly for that future day when God will reveal who his children really are. Against its will, everything on earth was subjected to God's curse [because of the sins of men and fallen angels]. All creation anticipates the day when it will join God's children in glorious freedom from death and decay. For we know that all creation has been groaning as in the pains of childbirth right up to the present time. And even we Christians, although we have the Holy Spirit within us as a

foretaste of future glory, also groan to be released from pain and suffering. We, too, wait anxiously for that day when God will give us our full rights as his children, including the new bodies he has promised us."

Romans 8:19-23, NLT

"And **every curse will no longer be**; but the throne of God [the Father] and of the Lamb [Jesus Christ] will be in it, and His servants will serve Him." Revelation 22:3, MKJV

"Let not your heart be troubled. You believe in God [the Father], believe also in Me. In My Father's house are many mansions; if it were not so, I [Jesus Christ] would have told you. I go to prepare a place for you. And if I go and prepare a place for you, I will come again and receive you to Myself, so that where I am, you may be also." John 14:1-3, MKJV

God the Father and Jesus Christ are preparing a sanctuary. They are preparing a sanctuary for the very best of the human species, for those men and women who cooperate with them in their divine individualism process. The end result is that each one of us will become one of their divine masterpieces – unique, individual

and incorruptible, an MRP being with eternal life  
– a child of God:

**"For we are God's masterpiece.** He has  
created us anew in Christ Jesus, so that we can  
do the good things he planned for us long ago."  
Ephesians 2:10, NLT

The end of this book, but when all these things  
actually occur it will be the beginning of an even  
greater and ongoing *Torah Story*.

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