

# The Traumatized Society

How to Outlaw Cheating  
and Save our Civilisation

FRED HARRISON



SHEPHEARD-WALWYN (PUBLISHERS) LTD

© 2012 Fred Harrison

All rights reserved. No part of this book may be reproduced in any form without the written permission of the publisher, Shephard-Walwyn (Publishers) Ltd

First published in 2012 by  
Shephard-Walwyn (Publishers) Ltd  
107 Parkway House, Sheen Lane  
London SW14 8LS  
[www.shephard-walwyn.co.uk](http://www.shephard-walwyn.co.uk)  
[www.ethicaleconomics.org.uk](http://www.ethicaleconomics.org.uk)

British Library Cataloguing in Publication Data  
A catalogue record of this book  
is available from the British Library

ISBN-13: 978-0-85683-287-1

This book is printed on Forest Stewardship Council certified paper

Cover design by Tentacle  
[www.tentacledesign.co.uk](http://www.tentacledesign.co.uk)  
Typeset by Arthouse Publishing Solutions Ltd,  
[www.arthousepublishing.co.uk](http://www.arthousepublishing.co.uk)  
Printed and bound in the United Kingdom  
by Short Run Press Ltd, Exeter

# Contents

<i>Prologue: The Existential Crisis</i>	vii
<b>PART 1: A GENERAL THEORY OF CHEATING</b>	<b>1</b>
1 God's Land Deal	3
2 The First Law of Social Dynamics	16
3 Cheating as Social Process	30
4 Humanicide	46
<b>PART 2: APARTHEID ECONOMICS</b>	<b>63</b>
5 The State of Trauma	65
6 The Depletion of Society	85
7 The Pathway to Dystopia	104
8 Perfect Storm in the Middle Kingdom	119
<b>PART 3: RE-CALIBRATING THE WESTERN MIND</b>	<b>135</b>
9 The Decline of the West	137
10 The Algorithm of Life	158
11 Society's Automatic Stabiliser	172
12 Between Eden and Nod	188
<i>Epilogue: The Making of World War III</i>	206
<i>Bibliography</i>	225
<i>Acknowledgements</i>	231
<i>About the Author</i>	232
<i>Index</i>	233

## Prologue: The Existential Crisis

**F**OLLOW the money. The trail is murky: the crooks have had centuries to cover their tracks. But we shall discover that it leads to the greatest crime ever committed in the history of mankind.

It is the crime that destroys civilisations. Is there time for us to intervene in the unfolding events that threaten our civilisation? I believe that there is, but not without a popular reawakening, a democratic revolution. That is unlikely unless enough people take control of the future of their communities. For one consequence of the crime is the comprehensive failure of leadership. I would go so far as to say that the West has been and is being betrayed by those who presume to govern, to philosophise and to moralise. They have access to the knowledge that would consign the great crises of our age to history, and they fail to use it.

Following the money will first require a re-examination of our forensic tools; tools that have been blunted by the cheats of old. Their mission was to ensure that we, as victims, would not know what was being done to us. They succeeded. One outcome is that what passes for democracy is not an authentic democratic process. Our world has been distorted by the culture of cheating. The story of one victim dramatizes the nature of the deprivation which we all now endure.

Raphael Lemkin (1900-1959) was a lawyer who nearly succeeded in outlawing behaviour at the heart of the privileges of the people who get rich by cheating the rest of us. He coined the word *genocide* and succeeded in piloting the concept through to the point where it became a crime against humanity. But he failed in his ultimate mission. We are all paying the price for that failure.

Lemkin was a Polish Jew who worked as a public prosecutor. He observed how the Nazis systematically dismantled his country. He was able to forensically assess the destruction of a nation because, by then, he had examined the way the people of Armenia had been massacred by Turkey, and Assyrians had been massacred in Iraq. He defined genocide in these terms:

*Generally speaking, genocide does not necessarily mean the immediate destruction of a nation, except when accomplished by mass killings of all*

*members of a nation. It is intended rather to signify a co-ordinated plan of different actions aiming at the destruction of essential foundations of the life of national groups, with the aim of annihilating the groups themselves. The objectives of such a plan would be disintegration of the political and social institutions, of culture, language, national feelings, religion, and the economic existence of national groups, and the destruction of the personal security, liberty, health, dignity, and even the lives of the individuals belonging to such groups.*<sup>1</sup>

I have added the emphasis. Lemkin considered these words to represent the most important part of genocide. He fought for the inclusion of *cultural genocide* during the drafting of the UN Convention on Genocide. He argued that “Cultural Genocide is the most important part of the Convention”.<sup>2</sup> Cultural genocide was deleted from what became a crime against humanity. In his autobiography, he recalled:

*I defended it (cultural genocide) successfully through two drafts. It meant the destruction of the cultural pattern of a group, such as the language, the traditions, the monuments, archives, libraries, churches. In brief: the shrines of the soul of a nation. But there was not enough support for this idea in the Committee ... So with a heavy heart I decided not to press for it.*<sup>3</sup>

Despite the atrocities of World War II, nations which had declared their commitment to human rights refused to recognise cultural genocide as a crime against humanity. Why?

Culture represents the collective consciousness of a population, its memory and all the intellectual and institutional supports that individuals need to live as members of the human species. Erase culture, and you erase what it means to be human. Lemkin came to see this with crystal clarity, and he fought to make the destruction of culture a crime. He wrote:

*The world represents only so much culture and intellectual vigour as are created by its component national groups. Essentially the idea of a nation signifies constructive co-operation and original contributions, based upon genuine traditions, genuine culture, and a well-developed*

---

1 Lemkin (1944: 79).

2 Moses (2008: 12).

3 Quoted in Docker (2004).

*national psychology. The destruction of a nation, therefore, results in the loss of its future contributions to the world.*<sup>4</sup>

I have emphasised a part of this statement. I invite the reader to refer back to Lemkin's words while reading my account of *humanicide*. If Lemkin had succeeded in persuading the United Nations to accept his definition of genocide, the tumultuous second half of the 20<sup>th</sup> century would have evolved in an entirely different direction. *For the policy changes that would have been necessary to avoid committing Lemkin's definition of genocide would have guided the West away from the crises that now challenge its existence.* But there was an evil logic to the refusal to accept Lemkin's definition of genocide.

Culture is produced over evolutionary timescales. It originated with the investment of mental and material resources. Those collectively deployed resources are continuously needed to maintain the vitality of culture. Culture is something that we produce. The basis of that production is the economic surplus that a population is able to generate. The technical term for those resources is *economic rent*. This concept signifies the way we measure the value of the services provided by two distinct "commons": the commons of the natural universe, and the commons of our social universe. In *The Traumatized Society* I explain how the privatisation of those rents causes the destruction of a population's authentic culture. *The rent-seekers who came to control society could not allow their behaviour to be outlawed as a crime against humanity.*

Lemkin was unable to understand the underlying reason why his definition of genocide was unacceptable to the Western nations that shaped the human rights agenda. We are now able to do so. The story is horrifying, and painful for me to tell. The evidence, in brief, demonstrates that the Western mind-set was manipulated to protect the privileges of the cheats. Milestones in the mind-bending process include these two curiosities:

- The word *land* – representing all of the planet's resources – was omitted from the convention that purported to define every person's equal rights: the UN's Universal Declaration of Human Rights.
- The word *rent* – which classical economics identified as the revenue ideally suited to fund the public's shared services – was eviscerated as an analytical concept by what became the neo-classical school of economics.

The motives for these acts and omissions will unfold in my narrative. The evidence leads to a terrible conclusion. It does not take evil men like Hitler,

---

<sup>4</sup> Lemkin (1944: 91).

Stalin or Pol Pot to commit genocide. In Lemkin's terms, *the democracies of the West were subjecting their citizens to cultural genocide, and they continue to commit this crime to this day.*

**T**HE task before us is nothing less than the reconfiguring of the Western mindset (Part 3). So fundamental is the necessary change to the way that we view the world, that we have to go back to the beginning.

My starting point is a unified theory of social evolution. We begin by elaborating a general theory of corruption (Part I). By identifying the core cause of the major cases of abnormal mass behaviour, we can isolate the one reform to the financial system that would mobilise people behind the determination to modify the flaws in the foundations of our communities.

Our task is not made easier by confusion over the best approach to viewing the world. Disputes over methods, such as whether the emphasis should be on nature or nurture to explain deep-seated problems, are distractions. Should we emphasise spiritual or secular principles? The monotheistic religions have spiritualised their teachings, while science, when its methods are applied to human affairs, is compromised by the suppression of a vital realm of reality from its database. Information that was available and understood a hundred years ago has been transformed into secret knowledge.

But the tragedies associated with the seizure of the Western world's financial arteries in 2008 give us reason to be optimistic. There is a growing consensus that a fundamental defect lurks somewhere deep in the system. Set against the new questioning of once cherished beliefs, however, is the barrier to straight thinking. The analytical framework that is needed to account for the myriad failures is not available.

But we are privileged like no other generation before us. We can equip ourselves with the knowledge to negotiate a new covenant to save our civilisation. That requires a negotiation which, as I explain in Ch. 1, must be in two parts. One is with whoever (or whatever) owns nature. The other is with whoever owns the commons created by our forefathers: culture. The act of genius of our ancestors was in the way they united the two distinct commons in a single practical formula: a stream of income that the classical economists called *economic rent*.

This volume is an investigation into how we have all been cheated out of our inheritance: an equal right of access to, and share in, the commons.

CHEATING is now the principal operating mechanism in society. I employ this word as an analytical concept, well aware that its confrontational nature will provoke resistance. Confrontation, unfortunately, is unavoidable if we are to begin the painful process of recovering our humanity.

Cheating is a word that combines two realms of reality. It refers to deeds by persons, but it also articulates a moral attitude. How we interrogate the cheating that distorts our communities will determine the future of the West.

I am concerned not with individual deeds of cheating, but with the institutionalised kind that is sanctified by law. It is easy to get angry about particular acts and, in doing so, misdirecting our attention from root causes. How, for example, should we respond to the revelations of corruption in the Western banking system? It has exposed itself as disreputable since the financial crisis of 2008. First there were the sub-prime mortgages which caused the crisis. Subsequently there were the disclosures of Ponzi schemes (especially in the Anglo-American countries). Revelations came thick and fast, including market-rigging dishonesty that cost consumers billions in over-priced products. Major banks like Barclays were exposed for manipulating interest rates. Then there was the mis-selling of complex derivatives to small businesses that threatened to cause bankruptcies. Bankers became Enemy No. 1. But were these no more than symptoms of a deep-seated flaw in the structure of society? Manifestations of a culture that rewards deviant behaviour that ought to be outlawed?

Cheating is now so deep-seated that it is the defining characteristic of Western culture. That is why it threatens the viability of the West. Explaining the future of civilisation in terms of a particular kind of cheating overturns conventional explanations for the global crises of the 21<sup>st</sup> century (one favourite scapegoat is “human nature”<sup>5</sup>).

I offer a mono-causal explanation for these crises. *The theft of a nation's economic surplus is the root cause of our major problems.* This surplus is the net income after remunerating labour (wages) and capital (profits, or interest). Net income is the rent that a nation generates as its taxable income. Rent is unique because it is the basis of the social evolution of our species. By understanding its social (for some, its sacred) character, rent lays bare the story of how early humans evolved from those who daubed abstract images on cave walls 40,000 years ago to the builders of urban civilisations. Without rent (which changed its material form with each phase of evolution), we would not have become the bearers of culture.

Rent is at the heart of the dialectic of power. It measures the energy that is pumped into making and sustaining complex societies. The direction of the flow of that stream of income tells us whether culture is flourishing or decaying, whether a civilisation is growing or dying. By chronicling the fate of rent, we begin to understand where a society may be located in the grand sweep of its history. And yet, rent is the one value which national statisticians and

---

5 According to John Coates, a research fellow at the University of Cambridge, the economic boom that led to the biggest bust since the 1930s was due to the fact that testosterone-fuelled traders in the financial markets were slaves to their hormones (Coates [2012]).

economists treat in a cavalier manner. This is not accidental. Obscuring the size and direction of flow of rent serves the interests of the rent-seekers.

The stakes are the gravest imaginable. When rents are misappropriated, the psycho-social health of the population is degraded and the reproduction of culture is prejudiced. There comes a point when, with culture and the natural habitat debased, civilisation slides into irreversible decline. But to grasp the profound significance of rent as a flow of income, and the cheating that is now associated with it, we need to clean up our language.

CHEATING was institutionalised by the rent-seekers of the past 500 years who developed the art of manipulating our minds. They *needed* us to lose track of what they were doing, and they were eminently successful in their mission. That is why, for example, economics as a social science is a discipline in crisis. It is no longer a tool for solving problems. Instead, it compounds our problems. In particular, it inhibits us from understanding that cheating is a routine process in the capitalist economy. No steps are being taken to erase that cheating, because it is not recognised for what it is – a corrupted culture that impoverishes the lives of everyone.

Economists disguise the cheating with words that sanitise and legitimise behaviour which would not be acceptable (say) on the sporting field. By deconstructing those concepts, we begin to glimpse the power of the forces that obstruct change.

I have the misfortune to be a symbol of the cheating that has now traumatised modern societies (three cases are documented in Part II). I am a reluctant cheat, I hasten to add, but one whose palm has been crossed with silver. I own a piece of residential land. My home has risen in value by leaps and bounds without my lifting a finger.

In yesteryear, the archetypal cheat was a member of the aristocracy. Today, “hard-working middle class homeowners” have joined their ranks. We do not *mean* to cheat anyone. We abhor cheating and are quick to censure those who do not abide by the rules of fairness. But the rules were rigged by the barons and knights of yore. The legacy is a social process that co-opts decent people into behaving as if they were congenital cheats. Coming to terms with that awful reality is the biggest moral challenge many of us must now face.

We cannot evade that moral challenge. For cheating has suffused our globalised society to the point where a piecemeal approach to analysis and remedy is futile, if we wish to meet the existential challenge.

The last time we humans faced such a crisis was about 25,000 years ago. Neanderthals were bigger than us. They used tools, like us. And there were more of them than us. So the odds were in their favour.

We wiped them out.

The technical term for what we did is *supplanting*. We took over their territories, drove them out, and watched while they grew extinct.

This time, the threat to humanity is from our own kind. And, again, the contest is over who controls the resources of nature.

We need to remind ourselves that cheating as a social process was the primary cause of the demise of the earliest civilisations. Why we have failed to learn from those tragedies is one of the questions we seek to answer. The evidence mounts to suggest that our abuse of both nature and society is leading *Homo sapiens* down a dead end. Our intellectual and political leaders wilfully ignore the survival rules that primitive humans brought with them out of nature. Our ancestors evolved by mimicking the laws of nature. This enabled them to create a new universe, the social universe.

Being human does not merely mean that we are more capable than other animals at using tools, or behaving socially, or communicating by means of sophisticated sounds and gestures. Our unique accomplishment was in combining these skills to adapt the laws of nature into rules to which people agreed to conform. They acted as if they were conforming to the laws of nature, but they did so within the context of a universe of their creation, a universe that was not accessible to other species. That made *Homo sapiens* unique.

The two universes, of nature and human society, are distinct but inextricably related. Early humans had to make them co-exist out of biological necessity. Today, we access the surreal world of virtual reality with the aid of our PCs, but there is no escaping the fact that our social universe remains anchored in the material universe.

WE NEED a fresh start based on multi-disciplinary studies. I call my formulation of that approach sociogenics. It combines the social sciences with biology. How does this differ from Edward Wilson's sociobiology? Wilson of Harvard University is a student of the social behaviour of bees and ants. Insights from these creatures, he argues, can inform our understanding of human behaviour.<sup>6</sup> His work of synthesis, *The Social Conquest of Earth*, insists that we must rely on science to understand the nature of humanity.<sup>7</sup> But his methodology, which highlights the notion of conquest, also leads to dangerously inappropriate conclusions about the nature of the threats facing our civilisation.

Social behaviour was paramount in the evolution of *Homo sapiens*. But the threat that we now face is not the result of social behaviour. All the major

---

<sup>6</sup> Wilson (1975).

<sup>7</sup> Wilson (2012).

pathologies that call into question the future of our species are the product of anti-social behaviour. If our forefathers had managed to preserve the social values that made civilisation possible, we would not now be wondering, with Wilson, whether our species is going to survive. We need to rescue the science of society (sociology) from the wastelands to which it has been banished, and synthesise its knowledge with biology to provide a more robust understanding of what it means to be human.

In my view, our civilisation has passed the tipping point into collapse. But we cannot blame Acts of God. The crises are not the result of “market failures”. Nor can they be attributed to defects in “human nature”. These are scapegoats which happen to serve the interests of rent-seekers. There is a job of work to be done to deal with the fall-out from the social and natural cataclysms which will recur with increased ferocity. We may be able to forestall the worst. But we will not make progress until we recover a sense of the meaning of humanity. The boy’s-finger-in-the-dyke’s-hole initiatives (such as the attempt to deal with the financial crisis by piling new debts on old debts), will not save the West.

The challenges appear insurmountable, but that is because the levers of power are operated inefficiently and unfairly. This dysfunctional behaviour is programmed by a pathologically disturbed culture that manifests itself in societal trauma. Fortunately, enquiring minds across the scientific disciplines and caring professions are beginning to pool knowledge. An example is the MRI brain scanning technique which, developed since the 1980s, is facilitating major advances in neurobiology and psychotherapy. This is deepening our understanding of intergenerational trauma. Trauma is a concept that now needs to be developed and applied to whole populations.

We can save our civilisation if we find the moral resources within each and every one of us to think straight and act courageously. We need to go back to the beginning, to recover knowledge that has been repressed. But which beginning? Biology, and the theory of evolution? Myths, and the findings of ethnographers and anthropologists? History, and the tablets and parchments excavated by archaeologists? An eclectic approach would combine all disciplines to animate a therapeutic process with the cathartic power to rescue our traumatised societies. That entails the engagement of everyone in an informed democracy. We need to forestall the temptation of granting power to the Strong Men who will offer to solve our social problems if we yield ourselves to their lethal embrace.

# Part 1

## A General Theory of Cheating

*For only the eternal structural laws of the social life of man as such are of natural law, not the concrete architectural form.*

Heinrich A. Rommen, *Natural Law*, (1998: 230)

Cheating is here used as an analytical rather than as a pejorative term. It signifies a social process which is not recognised as a threat to civil order. That is why it goes unchallenged. This cheating is now embedded in, and is undermining, the foundations of Western civilisation.

Statecraft is unable to respond to the cheating, because it was fashioned by the feudal aristocracy to enshrine and protect their doctrine of property rights. The free gifts of nature, and the culture that defines humanity, have been privatised. The legacy is a set of crises stemming from the abuse of the “commons”.

When the community’s revenue – the rents paid to use and sustain the commons – was hijacked, the rent-seekers incubated a process of cannibalisation that devoured natural habitats. They also transformed culture to accommodate their cheating, creating the pathologies that result in humanicide.