

ESTO'S INSTANT HAT - Part I

A lecture given on
1 March 1972

Alright, this is the first of March AD22 and the subject is the Establishment Officer. The background history of Establishment Officers begins in 1950 when I was the Establishment Officer. And what happened was that I bought the desks and gave the lectures and did all the products and did most of the auditing, and tried to do this, that and the other thing. And I worked about eighteen or twenty hours a day, and to some degree made it come off.

When I dropped off of the scene, there was an instant collapse. These organizations ran, but they ran to such a degree with out-ethics and this, that and the other thing, that they eventually went down the drain. Those were the first Foundations. I wasn't an officer of those foundations, that is I was an officer of them in a courtesy, but I was not the Board and I was not the prime mover. Actually the Board of Directors was a very, very bad barrier to getting anything done. Mostly, mostly because they had ideas that they should be popular and do the usual, and popularity is one thing and truth is another.

And the reason why the university has never made it, the reason why psychiatry would never make it, the reason why the medical doctor would never make it, the reason why the normal garden variety research man would never make it, is because everything he researches is debted, that is to say edited, against the reputation of the institution. "Reputation is all, truth is nothing." And that is the downfall of the American or any other university, or any research organization or any research man.

So, when you found out that this or that was necessary to resolve the case and you found out that this or that was the way it was, you found out that this had to be edited because it might not be popular, because it might not be acceptable to the people, or the best people who were running people into the very best possible grave. So that, that type of editing of the organizational actions and that type of government is a government that will fail.

The normal management lines which are conducted in the world are conducted, when they are successful, by men in a mood of desperation and exasperation, they are carried on the backs of one person. And there will be a half a dozen stalwarts within a very large group that keep the show on the road one way or the other over innumerable slumberous, alter-ising, editing, all-for-the-best mobs. And as a result, the life span of organizations approximate the willingness span of their prime motivators. And after a fellow has wrestled with it just long enough and been caved in and done this and done that, why, he tends to move off or quit to some slight degree. He says, "Well, I'll put my attention on this now, and I'll try to make this go right," and abandon certain other lines and sectors. And then things cave in here and there, and then with great heroism he rolls up his sleeves again and gets in there and tries to make the machine go, and leaves bruised feelings and human emotion and reaction widely spread, but he does get something done. And then he will relax and it will tend to fall apart.

You ask any of the executives who have been the motivator, motivating, that is to say the causative executives of Scientology organizations and they will tell you that that cycle is too true. And it is the cycle of civilizations, not just the cycle of one organization. Anybody who has been in there pitching can count the number of times that they have put together a Dissem Division or an HCO or a Tech Division or something like this. A missionary goes into an org and he sorts out what he's supposed to sort out. One week later it's gone. The stats show it.

Now establishment, establishment is then the key to organizational prosperity and it has never been recognized to what degree establishment accounts for the prosperity and longevity or long life of an organization. What happened to a Joburg or what happened to a Washington or a London or a St. Hill? Well, they were put together, they should have run, but in a relatively short space of time they fall apart. Now, why did they fall apart?

Man in his cultural, anthropological, ethnical and other brain cracking word background, is essentially a nomad. And when you have a society which runs at high tension and where the values in the society are tremendously multi-changeable, where the society itself is enturbulative in the extreme, the individual society member is knocked from here to there to back and forth and around and around. And he himself is in a state of foment and a state of change, continuous state of change.

The number of, the number of addresses that have to be changed in an organization; you can have your address list write-up and then the address change is, backlogs or drops behind, and you get immediately an out-of-date mailing list. Why? It's worst in the United States where the society itself is the most chaotic, but it is certainly bad enough in England and Europe. The society itself doesn't take care of the fellow's various rights. Oh, take a simple matter of a divorce. Take a simple matter of owing somebody for some blackberries that weren't fresh on delivery which you now won't pay for. Well, I suppose you could spend a hundred thousand dollars and so forth trying to clear up this case of blackberries.

If there is an injustice in the United States, the United States government's probably committed it. As a result, these injustices and these various economic social stresses are such that you get people who are PTS to the society, cannot concentrate well on what they're doing, and who are themselves in motion; they themselves are unstable. So, you've got a Dissem Sec today and you haven't got one tomorrow, and you've got a Registrar today and you haven't got one tomorrow, and you don't have a Distribution Sec today and you're not about to get one. In other words, the ebb and flow of personnel is the primary disestablishing factor, the stresses the personnel are under and their nervousness and restlessness in the society.

Now, our organizations are built out of people so we have an analogy in a machine whose parts are there today and gone tomorrow, whose parts run all right today, the oil filter works okay today, but tomorrow has a dent in it mysteriously received. In other words, that machine would have an awful time running. Today it has a cog wheel, tomorrow it doesn't; today the spark plugs are there, tomorrow they aren't. And so, the economic stresses of the society make no allowance for the fact of this instability. And day by day all of the hustlers and salesmen and bill collectors have to be paid. The landlord has to be paid and this one has to be paid and that one has to be paid.

So the organization which is disestablished, suddenly or gradually, yet is still carrying an economic burden. Its economic burden does not decrease, it increases. And that is because the money itself at this stage of the game is inflating. And that's because there was no establishment officer to hat the President of the United States and give him a few facts of life. Instead of that, he read a book by a pederast named Keanes who, part and parcel of the Fabian society, the honored guest of Stalin and the husband of a Russian ballet dancer, has dominated the political economic scene for decades. They're just getting wise to him now and starting to throw him out as the primary textbooks of the university. He advocates infinite inflation, the keynote by which he runs is "create want." He's sure going to create it eventually.

But that was not the economic textbook which built the United States. There were two Hungarians used to tear around and advise the heads of state. I'm sure they were backed up by the Council of Foreign Relations or someone like that. But they used to go around, and they'd see this country, they'd go in and they would give the head of the state all this advice, and then they would move on and they'd go to another country. Somebody got interested and ran their back trail, and their back trail was followed down to ruin and bankruptcy each time they had advised anybody to do anything. They were Wilson's key advisors just before the deflation.

Now, England's economics were not built by two Hungarians who drifted in with some weird oddball Keynesian theories, so they changed their tech. And nobody has ever done an

evaluation in any of these economic scenes. First and foremost, they don't know how to evaluate, that's the best reason. But the other is that governments are on a sort of a suicidal kick, they are not on a constructive kick, they are on a destructive kick. The only answer a government has to any given situation is violence. You press them a little bit and you run instantly into violence. You do not run into anything sensible. They cannot be talked to. Now you could see violence occurring or being pushed out from a government if they're attacked by violence, but mostly their violence is against the weakest and the most easily controlled people.

So, here's an economic scene which basically is not solved by good sense but is solved by off-the-cuff squirrel tech and which gives the establishment of anything a curve, because you can't establish it today on X dollars and expect that it will run tomorrow on X. So you could establish a whole organization beautifully to run with a Financial Planning number one, and three months later with birds like these Hungarians, oddball textbooks like Keane's, and you will suddenly find out that your Financial Planning number one no longer matches. In addition to that, the economic stresses on the staff members that you are dealing with will have increased.

And then this therefore is a disestablishing action from the point of the staff member, adding to his restiveness, his move-on-ness and so on.

Then some bird comes in and tells some auditor who is stupid enough to listen, that he can make twelve hundred dollars a week if he just goes to work for the Keokuk Franchise. And the auditor is damn fool enough to pick this up, goes over to the Keokuk Franchise and makes one dollar and twenty cents. But, there is an effort also, then, to pull off trained or staff-experienced people.

Now, the answers to these things are not as grim as they look and they are not just establishment, that you get it into concrete and then it stays in concrete and then the Establishment Officer is no longer needed. And if you have that view of an Establishment Officer, that you're going to build something that there it is and all you have to do is dust your hands and step back and it will stay there, throw the idea into the nearest waste basket because it isn't true. You are dealing with an economic society which is restive. You are dealing with people who are nomadic. You are dealing with governments that deal in violence against their populations. And you get shifts and changes, both in the society around you and within the staffs you are trying to establish.

So an establish and maintain established is the index of it all. It's establish and maintain, and establish and maintain, and establish and maintain, and establish and maintain, and establish and maintain. And it's all gone one Monday morning when you look in because the guy you had been counting on to do waffle waffle waffle and so forth, he's gone. His wife just jumped over the cliff, or something has happened and that's all bwow! So at that moment you get a brilliant idea and you establish and maintain. You're handling stuff that makes quicksilver look like iron.

So the Establishment Officer possibly is better named as the Establishing Officer, because day to day and sun through sun, the Establishing Officer's work is never done.

Now, if you're dealing in that much of a quicksilver society, with that much disappearing; I might as well give you the bad side of the picture, don't you see; then you must learn how to establish very rapidly. And rapid establishment is the answer. So that there are three types of establishing targets: Instant, medium and long. You're always dealing with all three. Your instant doesn't get graduated up to medium, and your medium gets graduated up to long, and you finally make all those and that is it. You are always dealing with an instant while you deal with a medium and while you work on a long. So there's the instant, medium range, long range; the three types of targets. The successful Establishment Officer will have all three of those balls in the air simultaneously.

We will have a Dissem Sec trained by next Tuesday, but right now there is a Dissem Division which has no Dissem Sec on it. If we blew this fellow off, why then we will have to on-post hat him, but he's almost finished with his OEC and that would be a shame. So how do we head this division until he gets there? This is the type of problem with which one is dealing perpetually. And the only advice that I can give you is, do it.

Now we have, then, a history of twenty-two years of booms and depressions. When the Data Series was developed, a tool was developed which made it possible to then penetrate these obscure mysteries as to why booms and depressions, booms and depressions, not only with the organizational network as a whole but the individual orgs go through that cycle, boom depression, boom depression.

The evaluator in the Data Bureau the other day told me that the book receipt monies, now hold your hat, the book receipt monies of 1967 at St. Hill were greater than its total income today. Now that is a terrifically spelled out collapse. The ban had very little to do with it, but they did lose their American trade. But they mostly didn't listen when I told them they'd better build up their domestic trade. But that gives you the difference, the two magnitudes of organization. Huge.

Now the funny part of it is; I noticed this first in 1950, 1951, 1952, I noticed it very strongly in later years; that external actions to the organization have almost nothing to do with its survival factors at all. You can go anyplace and build an organization. If it is a soundly established organization which is producing, it will get in direct proportion the income that it has established to achieve. Now that is a factor which an Establishing Officer has to learn, and that's probably the hardest and biggest, toughest one to learn because the staff around you all have their aberrated whys as to how come the income is down, how come they can't get out a bulk mailing, and it's usually wiggled "Why is God." But it'll be some fixed thing. And so you get at the reasonableness, the reason why nobody attended the open evening is that there was a football match on the same day. I've heard that, you see. But looking under it, I found out they didn't announce it.

So the tool to discover causes exists, and that is the Data Series, and you can discover these causes. And when this thing was finally, when the Data Series was finally used against the whole of this picture, the answer emerged. And the answer is, an unhatted staff generates dev-T. They develop enough bad traffic and sour traffic that they impede all productive traffic. And the reason back of dev-T is unhattedness. These orgs can be busy, they can work themselves to the fringes of exhaustion without producing anything but more dev-T.

An adequate description of any government on the face of the planet today would be "dev-T." If they all vanished, the world would be far better off. The amount of dev-T which they generate into the society also affects you organizationally. And the best way is to hide it off, just compartment it off and set up a little section to handle dev-T, and that's called an Accounting Unit whom attacks people or something like that. Capital Airlines had twenty five certified public accountants that did nothing but handle the government tax people.

So there's dev-T all around an organization, so it is no wonder that the organization itself develops dev-T, since it is operating in a gorgeous tradition which has been going on for the entire history of Man. And that dev-T comes from unhattedness. The reason the economics of the United States are bad is there's no Establishing Officer hatting the President. That's just that. Yeah, well, he's in charge. The Establishment Officer isn't. But if that combination existed, this would damp out. He's a complete madman. He's handing out about three quarters of the national income into channels which will never do anybody any good at all, which solve nothing, and then wonders why he has inflation. In the most basic textbooks of economics it tells you not to do that, it says don't do that.

And he then has designed the idea that the working man, demand for wages, is the reason why prices are increasing. Wrong why, and yet economists continuously have been pushing that why. The working man has to have more wages because he can no longer buy bread. So

the basic whys aren't found. But that is the basic why. That is the great big gaunt wolf. Unhattedness develops dev-T. Now it isn't just unhattedness, that for an Establishing Officer is too simple a statement, much too simple a statement, because it just isn't just hattedness, it's the lines, the meshing of these hats, the space in which these hats are worn, the arrangement of it, the adequacy of it.

There was one staff in one organization had its comm center three floors down in the basement, as about the only unit that was missing out of their organizational lines. Spatial arrangements can cause dev-T, the way lines flow. If you have a hot flowing line from A to B but exactly perpendicular to that have a hot flowing line from C to D, those two lines are going to collide. In other words they can't flow, because they're having to flow through each other or across each other. So spatial arrangements are important to an Establishment Officer.

The equipment with which an organization deals is important.

Twenty-five thousand dollars worth of equipment at AOLA was inoperational by report. The person that had this in his charge, Dir Comm, had just let it all break down and apparently he wasn't reporting this fact to anybody, even his immediate officers. And the next thing you know, it was very difficult to get out a mailing. Now, there's a big machine which folds and envelopes mailings, takes up the better part of one garage at St. Hill. The repair parts for that machine cost one guinea. The bulk of the St. Hill staff gets tied up with every mailing. The machine is broken and they don't put the publications together in a size that can be stuffed by the machine. Duhhhh.

A project written to repair St. Hill's machines a couple of years ago, to my knowledge, has never been executed, although there have been plenty of people to execute it. All they had to do was hand them the project, it automatically carries authorization for all expenditures for the machine repairs. There's a staff working itself to death and there's a machine that will do all the work, and they don't come together. Now why? Why such idiocies? Well, the executives in charge of the organization are driven by the economic necessities of the society in which they find themselves, with the bill collectors, with other things, into a flat out, day and night, hammer pound, to get some production, to get something done, to get some income in. And they are just spread so thin that they haven't got time to notice those machines are broken, any more than I have time to run this engine room.

Now, it isn't the fact that I couldn't. I could. But this planet, for some reason or other, is rotating on a twenty-four hour, it isn't quite the twenty-four hour spin, but it is rotating close enough to twenty-four hours a day around a twelfth rate sun at the outer corner of one of the smaller galaxies. And it inexorably rotates at twenty-four hours a day. And as hard as you try, you can't make it rotate at twenty-eight or thirty-six. If it just would, you might have a chance, if it just would.

And so somebody who is holding everybody's hand, buying all the furniture, answering the bill collectors, talking to the irate customer who wants his money back, trying to get five more auditors because the last five they had went into a mutiny and quit when asked to go to cramming, this fellow living in the midst of all that and so forth has not got much time to notice much about that machine.

Now the boom and depression cycle was caused by the exhaustion of the executive in handling the thing, and the dispersement of staff because of the nomadic character of society. The boom and depression was caused by establish and disestablish, and that cycle of establish and disestablish was accompanied by an increasing cycle of dev-T. And you have the exact description of why orgs rise and why orgs fail. If we're ever going to take this planet we will have to eradicate the failure end of that cycle. See, that's elementary, right?

So, a vast study of this and a tremendous amount of expertise of this has shown that there is a division of labors. If anybody is going to get a dinner and he doesn't put a stove there or a

fire, and he doesn't have any ways to get any supplies and there are no dishes, and there are no food preparers, I won't guarantee the quality of that dinner. That's going to be a pretty lousy dinner. Establishment is what adds quality to a product. It's no reason to scream at the CO or ED about the quality of his organization which isn't established, because the dev-T in the organization itself is sufficient to disestablish it and that will shatter the quality of the product he is trying to produce. Do you see what's wrong?

Yes, he theoretically would love to turn out a very sleek pc, but with this, that and the other thing, and because the person out there on the folder line didn't, and the, after all, they called this person in on Friday and had to have him go, only have one day in the organization, and he had paid for um , and at the other end of the line you are glad he got out of the organization without a red tab. You get the scene, you get the scene.

Well now, I can hold one of these organizations together and I normally can build one up. But it sometimes gets so bad that it takes about a twenty hour day and you wouldn't believe some of the things that I have to handle and some of the outnesses which I find. It is fantastic, it is just beyond belief. It's because the hats one, are not known or worn, and because the hats are not meshed with the hats so that they run in coordination with the hats. The materiel problem breaks down and the spacial relationships get tangled, and the economic duress puts barriers and breaks on what you can do. And that brings us to resources.

An Establishing Officer always has to work within the reality of the resources available. It is all very well to attack the German army as a plan. Let's plan to attack the German army. The resources available are one corporal with a broken leg. Actually it's a state of insanity describes this perfectly. It's called megalomania. Here's this little guy who wouldn't be able to balance, hold up a match stick, and he's going to move the world. It is a complete overestimation of what you can do. Resources is the limitation factor. What do you have to do with?

And now we get into the genius department. The less you have, the more genius it requires. And that's probably a rule of an Establishing Officer. The less resources you have, the more genius you have to inject into the situation to substitute for the lack of resources. So genius substitutes for the lack of resources. "How the hell are we going to establish this division? We have two people. Well, I could get in there and do it all." Wrong answer. Wrong answer. The primary error that an Establishing Officer can commit is to start handling the actual traffic of the division. The org will never grow and he will not be an Establishing Officer. It is an illegal order to give an Establishing Officer an order to handle the traffic of the division. Illegal across the boards. Illegal as well to take him off and put him on another post because personnel is so scarce. That is the exact way never to have any personnel. So the resources are made up by the brilliance of the performance.

There's one country that has a good background on this, it's a nice little model, it's Sweden. Sweden has been able to hold her position in the world by fantastic technical developments and by efficient organization. And the organizing that has been done is so efficient with regard to its world relationships that they're very hard to believe. How did they stay out of those world wars? How did they emerge prosperous on the other end of it?

So you can always substitute for numbers with efficiency and brilliant ideas. If your technology is brilliant, your efficiency is fantastic, you can take the lame corporal and attack the German army, not even on a forlorn hope basis. That's what I think Hitler was doing, attacking the German army. He defeated it utterly. So it's all from what viewpoint one is operating.

If I were to tell you that we have one of the hottest, smartest units in the world of its kind, you might or might not agree with me, but it's the Guardian's Office. Now, that is a hand-built organization and it was built for a certain definite policy and planning. They had a certain definite purpose. It is better, now hold your hat, it is better today than MI-6, CIA, DIN, State Intelligence or the Abwehr. The decline of psychiatry on the planet came about

because they attacked the wrong target, us. There wasn't any unpopularity of psychiatry until we opened our mouths, and now it's generally thought to be the case that they're sort of a failed, half-baked, murderous sort of bunch of bums.

The World Federation of Mental Health has now just been transferred to the West Indies and put in the hands of an obscure psychiatrist nobody ever heard of in a back village of blacks. Now, it was the world's most powerful mental health organization, formed by the death-campers who escaped to England. Now, how did it ever get to Jamaica on a back street of a small village? Now, you get the idea? The Guardian's Office doesn't have huge sums of money, they don't have vast numbers of personnel, but they've got technology, they have got some of the hottest technology that anybody ever heard of.

One piece of that technology is over two thousand years old, it comes out of the "Art of War," it's called the "dead agent technique." But the Art of War doesn't state what the dead agent technique could be in full, it was developed within an inch of its life. A newspaper reporter today going into his own morgue files, in any paper anyplace, to get some material to write about Scientology, collides with how bad psychiatry is. Now, how did anybody ever manage that? The people who were running the psychiatric push are dead. Worried to death. Now, how did anybody do that? Psychiatry had an huge, escalated program, escalated, climbed right up the escalator and upstairs, fast: To degrade the human race, to supersede all normal justice with psychiatric anything. They had this up to a point where they had legislatures all over the world, and parliaments and so on, were just passing seizure laws which were moving right straight forward which were opening the gate to a totalitarian state for this planet nobody ever heard of. And they made the mistake of attacking us and attracting our attention.

Now, one little handful of guys going in against a multi-billion dollar organization such as that, and messing it up and knocking it flat on its back, is quite a feat. And the whole organization was put together and made to run in a few months, and it did its job and accomplished its objectives within three years. Now that shows what can be done.

Have you ever received anything from the Guardian's Office? Have you ever received a letter or anything like that? You don't know too much about them, but have you ever received a note or a letter and so forth from Central Guardian's Offices and so on? They're always very neatly typed and they're usually put together well. Did you ever notice that? So their administrative procedures are in. They follow target policies religiously, they program everything. If some, if somebody is to go out and find out about somebody in some small town someplace or another, he's on fully programmed orders, fully targeted orders just exactly against the target series, but they carry it through to an enormous degree.

Now, that's what can be done by establishment. Now that required then brilliant technology, small resources but very, very sound, hard organization and fantastically able management. So don't for a moment underrate what you can do as an Establishing Officer if that job could be done. It is a complete disgrace that Scientology organizations and Sea Org organizations have not taken more territory than they have. A complete disgrace. People will sometimes say, "Well, the org board might be out, or this might be out." That's all "why is God." The actual fact is that it is simply that failure to establish and continue in an established state and continue to establish, they are destroyed by dev-T. And the dev-T is developed because of unhattedness.

They have brilliant technology. It is not applied. You don't have to worry about the technology. Both in tech and admin, boy, it's there. It is infinitely greater and infinitely more effective even than the intelligence technology on which the Guardian Office operates. But it's not known. Do you know that in the Sea Org, there has never been a whisper of the word "dev-T?" Nobody's ever mentioned it. Once in a while they use it as a curse word, but they really don't use it.

Old HCOs policed dev-T hard, hard, hard, hard. They got the whole staff communication hat on as the first action that was done with the staff member and I've gone back and isolated this fact from the lines. That was the first thing that happened to the bird. They showed him how to write a dispatch, what to write the dispatch about, one subject one dispatch, the dispatch had to do with what he was doing and the dispatch had to do with the person he was writing it to. And they just kept this up and kept this up until you had a well-disciplined organization which would hold its form. That has not been done for years. When that ceases to be done, the organization tends to disintegrate. But along with that goes hatting.

Now, I'm just trying to give you some of the bad spots, some of the bright spots and so forth, and the background history. It has been very difficult for me to operate as the Establishing Officer to all of Scientology while getting out the production, while evolving the technology. But in doing that, enough experience was gotten together, enough technology was developed, to make the pieces fall into their right places. And they are somewhat like this. The product/org system is a brilliant system, but it has a fatal hole. The HAS had no more chance of establishing the organization than a man in the moon. And a survey throughout the United States and other places demonstrated that this, according to its staffs, was the total failure of the organization. The failure of the HAS to establish. This was uniform. It ran at something on the order of 97% on a survey. So this isn't just an off the cuff evaluation, this is an evaluation with observations and surveys and everything you can think of.

The Product Officer with his attention on production, the Org Officer making the preparatory steps necessary to get the production in, were not backed up at any moment by an effective establishing action. Now we know all about that, we have the background history of that. The basic theory of the system is brilliant. In its execution we find out that we underestimated the number of people necessary to establish an organization in these upsetting, twirling, whirling dervish times. The number of people that it takes to establish an organization has been underestimated by about ten times. In other words, it would take almost ten times as many people.

So, with this in view, a brand new method of handling an organization, using all that was good in the Product Officer system, has been evolved. The Commanding Officer/Executive Director of an organization is the Product Officer of that organization. He does nothing but think, breathe, eat product. He knows the valuable final products of the organization, he demands them. When he doesn't get them, he investigates by data analysis, finds the why, debugs it, writes a program, brrrr. The program is carried forward by the Deputy Commanding Officer or Deputy ED. The Deputy ED in other words, is the program executor, also the handholder, also the dev-T catcher, of the product officer.

Now, there is a yeoman or a secretary to the Commanding Officer or the ED. This is the top man. He has a yeoman. That person just operates as reception. The Deputy Commanding Officer or ED makes sure that yeoman stays trained, to divert dev-T from the Product Officer's lines, and goes around and gets those program bits executed. So therefore the planning is really carried out at the top, where it belongs. The planning is carried out at the top and planning has to carry with it summation of observation. It has to carry with it investigation, it has to carry with it all manner of look into it, straighten it out, find the why, evaluate it, you know, find the why, write up a brief program based on a brilliant plan which isn't yeah, yeah, figure out, five yards long and ties up the whole organization and is itself dev-T. Anything based on a wrong why is totally dev-T.

So this short, succinct plan of what we are going to do to get this, that or the other thing debugged, would go through to the deputy and the deputy then is actually operating as the Org Officer, but he's really not doing organization, he is doing program execution. Now, the Commanding Officer or ED has a conference and that consists of the divisional secretaries, and that is the Product Conference. And every divisional secretary is himself a product officer, and is only a product officer, and he conducts investigations into his organization and debugs those areas where he is not getting the product. And he has a deputy who carries forth his programs and handles his administrative load. And that product conference doesn't even

do FP. They eat, think, sleep, do nothin' but products. That's produce, produce, produce. Now, the way this thing has gone is the Product Officer became so impatient with the slowness of establishment that in the PAC area the orgs destroyed themselves by saying they are doing too much establishment and they weren't producing enough, so therefore the thing to do was produce but not establish. "Now, we want eight hundred and fifty-five names to CF immediately and we've got to get those names to CF and in the CF and so on. We've gotta have sixty-two students a day, and so on, tear up CF, throw it all over the floor and try to find in it the names necessary so we can meet this sort of a quota." And it tore the whole PAC area to pieces and made it insolvent. So, this anxiety for product carries with it a deadly germ. The scramble for product will disestablish.

So, there has got to be somebody there who carries forward the establishment of the org, and keeps it established and hatted and dev-T free, and producing what it is supposed to be producing instead of "all hand will now audit all next week, whether auditors or not."

So, the third member of the team is the Establishment Officer I/C, which is going to be changed shortly, by the way, to the Executive Establishment Officer, except that the name was missed on the checksheet and they tried to make the Executive Establishment Officer the name of the person who was in charge of the Executive Division. He is the Seven Establishment Officer or the Division Seven Establishment Officer, that's his proper name. Esto I/C is what we have been using, it will shortly be referred to when bulletin, policies and that sort of thing start coming out, it'll be referred to as the Executive Establishment Officer.

Now, it is his job in the midst of that hurricane of demand, to establish. Now, he can err in numerous directions. One, he can start doing the duties of the division, that's the most fatal error. He can establish without regard to production. He can build an establishment far larger than the organization can support. In an effort to get people, he can offer far more pay than can be afforded. Economics, the economics of the organization therefore are in the hands of another conference called the Esto Conference. An FP is done by the Establishment Officers. It's done just according to the rules and therefore they know how much they have to establish.

Now, it is a remarkable fact that an organization tries to spend all it makes. The first thing you ask, you will hear from some green organization executive who has just been put in high up in an organization, "Let's see, the organization will be making about five thousand dollars a week. Now, let's see, for five thousand dollars we can buy " daaah. Only they never really spend all they make, they usually spend more than they make. And that is a terrible disestablishing factor in itself. The amount of production per unit of Sea Org orgs has gone from, hold your hat, five thousand dollars a week per staff member to about ninety eight. Dowwww. So they're mostly involved with dev-T. They're very busy, they're very exhausted.

So, the economics of the organization and how it stays established is too close to the Establishment Officer, because it can establish for him not to have control of the amount of outgo in that organization. So, income is actually in the charge of the Product Officer and his deputy, and the outgo is in the charge of the Establishment Officer. An organization that spends more than sixty percent of what it makes has got rocks in its head anyhow, regardless of who gets the other forty, regardless of the tax people, to hell with the tax people. The tax people will do you in anyhow, why worry about it. They've made themselves sufficiently obnoxious and sufficiently bonkers that you just take those steps necessary to obfuscate them.

It doesn't matter whether your tax, you submit honest taxes or dishonest taxes or correct taxes or anything else, they'll suddenly tell you, "Well, all of that that you say was expense is really income because a new rule says that the worth of an organization is its debts plus its assets, so therefore these are really assets, so therefore you owe the organization a hundred and twenty-two thousand dollars, and so on." The Guardian's Office will get very cross with you on its finance lines because it has to do tax things and figure it all out some other way

and, and so forth. But never let the fact that money will be taxed deter you from making a mint. That is not the right why.

If you have enough money and if you've made enough money, the only way St. Hill has gotten by, you can afford to spend huge sums to protect the huger sums that you have made. The crime is not to have made money. So never fall for the fact that we must not this money because it will be taxable. No, figure some way where it isn't and go right on making it. An organization has to be valuable enough to compensate management and to pay its management expenses. And the management of a Scientology organization is not actually at its ED or CO level. They manage that particular unit and organization, but if you figure out the amount of money invested in making it possible for that organization to exist, wow.

Boston, as brilliant a job as Boston is doing at this moment, was turning in only about fifteen percent of its organizational income. They have no idea how much it costs to put together that command team, not the faintest. About a quarter of a million dollar command team was sent to Boston. And they're going to pay it back at four thousand dollars a week for three months and say its compensated? Bull. But all due respect to its CO, he got the word instantly and the very next week, after I called this to his attention, why, thirty percent of its income went racing immediately to Central Command. So he got the word fast. That's still not enough, not enough to compensate for the trouble and upset, for the sweat that guys did on this ship and the sweat that auditors have done and right on down the line, and the flukey, fall on the head mistakes these guys have been made and then remedied and learned from and it takes twenty-eight thousand casualties in a war to make a Major General. Well, their casualties were big enough. You bet. Right now, AOLA is going wzzzz, just because of that kind of stuff.

So, how do they compensate for it? Well, the compensation of management and so forth has to be adequate to retain management's interest. Management has to continue to be able to furnish the management's services, and they are not just silly orders one gets every now and then. They are the services of recruiting, of background, of selecting out. To get a command team together like that is the cream of maybe two, three hundred people. Well, what about the expenses of two or three hundred people? Do you see?

So, that an organization has to make money to be worthwhile to anybody. So therefore, you manage one of these organizations within an inch of its life, you really sweat it. And what do you know? If you sweat it hard enough, and you make it efficient enough and effective enough, why, it gets very prosperous itself while delivering rather fantastic sums up the line. You get how its done? The wrong way to approach it is, "Well, we need five thousand dollars a week so therefore we will make five thousand dollars a week except for the two or three thousand more that we forgot to count in." So the financial planning action plays directly against the Establishment Officer, plays directly.

So, the solvency of the organization is shared, its income is the responsibility of its ED or CO and its outgo is the responsibility of the Establishment Officer. OK?

Thank you.