

# F.A.C.S. REPORT

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## Mixed Farming by Covenant Renewal

### Part 4

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*What we now observe is a phase when these various concerns have come into particularly sharp focus. It is a phase of reconstruction and renewal which has an array of distinctive features pertaining to Australia in the 1990s. . . . For that purpose the left must have critique, vision, strategy and organisation.*

Professor Frank Stilwell, October 1992

In Victoria, the totalitarian drift associated with world-views which give "nature" precedence or priority was formally institutionalized with the Board of Agriculture in 1859, which became the Department of Agriculture in 1872. The statist institutionalization of agricultural research and education then led to the development of the systematic diffusion of "relevant" knowledge and the centralization of agricultural planning and forecasting. As a particular form of systematic intervention at the micro level, this was — and still is — socialism writ small.

#### Agrarian Socialism Writ Small

The state's intervention in agriculture, especially from the era of government-sponsored diversification, has not merely generated "islands of calculational chaos in a sea of markets," it has also led agriculture down the road of an agrarian "politics of slavery" to traffic in salvation by political action and compulsory wealth redistribution.<sup>1</sup>

This has set the stage for communists to believe that it would be "politically beneficial and socially and economically desirable to accommodate family-farm agriculture within a system of socialist production". Hence the present statist thrust of landcare and conservation and environmental programs to redefine land as a community resource and a tool of production, rather than as private property.<sup>2</sup>

In such a situation, the decision-making authority does not reside in the title holders of private property who have a duty to recognize their ownership as a stewardship to be governed by the Word of God. The decision-making authority is instead interpreted as a power derived from the exercise of the democratic, human, and animal rights of all ecological participants.

It is not only farms and other natural resources and environments such as

wet-lands and swamps that are effected by this humanistic re-definition and statist activity. Even a private school's playing-grounds and natural habitat can be re-defined as a community resource.

Instead of the situation where a school's owners invite others to be "involved" in their decision-making process concerning their land, the re-definition of a school's environment and its buffer zone as a community resource would open the way for parents, students, teachers, administrators, the local community, and the state to "participate" as equals in the decision-making process of the school concerning all procedural and substantial matters relating to the school's use of a community resource.

#### A Phase of Reconstruction and Renewal

The historic conjunction of agrarian socialism and its environmental cousin with feminism and more traditional working-class left-wing politics and the collapse of the communist states of the USSR and Eastern Europe marks a phase which communists believe has now "come into particularly

sharp focus." As Frank Stilwell, Associate Professor of Economics at the University of Sydney, and a founding member of the New Left Party observes, "It is a phase of reconstruction and renewal which has an array of distinctive features pertaining to Australia in the 1990s." Stilwell goes on to stress, that "For that purpose the left must have critique, vision, strategy and organisation."<sup>3</sup>

As Christians, we should also be self-consciously purposive and pro-active. We need to know our answers to why, what, how, and when we should act. We need to enunciate our vision, objectives, strategy, tactics, and tasks for godly reconstruction and renewal so that we are not only aware of our responsibility to bring every thought, word, and deed captive to the obedience of Christ, but are also aware of the historic opportunities for change now, not by revolution, but by renewal, reconstruction, and transformation in terms of God's Word and Christ's comprehensive redemption and Great Commission.<sup>4</sup>

As Christians, we should thus be making every effort in the areas of our

1. See further, Gerald P. O'Driscoll Jr. & Mario J. Rizzo, *The Economics of Time and Ignorance* (Oxford: Basil Blackwell, 1985), ch. 7, esp. p. 141; Rousas John Rushdoony, *Politics of Guilt and Pity* (Fairfax, Virginia: Thoburn Press, 1978), esp. Part 4, ch. 8; and David Chilton, *Productive Christians in an Age of Guilt-Manipulators. A Biblical Response to Ronald J. Sider* (Tyler, Texas: Institute for Christian Economics, 1981).
2. See further, Geoffrey Lawrence, *Capitalism and the Countryside: The Rural Crisis in Australia* (Sydney: Pluto Press, 1987), pp. 286 & 303 at note 104.)
3. See Frank Stilwell, "Australian Politics: New Life on the Left?" in *Current Affairs Bulletin*, Vol. 69, No. 5, October 1992, pp.10-16 at pp. 11 & 15.
4. I am indebted to Henk de Deugd for the many helpful and insightful discussions that I have had with him on such vital matters. Mr. de Deugd is the General Manager of Facilities and Principal Engineer at a major Victorian public hospital which is being restructured to provide a public health service that is an efficient, high-quality, competitive, and client-oriented product. For readers who wish to learn more about how Mr. de Deugd is applying the Biblical covenant model to such a tough assignment in a bankrupt State, and how he is developing relevant business management plans, operations manuals, facilities life-maintenance plans, and so forth to fulfil his dominion mandate in his particular, historic situation, please contact Mr. H. J. W. de Deugd at "Bonnie Doon," RMB 844 Coghill's Creek, Via Creswick, Victoria, 3363; Telephone (053) 434218.

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Editor: Ian Hodge

various callings and avocations to be conversant with the vision and plans and designs that we must adopt, the principles and objectives and methods that we must advocate, and the strategies and tactics and tasks that we must deploy in order to faithfully fulfil our various dominion assignments under God. Otherwise, we will find it difficult to avoid "baptizing", or peddling through unintentional collaboration, the enemy's perverted plans for reconstruction and renewal.

### Statist Law

**F**armers and environmentally proactive Christians must be especially aware that late twentieth-century agriculture views the function of the state with respect to the law as legislative. The state is regarded as the source of law. It creates law, rather than enacts laws to conform to God's transcendent, ultimate Law.

The significance of defining law legislatively, rather than ministerially from the Biblical perspective is fundamental. As Rousas John Rushdoony explains, "Where law is ministerial, the premise is that a higher law exists, and that it is the duty of man and the state to know and apply that higher law. Man cannot create law, because he is under law, and, in every area of his life, physical, biological, economic, moral, and political, moves under law that has its origin beyond man and the natural order. Law is thus transcendent in its source and immanent in its application. It requires study, application, and amendment so that the truth of God's law can be better approximated."<sup>5</sup>

Dr. Rushdoony goes on to cite a specific example that is relevant to our topic: God's commandment, "thou shalt not steal." Dr. Rushdoony comments: "This means that private property has God's sanction as the legitimate means of ownership, and that all violations of the various God-given norms of property

... are violations of a standard which has its validity grounded in the very nature of things by God's creative act. The ministerial function of the state is then to expedite the freedom of private property and to protect it. If, however, we deny a transcendental source for law and ground law (and property) in custom, mores, or the will of the state, then there is no moral mandate for the state to respect private property."

### State Intervention and Keynesian Economics

**T**he pervasive, anti-Biblical doctrine of the modern state has encouraged farmers to blindly applaud or acquiesce in the actions of monopolistic central planning agencies and bureaucratic marketing boards, such as the Australian Wool Corporation, which has insulated wool growers and mixed farmers from market prices, contractual relationships, and other real world economic restraints with price floors (cartel prices) and other policies that have developed an enormous glut of unsold wool which is being financed by wool taxes confiscated from all wool producers, even from those producers who choose to sell their wool privately at a discounted price to private treaty buyers.

Now that the A.W.C. is asking the Federal Government to extend the 240-day, \$270 million roll-over credit offer for wool it "sold" to the Soviets, Australian tax-payers may end up financing this major "sale", and yet again, finance the subsidization of our enemy. Indeed, as Brian Clancy reported in his leading article of the June 11, 1992 edition of *Stock & Land*, "Without the extension, the corporation is pessimistic about a repayment of the outstanding \$239 million already overdue on both mutton and wool."

Moreover, as Ian Hodge has written, "The possibility that some bureaucrat will sit on unsold goods that the taxpayers are financing, and which the original producers (e.g. farmers) want to see unsold and in storage, is relatively high."<sup>6</sup>

What farmers still have to grasp clearly is that the glut of wool that was "sold" to the Soviets was only in storage because it was, as Ian Hodge would hasten to remind us, "at an above-market price."<sup>7</sup>

There are, however, signs of change. Victorian wheat growers, faced with a debt-ridden Grain Elevators Board to which to sell their annual product, are keen to support the "enhanced corporatisation" of the Australian Wheat Board. But generally, the present ethos is to critique the management, the personnel, and the effectiveness of the state's involvement.

Hence Boyd Champness' report in *The Weekly Times* of July 8, 1992 that the Victorian Farmers Federation claims that it is "wayward" state policy and "a

66 We are witnessing the beginning of a tremendous whittling away of middle management. . . .

"Middle managers — the people who collect, process, and pass information up and down the hierarchy — are losing out to smart technology in the race for productivity. Middle managers have benefited from the belief that people work better when they are closely supervised. But now those hierarchies which middle managers held in place are breaking into a wide array of largely self-managing structures — networks, multidisciplinary teams, and small groups. . . .

"What really enables us to shrink middle management is the computer, which gives top executives immediate access to the information previously obtained from middle managers." (John Naisbitt and Patricia Aburdene, *Re-Inventing the Corporation: Transforming Your Job and Your Company for the New Information Society* (London: Futura Publications, 1985, pp. 12-13.)

The technological revolution has changed the work environment for many people. Not only in terms of job structures, but of work opportunities in the market place. Information is the name of the game — timely information and relevant data that helps the corporation of the 1990s serve its customers with goods and services.

Curiously, one of the current tragedies in this shift has been "Big Blue," IBM. Its image of invincibility has been shattered. Not that IBM is a finished company. It has a long way to go. But it has certainly taken a battering in the present business climate. Gone are the days when IBM represents job security. During the Great Depression no one was fired from IBM. All workers were kept on during difficult times. Staff shedding was by natural attrition. But IBM has been forced to shed 40,000 workers over the past year and another 25,000 are about to be shed as IBM posts a U.S. record for corporate losses of \$US9 billion last year. Mind you, it has cash reserves of \$US5 billion, so IBM is going to be with us for some time yet. But clearly it has made some strategic mistakes in recent years.

First of these was a dependency upon larger mainframe computers when the market was demanding smaller and cheaper PCs. Ironically, IBM introduced the Personal Computer, and now finds itself bitten by its own device. Corporations around the world have been discovering that the Personal Computer provides a cheaper and better alternative to the mainframe environment. One insurance company in Australia has recently spent \$500,000 or more to rewrite its software for the PC. While this represents a significant expenditure for the company, it stands to gain savings of over \$200,000 per annum in maintenance fees if it can get itself off mainframe technology. And considering the purchase price of the equipment was in the millions, whereas a few PCs networked can be obtained for tens of thousands of dollars, the payback to the

5. Rousas John Rushdoony, "Towards a Theology of Politics," *F.A.C.S. Report*, Vol. 9, No. 3, March 1990.

6. See Ian Hodge, *Baptized Inflation: A Critique of "Christian" Keynesianism* (Tyler, Texas: Institute for Christian Economics, 1986), p. 158.

7. *Ibid.* See also pp. 148ff: "Why Are There Gluts?"

lack of micro-economic reform" that has had a "devastating" effect on Australian farmers: "The problems we face have not been caused by us", claims Bill Bodman, speaking publically for the first time as the new Victorian Farmers Federation president.

The state is still seen by farmers to be their essential environment and the source of ultimate order. For farmers to question or repudiate all systematic state intervention in agriculture that is not ministerial in terms of God's law-word, they must hail Christ, not Caesar, as their source of law and order.

For "where God's law is denied, the ability of man to criticize the state is diminished and denied. If there is no absolute God and His law, then there is no absolute standard of right and wrong that I can appeal to against the tyranny of other men and the state. If I deny God, I also deny to myself the logical right to make any judgement about the state, for I have then no law or standard that transcends the power of the state."<sup>8</sup>

### Technological Innovation and Husbandry

State intervention in agriculture has also led to "forced" technological innovation and a trust and confidence in science and technology to produce simple, short-term answers to complex, long-term problems and restraints of ethical origin.

In his paper entitled, "Challenges faced by Agriculture since the Garden of Eden," which was presented on the 14th March, 1991 to the Western District Branch of the Grassland Society of Victoria seminar on "Everlasting Plants and Soil-is it possible?", Professor John Lovett well observed that, "The concept of "husbandry" has diminished in importance as technological advances have led to a simplification of agricultural systems. Where once a farmer might have thought in terms of a rotational system, incorporating a pasture phase and extending for five or more years, increasingly, the time horizon has shortened to encompass only the current season. Short-term technological solutions have been offered to hard-pressed farmers, who are now paying the price directly, through the increased costs of running their own enterprises and indirectly, through public disapproval. Nowhere is this phenomenon more marked than in the on going pesticide debate."

### A Dying Culture

Once again, this points to a dying culture. To quote again Dr Rushdoony, "the state seeks to solve all problems by technology. Whether it be

problems of health, soil exhaustion, work, man's inner conflicts, or any thing else, a technological answer is forthcoming. The answer is thus manipulation, not regeneration. Technology is always the last stage of a civilization. It is man saying that man's control is the answer to all problems, so that totalitarianism results."<sup>9</sup>

Western technical developments and technological innovations are the fruits of a western, Biblical world-view and a protestant work-ethic, and should be used as tools of agricultural reconstruction to subdue the earth for God's glory.<sup>10</sup>

When they are absolutized and abused, and not used as tools of dominion in terms of God's ethical requirements and standards for agriculture, they produce agricultural and ecological deconstruction and degradation, which environmentally bears witness to the inescapable duties and responsibilities of the dominion covenant.

Indeed, as Gary North has well stressed and reminded us in *The Dominion Covenant* "The fact that nature suffers because of man's rebellion is evidence of nature's subordinate position under man, and therefore evidence of man's position of dominion over nature."<sup>11</sup>

### The Farm "Crisis" and Keynesian Economics

Together with the state accredited and diffused cultural baggage of science and technology stripped of its Biblical foundations and operating principles, farmers have carried with them the potage of Keynesian economics to sustain their journey along the road of agrarian enslavement.

Farmers, now equipped with shorter time preferences and time horizons, and with the pragmatic, risk-avoiding practices of a Keynesian re-definition of their economic reality, view their declining productivity and diminishing returns as an economic "crisis".

Blinded by the false light of the Keynesian symbols of credit and money, they fail to see their "crisis" as an ethical imperative to restructure their land, labour, and capital in terms of the agricultural goods and services that contribute to the real world of production processes and economically optimum production mixes.

Even Christian farmers are perplexed and dismayed by their present situation. This should not be a surprise; for as Ian Hodge has superbly demonstrated in his critique of Christianized Keynesian economics, "To the extent that Christians adopt the conclusions of

company and shareholders by moving the computer applications to the PC are significant.

Increased power and performance in the PC have made this shift possible. People can now buy a desktop computer that has significantly more computing power than some mid-range computers of only a few years ago. The 80486 chip has spelt the demise of the mainframe computer, except for specialist applications.

Not only did it misread consumer demands for the personal computer, IBM made some other mistakes. One of these had to be its strategy of attempting to lock people into itself as a sole supplier. Now IBM is not alone in this strategy; it reflects a mentality common to mainframe suppliers, whose products were always unique to themselves. When a purchaser bought a mainframe, he also locked himself into the mainframe supplier for software and a range of peripheral devices.

The buying public, however, has not liked this strategy, and the Personal Computer provided a platform where it was no longer necessary to commit to one supplier. IBM, however, continued to attempt to position itself in the market with both PC architecture and additional products. When the market had so clearly accepted the original PC design, IBM chose to change to the micro-channel design. It went as far as to release its own network strategy, rather than accept a competitor's product that had established itself very well in the marketplace.

Perhaps even more importantly, it attempted to position itself at the higher end of the price spectrum. This allowed every clone manufacturer to nip away at IBM's potential customer base by pricing their machines at the middle to low end of the market. As personal computers have moved into the home, pricing has become more important as a buying factor and many, many people have purchased IBM clones rather than the real IBM because of profound savings.

This strategy, however, has provided thousands of business executives with first-hand experience of clone PCs. And as so many have discovered, the IBM clone is often equal to, or better than, the real thing. When these executives have returned to their offices and discovered the economic pressures for cost-cutting, they had a ready-made example of significant savings to be obtained by buying clone PCs.

Not only was its pricing strategy misplaced, but many clone makers ensured their equipment was superior to the IBM machines. Thus, a clone buyer could not only save money, he could get a computer that would out perform an IBM computer. Compaq computers, for example, while not underselling IBM on price, ensured its equipment out performed IBM's rather lethargic

8. Rousas John Rushdoony, "Towards a Theology of Politics," *Ibid.*, p. 3.

9. *Politics of Guilt and Pity*, p. 55.

10. See Lynn White, Jr. *Medieval Religion and Technology: Collected Essays* (Berkeley, CA: University of California Press, 1978); Lynn White, Jr., *Medieval Technology and Social Change* (Oxford: Oxford University Press, 1962); William Carroll Bark, *The Origins of the Medieval World* (Stanford, CA: Stanford University Press, 1958); John A. Hall, *Powers and Liberties: The Causes and Consequences of the Rise of the West* (Harmondsworth, Middlesex: Penguin Books, 1985); William H. McNeill, *The Rise of the West* (Chicago, IL: University of Chicago Press, 1963.). For an excellent analysis of the collapse of the Roman Empire and the rise of Christendom, see Charles Norris Cochrane, *Christianity and Classical Culture* (Oxford: Oxford University Press, [1940] 1957).

11. Gary North, *The Dominion Covenant* revised ed., (Tyler, TX: Institute for Christian Economics, 1987), Chapter 14: "The Ecological Covenant."

humanist man . . . they have thereby adopted the *presuppositions* of humanist man," and "would enslave men to the State in the name of Christian ethics."

"This is why definitions do matter," writes Ian Hodge. "If we define a phenomenon in a particular way, we may become blind to cause-and-effect relationships that are denied by, or de-emphasised by, our chosen definition. . . . If people become wilfully blind to cause-and-effect relationships that displease them, they will then define a phenomenon in a way that makes it easier for them to ignore these unpleasant relationships."<sup>12</sup>

It is, however, encouraging to note that there are farmers and rural people who do not want to be captive to the "unpleasant relationships" of a humanistic agriculture. Fennie VanderBoom, for instance, in her article entitled, "What should be done about the crisis on the farm?" (which was published in the November 1991 edition of *Reformed Perspective*) asks the question, "Is there a Reformed view of farming?" Yes, there is; for, as Cornelius Van Til has written, "The redemptive revelation of God had to be as comprehensive as the sweep of sin. Redemption must, in the nature of the case, be for the whole world. This does not mean that it must save every individual sinner in the world. It does mean, however, that the created universe which has been created as a unit must be saved as a unit."<sup>13</sup>

Modern agriculture and its "crisis on the farm" is, therefore, in the state that it is because of God's direct and personal response to the ethical rebellion of covenant-breaking man.

### Cosmic Personalism

We cannot escape the cosmic personalism of God's creation, covenant, and sovereignty. As Gary North has argued in the opening pages to his very important chapter on "Cosmic Personalism" in his *The Dominion Covenant*, "From beginning to end, the created world bears the mark of God's handiwork. 'The heavens declare the glory of God; and the firmament sheweth his handiwork' (Psa. 19:1). God did not create a self-sustaining universe which is now left to operate in terms of autonomous laws of nature. The universe is not a giant mechanism, like a clock, which God created and wound up at the beginning of time. Ours is not a mechanistic world, nor is it an autonomous biological entity, growing according to some genetic code of the cosmos. Ours is a world which is actively sustained by God on a full-time basis (Job 38-41). All creation is inescapably *personal* and *theocentric*. 'For the invisible things of him from the creation of the world are clearly seen, being understood by the things that are made, even his

eternal power and God-head. . . .' (Rom. 1:20)."

"If the universe is inescapably personal, then there can be no phenomenon or event in the creation which is independent from God. No phenomenon can be said to exist apart from God's all inclusive plan for the ages. There is no uninterpreted 'brute factuality.' Nothing in the universe is *autonomous*. . . . Nothing in the creation generates its own conditions of existence, including the law structure under which something operates or is operated upon. Every fact in the universe, from beginning to end, is exhaustively interpreted by God in terms of His being, plan, and power."<sup>14</sup>

### A Cause for Hope

Hence, when we view the historic context and circumstances in which farmers must practice their calling, we can affirm that the present historical time is a cause for hope. In his "Observations on the End of an Age," published as an appendix to his study on *The One and the Many*, Rousas John Rushdoony has observed that indeed the "modern age gives every evidence of approaching death." Yet he goes on to state that this is "a cause, not for dismay but for hope. The death of modernity makes possible the birth of a new culture, and such an event is always, however turbulent, an exciting and challenging venture. The dying culture loses its will to live. A new culture, grounded in a new faith, restores that will to live even under very adverse circumstances." (p. 370).

Facing thus the end of an age, we cannot be complacent about our specific dominion tasks nor ignorant of the historic moment in which God has providentially positioned us. Nor can we be complacent about, nor ignorant of, the covenantal vision, objectives, strategies, and tactics which inform and guide the performance of our tasks. As Henk de Deugd would remind us, we must adequately know our covenantal answers to why, what, how, and when we should act to perform our planned actions as God's counter-offensive agent's of reconstruction and transformation.

We must, therefore, be confident in God's sovereignty and the decisiveness of the battle fought and won at Calvary — a victory which enables the progressive, long-term replacement of evil with good. We must also be thankful that God in His providence has given us an opportunity in history to work for the realization of His comprehensive alternative to humanism so that His Kingdom will be gloriously manifest on earth as it is in heaven.

(To Be Continued)

machine, and so gained a significant foothold in the corporate environment.

The story of IBM is indicative of another aspect of the market. That no matter how big a company is, it is ultimately buyers who are king of the market. In a market where buyers are free to choose, it is surprising just how quickly they realize the advantages in various products. It has taken only a dozen years to end IBM's dominance in the computing field. Other companies could learn well from the mistakes of IBM. The customer must come first! Who remembers companies such as Olivetti, Remington or Triumph Adler, once leaders in the typewriter field. Now they've been left behind by the PC with its word processing packages, while Japanese companies such as Brother and Canon have captured a huge portion of the electronic typewriter market (what's left of it).

Caught in this flux are the middle managers referred to above, whose jobs have disappeared in the changing world. Buyers have persistently pushed down prices, so companies look for every opportunity to reduce costs so they can meet the buyers' expectations. For many it is a traumatic period while they readjust to new positions and find new opportunities. Some, such as one senior executive from an insurance company, take several months before they realize they must apply for jobs at salaries and positions below their previous employment. Others are fortunate and find positions not too far below their previous positions, while others need to start again almost from the bottom of the ladder.

This is the world of the 1990s taking us into the twentieth century. It heralds a world of continued change, for the unemployed in one area provide the opportunities for entrepreneurs with new-fangled ideas who need staff to produce new goods and new ways of doing things. Thus, just as technological advances released farm workers for the factory in the Industrial Revolution, so the computer is freeing workers from the factory and the office for the Technological Revolution.

This means, among many things, that workers are now going to be more self-oriented. No longer will they devote their life to one employer. In this changing job market, workers will realize that they are indeed supplying a service to their "employer." And if they can supply one, they might be able to supply more. Additionally, as their work skills expand, they will be able to supply other employers at higher remuneration.

With Asian PC manufacturers gearing their productive capacity to meet an anticipated one-in-three U.S. workers working from home by the year 2000, the PC revolution, and the onslaught against the IBM giant, will continue unabated.

The beneficiary in all this change is the worker — especially the middle-manager. He will be more skilled, more mobile in the job market, and have a larger range of goods and services at his disposal — thanks to the desktop Personal Computer.

12. Ian Hodge, *Baptized Inflation*, pp. 255, 270, & 180; emphasis in the original.

13. Cornelius Van Til, *An Introduction to Systematic Theology* (Phillipsburg, N.J.: Presbyterian & Reformed, 1974), p. 133.

14. North, *The Dominion Covenant*, pp. 1-2, emphasis in original.