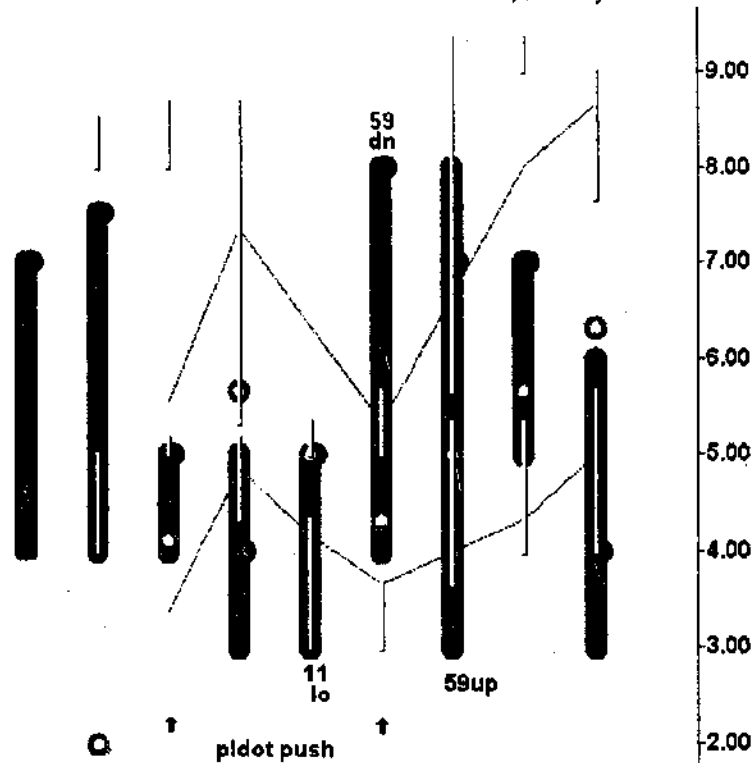


PSYCHO COUNT DRUMMOND 06/96 Daily



"Psycho-Paper '96"

P&L's association with Awareness

Edition 1

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"Psycho-Paper '96 "

- P&L's association with Awareness

- this paper is part one of a series of 3 papers, presented in person to approximately, 60 advanced P&L'ers.

INTRO

The whole issue of psychology is a constant dilemma. (see pgs. 10 - 61 for full review and reasons why, and which we will later be addressing.)

Psychology is basically a scam. It depends on who is interpreting it. On pg. 27 ,u will be seeing info that lies are a constant form of energy, and they are everywhere. And, there are constant lies. Yes: lies are constant. Example: we lie to ourselves, as we group with our problems in trading: energy shifts; we find different explanations; we get a good long term trade, and we think 'this way' , and then we fiddle with picking a day high, and it goes higher, then that reality, triggers yet another assumption as to the psychology of the event. We constantly lie to ourselves. The energy drags us, here, and then there.

Drummond has been listening to 'P&L'ers' for almost twenty years now. At the beginning, he knew each would have their own way, and this to include himself. And, sure enough: everyone wants their own way, & yes, it is constantly changing. *As to my own way, it drags to the kind of trading I am in: I do not let the kind of trading decide for me how I feel about it, rather, I decide how I feel about the kind of trading. If I am to trade long term, then I view it in such and such a way,,, perhaps write a book so do not become a slave to the ticks, or if day trading, off we go to tickitis,,,its function being not to let the tick get hold of the emotions.* And, that is the key: avoiding the market from getting hold of your emotions...

Now, the handling of emotions, and not becoming their slave, is quite an issue. The answer lies in awareness: awareness of what is going on, how you feel, being 'above it all". The question comes to mind, as to whether this is 'healthy'. I believe it is, becus positive thots and feelings can be quite a production machine, & they are built with awareness. (Ed: as u will soon witness)

One thing here: the concept of not allowing emotions to enslave u requires work: > Work, work, work. And, training. I do not want to get into the field of training, due to plagiarism, and besides, much info and assistance is already available here and there, on this issue, including this missive.

If we were going to get into concepts of training, (a 'School of P&L'), it wud be based on the concept, that thots have physical structure, and are a form of energy, and that the mind is a machine (for which there is little available at birth by way of an instruction manual.)

As I say, I have been listening to myself and 'P&L'ers' for many years, constantly assuming there wud be a common sense and a theme. And, I think there is one: a newness to it all, for which we are unprepared, with very little in the skills department, which have to be built up over the years, and indeed, it does seem to take years . But, that is a key: 'newness'. The newness will reveal itself, perhaps painfully, thru the process of trying to understand 'awareness', and training oneself to be aware. As P&L'ers, we have an advantage, compared to other traders, in developing awareness, and that is an interesting subject.

As P&L'ers, we are constantly looking at opposites, both at the same time. As soon as we go long the market, we are put in the experience, due to experience itself, to look at where to go short, and immediately, this seems nearby. Then when we get to the area of being short, we wonder if we should, since we see support just under us. Back and forth we go, sometime scratching our heads, as we are constantly looking at both sides of the equation, at exactly the same time. New P&L'ers sense this overload of information, and usually stop trading: which is one reason why new P&L'ers stop losing a lot of money, if had done so, before becoming a P&L'er. Then, later as the skills develop, the new P&L'er, when goes to market, then allows this dichotomy to create negative emotions, which then entrap. This then forces the P&L'er to look at emotions.

What this does, is remove to some extent, the enslavement of emotions, as we slowly are forced to be busy with this dichotomy, the dialectical, since we have to survive by it, and who has time or energy to be worried about emotions, until we become trapped by them ?

P&L teaches us to be aware at all times, to both sides of any argument, or any reality. This is the advantage of our studies, and with work and practise, you rise to higher and higher levels of awareness, since you are not attached to the immediate, the immediate being only one side of the equation. Thus, our lessons help us in other arenas of life.

However, as we trade, we still become entrapped by the events of the day. After all, we are just a machine, and only one clog in the machines of life. (u will learn about machines on pgs. 10 - 61)

Also, we shud address the issue, of how cruel the market is to our emotions. We stop trading due to them. We look for automatic computerized systems (& even then, fuss away as to results and how to handle or improve them). But, as P&L'ers, we slowly begin to learn, that all we are dealing with is energy, and this author wants to take people along to the concept that energy has physical shape,, always ! Thus, avoid negative energy : it is physically destructive.

So, tonite, we will be looking at a thesis, that will clear some air, as to psychology, and to some degree, the banality of it all, since many boats are being missed as they leave the dock. And, we will be addressing this issue tonight.

In the meantime, even though we can get rid of emotions, or grow ourselves out of being their slave, (due to constant working, working, working, towards awareness), the question has to be asked: " Are there simple technical ways, in which to trade markets, using pattern recognition as the easiest way?" . I say, 'yes' , there is an easy way, and that is to simply have a few patterns that work, and to know when and how those patterns do not work. It is one thing, to look for patterns to work, and go for it, and if wrong, have your chosen stop in place, or to know how that specific patterns unfolds, as it does not work ! As P&L'ers we can do that, and we can do it, with a minimum of theory, although theory certainly gives an edge. (" Pattern-Picking " ,, the other topic for tonight, explains this.) However, simple pattern picking will not work, if emotions control them thru u, or u are too conceptually based. The interplay between intellect, emotions, and the mechanical aspects of life, are fully addressed in this paper, and the other two papers presented during these two nights of presentation. This 'psychology paper' addresses the issue of emotions, the 'Pattern-Picking' paper addresses the mechanical issues, and 'Predicting Next Week's Highs and Lows' paper, is conceptually based.

During these two nights, we will be addressing the issue of:

- 1) emotional aspects of trading ('Psychology Paper '96 - P&L's Association with Awareness')
- 2) conceptual aspects of trading ('Predicting Next Week's Highs and Lows' paper)
- 3) mechanical aspects of trading (' Pattern Picking' paper)

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- our resolution: the solution

U need:

- **willingness to hear something new**
- **courage and understanding**
- **to be willing to work hard, at least six months, since takes six months to achieve a belief system** (this paper explains why)
- **to avoid environmental pollution.** (not the kind u are thinking of)

Chapter one: pages 5 - 9

Topic: " What basically is: 'psychology' ? "

So, what basically is 'psychology' ? Can anyone state what it is? (see pg. 11)

(audience asked to participate at this time & if possible , will include here later, as part of this script.)

(Audience stated: " study of people".)

● 'modern' psychology is not psychology, compared to psychology which has existed for thousands of years. **Psychology is historically: philosophy.** This is a mute point, but, tends to take the truth off a well-worn historical track: namely, it is a lack of awareness, and the skills to achieve same, that is the problem and issue. Awaken! An individual is doomed, unless is awakened.

Let's take a quick look at what is called " **The Three Ancient Wisdoms** ", which will be the theme of our thesis.

First wisdom: **Know Thyself**

Second wisdom: **Nothing Too Much**

Third wisdom: **Verify Everything for Yourself**

When did it start?

- thousands of years ago. In fact, cud be 14,000 years ago.
(read: Fingerprints of the Gods.: ISBN: 0- 517-59348-3)

- current psychology, the incorrect psychology, is trendy, and missing the main point.

● The combination of the two above, (historical/contemporary) may be creating a new reality, although unlikely, unless we start to look at the more historical usage again. Chapter two looks at the more historical, and the "correct", and Chapter five looks at the more trendy, which can still be useful, since it deals with man as a machine. *All of this relates to a possible improvement of our mental condition, in order to trade.* The trick is to obtain skills, with training in awareness, which is a lifetime work-process, and without which, you or mankind are doomed. As traders, we can rise above the condition of man. Drummond senses that man is now entering a new positive state, even though it may still appear doomed. Papers such as this, and others, may show why this may be happening. However, our immediate future may appear 'bizarre'.

What does psychology involve?

● learning the skills of awareness: to awaken: to learn how to awaken. To work, work, work. Awareness will not come by itself. Man must first realize that he knows nothing, before he can awaken.

● as to trading, we must begin to understand, why negatives have such an impact on us, & control our thinking. Why positives are difficult to handle.

Let's discuss this a little bit: we live in a sea of negatives. Life is a constant input of the exercise of power against us. In order to survive, one must be alert to negatives. This we learn, possibly even in the womb. Thus, life is mainly involved with negatives, and any animal knows this. Negatives are always there, & easy to come by, & positives are more fleeting and more difficult to obtain. Positives, result from the negatives: the ebb and flow of life., the 59's up and 59's down. We are unaccustomed to positives, and we seek them out. They give a release from negatives: this is natural. Positives arrive fleetingly: they are pleasing. Love is an experience with the positive, and it can turn sour, since can go away. Negatives always seem to be there; we are obsessed by them, and become their slave; & astonishingly, we would rather sacrifice our positives, than sacrifice our negatives. Thus, negatives, being more bounteous, & permanent, can have more affect on our lives, and we react to them more vividly. Basically, we are unaccustomed to positives, thus when they occur, in trading, we do not have the skills to handle them. In order to make room for them, we must not react to negatives, since if do not, then they do not control. And, this will leave more room for positives, and more and more of them, so that we can learn to build and deal with positives. By the time we are 21 years of age: we have 21 'winter-coats', surrounding us, and they must be peeled off, one by one. All of this, can only be achieved, by 'awareness'. And, this is not easy, since it is a skill that has to be learned, and practised, since we are all only a machine. A machine made of little machines: they have to be made to work, in order to achieve awareness. To understand this, is to achieve success in trading, and to rise above the doomed condition of man, and, possibly, to survive, to rise to a higher level of 'consciousness', in which "trading negatives" will have no affect, and through which one can learn the positives in life, and rise higher and higher., and as we say: "Leave mankind in the dust.". We can do it, and trading gives us the practise, and testing ground, for skills we learn: awareness skills .

Describing personal experiences.

a) Drummond: how I feel as a trader.

- Trading does provide stimulation, since is a great mind-exerciser, and continually forces one to be in tune with the 'feel of energy'. I enjoy constantly looking at apposing entities. But, it's always there, and usually with the same mirror-image patterns. I enjoy making mistakes, since have learned how positive they are. I enjoy the competitive advantage that trading experience gives to me in the other arenas of life.

b) Drummond : how I got to where I am.

- - played football: used to pain., keep moving, ignore. (placed as inside guard, since cudn't run for a darn, so got used to being pounded, as protected the quarterback etc.) Was always the 'black sheep' in the family, and to friends, since did not want to 'be like anyone else', or 'do what other people do". (more later) It wud appear, that have been alert to, and fighting negatives and avoiding them all my life. Perhaps, since am so atuned to them, that enjoy them too much. (the dichotomy !) Being atuned, may have developed the constant state of 'watching', 'observing'. This does not state that am 'aware', since know better. 'Awareness', is a constant, on-going process : I know nothing.

c) Personal Experiences of P&L'ers, as typical examples, and how they shud be addressed:

- see chapter four, pages 79 - 124 .

- 'P&L'ers' were asked to send information, by way of summation, about their experiences with 'psychology' & P&L. This must be looked at in terms of the material presented in chapter two: "awareness", and the thesis of this paper, which as you will see in Chapt. six, deals with the issue of intellectual, mechanical and emotional realities.. You will also note that in this paper, we discuss the current condition of man: undeveloped. Mankind is doomed, unless it develops awareness, and this is unlikely, if not impossible. This clarity of issue, does however, provide to us, as a group, a means to rise above man's condition. As traders we can do this. **That is the choice to be made.** But, this requires work, work, work. If achieved, then the psychological problems of trading, will be left in the dust.

We now discuss what is about to unfold, in the developing our argument.

- in our current chapter, we take a look at what psychology is, and then in chapter two, we look at what it really is. In chapter three, we look at the current condition of man, and of traders, getting a sense of who we are, where we are, and what is affecting our lives and trading, in order to prove chapter two.

In chapter four, we look at comments on psychology, by P&L'ers, to note common themes, and we will see some of the processes of how our environment determines how we think. (We will try to see if we can rise above that.) With these comments, we will have enough info, a grand sweep of trading psychology, in order to compile same, to organize it, to work on it, so that it goes away, so that we can become 'aware', so that neither the negative nor the positive, will affect our trading, and we can make emotions and the issue of psychology redundant, realizing that this is necessary for successful trading. **And, that is the key: this key can only be achieved through increased awareness, and that process begins the moment we understand that we know nothing.** It also begins, when we leave negatives at the door, and build with positives, which then have to be dealt with too, since they can turn negative: the dichotomy. U will be witnessing later, evidence that some positives stay positive & what positives do not. This is the experience of P&L'ers.

In chapter five, we look at some of the current thinking processes, and the current, trendy, known-reality method of dealing with psychology, and thought processes. It deals with 'man as a machine'. This work in no way denegrates current attempts by various authors, in assisting traders to overcome their deficiencies in trading. All of this paper, is only a presentation, as an overview, to the condition of man, and a look at how he functions, of which this author simply must state, he knows very little, since the **first step to awareness, is to realize that one knows nothing.**

In chapter six, we will summarize the dichotomy of life, to realize the machine in which we function, in order that we may awaken, or at least have some tools with which to try, and to realize how we will constantly be great traders. And, chapter six will describe the solution.

The end result: is that we are dragged here and there thru life. The news get us. Mechanical things like computers and other flat tires, gets us. Emotions due to our environment, those we love or have to live with, get us, and, perhaps, also, illness in ourselves or others, or some hidden aspects from our youth which privately tortures us without letting us know it is there: the immense overload of information, in our 'information age', (which many suggest is causing a lot of mental illness. (By the way: what does cause mental illness? (see pgs 45 -50) ... Hardy wrote, in 1890's in his book "Far from the Maddening Crowd: "The plethoric growth of knowledge, simultaneously with the stunting of wisdom") ,,, gets us.

And, that is exactly the issue: we are dragged like machines thru life, becus we are exactly that: a machine. In a world full of machines, we are fully programmed. If u feel uncomfortable with this,, then, this may be a truism, since the truth can be very bitter. (lies are always sweet.)

There is an author, about whom u will be learning tonight: his name is Ouspensky.

- born Russia, 1880, died mid 1950s'. Professor of Mathematics in Moscow, before the revolution. His mentor was 'Gurdjieff', a private person, who travelled around the world, at the turn of the century, searching out folklore on belief systems, which claimed to deal with 'The Ancient Wisdoms'. He made lots of money, along the way, selling rugs in Tibet, drank like a fish, (French Cognac), who simply wanted to find out the teachings. For example, he found monks who lived underground: they showed him how the hand cud make a rose wilt, and heal a wound. Gurdjieff became involved in hypnotism, but, gave it up, for spiritual reasons, since felt that hypnotism was evil, and gave him too much power. On his deathbed, he told his 'grandson': "Never do what other people do": Ouspensky also travelled around, searching the same. He travelled for two years, going to India etc. On return to Moscow, a friend introduced him to Gurdjieff, at a local drinking hole, and Ouspensky became his pupil. After the revolution, it took Gurdjieff & Ouspensky ,three years to get out of Russia. Gurdjieff went to Paris and established the ' Institute for Man's Possible Evolution". Ouspensky went to London. The two of them broke off, and no one knows why. London became very active. Generally, the only admission requirement, was to 'give up all negative thoughts', and enter with courage and understanding, after being interviewed for six months. (please note that the above, is due to personal recall, & cannot vouche for its complete accuracy.)

- Ouspensky became the predecessor to a lot of the gobble-de-gook going on, in trendy, that processes today: his thots have been plagiarized, but changed. The Ouspensky-ites were a secret society, and did not want anyone to know about them, which is likely why, you have never heard of them, and why some of the basic ideas have filtered out into the industry of current-day 'associative' soft-cover, trendy, money-producing, 'manuals'. However, Drummond notes that the Ouspensky-ites now have a webpage, on the 'internet': check it out : - > <http://www.geocities.com/Tokyo/1236/> or do a web search for Ouspensky. When Ouspensky died, his wife sent all his pupils to the Gurdieff institute in Paris, but it looks as tho they have moved back to London: Post: BM Gurdjieff, London WC1N 3XX, England Telephone: +44 (171) 383-3264 Email: fourthways@aol.com . Also, a psychiatrist by the name of Maurice Nicoll, has done some brilliant work in association with this group, and is definitely worth investigating, especially if chapter four alerts you to the need and wisdom of psychiatric support, in order to trade. Of course, Drummond recommends that one obtains many of the books written by Gurdjieff, Ouspensky, Nicholl, which any competant bookseller would be able to assist you with.

I became familiar with this work, due to a friend who studied under Ouspensky for seven years.

- please note, that chapter two contains private lectures by Ouspensky, to his students, and is provided to our private group, and its intent is to remain there. Out of awareness to Ouspensky, keeping the faith, and with confidence of this info, we will increase our awareness, since thru this process, one is not dealing with negatives, which destroy. Ouspenski died in the 1950's .

Now listen to this: our thesis ! Positivity and negativity !

(Please note, that I have coined the word: " Positivity'. There is no such word: it shud be positivism, but, positivity gets more bouncy and I like it., so there.)

In brackets to follow, are private notes to myself, in anticipation of mind-control, (Man is a machine) when I gave this presentation to the live group attending... (To those who are reading this and did not attend the seminar presentation, one will simply state that the affect was achieved. After Drummond read portions of this paper for three hours, with one 15min break, there was dead silence in the room. He suggested that everyone go home. No one moved. Not even an eyelash, or so it seemed. At wits end, after about ten minutes, Drummond decided that the only way to break the sea of frozen images in front of him, that he was to take off his clothes, and commenced to do so, and at belt tugging, someone suggested: : "Question period." When think of it, my show may have been more interesting than my question responses. The issue at hand here, is that some sort of truth had hit home. That is the possibility of this paper.)

to follow:

(((, to this point, have to get the interest up, and set up negative thots going into Ouspensky, since that is what the brain wants, in order to feed the positive.. the dialectical process.. support and resistance,,, we wish to build the pidot into an uptrend.. thus we go into Ouspensky in a negative mood, as resistance, and this will build the support. And, we will try to leave the Ouspensky chapter in a negative mood, and from there, start to build a positive mood, and energy. We then go into 'comments', & then in chapter 5, to upgrade their energy:)))

- Psychology shud not be an issue at all !

- It shud be : awareness !

- U have to work at awareness, and build: all u're life ! Work, work, work.

Leave all negatives behind. Build on positives. Negatives are so bountiful, that u becom their slave, & u enjoy & survive by them. Man will never sacrifice his negatives. Read, u will find out .

Chapter two: pages 9 - 56

Topic: Awareness - Ouspensky

(- bring with you: courage and understanding.)

"THE PSYCHOLOGY OF MAN'S POSSIBLE EVOLUTION."

- (unaltered text, should be available in any good book store or any library.)

A SERIES OF PRIVATE LECTURES BY P.D. OUSPENSKY

-1934

INTRODUCTION

SOME YEARS ago I began to receive letters from readers of my books. All these letters contained one question, *what I had been doing after I had written my books*, which were published in English in 1920 and 1931, and had been written in 1910 and 1912.

I could never answer these letters. It would have needed books, even to attempt to do this. But when the people who wrote to me lived in London, where I lived after 1921, I invited them and arranged courses of lectures for them. In these lectures I tried to answer their questions and explain what I had discovered after I had written my two books, and what was the direction of my work.

: chief difficulty
for
most people
was
to realize that
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heard
new things

In 1934 I wrote five preliminary lectures which gave a general idea of what I was studying, and also of the lines along which a certain number of people were working with me. To put all that in one, or even in two or three lectures, was quite impossible: so I always warned people that it was not worth while hearing one lecture, or two, but that only five, or better ten lectures could give an idea of the direction of my work. These lectures have continued since then, and throughout this time I have often corrected and rewritten them.

On the whole I found the general arrangement satisfactory. Five lectures were read, in my presence or without me; listeners could ask questions; and if they tried to follow the advice and indications given them, **which referred chiefly to self-observation and a certain self-discipline**, they very soon had a quite sufficient working understanding of what I was

doing.

I certainly recognised all the time that five lectures were not sufficient, and in talks that followed them I elaborated and enlarged the preliminary data, trying to show people their own position in relation to the : *New Knowledge*.

I found that the chief difficulty for most people was to realise that they had really heard *new things*; that is, things that they had never heard before.

They did not formulate it for themselves, but in fact they always tried to contradict this in their minds and translate what they heard into their habitual language, whatever it happened to be. And this certainly I could not take into account. (Ed: Becus man is a machine.)

I know that it is not an easy thing to realise that one is hearing *new things*. We are so accustomed to the old tunes, and the old motives, that long ago we ceased to hope and ceased to believe that there might be anything new. (Ed: Becus we are a machine.)

And when we hear new things, we take them for old, or think that they can be explained and interpreted by the old. It is true that it is a difficult task to realise the possibility and necessity of quite new ideas, and it needs with time a revaluation of all usual values. (Ed: Becus a new machine has to be built.)

I cannot guarantee that you will hear new ideas, that is, ideas you never heard before, from the start; but if you are patient you will very soon begin to notice them. And then I wish you not to miss them, and to try not to interpret them in the old way. (Ed: re-read this chapter - 20 times)

FIRST LECTURE

(what is psychology)

- psychology is, perhaps, the oldest science, and, unfortunately, in its most essential features a forgotten science.

I SHALL speak about the study of psychology, but I must warn you that the psychology about which I speak is very different from anything you may know under this name.

To begin with I must say that practically **never in history has psychology stood at so low a level as at the present time.** It has lost all touch with its *origin* and its *meaning* so that now it is even difficult to define the term psychology; that is, to say what psychology is and what it studies. And this is so in spite of the fact that never in history have there been so many psychological theories and so many psychological writings.

Psychology is sometimes called a new science. This is quite wrong. **Psychology is, perhaps, the oldest science, and, unfortunately, in its most essential features a forgotten science.**

In order to understand how psychology can be defined it is necessary to realise that psychology except in modern times has **never existed under its own name.** For one reason or another psychology always was suspected of *wrong or subversive tendencies*, either religious or political or moral and had to use different disguises.

For thousands of years psychology existed under the name of philosophy. In India all forms of *yoga*, which are essentially psychology, are described as one of the six systems of philosophy.

Sufi teachings, which again are chiefly psychological, are regarded as partly religious and partly metaphysical. In Europe, even quite recently in the last decades of the nineteenth century, many works on psychology were referred to as philosophy. And in spite of the fact that almost all sub-divisions of philosophy such as logic, the theory of cognition, ethics, aesthetics, referred to the work of the human mind or senses, **psychology was regarded as inferior to philosophy and as relating only to the**

- for thousands of years psychology existed under the name of philosophy

lower or more trivial sides of human nature.

Parallel with its existence under the name of philosophy, psychology existed even longer, connected with one or another religion. It does not mean that religion and psychology ever were one and the same thing, or that the fact of the connection between religion and psychology was recognized. But there is no doubt that almost every known religion—certainly I do not mean modern *sham religions*—developed one or another kind of psychological teaching connected often with a certain practice, so that **the study of religion very often included in itself the study of psychology.**

There are many excellent works on psychology in quite orthodox religious literature of different countries and epochs. For instance, in early Christianity there was a collection of books of different authors under the general name of *Philokalia*, used in our time in the Eastern Church, especially for the instruction of monks. (Ed: the source of Gurdjieff's interests?) During the time when psychology was connected with philosophy and religion it also existed in the form of Art, Poetry, Drama, Sculpture, Dancing, even Architecture, were means for transmitting psychological knowledge.

For instance, the Gothic Cathedrals were in their chief meaning works on psychology. In the ancient times before philosophy, religion and art had taken their separate forms as we now know them, psychology had existed in the form of *Mysteries*, such as those of Egypt and of ancient Greece. Later, after the disappearance of the Mysteries, psychology existed in the form of *Symbolical Teachings* which were sometimes connected with the religion of the period and sometimes not connected, such as Astrology, Alchemy, Magic, and the more modern: Masonry, Occultism and Theosophy.

And here, it is necessary to note that all psychological systems and doctrines, those that exist or existed openly and those that were hidden or disguised, can be divided into two chief categories.

- First: systems which study man as they find him, or such as they suppose or imagine him to be. Modern scientific psychology or what is known under that name belongs to this category. (Ed: current man.)
- Second: systems which study man not from the point of view of what he is, or what he seems to be, but from the point of view of what he may become; that is, from the point of view of his *possible evolution*.

- only they can explain the forgotten origin and the meaning of psychology

These last systems are in reality the original ones, or in any case the oldest and only they can explain the forgotten origin and the meaning of psychology.

When we understand the importance of the study of man from the point of view of *his possible evolution*, we shall understand that the first answer to the question: What is psychology? —should be that **psychology is the study - of the principles, laws and facts of man's possible evolution.**

Here, in these lectures, I shall speak only from this point of view.

Our first question will be —what does evolution of man mean, and second, are there any special conditions necessary for it?

As regards ordinary modern views on the origin of man and his previous evolution I must say at

once that they cannot be accepted. We must realise that we know nothing about the origin of man and we have no proof of man's physical or mental evolution.

On the contrary, if we take historical mankind; that is, humanity for ten or fifteen thousand years, we may find unmistakable signs of a higher type of man, whose presence can be established on the evidence of ancient Monuments and Memorials which cannot be repeated or imitated by the present humanity. (see Fingerprints of the Gods: pg. 5)

As regards *prehistoric man* or creatures similar in appearance to man and yet at the same time very different from him, whose bones are sometimes found in deposits of glacial or pre-glacial periods, we may accept the quite possible view that these bones belong to some being quite different from man, which died out long ago.

Denying previous evolution of man, we must deny any possibility of future *mechanical* evolution of man; that is, evolution happening by itself according to laws of heredity and selection, and without man's conscious efforts and understanding of his possible evolution.

Our fundamental idea shall be that man as we know him is *not a completed being*; that nature develops him only up to a certain point and then leaves him, either to develop further, *by his own efforts and devices*, or to live and die such as he was born, or to degenerate and lose capacity for development. (Ed: u cannot becom a good trader unless u develop.)

Evolution of man in this case will mean the development of certain *inner* qualities and features which usually remain undeveloped, and cannot develop by themselves.

- certain inner qualities and features which usually remain undeveloped, and cannot develop by themselves

Experience and observation show that this development is possible only in certain definite conditions; with efforts of a certain kind on the part of man himself, and with sufficient help from those who began similar work before and have already attained a certain degree of development, *or at least a certain knowledge of methods.* (Ed: thus Drummond teaches "P&L")

We must start with the idea that without efforts evolution is impossible; without help, it is also impossible.

After this we must understand that in the way of development, **man must become a *different being***, and we must learn and understand in what sense and in which direction man must become a different being; that is, what a different being means.

Then we must understand that *all men cannot develop and become different beings*. *Evolution is the question of personal efforts and in relation to the mass of humanity evolution is the rare exception*. It may sound strange but we must realise that it is not only rare, but is becoming more and more rare. (Ed: this was in 1930's. Imagine what it is now !)

- Evolution is the question of personal effort and in relation to the mass of humanity evolution is the rare exception.

Many questions naturally arise from the preceding statements:-

- What does it mean that in the way of evolution, man must become a different being?
- What does 'different being' mean?
- Which inner qualities or features can be developed in man and how can this be done ?

- Why cannot all men develop and become different beings ?

Why such an injustice?

I shall try to answer these questions and I shall begin with the last one.

Why cannot all men develop and become different beings ?

The answer is very simple. **Because they do not want it.** Because they do not know about it and **will not understand without a long preparation what it means, even if they are told.**

Because they do not want it.

The chief idea is that in order to become a *different being* **man must want it very much and for a very long time.** A passing desire or a vague desire based on dissatisfaction with external conditions will not create a sufficient impulse.

(Ed: is this why we trade? Becus we want to develop into a different 'being' ?)

The evolution of man depends on his understanding of what he may get and what he must give for it.

If man does not want it, or if he does not want it *strongly enough*, and does not make necessary efforts, he will never develop. **So there is no injustice in this.** **Why should man have what he does not want?** If man were forced to become a different being when he is satisfied with what he is, then this would be injustice.

Now **we must ask ourselves what a different being means.** If we consider all the material we can find that refers to this question, we find an assertion that **in becoming a different being, man acquires many new qualities and powers which he does not possess now.** This is a common assertion which we find in all kinds of systems admitting the idea of psychological or inner growth of man.

But this is not sufficient. Even the most detailed descriptions of these new powers will not help us in any way to understand how they appear and where they come from.

There is a missing link in ordinary known theories, even in those I already mentioned which are based on the idea of the possibility of evolution of man.

- in order to become a different being man must want it very much

The truth lies in the fact that **before acquiring any new faculties or powers which man does not know and does not possess now, he must acquire faculties and powers he also does not possess, but which he ascribes to himself;** that is, he thinks that he knows them and can use and control them.

This is the missing link, and this is the most important point.

By way of evolution, as described before, that is, a way based on effort and help, **man must acquire qualities which he thinks he already possesses, but about which he deceives himself.**

In order to understand this better, and to know what are these faculties and powers which man can acquire, both quite new and unexpected and also those which he imagines that he already possesses, we must begin with man's general knowledge about himself.

And here we come at once to a very important fact.

Man does not know himself.

He does not know his own limitations and his own possibilities. He does not even know to how great an extent he does not know himself.

Man has invented many machines, and he knows that a complicated machine needs sometimes years of careful study before one can use it or control it. But he does not apply this knowledge to himself, although he himself is a much more complicated machine than is any machine he has invented.

He has all sorts of wrong ideas about himself. First of all he does not realise that he actually is a machine.

What does it mean that man is a machine?

It means that he has no independent movements, inside - or outside of himself. He is a machine which is brought into motion by external influences and external impacts. All his movements, actions, words, ideas, emotions, moods

- This is the missing link, and this is the most important tool.

- and thoughts are produced by external influences. (Ed: talk about environmental pollution !) By himself, he is just an automaton with a certain store of memories of previous experiences, and a certain amount of reserve energy.

We must understand that man can do nothing.

But he does not realise this and ascribes to himself the capacity to do.

This is the first wrong thing that man ascribes to himself.

That must be understood very clearly. Man cannot do. Everything that man thinks he does, really happens. It happens exactly as 'it rains,' or 'it thaws.'

In the English language there are no impersonal verbal forms which can be used in relation to human actions. So we must continue to say that man thinks, reads, writes, loves, hates, starts wars, fights, and so on. Actually, all this happens.

- he does not realise that he actually is a machine.

Man cannot move, think or speak of his own accord. He is a marionette pulled here and there by invisible strings. If he understands this, he can learn more about himself, and possibly then things may begin to change for him. But if he cannot realise and understand his utter mechanicalness, or if he does not wish to accept it as a fact, he can learn nothing more, and things cannot change for him.

(Ed: a bad trade can control u.)

Man is a machine, but a very peculiar machine. He is a machine which, in right circumstances, and with right treatment, can know that he is a machine, and having fully realised this, he may find the ways to cease to be a machine.

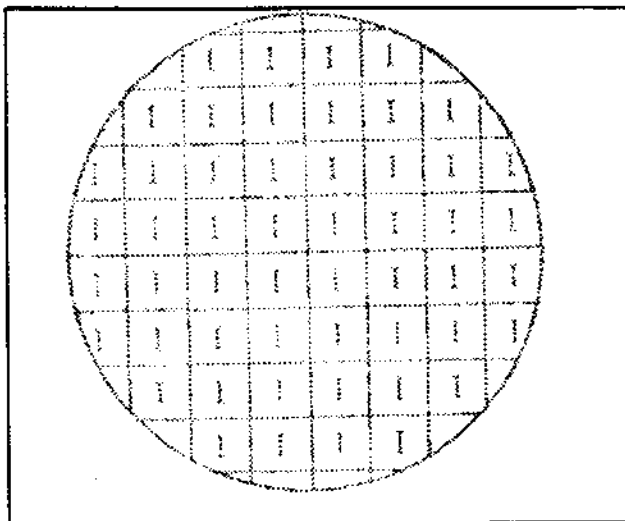
- Man is a machine, but a very peculiar machine. He is a machine which, in right circumstances, and with right treatment, can know that he is a machine, and having fully realised this, he may find the ways to cease to be a machine.

(Ed: this is u're 'edge' .)

First of all, what man must know is that he is not one; he is many. He has not one permanent and unchangeable 'I' or Ego. He is always different. One moment he is one, another moment he is another, the third moment he is a third, and so on, almost without end.

The illusion of unity or oneness is created in man

first, by the sensation of one physical body, by his name, which in normal cases always remains the same, and third, by a number of mechanical habits which are implanted in him by education or acquired by imitation. Having always the same physical sensations, hearing always the same name and noticing in himself the same habits and inclinations he had before, **he believes himself to be always the same**. In reality there is no oneness in man and there is no controlling centre, no permanent 'I' or Ego. This is the general picture of man:



Every thought, every feeling, every sensation, every desire, every like and every dislike is an 'I'. **These 'I's' are not connected and are not co-ordinated in any way.** Each of them depends on the change in external circumstances, and on the change of impressions. (*Ed: example,, a bad trade*) Some of them mechanically follow some other, and some appear always accompanied by others. But there is no order and no system in that. There are certain groups of "I's" which are naturally connected. We will speak about these groups later. Now, we must try to understand that there are groups of 'I's' connected only by accidental associations, accidental memories, or quite imaginary similarities.

Each of these 'I's' represents at every given moment a very small part of our 'brain,' 'mind,' or 'intelligence,' but each of them means itself to represent the whole. When man says 'I' it sounds as if he meant the whole of himself, but really even when he himself thinks that he means it, it is only a passing thought, a passing mood, or passing desire. **In an hour's time he may completely forget it,** and with the same conviction express an opposite opinion, opposite view, opposite interests. **The worst of it is that man does not remember it.** In most cases he believes in the last 'I' which expressed itself, as long as it lasts: that is, as long as another 'I'—sometimes quite unconnected with the preceding one—does not express its opinion or its desire louder than the first. (*Ed: this is why u will have difficulty, to focus, when doing u're "pattern picking". see last chapter... & why, as a P&L'er, u will becom aware of 'opposite entities' instantly, & stand a better chance of becoming aware, than the 'ordinary man'... since u constantly are aware that there is more than one reality... there are: resistance, support, pldot, & then the search for more begins.) (U are not a slave to one side only.)*

Now let us return to two other questions:

What does development mean ? And what does it mean that man can become a different being? Or, in other words, **what kind of change is possible in man, and how and *when* does this change begin?**

It has already been said that the change will begin with those powers and capacities which man ascribes to himself, but which, in reality, he does not possess.

- as long as he believes he possesses these qualities he will not make right efforts to acquire them.

- In an hour's time he may completely forget it, and with the same conviction express an opposite opinion, opposite view, opposite interests.

- what kind of change is possible in man, and how and when does this change begin?

This means that before man can acquire any new powers and capacities, **he must actually develop in himself those qualities which he thinks he possesses, and about which he has the greatest possible illusions.** Development cannot begin on the basis of lying to oneself, or deceiving oneself. *Man must know what he has and what he has not.* It means that he must realise that he does not possess the qualities already described, which he ascribes to himself; **that is, capacity to do, individually, or unity, permanent Ego, and in addition Consciousness and Will.**

It is necessary for man to know this, because **as long as he believes that he possesses these qualities he will not make right efforts to acquire them,** exactly as a man will not buy costly things and pay a high price for them, if he thinks that he already possesses them. The most important and **the most misleading of these qualities is consciousness.** And the **change in man begins with the change in his understanding of the meaning of consciousness and after that with his gradual acquiring command over it.**

What is consciousness ? (Ed: are u ready? Here we go !)

In most cases in ordinary language the word 'consciousness' is used as an equivalent to the word 'intelligence' in the sense of mind activity. In reality, **consciousness is a particular kind of 'awareness' in man, independent from mind's activity -first of all, awareness of himself, awareness of who he is, where he is, and further, awareness of what he knows, of what he does not know, and so on.**

Only man himself can know whether he is 'conscious' at a given moment or not. (Ed: animals, presumably cannot do this.) This was proven long ago in a certain line of thought in European psychology which understood that only man himself can know certain things in relation to himself. Applied to the question of consciousness it means that only man himself can know if his consciousness exists at the moment or not. **That means that the presence or absence of consciousness in man cannot be proven by observation of his external actions.** As I said, this fact was established long ago, but **the importance of it was never fully understood because it was always**

connected with the understanding of consciousness as mental process or mind activity. If man realises that up to the moment of this realization he was not conscious, and then forgets this realization- or even remembers it-this is not consciousness. It is only memory of a strong realization.

Now I want to draw your attention to another fact which has been missed by all modern psychological schools.

It is the fact that the **consciousness in man, whatever it means, never remains in the same state. It is either there or not. The highest moments of consciousness create memory.** Other moments man simply does not remember. **This more than anything else produces in man the illusion of continuous consciousness or continuous awareness.**

Some of the modern schools of psychology deny consciousness altogether, deny even the necessity of such a term, but this is simply an extravagance of misapprehension. Other schools –if they can be called by this name –speak about states of consciousness –meaning thoughts, feelings, moving impulses and sensations. This is based on the fundamental mistake of mixing consciousness with psychic functions. About that we will speak later.

In reality, modern thought in most cases still relies on the old formulation, that consciousness has no degrees. General, although tacit, acceptance of this idea, even though it contradicted many later discoveries, stopped many possible observations of variations of consciousness. (Ed: !!!!)

The fact is that consciousness has quite visible and observable degrees, certainly visible and observable in oneself.

- First, there is duration: How long one was conscious.
- Second, frequency of appearance: how often one became conscious.
- Third, the extent and penetration: of what one was conscious, which can vary very much with the growth of man.

If we take only the first two, we will be able to understand the idea of possible evolution of consciousness. This idea is connected with the most important fact very well known by old **psychological schools**, like for instance authors of Philokalia, but completely missed by European philosophy and psychology of the last two or three centuries.

- the consciousness in man, whatever it means, never remains in the same state.

This is the fact that **consciousness can be made continuous and controllable by special efforts and special study.** (!)

I shall try to explain how consciousness can be studied. Take a watch and look at the second hand, trying to be aware of yourself, and concentrating on the thought, 'I am Peter Ouspensky,' I am now here.' Try not to think about anything else, simply follow the movement of the second hand and be aware of yourself, your name, your existence and the place where you are. Keep all other thoughts away. (Ed: be sure to try this experiment.)

You will, if you are persistent, be able to do this for two minutes. This is the limit of your consciousness. And if , you try to repeat the experiment soon after, you will find it more difficult than the first time.

This experiment shows that a man, in his natural state, can with great effort be conscious of one subject (himself) for two minutes or less.

The most important deduction one can make after making this experiment in the right way is that man is not conscious of himself. The illusion of his being conscious of himself is created by memory and thought processes.

- consciousness has quite visible and observable degrees,,,,,

For instance, a man goes to a theatre. If he is accustomed to it, he is *not especially conscious of being there while he is there*, although he can see things and observe them, enjoy the performance or dislike it, remember it, remember people he met and so on.

When he comes home he remembers that he was in the theatre, and certainly he thinks that he was conscious while he was there. So he has no doubts about his consciousness and he does not realise that his

consciousness can be completely absent while he still can act reasonably, think, observe.

For general description, man has the possibility of four states of consciousness. They are:

- sleep,
- waking state,
- self-consciousness
- and objective consciousness.

- consciousness can be made continuous and controllable by special efforts and special study.

But although he has the possibility of these four states of consciousness, **man actually lives only in two states: one part of his life passes in sleep, and the other part in what is called 'waking state,' though in reality his waking state differs very little from sleep.** In ordinary life, man knows nothing of 'objective consciousness' and no experiments in this direction are possible.

The third state or 'self-consciousness', man ascribes to himself; that is, he believes he possesses it, although actually **he can be conscious of himself only in very rare flashes** and even then he probably does not recognize it because he does not know what it would imply if he actually possessed it.

These glimpses of consciousness come in exceptional moments, in highly emotional states, in moments of danger, in very new and unexpected circumstances and situations; or sometimes in quite ordinary moments when nothing in particular happens. But in his ordinary or 'normal' state, man has no control over them whatever. (Ed: important in trading)
As regards our ordinary memory or moments of memory, we actually remember only moments of consciousness, although we do not realise that this is so. (Ed: a bad trade, an emotional state, shows itself here.)

- you remember only the moments when you are conscious.

- a theory has been entirely missed by all modern psychological schools without exception.

What memory means in a technical sense, and different kinds of memory we possess, I shall explain later. Now I simply want you to turn your attention to your own observations of your memory. You will notice that you remember things differently. Some things you remember quite vividly, some very vaguely and some you do not remember at all. But, only know that they happened.

You will be very astonished when you realise how little you actually remember. And it happens in this way because you remember only the moments when you were conscious. (Ed: example,,a bad trade)

- he can be conscious of himself only in very rare flashes and even then he probably does not recognize it because he does not know what it would imply if he actually possessed it.

So, in reference to the third state of consciousness, we can say that man has occasional moments of self-consciousness leaving vivid memories of circumstances accompanying them but he has **no command over them. They come and go by themselves, being controlled by external circumstances, and occasional associations or memories of emotions.**

(Ed: Man is a machine. Beware of environmental pollution! -see Chapt.3)

The question arises: Is it possible to acquire command over these fleeting moments of consciousness, to evoke them more often, and to keep them longer, or even make them permanent? In other words, ***is it possible to become conscious?*** (Ed: A key in trading: example- 'implimentation' - see chapt.5)

This is the most important point, and it must be understood at the very beginning of our study that this point even as a theory has been entirely missed by all modern psychological schools without an exception. **For with right methods and the right efforts man can acquire control of consciousness, and can become conscious of himself with all that it implies.** And what it implies we in our present state do not even imagine.

(Ed: !!!!!!! Remember this.)

Only after this point has been understood does serious study of psychology become possible. This study must begin with the investigation of obstacles to consciousness in ourselves, because consciousness can only begin to grow when at least some of these obstacles are removed.

In the following lectures, I shall speak about these obstacles, the greatest of which is our ignorance of ourselves, and our wrong conviction that we know ourselves at least to a certain extent and can be sure of ourselves, when in reality we do not know ourselves at all and cannot be sure of ourselves even in smallest things.

We must understand now that **psychology really means self-study.** This is the second definition of psychology. (Ed: the first principle of the 'ancient wisdoms': Know thyself)

One cannot study psychology as one can study astronomy; that is, apart from oneself.

And at the same time one must study oneself as one studies any new and complicated machine. One must know the parts of this machine, its chief functions, the conditions of right work, the causes of wrong work, and many other things which are difficult to describe without using a special language, which it is also necessary to know in order to be able to study the machine.

The human machine has seven different functions:

1. Thinking (or intellect).
2. Feeling (or emotions).
3. Instinctive function (all inner work of the organism) .
4. Moving function (all outer work of the organism, movement in space, and so on).
5. Sex (the function of two principles, male and female, in all their manifestations).

- psychology
really means self-
study.

Besides these, there are two more functions for which we have no name in ordinary language and which appear only in higher states of consciousness;

• one- higher emotional function, which appears in the state of self-consciousness,

• and the other, higher mental function, which appears in the state of objective consciousness. As we are not in these states of consciousness we cannot study these functions or experiment with them, and we learn about

them only indirectly from those who had attained or experienced them.

In the religious and philosophical literature of different nations there are many allusions to the higher states of consciousness and to higher functions. What creates an additional difficulty in understanding these allusions is the lack of division between the higher states of consciousness. What is called samadhi or ecstatic state or illumination, or, in more recent works 'cosmic consciousness', may refer to one and may refer to another -sometimes to experiences of self-consciousness and sometimes to experiences of objective consciousness. And strange though it may seem we have more material for judging about the highest state: that is, objective consciousness, than about the intermediate state; that is, self-consciousness, although the former may come only after the latter.

Self-study must begin with the study of the four functions:

- thinking,
- feeling,
- instinctive function
- and moving function.

Sex functions can be studied only much later; that is, when these four functions are already sufficiently understood. Contrary to some modern theories the sexfunction is really posterior; that is, it appears later in life when the first four functions are already fully manifested and is conditioned by them. Therefore, the study of the sex function can be useful only when the first four functions are fully known in all their manifestations. At the same time it must be understood that any serious irregularity or abnormality in the sex function makes self-development and even self-study impossible. (Ed: the 'gays' will not be too pleased, if this is true. To understand why 'gay' is being so enhanced, see pg. 73 ?)

So now we must try to understand the four chief functions.

I will take it for granted that it is clear to you what I mean by the **intellectual or thinking function.** All mental processes are included here: realization of an impression, formation of representations and concepts, reasoning, comparison, affirmation, negation, formation of words, speech, imagination, and so on.

The second function is **feeling or emotions:** joy, sorrow, fear, astonishment, and so on. Even if you are sure that it is clear to you how, and in what, emotions differ from thoughts, I should advise you to verify all your views in regard to this. **We mix thought and feelings in our ordinary thinking and speaking; but for the beginning of self-study it is necessary to know clearly which is which.**

The two functions following, instinctive and moving, will take longer to understand, because in no system of ordinary psychology are these functions described and divided in the right way.

- Self-study must begin with the study of the four functions;

The words 'instinct,' 'instinctive,' are generally used in the wrong sense and very often in no sense at all. In particular, to instinct are generally ascribed external functions which are in reality moving functions, and sometimes emotional.

Instinctive function in man includes in itself four different classes of functions:

- First: All the **inner work** of the organism, all physiology, so to speak; digestion and assimilation of food, breathing, circulation of the blood, all the work of inner organs, the building of new cells, the elimination of worked out materials, the work of glands of inner secretion, and so on.
- Second: The so-called **five senses**: sight, hearing, smell, taste, touch, and all other senses such as the sense of weight, of temperature, of dryness or of moisture, and so on; that is, all indifferent sensations—sensations which by themselves are neither pleasant nor unpleasant.
- Third: All **physical emotions**, that is, all physical sensations which are either pleasant or unpleasant: All kinds of pain or unpleasant feeling such as unpleasant taste or unpleasant smell, and all kinds of physical pleasure, such as pleasant taste, pleasant smell and so on.
- Fourth: All **reflexes**, even the most complicated, such as laughter and yawning; all kinds of physical memory such as memory of taste, memory of smell, memory of pain, which are in reality inner reflexes.
(Ed: herein enters "trading" reflexes.)

Moving function includes in itself all external movements, such as walking, writing, speaking, eating and memories of them. To moving function also belong those movements which in ordinary language are called 'instinctive,' such as catching a falling object without thinking.

(Ed: driving a car: 'mechanical trading' - see chapt. six)

- that is the beginning of psychology

The difference between the instinctive and the moving function is very clear and can be easily understood if one simply remembers that all **instinctive functions** without exception are **inherent** and that there is **no necessity to learn them** in order to use them; whereas on the other hand, **none of the moving functions are inherent** and one has to learn them all as a child learns to walk, or as one learns to write or to draw. (Ed: or trade.)

Besides these normal moving functions, there are also some **strange moving functions which represent useless work of the human machine not intended by nature, but which occupy a very large place in man's life and use a great quantity of his energy.** **These are:** formation of dreams, imagination, day-dreaming, talking with oneself, all talking for talking's sake, and generally, all uncontrolled and uncontrollable manifestations. (Ed: !!!!!)

The four functions -intellectual, emotional, instinctive and moving -must first be understood in all their manifestations and later they must be observed in oneself. **Such self-observation, that is, observation on the right basis, with a preliminary understanding of the states of consciousness and of different functions, constitutes the basis of self-study; that is the beginning of psychology.** (Ed: by now, u know why we recommend reading chapt.2, 20 times)

It is very important to remember that in observing different functions it is useful to observe at the same time their relation to different states of consciousness.

Let us take the three states of consciousness –sleep, waking state, and possible glimpses of self-consciousness, and the four functions –thinking, feeling, instinctive and moving. All four functions can manifest themselves in sleep, but their manifestations are desultory and unreliable; they cannot be used in any way, they just go by themselves. In the state of waking consciousness or relative consciousness, they can to a certain extent serve for our orientation. Their results can be compared, verified, straightened out, and although they may create many illusions, still in our ordinary state we have nothing else and must make of them what we can. *If we knew the quantity of wrong observations, wrong theories, wrong deductions and conclusions made in this state, we should cease to believe ourselves altogether.* But men do not realise how deceptive their observations and their theories can be and they continue to believe in them. It is this that keeps man from observing the rare moments when their functions manifest themselves in connection with glimpses of the third state of consciousness; that is, of self-consciousness.

- men do not realise how deceptive their observations and their theories can be and they continue to believe in them.

All this means that each of the four functions can manifest itself in each of the three states of consciousness. But the results are quite different. When we learn to observe these results and their difference, we shall understand the right relation between functions and states of consciousness.

But before even considering the difference in function in relation to states of consciousness, it is necessary to understand that man's consciousness and man's functions are quite different phenomena, of quite different nature and depending on different causes and that one can exist without the other. Functions can exist without consciousness, and consciousness can exist without functions.

SECOND LECTURE (how to become aware)

CONTINUING OUR study of man, we must now speak with more detail about the different states of consciousness.

As I have already said, there are four states of consciousness possible for man: Sleep, 'waking consciousness,' self-consciousness and 'objective consciousness'; but he lives only in two: partly in sleep and partly in what is sometimes called 'waking consciousness.' It is as though he had a four-storied house, but lived only in the two lower stories.

The first, or the lowest state of consciousness, is sleep. This is a purely subjective and passive state. Man is surrounded by dreams. **All his psychic functions work without any direction.** There is **no logic, no sequence,** no cause and no result in dreams. Purely subjective pictures—either reflections

of former experiences or reflections of vague perceptions of the moment, such as sounds reaching the sleeping man, sensations coming from body, slight pains, sensations of muscular tension— fly through the mind, leaving only a very slight trace on the memory and more often, leaving no trace at all.

The second degree of consciousness comes when man awakes. This second state, the state in which we are now, that is, in which we work, talk, imagine ourselves conscious beings, and so forth, we often call 'waking consciousness' or 'clear consciousness' but really it **should be called 'waking sleep' or 'relative consciousness.'** This last term will be explained later.

- people live in sleep, do everything in sleep, and do not know that they are asleep.

It is necessary to understand here that the first state of consciousness, that is, **sleep, does not disappear when the second state arrives, that is, when man awakes.** Sleep remains there, with all its dreams and impressions, **only a more critical attitude** towards one's own impressions, more connected thoughts, more disciplined actions become added to it, and because of the vividness of sense impressions, desires and feelings—particularly the feeling of **contradiction** (Ed: 59's up, 59's dn) or **impossibility**, which is **entirely absent in sleep**—dreams become invisible exactly as the stars and moon become invisible in the glare of the sun. But they are all there, and **they often**

influence all our thoughts, feelings and actions—sometimes even more -than the actual perceptions of the moment.

In connection with this I must say at once that I do not mean what is called in modern psychology 'the sub-conscious' or the 'subconscious mind.' **These are simply wrong expressions, wrong terms, which mean nothing and do not refer to any real facts.** **There is nothing permanently subconscious in us because there is nothing permanently conscious;** and there is no 'subconscious mind' for the very simple reason that there is no 'conscious mind.' Later you will see how this mistake occurred and how this wrong terminology came into being, and became almost generally accepted.

- there is nothing permanently subconscious in us because there is nothing permanently conscious; and there is no 'subconscious mind' for the very simple reason that there is no 'conscious mind'.

But let us return to the states of consciousness which really exist. The first is sleep. The second is 'waking sleep' or 'relative consciousness.'

The first, as I have said, is a purely subjective state. The second is less subjective; man already distinguishes 'I' and 'not I' in the sense of his body and objects different from his body, and he can, to a certain extent, orientate among them and know their position and qualities. **But it cannot be said that man is awake in this state, because he is very strongly influenced by dreams, and really lives more in dreams than in fact.** **All the absurdities and all the contradictions of people, and of human life in general, become explained when we realise that people live in sleep, do everything in sleep, and do not know that they are asleep.**

It is useful to remember that this is the inner meaning of many ancient doctrines. The best known to us is **Christianity**, or the **Gospel teaching**, in which, the **idea that men live in sleep and must first of all awake**, is the **basis of all the explanations of human life**, although it is very rarely understood as it should be understood, in this case literally.

But the question is, *how* can a man awake ?

The Gospel teaching demands awakening, but does not say how to awaken.

But the psychological study of consciousness shows that only when a man realises that he is asleep, is it possible to say that he is on the way to awakening. He never can awaken without first realising his sleep. These two states, sleep and waking sleep, are the only two states of consciousness in which man lives. Besides them there are two states of consciousness possible for man, but they become accessible to a man only after a hard and prolonged struggle.

These two higher states of consciousness are called 'self-consciousness' and 'objective consciousness.' We generally think that we possess self-consciousness, that is, that we are conscious of ourselves, or in any case that we can be conscious of ourselves, at any moment we wish, but in truth 'self-consciousness' is a state which we ascribe to ourselves without any right. 'Objective consciousness' is a state about which we know nothing.

Self consciousness is a state in which man becomes objective towards himself, and objective consciousness is a state in which he comes into contact with the real, or objective world from which he is now shut off by the senses, dreams and subjective states of consciousness.

Another definition of the four states of consciousness can be made from the point of view of the possible cognition of truth.

- In the first state of consciousness, that is, in sleep, we cannot know anything of the truth. Even if some real perceptions or feelings come to us, they become mixed with dreams, and in the state of sleep we cannot distinguish between dreams and reality.
- In the second state of consciousness, that is, in waking sleep, we can only know relative truth, and from this comes the term relative consciousness.
- In the third state of consciousness, that is, the state of self consciousness, we can know the full truth about ourselves.
- In the fourth state of consciousness, that is, in the state of objective consciousness we are supposed to be able to know the full truth about everything: we can study 'things in themselves,' 'the world as it is.'

This is so far from us that we cannot even think about it in the right way, and we must try to understand that even glimpses of objective consciousness can only come in the fully developed state of self-consciousness.

In the state of sleep we can have glimpses of relative consciousness. In the state of relative consciousness we can have glimpses of self-consciousness. But if we want to have more prolonged periods of self-consciousness and not merely glimpses, we must understand that they cannot come by themselves, they need unit action. This means that frequency and duration of moments of self-consciousness depend on the command one has over oneself. So it means that consciousness and will are almost one and the same thing, or, in any case aspects of the same thing.

At this point, it must be understood that the first obstacle in the way of the development of self-consciousness in man, is his conviction that he already possesses self-consciousness or at any rate, that he can have it at any time he likes. It is very difficult to persuade a man that he is not conscious and cannot be conscious at will. It is particularly difficult because here nature plays a very funny trick.

If you ask a man if he is conscious or if you say to him that he is not conscious, he will answer that he is conscious and that it is absurd to say that he is not, because he hears and understands you. *And he will be quite right, although at the same time quite wrong.* This is nature's trick. He will be right because your question or your remark has made him vaguely conscious for a moment. **Next moment consciousness will disappear.** But he will remember what you said and what he answered, and he will certainly consider himself conscious.

In reality, acquiring self-consciousness means long and hard work. **How can a man agree to this work if he thinks he already possesses the very thing which is promised him as the result of long and hard work ?** Naturally a man will not begin this work and will not consider it necessary until he becomes convinced that he possesses *neither* self-consciousness *nor* all that is connected with it, that is, unity or individuality, permanent 'I' and will.

This brings us to the question of **schools**, because methods for the development of *self-consciousness unity, permanent 'I' and will*, can be given only by special schools. That must be clearly understood. Men on the level of relative consciousness cannot find these methods by themselves; and these methods cannot be described in books or taught in ordinary schools for the very simple reason that **they are different for different people, and there is no universal method equally applicable to all.** In other words, this means that men who want to change their state of consciousness need a school. But first, they must realise their need. As long as they think they can do something by themselves they will not be able to make any use of a school, even if they find it. Schools exist only for those who need them, and who know that they need them. (Ed: do u need the "School of P&L" ?)

The idea of schools—the study of the kinds of schools that may exist, the study of school principles and school methods—occupies a very important place in the study of that psychology which is connected with the idea of evolution; because without a school there can be no evolution. One cannot even start, because one does not know how to start: still less can one continue or attain anything.

This means that having got rid of the first illusion, that one already has everything one can have, one must get rid of the second illusion that one can get anything by oneself; because by oneself one can get nothing.

These lectures are not a school—not even the beginning of a school. A school requires a much higher pressure of work. But in these lectures I can give to those who wish to listen, some ideas as to how schools work and how they can be found.

- without a school there can be no evolution.

I gave before two definitions of psychology.

First, I said that *psychology is the study of the possible evolution of man*, and second, that *psychology is the study of oneself*.

I meant that only a psychology which investigates the evolution of man is worth studying, and that a psychology which is occupied with only one phase of man, without knowing anything about his other phases, is obviously not complete, and cannot have any value, even in a purely scientific sense, that is, from the point of view of experiment and observation. For the present phase, as studied by ordinary psychology, in reality does not exist as something separate and consists of many sub-divisions which lead from lower phases to higher phases. Moreover, the same experiment and

observation show that one cannot study psychology as one can study any other science not directly connected with oneself. One has to begin the study of psychology with oneself. (Ed: the first ancient wisdom: Know thyself)

Putting together, first what we may know about the next phase in the evolution of man, that is, that it will mean acquiring consciousness, inner unity, permanent ego and will, and second, certain material that we can get by self-observation, that is, realization of the absence in us of many powers and faculties which we ascribe to ourselves, we come to a new difficulty in understanding the meaning of psychology, and to the necessity for a new definition.

The two definitions given in the previous lectures are not sufficient because **man by himself does not know what evolution is possible for him, does not see where he stands at present and ascribes to himself features belonging to higher phases of evolution.** In fact, **he cannot study himself, being unable to distinguish between the imaginary and the real in himself.**

What is lying ? (Ed: hang on title here,, with what is going to happen to u, as u read.)

As it is understood in ordinary language, lying means distorting or in some cases, hiding the truth, or what people believe to be the truth. This lying plays a very important part in life, but **there are much worse forms of lying, when people do not know that they lie.** I said in the last lecture that we cannot know the truth in our present state, and can only know the truth in the state of objective consciousness. How then can we lie ? There seems to be a contradiction here, but in reality there is none. **We cannot know the truth but we can pretend that we know. And this is Lying. Lying fills all our life.** People pretend that they know all sorts of things: about God, about the future life, about the universe, about the origin of man, about evolution, about everything; but in reality they do not know anything, even about themselves. And **every time they speak about something they do not know, as though they knew it, they lie.** Consequently the study of lying becomes of the first importance in psychology.

And it may lead even to the third definition of psychology which is: the study of lying.

Psychology is particularly concerned with the lies a man says and thinks about himself. These lies make the study of man very difficult. **Man, as he is, is not a genuine article. He is an imitation of something, and a very bad imitation.** (Ed: there's a negative for u. Deal with it !)

Imagine a scientist on some remote planet who has received from the earth specimens of artificial flowers, *without knowing anything about real flowers.* It will be extremely difficult for him to define them—to explain their shape, their colour, the material from which they are made, that is, wire, cotton-wool and coloured paper—and to classify them in any way.

- the study of lying becomes of first important in psychology

Psychology stands in a very similar position in relation to man. It has to study an *artificial* man, without knowing the *real* man.

Obviously, it cannot be easy to study a being such as man, who does not himself know what is real and what is imaginary in him. So, psychology must begin with a division between the real and the imaginary in man.

It is impossible to study man as a whole, because man is divided into two parts: one part which, in some cases, can be almost *all real*, and the other part which, in some cases, can be almost *all imaginary*. In the majority of ordinary men these two parts are intermixed, and cannot be easily distinguished, although they are both there, and both have their own particular meaning and effect.

In the system we are studying, these two parts are called essence and personality.

Essence is what is born in man.

Personality is what is acquired. Essence is what is his own. Personality is what is not his own.
Essence cannot be lost, cannot be changed or injured as easily as personality. Personality can be changed almost completely with the change of circumstances; it can be lost or easily injured.

If I try to describe what essence is, I must, first of all, say that it is the basis of man's physical and mental make-up. For instance, one man is naturally what is called a good sailor, another is a bad sailor; one has a musical ear, another has not, one has a capacity for languages, another has not. This is essence.

Personality is all that is learned in one or another way, in ordinary language, 'consciously' or subconsciously. In most cases 'unconsciously' means by imitation which, as a matter of fact, plays a very important part in the building of personality. Even in instinctive functions, which naturally should be free from personality, there are usually many so-called 'acquired tastes', that is, all sorts of artificial likes and dislikes, all of which are acquired by imitation and imagination. These artificial likes and dislikes play a very important and very disastrous part in man's life. By nature, man should like what is good for him and dislike what is bad for him. But this is so, only as long as essence dominates personality, as it should dominate it, in other words, when a man is healthy and normal. When personality begins to dominate essence and when man becomes less healthy, he begins to like what is bad for him and to dislike what is good for him.

This is connected with the chief thing that can be wrong in the mutual relations of essence and personality.

Normally, essence must dominate personality and then personality can be quite useful. But if personality dominates essence, this produces wrong results of many kinds.

It must be understood that personality is also necessary for man; one cannot live without personality and only with essence. But essence and personality must grow parallel, and the one must not outgrow the other. (Ed: equilibrium. Fiat pldot ?)

Cases of essence outgrowing personality may occur among uneducated people. These so-called simple people may be very good, and even clever, but they are incapable of development in the same way as people with more developed personality !

Cases of personality outgrowing essence are often to be found among more cultured people, and in such cases, essence remains in a half-grown or half-developed state !

This means that with a quick and early growth of personality, growth of essence can practically stop at a very early age, and as a result we see men and women externally quite grown-up, but whose essence remains at the age of ten or twelve.

There are many conditions in modern life which greatly favour this under-development of essence. For instance, the infatuation with sport, particularly with games, can very effectively stop the development of essence, and sometimes at such an early age that essence is never fully able to recover later. (Ed: maybe that is why I am so mentally healthy,, have always had an aversion to "sports",... ho. I prefer gardening & struggling with mules anyday,,?,, oh well, ,,knew u wanted to know.)

- When personality begins to dominate essence and when man becomes less healthy, he begins to like what is bad for him and to dislike what is good for him.

This shows that essence cannot be regarded as connected only with the physical constitution, in the simple meaning of the idea. *In order to explain more clearly what essence means, I must again return to the study of functions.*

I said in the last lecture that the study of man begins with the study of four functions: intellectual, emotional, moving and instinctive. From ordinary psychology, and from ordinary thinking, we know that the intellectual functions, thoughts, and so on, are controlled or produced by a certain centre which we call 'mind' or 'intellect,' or 'the brain.' And this is quite right. Only, to be fully right, we must understand that other functions are also controlled each by its own mind or centre.

Thus, from the point of view of the system, there are four minds or centres which control our ordinary actions: (Ed: here we start to deal with what u will read in chapter six. The solution: how to be a successful trader.)

- intellectual mind,
- emotional mind,
- moving mind and
- instinctive mind.

In further references to them we shall call them **centres**. Each centre is quite independent of the others, has its own sphere of action, its own powers, and its own ways of development.

(Ed: important!)

Centres, that is, their structure, capacities, strong sides and defects, belong to essence. Their **contents**, that is, all that a centre acquires, belong to personality. The contents of centres will be explained later. (Ed: thus, personality can play a part in successful trading, & is very important in the equation: realize this.) As I have already said, personality is as equally necessary for the development of man as is essence, only it must stand in its right place. This is hardly possible, because **personality is full of wrong ideas about itself. It does not wish to stand in its right place, because its right place is secondary and subordinate; and it does not wish to know the truth about itself, for to know the truth will mean abandoning its falsely dominant position, and occupying the inferior position which rightly belongs to it.** The wrong relative positions of essence and personality determine the present disharmonious state of man. And the only way to get out of this disharmonious state is by self-knowledge. (Ed: first ancient wisdom: Know thyself)

To know oneself- this was the first principle and the first demand of old psychological schools. We still remember these words, but have lost their meaning. We think that *to know ourselves*, means to know our peculiarities, our desires, our tastes, our capacities and our intentions, when in reality it means to know ourselves as machines, that is, to know the structure of one's machine, its parts, functions of different parts, the conditions governing their work and so on. (Ed: !!!!) We realise in a general way that we cannot know any machine without studying it. We must remember this in relation to ourselves and must study our own machines as machines. The means of study is self-observation. There is no other way and no one can do this work for us. (Ed: !!!!) We must do it ourselves. But before this we must learn how to observe. I mean, we must understand the technical side of observation: we must

The wrong relative positions of essence and personality determine the present disharmonious state of man.

know that it is necessary to observe *different functions* and distinguish between them, remembering, at the same time, about *different states of consciousness*, about *our sleep*, and about the *many 'I's' in US*. (Ed: please refer to any comments that Drummond has ever made about: "watching", "random arousal". It is a 'hook' that he has: viable or not.)

Such observations will very soon give results. First of all a man will notice that **he cannot observe everything he finds in himself impartially**. Some things may please him, other things will annoy him, irritate him, even horrify him. And it **cannot be otherwise**. Man cannot study himself as a remote star, or as a curious fossil. Quite naturally he will like in himself what helps his development and dislike what makes his development more difficult, or even impossible. This means that very soon after starting to observe himself, he will begin to distinguish useful features and harmful features in himself, that

is, useful or harmful from the point of view of his possible self-knowledge, his possible awakening, his possible development. He will see sides of himself which can become conscious, and sides which cannot become conscious and must be eliminated. In observing himself, **he must always remember that his self-study is the first step towards his possible evolution.**

Now we must see what are those harmful features that man finds in himself.

Speaking in general they are all mechanical manifestations.

The first as has already been said, is Lying.

Lying is unavoidable in mechanical life. No one can escape it and **the more one thinks that one is free from lying, the more one is in it.** Life, as it is could not exist without lying. But from the psychological side, lying has a different meaning. *It means speaking about things one does not know, and even cannot know, as though one knows and can know.*

You must understand that I do not speak from any moral point of view. We have not yet come to questions of what is good, and what is bad, by itself. I speak only from a practical point of view, of what is useful and what is harmful to self-study and self-development.

Starting in this way, man very soon learns to discover signs by which he can know harmful manifestations in himself. *He discovers that the more he can control a manifestation, the less harmful it can be, and that the less he can control it, that is, the more mechanical it is, the more harmful it can become.* (Ed: like bad trading patterns.)

When man understands this he becomes afraid of lying, again not on moral grounds, but on the grounds that he cannot control his lying, and that lying controls him, that is, his other functions.

The second dangerous feature he finds in himself is Imagination. Very soon after starting his observation of himself he comes to the conclusion that the chief obstacle to observation is imagination. He wishes to observe something, but instead of that, imagination starts in him on the same subject, and he forgets about observation. (Ed: U will have this very same problem when u do Pattern Picking - see Chapt.6 & 'Pattern Picking Paper') Very soon he realises that people ascribe to the word imagination a quite artificial and

This means that very soon after starting to observe himself, he will begin to distinguish useful features and harmful features in himself,,

quite undeserved meaning in the sense of *creative or selective faculty*. He realises that imagination is a **destructive faculty**, that he can *never* control it and that it always carries him away from his more conscious decisions in a direction in which he had no intention of going. Imagination is almost as bad as lying, it is, in fact, lying to oneself. Man starts to imagine something in order to please himself, and very soon he begins to believe what he imagines, or at least some of it.

Further, or even before that, **one finds many very dangerous effects in the expression of negative emotions**. The term 'negative emotions' means all emotions of violence or depression: self-pity, anger, suspicion, fear, annoyance, boredom, mistrust, jealousy and so on. Ordinarily, one accepts this expression of negative emotions as quite natural and even

necessary. Very often people call it 'sincerity.' Of course it has nothing to do with **sincerity**; it is **simply a sign of weakness in man**, a sign of bad temper and of **incapacity to keep his grievances to himself**. Man realises this when he tries to oppose it. And by this he learns another lesson. He realises that in relation to mechanical manifestations it is not enough to observe them, it is necessary to resist them, **because without resisting them one cannot observe them**. (Ed: see chapt.5) They happen so quickly, so habitually and so imperceptibly, that one cannot notice them if one does not make sufficient efforts to create obstacles for them.

After the expression of **negative emotions** one notices in oneself or in other people another curious mechanical feature. This is **talking**. There is no harm in talking by itself. But with some people, especially with those who notice it least, it really becomes a vice. They talk all the time, everywhere they happen to be, while working, while travelling, even while sleeping. They never stop talking to someone if there is someone to talk to, and if there is no one, they talk to themselves. This too must not only be **observed, but resisted as much as possible**. **With unresisted talking, one cannot observe anything, and all the results of a man's observations will immediately evaporate in talking.**

*The difficulties he has in observing these four manifestations - **lying, imagination, the expression of negative emotions and unnecessary talking** - will show man his utter mechanicalness, and the impossibility even of struggling against this mechanicalness without help, that is, without new knowledge and without actual assistance. For even if a man has received certain material, he forgets to use it, forgets to observe himself; in other words, he falls asleep again and must always be **awakened**. (Ed: Drummond has found this to be true, with 'students' & very often with himself.)*

This 'falling asleep' has certain definite features of its own, unknown, or at least unregistered and unnamed, in ordinary psychology.

These features need special study. (Ed: how to 'fall asleep' !! Please make special note of this.)

There are two of them. The first is called **identification**.

'Identifying' or 'identification' is a **curious state in which man passes more than half of his life.** He 'identifies' with everything: with what he says, what he feels, what he believes, what he does not believe, what he wishes, what he does not wish, what attracts him, what repels him. **Everything absorbs him, and he cannot separate himself from the idea, the feeling or the object that absorbed him.** This means that in the state of identification man is incapable of looking impartially on the object of his identification. It is difficult to find the smallest thing with which man is unable to 'identify.' (Ed: u becom 'identified' with a bad trade.)

At the same time, in a state of identification, man has even less control over his mechanical reactions than at any other time. (Ed: u cannot trade !) **Such manifestations as lying, imagination, the expression of negative emotions and constant talking need identification.** They cannot exist without identification. If man *could* get rid of identification, he could get rid of many useless and foolish manifestations.

Identification, its meaning, causes and results, is extremely well described in the Philokalia which was mentioned in the first lecture. But no trace of understanding of it can be found in modern psychology. It is a quite forgotten 'psychological discovery' ! (Ed: !!!!!)

The second sleep-producing state, akin to identification, is **considering**. Actually, 'considering' is **identification with people**. It is a state in which man constantly worries about what other people think of him; whether they give him his due, whether they admire him enough and so on, and so on. 'Considering' plays a very important part in everyone's life, but in some people it becomes an obsession. All their lives are filled with considering, that is, worry, doubt and suspicion, and there remains **no place for anything else**.

The myth of the 'inferiority complex' and other 'complexes' is created by the vaguely realised but not understood phenomenon of 'identification' and 'considering.'

Both 'identifying' and 'considering' must be observed most seriously. Only full knowledge of them can diminish them. If one cannot see them in oneself, one can easily see them in other people. But one must remember that one in no way differs from others. **In this sense all people are equal.**

Everything absorbs him, and he cannot separate himself from the idea, the feeling or the object that absorbed him.

Returning now to what was said before, we must try to understand more clearly how the development of man must begin, and in what way self-study can help this beginning.

*From the very start we meet with a difficulty in our **language**. For Instance, we want to speak about man from the point of view of evolution. But the word 'man' in ordinary language does not admit of any variation or any gradation. Man who is never conscious and never suspects it, man who is struggling to become conscious, man who is fully conscious –it is all the same for our language. It is always 'man' in every case. In order to avoid this difficulty and to help the student in classifying his new ideas, **the system divides man into seven categories.***

The myth of the 'inferiority' complex and other 'complexes' is created by the vaguely realised but not understood phenomenon of 'identification' and 'considering'.

The first three categories are practically on the same level.

- Man No. 1, a man in whom the *moving* or *instinctive* centres **predominate** over the *intellectual* and *emotional*, that is, **Physical Man**.
- Man No. 2, a man in whom the *emotional* centre **predominates** over the intellectual, moving and instinctive. **Emotional man**.
- Man No. 3, a man in whom the *intellectual* centre **predominates** over the emotional, moving and instinctive. **Intellectual man**.

(Ed: which one are u? It will take 'work' to find out.)

In ordinary life we meet only these three categories of man. Each one of us and everyone we know is either No. 1, No. 2, or No. 3. There are higher categories of man, but men are not born already belonging to these higher categories. They are all born No. 1, No. 2, No. 3 and can reach higher categories only through schools.

- Man No. 4 is not born as such. He is a product of **school culture**. (Ed: P&L school? ,however, we do not wish to be presumptive.) He differs from man No. 1, No. 2, and No. 3 by his knowledge of himself, by his understanding of his position and, as it is expressed technically, by his having acquired a permanent centre of gravity. This last means that the idea of acquiring unity, consciousness, permanent 'I' and will, that is, the idea of his **development has already become for him more important than his other interests**. (Ed: try it! It can be interesting!)

It must be added to the characteristics of man No. 4, that **his functions and centres are more balanced**, in a way in which they could not be balanced without work on himself, according to school principles and methods. (Ed: Is this the route of a School of P&L?)

- Man No. 5 is a man who has acquired *unity* and *self-consciousness*. He is different from ordinary man, because, in him, one of the higher centres already works, and he has many functions and powers that an ordinary man, that is, man No. 1, 2 and 3 does not possess.

- Man No. 6 is a man who has acquired *objective consciousness*. Another higher centre works in him. He possesses many more new faculties and powers, beyond the understanding of an ordinary man.

- Man No. 7 is a man who has attained all that a man can attain. He has a *permanent 'I' and free will*. He can control all the states of consciousness in himself and he already cannot lose anything he has acquired. According to another description, *he is immortal within the limits of the solar system*.

Understanding of this division of man into seven categories is very important, for the division has very many applications in all possible ways of studying human activity. It gives, in the hands of those who understand it, a very strong and very fine instrument or tool for the definition of manifestations which, without it, are impossible to define. (Ed: if man was aware of this, wud he be doomed, as targeted in Chapt.3?)

Take, for instance, the general concepts of religion, art, science and philosophy. Beginning with religion we can see at once that there must be a religion of man No. 1, that is, all forms of fetishism, no matter

how they are called; a religion of man No. 2, that is, emotional, sentimental religion, passing sometimes into fanaticism, the crudest forms of intolerance, persecution of heretics and so on; a religion of man No. 3, that is theoretical, scholastic religion, full of argument about words, forms, rituals, which become more important than anything else; a religion of man No. 4, that is, the religion of man who works for self-development; religion of man No. 5, that is, the religion of a man who has attained unity and can see and know many things that man No. 1,2, and 3 can neither see nor know; **then a religion of man No. 6 and a religion of man No. 7, about neither of which can we know anything.**

The same division applies to art, science and philosophy. There must be an art of man No. 1, an art of man No. 2, an art of man No. 3; science of man No. 1, science of man No. 2, science of man No. 3, science of man No. 4 and so on. You must try to find examples of these for yourselves.

This expansion of concepts greatly enlarges our possibility of finding right solutions to many of our problems. (Ed: yes, and man wud not be 'doomed', & thus, this author believes so; yet, must activate the third ancient wisdom: "Verify Everything for Yourself".)

- activity of the machine depends on external impressions

And this means that the system gives us the possibility of studying a *new language*, that is, new for us, which will connect for us ideas of different categories which are, in reality, united, and divide ideas of seemingly the same categories which are, in reality, different. The division of the word 'man' into seven words: Man No. 1, 2, 3, 4, 5, 6, and 7, with all that follows, is an example of this new language.

This gives us the fourth definition of psychology as the study of a new language. And this new language is a *universal language*, which people

sometimes try to find or invent.

The expression, 'a universal language' or 'philosophical language,' must not be taken in a **metaphorical** sense. The language is universal in the same sense as mathematical symbols are universal. And besides that it includes in itself all that people can think about. Even the few words of this language which have been explained, give you the possibility of thinking and speaking with more precision than is possible in ordinary language, using any of the existing scientific or philosophical terminologies and nomenclatures.

THIRD LECTURE (Man is a machine. What influences it? Growth)

The idea that man is a machine is not a new one.

THE IDEA that man is a machine is not a new one. It is really the only scientific view possible; that is, a view based on experiment and observation. A very good definition of man's mechanicalness was given in the so-called 'psycho-physiology' of the second part of the XIXth century. Man was regarded as incapable of any movement without receiving external impressions. Scientists of that time maintained that if it were possible to deprive man, from birth, of all outer and inner impressions and still keep him alive, he would not be able to *make the smallest movement*.

Such an experiment is, of course, impossible even with an animal, because the process of maintaining life, breathing, eating and so on, will produce all sorts of impressions which will start different reactory movements first, and then awaken the moving centre. But this idea is interesting because it shows clearly that the activity of the machine depends on external impressions, and begins with responses to these impressions. (Ed: remember this. Consider also chapt. five)

-„the machine only rarely works with each centre doing its right work.

Centres in the machine are perfectly adjusted to receive each its own kinds of impressions and to respond to them in a corresponding way. And when centres work rightly, it is possible to calculate the work of the machine and to foresee and foretell many future happenings and responses in the machine, as well as to study them and even direct them. (Ed: note chapter five)

But **unfortunately**, centres, even in what is called a healthy and normal man, **very rarely work as they should.**

The cause of this is that centres are made so that, in a certain way, they can replace one another. In the original plan of Nature the purpose of this was, undoubtedly, to make work of centres continuous and to create a safe-guard against possible interruptions in the work of the machine, because in some cases an interruption could be fatal.

„centres,,, very rarely work as they should.

But the capacity of centres to work for one another in an untrained and undeveloped machine –as all our machines are– becomes excessive and, as a result, the **machine only rarely works with each centre doing its right work.** Almost every minute one or another centre leaves its own work and tries to do the work of another centre which, in its turn, tries to do the work of a third centre. (Ed: now, consider the following paragraph seriously, in relation to trading.)

I said that centres can replace one another to a certain extent, but not completely, and inevitably in such cases they work in a much less effective way. For instance, moving centre can, up to a point, imitate the work of intellectual centre, but it can only produce very vague and disconnected thoughts as, for example, in dreams and in day-dreaming. In its turn, the intellectual centre can work for the moving centre. Try to write, for instance, thinking about every letter you are going to write and how you will write it. You can make experiments of this kind in trying to use your mind to do something which your hands or your legs can do without its help for instance, walk down a staircase noticing every movement, or do some habitual work with your hands, calculating and preparing every small movement by mind. You will immediately see how much more difficult the work will become, how much slower and how much more clumsy the intellectual centre is than the moving centre. **You can see this also when you learn some kind of new movement** –suppose you learn the use of the typewriter or any kind of new physical work–or take a soldier doing rifle drill. For some time in all your (or his) movements you will depend on the intellectual centre, and only after some time will they begin to pass to moving centre. (Ed: note the 'learning to drive a car' analogy in chapt.6)

Everyone knows the relief when movements become habitual,

Everyone knows the relief when movements become habitual, when the adjustments become automatic, and when there is no need to *think* and calculate every movement all the time. This means that movement has passed to the moving centre, where it normally belongs. (Ed: see chapt.6)

The instinctive centre can work for the emotional, and the emotional can occasionally work for all other centres. And in some cases the intellectual centre has to work for the instinctive centre, although it can only do a very small part of its work, the part which is connected with visible movements, such as the movement of the chest during breathing. It is very dangerous to interfere with normal functions of the instinctive centre, as for instance in artificial breathing, which is sometimes described as

yogi breathing, and which must never be undertaken without the advice and observation of a competent and experienced teacher.

In the way of self-study and self-observation it is necessary to study and observe not only the right work of centres, but also the wrong work of centres.

Returning to the wrong work of centres, I must say that **this fills up practically all our life**. our dull impressions, our vague impressions, our lack of impressions, our slow understanding of many things, very often our identifying and our considering, even our *lying*, **all these depend on the wrong work of centres**. (Ed: be aware of this; for trading.)

The idea of the wrong work of centres does not enter into our ordinary thinking and ordinary knowledge, and we do not realise how much harm it does to us, how much energy we spend unnecessarily in this way and the difficulties into which this wrong work of centres leads us. (Ed: !!!!!!!)

Insufficient understanding of the wrong work of our machine is usually connected with the false notion of our unity. ***When we understand how much divided we are in ourselves***, we begin to realise the danger that can lie in the fact that one part of ourselves works instead of another part,

without our knowing it. (Ed: be aware of this in trading.)

In the way of self-study and self-observation it is necessary to study and observe not only the right work of centres, but also the wrong work of centres. It is necessary to know all kinds of wrong work and the particular features of the wrong work belonging to particular individuals. **It is impossible to know oneself without knowing one's defects and wrong features**. And, in addition to general defects belonging to everyone, each of us has his own particular defects belonging only to himself, and **they also have to be studied at the right time**.

I pointed out in the beginning that **the idea that man is a machine brought into motion by external influences is really and truly a scientific idea**.

- it is capable of developing and creating for itself quite different standards of receptivity and actions.

What science does not know is:

- *First*, that the human machine does not work up to its standard, and actually works much below its normal standard; that is, not with its full powers, not with all its parts; and (Ed: example: we use only 10% of our brain capacity.)
- *Second*, that in spite of many obstacles it is capable of developing and creating for itself quite different standards of receptivity and action.

We shall now speak of the conditions necessary for development because it must be remembered that although development is possible, it is at the same time **very rare and requires a great number of external and internal conditions**.

What are these conditions?

The first of these conditions is that man must understand his position, his difficulties and his

possibilities and must have either a very strong desire to get out of his present state or have a very great interest for the new, for the unknown state which must come with the change. Speaking shortly, he must be either very strongly repelled by his present state or very strongly attracted by the future state that may be attained. (Ed: if u do not want to 'work, work, work',, so be it. ... yes, or no !)

Further, one must have a certain preparation. A man must be able to understand what he is told. Also, he must be in right conditions externally, he must have sufficient free time for study and must live in circumstances which make study possible. (Ed: u make a comment ! ->)

It is impossible to enumerate all the conditions which are necessary. But they include among other things a school. And school implies such social and political conditions in the given country in which a school can exist, because a school cannot exist in any conditions; and a more or less ordered life and a certain level of culture and personal freedom are necessary for the existence of a school. Our time is particularly difficult in this respect. (Ed: can u imagine what it is like now? - see 'chaos and confusion', chapt: 3) Schools in the East are disappearing very quickly. In many countries they are absolutely impossible. For instance, no school could exist in Bolshevik Russia, or in Hitler's Germany, or in Mussolini's Italy, or in Kemal's Turkey. (Ed: as Political Correctness deranges the world, then what? - 'verify' Charles !) (Ed: & as to 'personal freedom',... right ! Lots of luck !)

I quoted some verses from the *Laws of Man* referring to this subject in the *New Model of the Universe*. (Ed: written by Ouspensky)

From the rules of a Snataka (householder):

pg:61. He must not live in a country governed by Sudras, nor in one inhabited by impious men, nor in one conquered by heretics, nor one abounding with men of lower castes.

pg:79. He must not be in the company of outcastes, nor of *Kandalas*, the lowest of men, nor of *Pukkases*, nor of idiots, nor of arrogant men, nor of men of low class, nor of Antyavasayins (grave-diggers).

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pg: 22. A kingdom peopled mostly by Sudras filled with godless men and deprived of twice-born inhabitants, will soon wholly perish, stricken by hunger and disease.

These ideas of the Laws of Manu are very interesting because they give us a basis on which we can judge different political and social conditions *from the point of view of school-work, and to see which conditions are really progressive, and which bring only the destruction of all real values*, although their adherents pretend that these conditions are progressive and even manage to deceive quantities of **weak-minded people**. (Ed: Political Correctness? The "left wing" - The "right wing"?)

**Magnetic centre
is in personality,**

But external conditions do not depend on us. (Ed: , we can influence external conditions ? - see chapt. five ,, think about this,, !) To a certain extent, and sometimes with great difficulty, we can choose the country where we prefer to live, but we cannot choose the period of the century and must try to find what we want in the period in which we are placed by fate.

So we must understand that even the beginning of preparation for development needs a combination of external and internal conditions which only rarely come all together.

But at the same time, we must understand that at least so far as internal conditions are concerned, man

is not entirely left to the law of accident. There are many lights arranged for him by which he can find his way if he cares to and if he is lucky. His possibility is so small that the element of *luck* cannot be excluded.

Let us now try to answer the question: **What makes a man desire to acquire new knowledge and to change himself?** (Ed: please talk to u'reself,,, now ! We are not being presumptuous .)

Man lives in life under two kinds of influences. This must be very well understood and the difference between the two kinds of influences must be very clear.

- The first kind consists of interests and attractions created by *life itself*: interests of one's health, safety, wealth, pleasures, amusements, security, vanity, pride, fame, etc. •
- The second kind consists of interests of a different order aroused by ideas which are not created in life but come originally from *schools*. These influences do not reach man directly. They are thrown into the general turnover of life, pass through many different minds and reach a man through philosophy, science, religion and art, always mixed with influences of the first kind and generally very little resembling what they were in their beginning. (Ed: schools of thot: propaganda, Marxism, Fascism, Libertarianism, Political Correctness, religions, occultism, school of P&L, Ouspensky school, Masonary, Gangs, Mafia.)

In most cases men do not realise the different origin of the influences of the second kind and often explain them as having the same origin as the first kind.

Although man does not know of the existence of two kinds of influences, they both act on him and in one way or another way he responds to them. (Ed: man is a machine.)

He can be more identified with one or with some of the influences of the first kind and not feel influences of the second kind at all. Or he can be attracted and affected by one or another of the influences of the second kind. The result is different in each case.

We will call the first kind of influence, influence A and the second, influence B.

If a man is fully in the power of influence A, or of one particular influence A, and quite indifferent to influence B, nothing happens to him and his possibility of development diminishes with every year of his life, and at a certain age, sometimes quite an early age, it disappears completely. This means that man dies while physically remaining still alive, like grain that cannot germinate and produce a plant. But if, on the other hand, man is not completely in the power of influence A and if influences B attract him and make him feel and think, results of the impressions they produce collect in him together, attract other influences of the same kind and grow, occupying a more important place in his mind and life. (Ed: building a 'library of positives'? - see chapt. 3 ,, go for it !)

If the results produced by influence B become sufficiently strong, they fuse together and form in man what is called a ***magnetic centre***. It must be understood at once that the word 'centre' in this case does not mean the same thing as the 'intellectual' or the 'moving' centre; that is, centres in the essence.

Magnetic centre is in personality, it is simply a group of interests which, when they become sufficiently strong, serve, to a certain degree, as a guiding and controlling factor. Magnetic centre turns

one's interests in a certain direction and helps to keep them there. At the same time it cannot do much by itself. A school is necessary. Magnetic centre cannot replace a school, but it can help to realise the need of a school; it can help to begin to look for a school, or if one meets a school by chance, magnetic centre can help to recognize a school and try not to lose it. Because nothing is easier to lose than a school. (Ed: is this why u are interested in the 'School of P&L' ?)

This is the chief safeguard of a school.

Possession of a magnetic centre is the first, although quite unspoken, demand of a school. If a man without a magnetic centre, or a small or a weak magnetic centre, or with several contradictory magnetic centres; that is, interested in many incompatible things at the same time, meets a school, he does not become interested in it, or he becomes critical at once before he can know anything, or his interest disappears very quickly when he meets with the first difficulties of school work. (Ed: u will either be a P&L'er, or u won't !)

This is the chief safeguard of a school. Without it the school would be filled with quite a wrong kind of people who would immediately distort the school

teaching. (Ed: such is the case with the 'School of P&L'.) A right magnetic centre not only helps to recognize a school, it also helps to absorb the school teaching which is different from both influences A and influences B and may be called influence C.

Influence C can be transferred only by word of mouth, by direct instruction, explanation and demonstration. (Ed: and, this is how the three ancient wisdoms survived? Is this how P&L will survive ?)

When a man meets with influence C and is able to absorb it, it is said about him that in one point of himself; that is, in magnetic centre, he becomes free from the law of accident. (Ed: think about this !)

From this moment the magnetic centre has actually played its part. It brought man to a school or helped him in his first step there. **From then on the ideas and the teaching of the school take the place of magnetic centre and slowly begin to penetrate into the different parts of personality and with time into essence.** (Ed: is this what happens in the 'School of P&L' ?)

One can learn many things about schools, about their organization and about their activity in the ordinary way by reading and by studying historical periods when schools were more conspicuous and more accessible. But there are certain things about schools that one can learn only in schools themselves. And the explanation of school principles and rules occupies a very considerable place in school teaching. (Ed: & today, the only school that will be *allowed* will be the 'world school' .)

„man dies while physically remaining alive,

One of the most important principles one learns in this way is that real school work must proceed *by three* lines simultaneously. One line of work, or two lines of work, cannot be called real 'school work.'

What are these three lines ?

In the first lecture I said that these lectures are not a school. Now I will be able to explain why they are not a school.

Once at a lecture a question was asked: Do people who study this system work only for themselves or do they work for other people? Now I will also answer this question.

- **The first line is study of oneself and study of the system, or the language.'** Working on this line one certainly works for *oneself*.
- ***The second line is work with other people in the school and working with them, one works not**

only with them *but for* them. So in the second line one learns to work with people and for people. This is why the second line is particularly difficult for some people.

• In the **third line**, one works for *the school*. In order to work for the school, one must first *understand* the work of the school, understand its aims and needs. And this requires time unless one is really well prepared, because some people can *begin* with the third line, or in any case find it very easily.

- man is asleep and whatever work he starts, he soon loses interest in it and continues mechanically.

When I said that these lectures are not a school, I meant that these lectures give the possibility of only one line of work; that is, study of the system and self-study. It is true that even by learning together people study the beginning of the second line of work, at least they learn to *bear one another*, and if their thought is broad enough and their perception quick enough they can even grasp something about the second and third lines of work. Still one cannot expect much just from lectures.

In the second line of work, in complete school organization, people must not only talk together, but work together, and this work can be very different but must always, in one or another way, be useful to the school. So it means

that working in the first line people study the second line and working in the second line they study the third line. Later you will learn why three lines are necessary and why only three lines of work can proceed successfully and towards a definite aim.

Even now you can understand the chief reason of the necessity of three lines of work if you realise that man is asleep and whatever work he starts, he soon loses interest in it and continues mechanically. Three lines of work are necessary, first of all, because one line awakes a man who falls asleep over another line. If one really works on three lines, one can never fall asleep completely; in any case one cannot sleep as happily as before; one will always awake and realise that one's work has stopped. (Ed: this is the current stage of this author. However, Drummond does not belong to any 'school' - except P&L.)

I can show also one very characteristic difference between three lines of work.

In the first line, one works chiefly on the study of the system or self-study and on self-observation, and one must manifest in one's work a certain amount of initiative in relation to oneself.

In the second line one works in connection with certain organised work and one must only *do what one is told*. No initiative is required or admitted in the second line and the chief point in this is *discipline* and following exactly what one is told, without bringing in any of one's own ideas even if they appear better than those that have been given.

In the third line again one can manifest more initiative, but one must always *verify* oneself and not let oneself make decisions against rules and principles, or against what one has been told.

I said before that the **work begins with the study of the language**. It will be very useful if at this point you try to realise that you already know a certain number of words of this new language, and it will also be very useful if you try to count these new words and write them down together. Only they must be written down without any comments; that is, without interpretation- comments and

interpretations or explanations must be in your understanding. (Ed: exactly, as per the requirement in the 'Pattern Picking Paper'.) You cannot put them on paper. **If this were possible, the study of psychological teachings would be very simple.** (Ed: & so wud technical analysis !) It would be sufficient to publish a sort of dictionary or glossary and people would know all that it is necessary to know. But, fortunately or unfortunately, this is impossible and men have to learn and work each for himself.

„ work begins with the study of the language.

We must again return to centres and find why we cannot develop more quickly without the necessity for long school work.

We know that when we learn something, we accumulate new material in our memory. **But what is our memory?** In order to understand this, we must learn to regard each centre as a separate and independent machine, consisting of a sensitive matter similar to *the mass of phonographic rolls*. All

that happens to us, all that we see, all that we hear, all that we feel, all that we learn is registered on these rolls. It means that all external and internal events leave certain 'impressions' on the rolls. '**Impressions**' is a very good word because it actually is *an impression* or *an imprint*. (Ed: note the discussion in Chapt.5) An impression can be deep, or it can be very slight, or it can be simply a glancing impression that disappears very quickly and leaves no trace after it. **But whether deep or slight they are impressions.** *And these impressions on rolls are all that we have, all our possessions.* (Ed: !!!!!) **Everything that we know, everything that we have learned, everything that we have experienced is all there on our rolls.** Exactly in the same way all our thought processes, calculations, speculations consist only of comparing the inscriptions on rolls, reading them again and again, trying to understand them by putting them together, and so on. **We can think of nothing new, nothing that is not on our rolls.** (Ed: Man is a machine. This is why a bad trade can be so devastating.) We can neither say nor do anything that does not correspond to some inscription on the rolls. (Ed: why imprint positives on the rolls ? - see chapt. 3 & 5) We cannot invent a new thought in the same way as we cannot invent a new animal, because all our ideas of animals are created by our observation of existing animals. Inscriptions or impressions on rolls are connected by associations. Associations connect impressions either received simultaneously or in some way similar to one another. (Ed: create u're own reality - see Chapt. 5)

- comments and interpretations or explanations must be in your understanding. You cannot put them on paper.

In my first lecture I said that **memory depends on consciousness** and that **we actually remember only the moments when we had flashes of consciousness.**

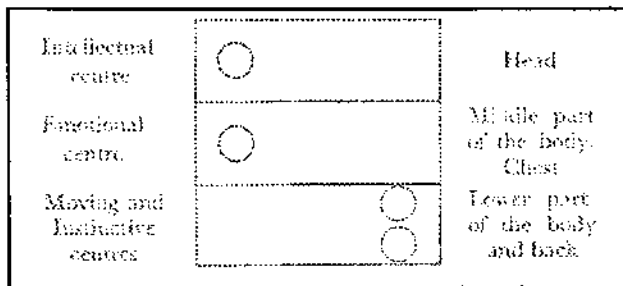
It is quite clear that different simultaneous impressions connected together will remain longer in memory than unconnected impressions. In the flash of self-consciousness or even near it, all impressions of the moment are connected and remained connected in the memory. The same refers to impressions connected by their inner similarity. If one is more conscious in the moment of receiving impressions, one connects more definitely the new

impressions with similar old impressions and they remain connected in memory. (Ed: build a positive library - see Chapt.3,4,5,6) **On the other hand if one receives impressions in a state of identification, one simply does not notice them and their traces disappear before they can be appreciated or associated.** (Ed: notice that !)

In the state of identification one does not see and one does not hear, one is wholly in one's grievance, or in one's desire, or in one's imagination. One cannot separate oneself from things or feelings or memories and one is shut off from all the world around.

FOURTH LECTURE (How the machine functions, & what to do.)

WE SHALL begin today with a more detailed examination of centres.
This is the diagram of four centres.



The diagram represents a man standing sideways looking to the left, and indicates the relative position of centres in a very schematic way.

In reality each centre occupies the whole body, penetrates, so to speak, the whole organism. At the same time, each centre has what is called its 'centre of gravity.' The centre of gravity of the intellectual centre is in the brain; the centre of gravity of the emotional centre is in the solar plexus; the centres of gravity of the moving and instinctive centres are in the spinal cord.

- each centre includes in itself many properties which are still unknown to ordinary science and even to anatomy.

It must be understood that in the present state of scientific knowledge we have no means of verifying this statement, chiefly because each centre includes in itself many properties which are still unknown to ordinary science and even to anatomy. It may sound strange, but the fact is that the anatomy of the human body is far from being a completed science.

So the study of centres, which are hidden from us, must begin with the observation of their functions, which are quite open for our investigation.

This is quite a usual course. In the different sciences- physics, chemistry, astronomy, physiology -when we cannot reach the facts or objects or matters we wish to study, we have to begin with an investigation of their results or traces. (Ed: How about the political realm? Chaos & confusion means, what?) In this case we

shall be dealing with the direct functions of centres; so all that we establish about functions can be applied to centres.

All centres have much in common and, at the same time, each centre has its own peculiar characteristics which must always be kept in mind.

One of the most important principles that must be understood in relation to centres is the great difference in their speed, that is, a difference in the speeds of their functions.

One of the most important principles that must be understood in relation to centres is the great difference in their speed, that is, a difference in the speeds of their functions. (Ed: now listen to this. This is quite important, in order to understand Chapt.6 -see 'learning to drive' analogy)

*The slowest is the intellectual centre. Next to it -although very much faster-stand the moving and instinctive centres, which have more or less the same speed. **The fastest of all is the emotional centre, though in the state of 'waking sleep' it works only very rarely with anything approximating to its real speed, and generally works with the speed of the instinctive and moving centres.***

Observations can help us to establish a great difference in the speeds of functions, but they cannot give us the exact figures. In reality the difference is very great, greater than one can imagine as being possible between functions of the same organism. As I have just said, with our ordinary means we cannot calculate the difference in the speed of centres,

but, if we are told what it is, we can find many facts which will confirm not the figures but the existence of the enormous difference.

So before bringing in figures, I want to speak about ordinary observations which can be made without any special knowledge.

Try, for instance, to compare the speed of mental processes with moving functions. Try to observe yourself when you have to perform many quick simultaneous movements, as when driving a car in a very crowded street, or riding fast on a bad road, or doing any work requiring quick judgment and quick movements. You will see at once that you cannot observe all your movements. You will either have to slow them down or miss the greater part of your observations; otherwise you will risk an accident and probably have one if you persist in observing. There are many similar observations which can be made, particularly on the emotional centre which is still faster. Everyone of us really has many observations on the different speeds of our functions, but only very rarely do we know the value of our observations and experiences. **Only when we know the principle do we begin to understand our own previous observations.**

At the same time it must be said that all the figures referring to these different speeds are established and known in school systems. As you will see later, the difference in the speed of centres is a very strange figure which has a **cosmic meaning**, that is, it enters into many cosmic processes or, it is better to say it divides many cosmic processes one from another. This figure is 30,000. (Ed: where did Ouspensky get that figure? - 3rd ancient wisdom: verify everything for yourself.) This means that the moving and

Only when we know the principle do we begin to understand our own previous observations

I am referring now to the astonishing and quite inexplicable speed of some of the physiological and mental processes.

instinctive centres are 30,000 times faster than the intellectual centre. And the emotional centre, when it works with its proper speed, is 30,000 times faster than the moving and instinctive centres.

It is difficult to believe in such an enormous difference in the speeds of functions in the same organism. It actually means that different centres have a quite *different* time. The instinctive and moving centres have 30,000 times longer time than the intellectual centre, and the emotional centre has 30,000 times longer time than the

moving and instinctive centres.

Do you understand clearly what 'longer time' means? It means that, for every kind of work that a centre has to do, it has so much more time.

However strange it may be, **this fact of the great difference in the speed of centres explains many well-known phenomena which ordinary science cannot explain and which it generally passes over in silence, or simply refuses to discuss. I am referring now to the astonishing and quite inexplicable speed of some of the physiological and mental processes.**

For instance— a man drinks a glass of brandy, and *immediately* in no more than a second, he experiences many new feelings and sensations —a feeling of warmth, relaxation, relief, peace, contentment, well-being, or on the other hand, anger, irritation, and so on. What he feels may be different in different cases, but the fact remains that the body responds to the stimulant *very quickly*, almost at once.

There is really no need to speak about brandy or any other stimulant; if a man is very thirsty or very hungry, a glass of water or a piece of bread will produce the same quick effect.

Similar phenomena representing the enormous speed of certain processes can be noticed, for instance, in observing dreams. I referred to some of these observations in *A New Model of the Universe*.

The difference is again either between the instinctive and the intellectual centres or between the moving and the intellectual. But we are so accustomed to these phenomena that we rarely think how strange and incomprehensible they are.

Of course, for a man who has never thought about himself and never tried to study himself, there is nothing strange in this or in anything else. But in reality, from the point of view of ordinary physiology, **these phenomena look almost miraculous.**

A physiologist knows how many complicated processes must be gone through between swallowing brandy or a glass of water and feeling its effects. Every substance entering the body by way of the mouth has to be analyzed, tried in several different ways and only then accepted or rejected. And all

„ from the point of view of ordinary psychology, these phenomenon look almost miraculous.

this happens in one second or less. It is a miracle, and at the same time it is not. For, if we know the difference in the speed of centres and remember that the instinctive centre, which has to do this work, has 30,000 times more time than the intellectual centre by which we measure our ordinary time, we can understand how it may happen. It means that the instinctive centre has not one second, but about eight hours of its own time for this work, and in eight hours this work can certainly be done in an ordinary laboratory without any unnecessary haste. So our idea of the extraordinary speed of this work is purely an illusion which we have because we think that our ordinary time, or the time of the intellectual centre, is the only time which exists.

We shall return later on to the study of the difference in speed of centres.

- Now we must try to understand another characteristic of centres which will later give us very good material for self-observation and for work upon ourselves.

It is supposed that each centre is divided into two parts, positive and negative. (59's ? „yes, no)
(Ed: think of comments in Chapt. 3)

This division is particularly clear in the intellectual centre and in the instinctive centre.

All the work of the intellectual centre is divided into two parts: affirmation and negation; yes and no.

(Ed: see comments in Chapt.6 and 'Pattern Picking Paper' Yes or No !!)

In every moment of our thinking, either one outweighs the other or they come to a moment of equal strength in indecision. The negative part of the intellectual centre is as useful as the positive part, and any diminishing of the strength of the one in relation to the other results in mental disorders.

(Ed: note various comments in Chapt. 3)

It is a miracle, and at the same time it is not.

In the work of the instinctive centre the division is also quite clear, and both parts, positive and negative, or pleasant and unpleasant, are equally necessary for a right orientation in life.

Pleasant sensations of taste, smell, touch, temperature, warmth, coolness, fresh air—all indicate conditions which are beneficial for life; and unpleasant sensations of bad taste, bad smell, unpleasant touch, feeling of oppressive heat or extreme cold, all indicate conditions which can be harmful to life.

It may definitely be said that no true orientation in life is possible without both pleasant and unpleasant sensations. They are the real guidance of all animal life on the earth and any defect in them results in a lack of orientation and a consequent danger of illness and death. Think how quickly a man would poison himself if he lost all sense of taste and smell, or if, in some unnatural way, he conquered in

himself a natural disgust of unpleasant sensations.

The negative part of the intellectual centre is as useful as the positive part,

In the **moving centre** the division into two parts, positive and negative, has only a logical meaning; that is, movement as opposed to rest. It has no meaning for practical observation. (Ed: definite yes & no)

In the **emotional centre**, (Ed: now we get down to the nitty-gritty- there are no definite yes & no in the emotional centre - remember this, & compare to the other centres. This for Chapt. 6) ,at a first glance, the division is quite simple and obvious. If we take pleasant emotions such as joy, sympathy, affection, self-confidence, as

belonging to the positive part, and unpleasant emotions such as boredom, irritation, jealousy, envy, fear, as belonging to the negative part, things will look very simple; but in reality they are much more complicated.

, both parts, positive and negative, or pleasant and unpleasant, are equally necessary for a right orientation in life.

To begin with, in the emotional centre there is no natural negative part. The greater part of negative emotions are artificial; they do not belong to the emotional centre proper and are based on instinctive emotions which are quite unrelated to them but which are transformed by imagination and identification. This is the real meaning of the theory of James and Lange, at one time very well-known. They insisted that all emotions were really sensations of changes in inner organs and tissues, changes which took place before sensations, and were the actual cause of sensations.

That really meant that external events and inner realizations did not produce emotions. External events and inner realisations produced inner reflexes which produced sensations; and these were interpreted as emotions. At the same time ***positive emotions*** such as 'love,' 'hope,' 'faith,' in the sense in which they are usually understood; that is, as permanent emotions, are impossible for a man in the ordinary state of consciousness. They require higher states of consciousness; they require inner unity, self-consciousness, permanent 'I' and will.

(Ed: realize this.)

„ in the emotional centre there is no natural negative part.

Positive emotions are emotions which cannot become negative. (Ed: careful how u interpret this.) But all our ***pleasant emotions*** such as joy, sympathy, affection, self-confidence, can, at any moment, turn into ***boredom, irritation, envy, fear and so on.*** Love can turn into jealousy or fear to lose what one loves, or into anger and hatred; hope can turn into day-dreaming and the expectation of impossible things, and faith can turn into superstition and a weak acceptance of comforting nonsense.

Even a purely intellectual emotion –the desire for knowledge, or an aesthetic emotion; that is, a feeling of beauty or harmony–if it becomes mixed with identification, immediately unites with emotions of a negative kind such as self-pride, vanity, selfishness, conceit and so on.

(Ed: careful. Be aware of this.)

(Ed: be alert to what u are about to read.)

External events and inner realisations produced inner reflexes which produced sensations: and these were interpreted as emotions.

So we can say without any possibility of mistake that we can have no positive emotions. At the same time, in actual fact, we have no negative emotions which exist without imagination and identification. Of course it cannot be denied that besides the many and varied kinds of *physical suffering*

which belong to the instinctive centre, man has many kinds of *mental suffering* which belong to the emotional centre. He has many sorrows, griefs, fears, apprehensions and so on which cannot be avoided and are as closely connected with man's life as illness, pain and death. But these mental sufferings are very different from negative emotions which are based on imagination and identification. (Ed: !)

Positive emotions are emotions which cannot become negative.

These emotions are a terrible phenomenon. They occupy an enormous place in our life. *Of many people it is possible to say that all their lives are regulated and controlled, and in the end ruined, by negative emotions*. At the same time negative emotions do not play any useful part at all in our lives. They do not help our orientation, they do not give us any knowledge, they do not guide us in any sensible manner. On the contrary, they spoil all our pleasures, they make life a burden to us and they very effectively prevent our possible development because there is

nothing more mechanical in our life than negative emotions.

Even a purely intellectual emotion,, if it becomes mixed with identification,, immediately unites with emotions of a negative kind

Negative emotions can never come under our control. People who think they can control their negative emotions and manifest them when they want to, simply deceive themselves. Negative emotions depend on identification; if identification is destroyed in some particular case, they disappear. *The strangest and most fantastic fact about negative emotions is that people actually worship them*. I think that, for an ordinary mechanical man, the most difficult thing to realise is that his own and other people's negative emotions have no value whatever and do not contain anything noble, anything beautiful or anything strong.

In reality negative emotions contain nothing but weakness and very often the beginning of hysteria, insanity or crime. The only good thing about them is that, being quite useless and artificially created by imagination and identification, they can be destroyed without any loss. And this is the only chance of escape that man has. (Ed: !)

If negative emotions were useful or necessary for any, even the smallest purpose, and if they were a function of a really existing part of the emotional centre, man would have no chance because no inner development is possible so long as man keeps his negative emotions.

In school language it is said on the subject of the struggle with negative emotions: *Man must sacrifice his suffering*.

„ negative emotions do not play any useful part at all in our lives.

'What could be easier to sacrifice?' everyone will say. ***But in reality people would sacrifice anything rather than their negative emotions.*** There is no pleasure and no enjoyment man would not sacrifice for quite small reasons, but **he will never sacrifice his suffering.** **And in a sense there is a reason for this.**

In a quite superstitious way man expects to gain something by sacrificing his pleasures, ***but he cannot expect anything for sacrifice of his suffering.*** (Ed: listen to this !) He is full of wrong ideas about suffering – he still thinks that suffering is sent to him by God or by gods for his punishment or for his edification, and he will even be afraid to hear of the possibility of getting rid of his suffering in such a simple way. **The idea is made even more difficult by the existence of many sufferings from which man really cannot get rid, and of many other sufferings which are entirely based on man's imagination,** which he cannot and will not give up, like the idea of injustice, for instance, and the belief in the possibility of destroying injustice.

But in reality people would sacrifice anything rather than their negative emotions.

Besides that, many people have nothing but negative emotions. All their 'is' are negative. If you were to take negative emotions away from them, they would simply collapse and go up in smoke.

And what would happen to all our life, without negative emotions ?

What would happen to what we call art, to the theatre, to drama, to most novels ? (Ed: note 7 deadly sins pg. 154)

Unfortunately there is no chance of negative emotions disappearing. **Negative emotions can be conquered and can disappear only with the help of school knowledge and school methods.** The struggle against negative emotions is a part of school training and is closely connected with all school work.

What is the origin of negative emotions if they are artificial, unnatural and useless? As we do not know the origin of man we cannot discuss this question, and **we can speak about negative emotions and their origin only in relation to ourselves and our lives.** For instance, in watching children we can see how they are *taught negative emotions* and how they learn them themselves through imitation of grown-ups and older children.

If, from the earliest days of his life, a child could be put among people who have no negative emotions, he would probably have none,(Ed: & no winter-coats) or so very few that they could be easily conquered by right education. But in actual life things happen quite differently, and with the help of all the examples he can see and hear, with the help of reading, the cinema and so on, a **child of about ten already knows the whole scale of negative emotions and can imagine them, reproduce them, and identify with them as well as any grown-up man.** (Ed: & T.V., movies, radio,, help.)

In grown-up people negative emotions are supported by the constant justification and glorification of

„ man expects to gain something by sacrificing his pleasures, but he cannot expect anything for sacrifice of his suffering.

them in literature and art, and by personal self justification and self-indulgence. Even when we become tired of them we do not believe that we can become quite free from them.

In reality, we have much more power over negative emotions than we think, particularly when we already know how dangerous they are and how urgent is the struggle with them. But we find too many excuses for them, and swim in the seas of self-pity and selfishness, as the case may be, finding fault in everything except ourselves. (Ed: &, building a 'library full of negatives' - see Chapt. 3)

All that has just been said shows that we are in a very strange position in relation to our emotional centre. It has no positive part, and no negative part. Most of its negative functions are invented and there are many people who have never in their lives experienced any real emotion, so completely is their time occupied with imaginary emotions.

What is the origin of negative emotions if they are artificial, unnatural and useless?

So we cannot say that our emotional centre is divided into two parts, positive and negative.

(Ed: !!!!) We can only say that we have *pleasant* emotions and *unpleasant* emotions, and that all of them which are not negative at a given moment *can turn into negative emotions under the slightest provocations or even without any provocation.*

This is the true picture of our emotional life and if we look sincerely at ourselves we must realise that so long as we cultivate and admire in ourselves all these poisonous emotions we cannot expect to be able to develop *unity, consciousness or will.* If such development were possible, then all these negative emotions would enter into our new being and become permanent in us. This would mean that it would be impossible for us ever to get rid of them. Luckily for us, such a thing cannot happen. In our present state the only good thing about us is that there is nothing permanent in us. If anything becomes permanent in our present state, it means insanity. Only lunatics can have a permanent ego. (Ed: man is a machine.)

In reality, we have much more power over negative emotions than we think,,,

Incidentally this fact disposes of another false term that crept into the psychological language of the day from the so-called psycho-analysis: I mean the word 'complex.'

There is nothing in our psychological make-up that corresponds to the idea of 'complex.' In the psychiatry of the nineteenth century, what is now called 'complex' was called a 'fixed idea,' and **'fixed ideas'** were taken as signs of insanity. And that remains perfectly correct. Normal man cannot have

'fixed ideas,' 'complexes' or 'fixations.' It is useful to remember this in case someone tries to find complexes in you. We have many bad features as it is and our chances are very small even without complexes.

Returning now to the question of work on ourselves we must ask ourselves what our chances actually are. We must discover in ourselves functions and manifestations which we can, to a certain

„ our emotional centre,, it has no positive part, and no negative part. Most of its negative functions are invented and there are many people who have never in their lives experienced any real emotion, so completely is their time occupied by imaginary emotions.

extent, control, and we must exercise control, trying to increase it as much as possible. For instance, we have a certain control over our movements, and in many schools, particularly in the

East, work on oneself begins with acquiring as full a control over movements as possible. But this needs special training, very much time and the study of very elaborate exercises. **Under the**

Only lunatics can have a permanent ego.

conditions of modern life we have more control over our thoughts (Ed: see chapt. five), and in connection with this there is a special method by which we may work on the development of our consciousness **using that instrument which is most obedient to our will; that is, our mind, or the intellectual centre.**

In order to understand more clearly what I am going to say, you must try to remember that **we have no control over our consciousness.** When I said that we can become more conscious, or that a man can be made conscious for a moment simply by asking him if he is conscious or not, I used the words 'conscious' or 'consciousness' in a relative sense. **There are so many degrees of consciousness and every higher degree means 'consciousness' in relation to a lower degree.**

In the psychiatry of the 19th century, what is now called 'complex', was called a 'fixed idea', and 'fixed ideas' were taken as signs of insanity.

But, if we have no control over consciousness itself, we have a certain control over our thinking about consciousness, and we can construct our thinking in such a way as to bring consciousness. What I mean is that by giving to our thoughts the direction which they would have in a moment of consciousness, we can, in this way, induce consciousness. (Ed: !!!!)

(Ed: note chapt. 5)

Now try to formulate what you noticed when you tried to observe yourself.

You noticed three things:

• First, that ***you do not remember yourself***, that is, that you are not aware of yourself at the time when you try to observe yourself.

• Second, that ***observation is made difficult by the incessant stream of thoughts***, images, echoes of conversation, fragments of emotions, flowing through your mind and very often distracting your attention from observation.

We must discover in ourselves functions and manifestations which we can, to a certain extent, control, and we must exercise control, trying to increase it as much as possible.

• And third, that the moment you start self-observation ***something in you starts imagination***, and **self-observation, if you really try, it is a constant struggle with imagination.**

(Ed: now listen to this !)

Now this is the chief point in work upon oneself. If one realises that all the difficulties in the work depend on the fact that one cannot ***remember oneself, one already knows what one must do.***

One must try to remember oneself.

In order to do this, one must **struggle with mechanical thoughts** and **one must struggle with imagination.** (Ed: remember this)

If one does this conscientiously and persistently, one will see results in a comparatively short time.

But one must not think that it is easy or that one can master this practice immediately.

Self-remembering, as it is called, is a very difficult thing to learn to practice. **It must not be based on an expectation of results, otherwise one can identify with one's efforts.** (Ed: when Drummond talks of 'watching', u will now know what is meant.) **It must be based on the realization of the fact that we do not remember ourselves,** and that at the same time we *can* remember ourselves, if we try sufficiently hard and in the right way.

„ we can construct our thinking in such a way as to bring consciousness.

We cannot become conscious at will, at the moment when we want to, because we have no command over states of consciousness.

But we can *remember ourselves* for a short time, **at will** because we have a certain command over our thoughts. **And if we start remembering ourselves, by the special construction of our thoughts: that is, by the realization that we do not remember ourselves, that nobody remembers himself, and by realising all that this means, this will bring us to consciousness.**

You must remember that we have found the weak spot in the walls of our mechanicalness. This is the knowledge that we do not remember ourselves; and the realization that we can try to remember ourselves. Up to this moment our task has only been self-study. Now, with the understanding of the necessity for actual change in ourselves, work begins. (Ed: work, work, work)

If one realises that all the difficulties in the work depend on the fact that one cannot remember oneself, one already knows what one must do.

Later on you will learn that the practice of self-remembering, connected with self-observation and with the struggle against imagination, has not only a psychological meaning, but it also changes the subtlest part of our metabolism and produces definite chemical, or perhaps it is better to say alchemical, effects in our body. So today from psychology we have come to alchemy; that is, to the idea of the transformation of coarse elements into finer ones. (Ed: thoughts have physical structure: chapt.5)
(Ed: also consider the impact this paragraph has on u're physical & spiritual health.)

FIFTH LECTURE (Man's development -- understanding & knowing)

IN RELATION to the study of man's possible development I must establish one very important point.

There are two sides of man that must be developed, that is, there are two lines of possible development that must proceed simultaneously. (Ed: +ve,-ve; 59up, 59dn, yes/no)

These two sides of man, or two lines of possible development, are

- **knowledge**
- **being.**

I have already spoken many times about the necessity for the development of knowledge, and particularly self-knowledge, because one of the most characteristic features of man's present state is that he does not know.

Generally people understand the idea of different levels of knowledge, the idea of the relativity of knowledge and the necessity for quite new knowledge.

What people do not understand in most cases is the idea of **being** as quite separate from **knowledge**; and further, the idea of the relativity of being, the possibility of different levels of being and the necessity for the development of being, separately from the development of knowledge.

A Russian philosopher, Vladimir Solovieff, used the term 'being' in his writings. He spoke about the being of a stone, the being of a plant, the being of an animal, the being of a man and the divine being.

This is better than the ordinary concept because in ordinary understanding the being of a man is not regarded as in any way different from the being of a stone, the being of a plant or the being of an animal. **From the ordinary point of view a stone, a plant, an animal are or exist, exactly as a man is or exists. In reality, they exist quite differently.**

But Solovieff's division is not sufficient. **There is no such thing as *the being of a man*. Men are too different for that.** I have already explained that from the point of view of the system we are studying, the concept of man is divided into seven concepts: man No. 1, man No. 2, man No. 3, man No. 4, man No. 5, man No. 6, and man No. 7. This means seven degrees or categories of being: being No. 1, being No. 2, being No. 3 and so on. In addition to this we already know finer divisions. We know that there may be very different men No. 1, very different men No. 2, and very different men No. 3. They may live entirely under influences A. They may be equally affected by influences A and B. They may be more under influences B than A. They may have a magnetic centre. They may have come into contact with school influence or influence C. They may be on the way to becoming men No. 4.

All these categories indicate different levels of being.

The idea of being, entered into the very foundation of thinking and speaking about man in religious thought, and all other divisions of man were regarded as unimportant in comparison with this. Men were divided into pagans, unbelievers or heretics on the one hand, and into true believers, righteous men, saints, prophets and so on. **All these definitions referred not to differences in views and convictions, that is, *not to knowledge*, but to *being*.** (Ed: *Man is a machine*)

The widespread acceptance of the idea that inconsistency and amorality means originality is responsible for the many scientific, artistic and religious fakes of our present time and probably of all times.

In modern thought people ignore the idea of being and different levels of being. On the contrary, they believe that the more discrepancies and contradictions there are in man's being, the more interesting and brilliant he can be.

It is generally, although tacitly, and not always even tacitly, admitted that a man can be given to lying, he can be selfish, unreliable, unreasonable, perverted, and yet be a great scientist or a great philosopher or a great artist.

Of course this is quite impossible.

(Ed: listen to this.)

This incompatibility of different features of one's being, which is generally regarded as originality, actually means weakness. One cannot be a great thinker or a great artist with a perverted or an inconsistent mind, just as one cannot be a prizefighter or a circus athlete with consumption.

(Tuberculosis) The widespread acceptance of the idea that inconsistency and amorality means originality is responsible for the many scientific, artistic and religious fakes of our present time and probably of all times.

It is necessary to understand clearly what *being* means, and why it must grow and develop side by side with knowledge, but independently of it.

If knowledge outgrows being or being outgrows knowledge, the result is always a one-sided development, and a one-sided development cannot go far. It is bound to come to some inner contradiction of a serious nature and stop there.

Some time later we may speak about the different kinds and the different results of one-sided development. Ordinarily, in life we meet with only one kind, that is, when knowledge has outgrown being. **The result takes the form of a dogmatization of certain ideas and the consequent impossibility of a further development of knowledge because of the loss of understanding.**

(Ed: see Chapt.3 on the doomed condition of man.- u must leave him in the dust !)

Now I shall speak about understanding.

What is understanding ?

Try to ask yourself this question and you will see that you cannot answer it.

You have always confused *understanding* with *knowing* or having information. But to know and to understand are two quite different things and you must learn to distinguish between them.

In order to understand a thing, you must see its connection with some bigger subject, or bigger whole, and the possible consequences of this connection. *Understanding is always the understanding of a smaller problem in relation to a bigger problem.* (Ed : Monitoring with a lower time period.)

If we could get rid of half our words perhaps we should have a better chance of a certain understanding.

For instance, suppose I show you an old Russian silver rouble. It was a piece of money the size of a halfcrown and corresponding to two shillings and a penny. You may look at it, study it, notice in which year it was coined, find out everything about the Tsar whose

portrait is on one side, weigh it, even make a chemical analysis and determine the exact quantity of silver contained in it. You can learn what the word 'rouble' means and how it came into use. You can learn all these things and probably many more, but you will not *understand it and its meaning* if you do not find out that before the last war its purchasing power corresponded in many cases to a present-day English pound, and that the present-day paper rouble in Bolshevik Russia corresponds in many cases to an English farthing or even less. If you find out this you will *understand* something about a rouble and perhaps also about some other things, **because the understanding of one thing immediately leads to the understanding of many other things.** (Ed : P&L is conceptually based.)

Often people even think understanding means finding a name, a word, a title or a label for a new or unexpected phenomenon. This finding or inventing of words for incomprehensible things has nothing to do with understanding. **On the contrary, if we could get rid of half of our words perhaps we should have a better chance of a certain understanding.** (Ed : Keep it simple. ,, bravo !,, & people shud learn to spell correctly tu !)

If we ask ourselves what it means to understand or not to understand a man, we must first think of an instance of not being able to speak with a man in his own language. Naturally two people having no

common language will not understand one another. They must have a common language or agree on certain signs or symbols by which they will designate things. But suppose that during a conversation with a man you disagree about the meaning of certain words or signs or symbols, then you again cease to understand one another.

From this follows the principle that you cannot understand and disagree. In ordinary conversation we very often say: I understand him but I do not agree with him. From the point of view of the system we are studying, this is impossible. **If you understand a man, you agree with him; if you disagree with him, you do not understand him.**

It is difficult to accept this idea and this means that it is difficult to understand it.

As I have just said, **there are two sides of man which must develop in the normal course of his evolution: knowledge and being.** But neither knowledge nor being can stay still or remain in the same state. **If either of them does not grow bigger and stronger, it becomes smaller and weaker.**

Understanding may be compared to an *arithmetical mean* between knowledge and being. (Ed: which direction is the plot going?) **It shows the necessity for a simultaneous growth of knowledge and being.** The growth of only one and diminishing of another will not change the arithmetical mean.

This also explains why 'to understand' means to agree. People who understand one another must not only have an equal knowledge, they must also have an equal being. **Only then is mutual understanding possible.**

Another wrong idea which people have or which belongs particularly to our times, is that understanding can be different, that people *can*, that is, have the right, to understand the same thing differently. This is quite wrong from the point of view of the system. Understanding cannot be different. There can only be one *understanding*, the rest is non-understanding, or incomplete understanding.

But at the same time people often think that they understand things differently. We can see examples of this every day. **How can we find an explanation of this seeming contradiction ?**

In reality, there is no contradiction. **Understanding means understanding of a part in relation to the whole.** **But the idea of the whole can be very different in people according to their knowledge and being.** This is why the system is again necessary.

People learn to understand by understanding the system and everything else in relation to the system.

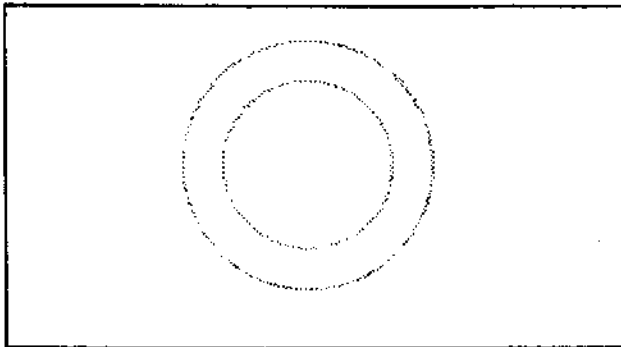
But speaking on an ordinary level without the idea of a school or a system, **one must admit that there are as many understandings as there are many people.** Everyone understands everything in his own way or according to one or another mechanical training or habit; but this is all a subjective and

Understanding means understanding of a part in relation to the whole.

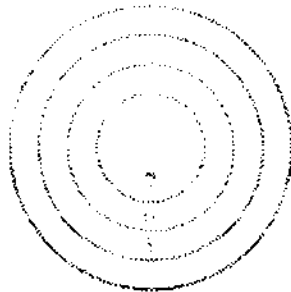
relative understanding. **The way to objective understanding lies through school systems and the change of being.**

In order to explain this I must return to the division of man into seven categories.

You must realise that there is a great difference between men No. 1, 2 and 3 on one hand and men of higher categories on another hand. In reality the difference is much greater than we can imagine. It is so great that all life from this point of view is regarded as being divided into two concentric circles—the inner circle and the outer circle of humanity.



To the inner circle belong men No. 5, 6 and 7; to the outer circle, men No. 1, 2 and 3. Men No. 4 are on the threshold of the inner circle or between the two circles.



The inner circle is in its turn divided into three concentric circles; the innermost, to which belong men No. 7, the middle to which belong men No. 6, and the outer-inner circle to which belong men No. 5.

This division does not concern us at the moment. For us, the **three** inner circles form one inner circle.

The outer circle in which we live has several names, designating its different features. It is called the **mechanical circle**, because everything happens there, everything is mechanical and the people who live there are machines. This also called the *circle of the confusion of tongues*, because People

who live in this circle *all* speak in different languages and *never understand one another*. Everyone understands everything differently.

We have come to a very interesting definition of understanding. It is something that belongs to the inner circle of humanity and does not belong to us at all.

If men in the outer circle realise that they do not understand one another, and if they feel the need of understanding, they must try to penetrate into the inner circle, because understanding between people is possible only there.

Schools of different kinds serve as gates through which people can pass into the inner circles. But this penetration into the circle higher in comparison with the one in which a man is born requires long and difficult work. The very first step in this work is the study of a **new language**. You may ask: What is this language we are studying?

And now I am able to answer you.

It is the language of the inner circle, the language in which people can understand one another.

You must realise that standing, so to speak, outside the inner circle we can know only the rudiments of his language. But even these rudiments will help us to understand one another better than we could ever understand without them.

We must remember that our understanding, exactly as our consciousness, is not always on the same level. It is always moving up and down.

The three inner circles have each a language of their own. We are studying the language of the outer of the inner circles. People in the outer-inner circle study the language of the middle circle, and people in the middle circle study the language of the innermost circle.

If you ask me how all this can be proved I will answer that it can be proved only by further study of oneself and further observation. If we find that with the study of the system we can understand ourselves and other people, or for instance, certain books, or certain ideas *better* than we could understand them before, and particularly if we find definite facts which show that this new understanding develops, that will be, if not proof, **at least a sign of the possibility of proof.**

We must remember that our understanding, exactly as our consciousness, is not always on the same level. **It is always moving up and down.**

(Ed : 59's) That means that at one moment we understand more, and at another moment we understand less. (Ed: but, which direction, the plot ?) If we notice these differences of understanding in ourselves, we shall be able to realise that there is a possibility first, of keeping to those higher levels of understanding and second, of surpassing them.

But theoretical study is not sufficient. You must work on your being and on the change of your being.

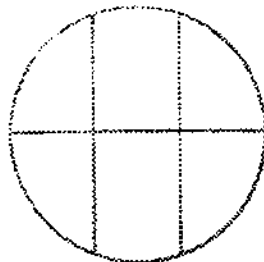
If you formulate your aim from the point of view that you wish to understand other people, you must remember one very important school principle: you can understand other people only as much as you understand yourself and only on the level of your own being.

This means that you can judge other people's knowledge, but you cannot judge their being. You can see in them only as much as you have in yourself. But people always make the mistake of thinking that they can judge other people's being. In reality, if they wish to meet and *understand* people of higher development than themselves they must work with the aim of changing their being.

These are the only ways to understand.

Now we must return to the study of centres and to the study of attention and self-remembering, *because these are the only ways to understanding.*

Besides the division into two parts, positive and negative which, as we saw, is not the same in different centres, each of the four centres is divided into three parts. These three parts correspond to the definition of centres themselves. The first part is 'mechanical' including moving and instinctive principles, or one of them predominating; the second is 'emotional' and the third is 'intellectual.' The following diagram shows the position of parts in the intellectual centre. The centre is divided into positive and negative parts, each of these two parts is divided into three parts. Thus the **intellectual centre** actually consists of six parts.



Each of these six parts is in its turn sub-divided into three parts: mechanical, emotional and intellectual.

But about this sub-division we shall speak much later with the exception of one part, that is, the mechanical part of the intellectual centre, about which we shall speak presently.

The division of a centre into three parts is very simple.

A **mechanical part** works almost automatically; *it does not require any attention.* But because of this it cannot adapt itself to a change of circumstances, it cannot 'think,' and it continues to work in the way it started when circumstances have completely changed.

(Ed: now, understand all this, in terms of trading.)

In the **intellectual centre**, the mechanical part includes in itself all the work of registration of impressions, memories and associations. This is all that it should do normally, that is, when other parts do their work. It should never reply to questions addressed to the whole centre, it should never try to solve its problems, and it should never decide anything. Unfortunately, in actual fact, it is always ready to decide and it always replies to questions of all sorts in a very narrow and limited way, in ready-made

phrases, in slang expressions, in party slogans. All these, and many other elements of our usual reactions, are the work of the mechanical part of the intellectual centre.

This part has its own name. It is called a 'formatory apparatus' : or sometimes 'formatory centre.'

Many people, particularly people No. 1, that is, the great majority of mankind, live all their lives with the formatory apparatus only, never touching other parts of their intellectual centre. For all the immediate needs of life, for receiving A influences and responding to them, and for distorting or rejecting influences C, the formatory apparatus is quite sufficient.

It is always possible to recognize 'formatory thinking". For instance, formatory centre can count only up to two. It always divides everything in two: 'bolshevism and fascism', 'workers and bourgeois,' 'proletarians and capitalists' and so on. We owe most modern catchwords to formatory thinking, and not only catchwords but all modern popular theories. Perhaps it is possible to say that at all times all popular theories are formatory. (Ed: note 'doomed condition of man' - chapt.3)

**Reformatory
centre can count
only up to two**

The emotional part of the intellectual centre consists chiefly of what is called an *intellectual emotion*, that is, desire to know, desire to understand, satisfaction of knowing, dissatisfaction of not knowing, pleasure of discovery and so on, although again all these can manifest themselves on very different levels.

The work of the emotional part requires full attention, but in this part of the centre attention does not require any effort. It is attracted and held by the subject itself, very often through identification, which usually is called 'interest,' or 'enthusiasm,' or 'passion,' or 'devotion.'

The intellectual part of the intellectual centre includes in itself a capacity for creation, construction, invention and discovery. It cannot work without attention, but the attention in this part of the centre must be controlled and kept there by will and effort.

This is the chief criterion in studying parts of centres. **If we take them from the point of view of attention we shall know at once in which part of centres we are. Without attention or with attention wandering, we are in the mechanical part: with the attention attracted by the subject of observation or reflection and kept there, we are in the emotional part; with the attention controlled and held on the subject by will, we are in the intellectual part. (Ed: see chapt.5)** At the same time, **the same method shows how to make the intellectual parts of centres work. By observing attention and trying to control it, we compel ourselves to work in the intellectual parts of centres, because the same principle refers to all centres equally, although it may not be so easy for us to distinguish intellectual parts in other centres, as for instance the intellectual part of instinctive centre, which works without any attention that we can perceive or control.**

Let us take the **emotional centre**. I will not speak at present about negative emotions. We will take only the division of the centre into three parts: mechanical, emotional and intellectual.

Let us take the
emotional
centre.

The **mechanical part** consists of the cheapest kind of ready-made humour and a rough sense of the comical, love of excitement, love of spectacular shows, love of pageantry, sentimentality, love of being in a crowd and part of a crowd; attraction to crowd emotions of all kinds and complete disappearance in lower half-animal emotions: cruelty, selfishness, cowardice, envy, jealousy, and so on. (Ed: many technical analysis theories deal with 'crowd' mentality, & this 'rough' doomed condition of man. U must rise about that !)

The **emotional part** may be very different in different people. It may include in itself a sense of humour or a sense of the comical as well as religious emotion, aesthetic emotion, moral emotion and, in this case, it may lead to the awakening of conscience. *But with identification it may be something quite different*, it may be very ironical, sarcastic, derisive, cruel, obstinate, wicked and jealous— only in a less primitive way than the mechanical part.

The **intellectual part** of the emotional centre (with the help of the intellectual parts of the moving and instinctive centres) includes in itself the power of artistic creation. In those cases where the intellectual parts of the moving and instinctive centres which are necessary for the manifestation of the creative faculty are not sufficiently educated or do not correspond to it in their development, it may manifest itself in dreams. **This explains the beautiful and artistic dreams of otherwise quite unartistic people.**

The intellectual part of the emotional centre is also the chief seat of the magnetic centre. I mean that if magnetic centre exists only in the intellectual centre or in the emotional part of the emotional centre, it cannot be strong enough to be effective and is always liable to make mistakes or fail. **But the intellectual part of the emotional centre, when it is fully developed and works with its full power, is a way to higher centres.**

In the moving centre

In the **moving centre**, the **mechanical part** is automatic. All automatic movements which in ordinary language are called 'instinctive' belong to it, as well as imitation and the capacity for imitation which plays such a big part in life.

The **emotional part** of the moving centre is connected chiefly with the pleasure of movement. Love of sport and of games should *normally* belong to this part of the moving centre, but when identification and other emotions become mixed with it, it is very rarely there, and in most cases the love of sport is in the moving part of either the intellectual or the emotional centres.

The **intellectual part** of the moving centre is a very important and a very interesting instrument. Everyone who has ever done *well* any kind of physical work, whatever it may have been, knows that every kind of work needs many *inventions*. One has to *invent* one's own small methods for everything one does. These inventions are the work of the intellectual part of the moving centre, and many other inventions of man also need the work of the intellectual part of the moving centre. The power of

imitating at *will* the voice, intonations and gestures of other people, *such as actors possess*, also belongs to the intellectual part of moving centre; but in higher or better degrees it is mixed with the work of the intellectual part of the emotional centre.

The instinctive centre

The work of the **instinctive centre** is very well hidden from us. We really know, that is, feel and can observe, only the sensory and emotional part. The *mechanical part* includes in itself habitual sensations which very often we do not notice at all, but which serve as a background to other sensations; also *instinctive movements* in

the correct meaning of the expression, that is, all inner movements such as the circulation of the blood, the movement of food in the organism and inner and outer reflexes.

The *intellectual part* is very big and very important. In the state of self-consciousness or approaching it, one can come into contact with the intellectual part of the instinctive centre and learn a great deal from it concerning the functioning of the machine and its possibilities. The intellectual part of the instinctive centre is - the mind behind all the work of the organism, a mind quite different from the intellectual mind.
(Ed: !!!!!!!!!!!!!!!)

The study of parts of centres and their special functions requires a certain degree of self-remembering. Without remembering oneself one cannot observe for a sufficiently long time or sufficiently clearly to feel and understand the difference of functions belonging to different parts of different centres.

The study of attention shows the parts of centres better than anything, but the study of attention again requires a certain degree of self-remembering. (Ed: so, get to 'work' ! Be a great trader. It will not come by itself.)

Very soon you will realise that all your work upon yourself is connected with self-remembering and that it cannot proceed successfully without this. And self-remembering is *partial awakening*, or the beginning of awakening.

Naturally - and this must be very clear- *no work can be done in sleep.*

Chapter three: pages 62 - 78

Topic: *Added Notes: Studying the Condition of Man :*

Looking at natural energy sources. A look at the sea of negatives plus positives: the 59's of life.

This chapter, is a bit like re-arranging the chairs on the Titanic.

Or, as the Irish say: " U get used to hanging."

This chapter deals with the overall condition of man; the condition which creates the reality in which we live ; that suggests the current state of world awareness, which drives our own & that affects our trading, since it forces our emotions & 90% of traders, trade emotionally.

You will be witnessing forces which create a condition, hinting that being a power structure, creates its own reality, & said power structure, as in all power structures, exist by exerting its influence. It is this influence which creates the psychological states of us all, (Ed: since we are machines.) and thru which, as traders, our minds filter. History has already proven to us, that politics, religion, and other organized movements, which treat man in the mass, and not as individuals, are failures. The separate, distinct growth of each individual, is the only solution, and that this is the message of the "ancient wisdoms": **know thyself, nothing too much, and verify everything for yourself.** We cannot avoid power structures, since this is under which we function. This is to say, that **as we trade, our minds are dealing with the environmental elements in which it lives.** And, the mind is a machine: it is mechanical. If the environment is one of confusion and chaos, this provides all the negativity the mind needs, in order to prevent any awareness and learning the advantages of positives. Thus, when we go into trading, we are already force fed, negatives, from the news, or the simple struggle of poking our way thru the maze of life. All of our days are dealt thru negativities: we seek release from this thru trading, to obtain freedom, freedom of thot & relief from emotions, to obtain carefree desires of which we know little : to 'get away from it all'. There is no much negativity around, so much chaos, and confusion, that we basically have little opportunity to learn and experience a full life of positivity. In order words, we have little opportunity to deal with and learn from a constant stream of positives, and the beat goes on, as we circle ourselves with the winter-coats, in order to deal with the ongoing natural structure of power, whose intent, in our own day, & historically speaking, may not be conducive to the building of positive personal energy.

We will now look at some of these issues. They are presented here, without bias or prejudice, since all ages have these environmental forces, & mental pollution, which historically, have prevented mankind from becoming aware; & these forces provide the environment, so that mankind does not want to become aware. Some of the issues to be discussed, are those which may be coming downstream in the future: perhaps, the near future, and they are presented, in case they are true, since if aware of them now, then your reality and awareness can prepare, &, to prevent its affecting you negatively, to continue its force feeding as it prevents awareness. And, we discuss them, so that negativity will not stay with you during trading. These issues give some focus, as ground work, to remove yourself from the plane of unawareness, & move towards positivity. And, to become less of a machine. To become aware .

Thus, we will be looking at why mankind seems doomed, due to unawareness, and the current stage

that it may be going thru. We look also at 'the positive and the negative', to note that this is normal, and examples of how one can perceive a negative in a different way. We briefly look at increasing awareness, observing energy, the affect of politics on awareness, the relation of money to psychology, and the relation of psychology to trading.

NOTE #1 :

mankind is doomed.

Mankind is basically doomed, due to his lack of awareness, and which he has no desire to change, something of which he is unaware. We have arrived at the point, where the world population cud be ripping the world apart. As P&L'ers, we simply view this as the normal growth of energy, and that eventually, as in all cycles, animal/plant life, that a 59dn will stop population growth., & then the 59's dn push down, down, down, to complete the down cycle. Even planets move in cycles, so why shud not human population? As P&L'ers we simply know that fundamentals, driven by energy, will create thru the biological, environmental, political, you name it, the processes by which the world population will be decreased, since all is a natural element of energy, thus we can view all without bias or prejudice.

What u will now be reading, will be lesson supremo, on not allowing negatives to control your emotions. See, if u can read thru this item, without any emotion. Watch your emotions: do not react to them. Identify (Ed: not becum 'identified with' - see chapt.2) negative thots, and they will go away. Once completed, see if u can find ways to agree with the thesis, and view in a positive way. Once that is done, see if u can make a 'good trade' (not in the trading pits, but, in the arena of general life.) with this information, since thru awareness, being alert, if the info is true, then this good trade may enable you to be one of the humans 'who is the inheritor of God-like powers' & destroy, & be the rider "of the pale horse, death" .

Now read: (source: Soviet Analyst.)

REGIONAL/GLOBAL RULE AND PLANS FOR GENOCIDE

Addressing the Gorbachev Foundation's 'State of the World Forum' conference in San Francisco last October, 1995, called to discuss the structure of the 'New World Social Order' , a certain 'leftist agitator' with long-established links to the international Department of the Soviet Communist Party,, Barbara Marx Hubbard, openly called for the world population to be culled when the " New World Order" - that is to say, the intended World Government system - has been established, or even in the course of its establishment.

This was the first authoritative, open and publicized admission that the World Government system, will legitimize genocide.

Barbara Marx Hubbard's remarks at the Gorbachev Foundation event were greeted by the assembled representatives of the global elite with tumultuous applause. She explained what had been discussed at a secret closed session of the Forum on the subject of 'population control':

"The unadorned truth is that we do not need now, and will not need later, much of the marginal labour - the very old, the very uneducated, and the very stupid".

This 'dilemma', insisted Hubbard - as the world's political, opinion-forming, academic and media elite listened intently - was 'perhaps the most basic one we face'. Society, she said, 'cannot afford... from an environmental standpoint of tearing apart of the social fabric - the economic growth that would be necessary to promote jobs for all in the conventional sense, and the inequalities which have come to accompany that growth. This dilemma, more than any other aspect of our current situation, indicates how fundamental a system change is now required'.

The 'system change' referred to here is the establishment of the regional global system of Marxist governance.. In her published work 'The Book of Co-creation', Hubbard, asserting a 'divinity', wrote that 'out of the full spectrum of human personality, one-fourth is elected to transcend... One-fourth is destructive [and] they are defective seeds. In the past, they were permitted to die a 'natural' death... Now, as we approach the quantum shift [sic] from the creature-human to the co-creative human -the human who is the inheritor of God like powers - the destructive one-fourth must be eliminated from the social body ... Fortunately, you are not responsible for this act. We are. We are in charge of God's selection process for planet Earth. He selects, we destroy. 'We are the riders of the pale horse, death'.

Summing up these same themes at the closing session of the Gorbachev Foundation's 'State of the World Forum' - which was attended by a glittering list of current and former Presidents and Prime Ministers - the American 'philosopher and author, Sam Keen, confirmed that.. :

'There was very strong agreement that religious institutions have to take primary responsibility for the population explosion. We must speak far more clearly about... the values that control the population, because the ecological crisis, in short, is the population crisis. Cut the world's population by 90 percent and there aren't enough people to do a great deal of ecological damage'.

None of the world's genocidal giga-murderers - Lenin, Stalin, Hitler, Mao Tse-Tung or Pol Pot - ever justified their murderous intentions on the ground that they were seeking to 'protect the environment'. But for the globalists of today, 'population control', is closely associated with environmental 'concerns', since the 'desirability' of culling 'the very old, the very uneducated and the very stupid', as Hubbard so clearly described the elements of the population for whom there will be no place in the 'New World Social Order', is predicated upon the need to 'protect our Planet'. Environmentalism, as perverted to serve the interests of world revolution,, is a cover for a comprehensive attack on private property.

Unbelievable? *No, it's all true.* There are many eyewitness reports from the San Francisco event last October, which, as noted, was organized by the Gorbachev Foundation - which apparently is a cover for the KGB, which has taken over some functions of the International Department of the Central Committee of the Communist Party of the Soviet Union.

Which brings us squarely to the point.

Who was the influential Twentieth Century figure who taught that the nation state was to be destroyed? A man so influential that his legacy is with us today - and is responsible for the progressive destruction of state sovereignty and democracy? His name was Vladimir Lenin. The objective he set his revolutionaries was explicit. Writing in 'State and Revolution' [International Publishers, New York, 1961 Edition, page 68], Lenin put all his cards on the table: 'We set ourselves the ultimate aim of destroying the state...'

It is hardly necessary to point out that this is the IDENTICAL objective to that enunciated by Herr Kohl,(Germany), who told his audience at the University of Louvain on 3rd February 1996 that...

'We have no desire to return to the nation state'. ~ (Ed see also pg 73)

.. also, according to David Meyer, editor of the Last Trumpet Newsletter (Box 806, Beaver Dam WI 53916), globalist and media mogul Ted Turner was recently quoted as saying: " Right now, there are just too many people on the planet. We need to cut the worlds' population from the current 5 billion to no more than 250 million to 350 million. "

Room for personal notes by reader :

Now, let's look at some other natural energy entities, that create the condition of man. They can affect our trading, since they naturally build a sea of negatives. (The comments are short & choppy & their intent directed for reflection only.)

- **Peter Principle:** Everything moves towards the point where it destroys itself. Every little item in life, is cyclical; it is a machine. **Solution?**: If we start to become aware of some of these issues, we can learn to become aware, and not let negatives grow; identify the negativity & it will go away. React, rather, to positives, which if strong, may last as long as negatives used to. Practise, and experience the positives: do not react to negatives : identify them. It is called: 'survival'. (do not become identified 'with' them- see Ouspensky, Chapt.2)

- **in the heat of battle,** one can lose the grand perspective, (Ed: see also pg. 54) to lose sight of where the energy is coming from. Keeping in mind the grand perspective, allows one to negate the small stuff. Build on any 'small-stuff positives': watch the rose grow. In ancient Greece: sin was defined as 'hot sin', which was looked upon as in essence a failure on the part of man to achieve his true self-expression and to persevere his due relation to the rest of the universe: attributed mainly to ignorance (the 7th deadly sin- see pg. 154)

- **In awareness, the mind is constantly diligent,** since u have worked, worked, worked, to get it there: a slave to that current reality. (Ed: it takes about 6 mths to build a belief system - see pg. 147) The issue is: is this mentally healthy ? Shud one be totally in rapture, what a reality itself creates for oneself ? Or , shud one create their own reality? Maybe it depends on the quality of the reality. Which is better: soap operas or Shakespeare; books on awareness or the bible; hockey games or watching baby sheep jump around in fields? Where does it all end? Maybe, that is what awareness is all about. Shud we take counsel in the 'grand view', avoiding the details of the mundane? Will training in this area, assist increasing awareness? : **that is the issue.** Does mankind do this? Can u do this ?

- **the issue of privacy:** *the hallmark of a civilized life is the right to be left alone,* to build a reality based on the positive, since most of the human condition is built on the sea of lack of awareness, a sea that floats in its own negativity. Once u rise out of the sea, u can fly, so why expose u'reself to drown in the sea of normal life, since u will eventually only be swallowed up,,ho. Thus, being 'left alone' gives u a chance to get strong, and grow; it can be lonely, as u leave mankind in the dust. **Solution?** Associate with people who are working on awareness? With no privacy, mankind cannot have free will, and is doomed: he will have no 'room' in which to become aware. He will live by other people's realities, a doomed one, since man and his environment is unaware, and runs his machine if not aware of same. A machine, controlled by a 'busy-body' environment. Never be like anyone else !

(Ed: u see here, Drummond's insistence & association with 'privacy'.) (: one trick is to provide incorrect info to u're environment)

NOTE #2 :

2) now we look at **the positive and the negative** , the 59's up, the 59's down, in philosophy/psychology & life in general. Positives and negatives are a natural energy source. All matter exists due to it, or at least we presume so. The following exercises show how some exist. By

being aware of positives and negatives at all times, enables one to be released from them, as u trade & deal with life.

An Example of: +ve / -ve ->- Power: ... all of life is ebb and flow,,, 59's. Have to rise above it, to become aware, in order to survive,, and this includes trading. All energy is a structure of power; it exists to exert itself. U must be aware of this. Any positive, in the 'outside world', & emotions, can shift to a negative. Any negative can shift to a positive: awareness can bring this about. The following is an example, as an exercise in this truism we are developing.

Quote from, " The Vulnerable God " - by W. Placher

"The assumption that God means, first of all, power runs throughout much of history, and it carries a great deal of accompanying baggage. God can do anything to anyone, but no one can cause pain to God □such an account of omnipotence often seems central to the very definition of deity. God is perfect, and, if we want to be perfect, it follows that we ought to try to be as powerful as possible.

The Christian gospel, however, proclaims the God self-revealed in Jesus Christ, and that God is very different . A God, in Leonardo Boff's phrase, "weak in power but strong in love," a God willing to be vulnerable to pain in the freedom of love. Yet most Christians so take for granted the traditional models of divine omnipotence that they fail to notice just what a radical idea of God the gospel proposes. Later sections of this chapter will work through that interrupted, disturbing text, the Gospel of Mark, to develop the picture it provides of a vulnerable, loving God. What follows, therefore, carries through on the promises made in the Introduction as to both content and method: in content, some claims about divine vulnerability ."

Thus, in the above, we start to see how, the positive truth that God is omnipotent, with total power, starts to get whittled away, transformed from a true positive, towards a less positive. Anything can be de-energized, especially thoughts.

An Example of: +ve / -ve ->- The market is like laughter Laughter is the surprise release of energy when two apposing entities in the form on an idea, clash unexpectedly, and this neutralizes the positive and the negative instantly, or as long as one laughs. It is the release of energy, and u then have an idea where it is coming from. This release of like-minded opposite energy forces, suggests that perhaps another way to release the energy of a negative, wud be to clash it with an equal negative energy source. (Drummond knows of no work done on this topic. Usually we think in terms of a positive of equal energy to the negative, in order to neutralize the negative.)

An Example of: +ve / -ve ->- How about the adoration of C.Drummond, if there is any ?

- disallusionment: can this set in? Can this positive turn into a negative thought?
- Shakespeare states: " Familiarity breeds contempt " (Ed: privacy can be useful.)
- The Bible knows about +ve / -ve: " *Woe unto you, when all men speak well of you.*" - Luke 6:36
- are their advantages in creating negative thots, about u'reself, in others, so u're positive can be left alone in privacy, & survive? Does a positive need a negative, in order to grow, just as negatives feed on positives? (like a winning trade,,, the negative emotions need it, in order to feed its dislike or inexperience with success.)
- adoration shud not be encouraged
- destroy at first blush ?

An Example of: +ve / -ve -> Love - - does being aware \ objective\watching\observing,, mean u cannot love, or be part of emotions? - no. Love has more meaning, when u are aware, since u're life is being built on positives, since awareness grows only thru positives, thus, love being a positive force, is grown thru awareness, and it grows awareness, thus u know it is there. If u know it is there, u can add positive feed back, & it grows more. Negatives are not fond of love. Love cares for negatives. True love is a 'stage' of awareness, and cannot turn negative. (see if u can find this aspect in Chapt. 2) Compassion seems to surface - since u know what is going on - u end up 'caring'.

An Example of: +ve / -ve ->- creativity is just new energy: u can't create it,, it is just the release of a dichotomy, just like laughter, as it is the surprise release of the clash of two opposing energy items. It wells up from the surfacing of an unknown dichotomy; and, awareness creates creativity?

An Example of: +ve / -ve ->- - handling contemporary thots - see last chapt.(2),, then, building new ones,,,, the dichotomy. If u are aware, then any new contempory thot that surfaces, u know it is a lie, since contemporary thot springs from the well of unawareness, the condition by desire, of mankind.

An Example of: +ve / -ve ->- U're reality is what is presented to u. It can be positive or negative, and if arriving from the condition of mankind, it is negative. U can break away and create u're own reality, to include that which wishes to impose itself on u. That is the function of awareness. Be aware of the **FUNCTION OF POWER**,,, both negative and positive. (Ed: a focus in this chapter.)

NOTE #3 :

increasing awareness, (mental programming) ,, & also, in chapt. 5,, chapt. 2 . To follow are examples, as steps towards awareness, which will enable one to equate reality with that of what u wish, to include trading, and other arenas in life.

- always consider two sides of an equation: argument, as a training process,
- discussion on Jesuits: these people taught the concept of analysing both sides of an issue, to obtain the resolution. (Hegel was a plagiarist?). The resolution can be constantly changing. If the resolution is negative, then this negativity could draw away positive energy. If negative, identify it, then ignore it, so will go away. If a positive resolution; obtain, keep, use, to grow positive energy, so that become used to it. Try the 'random arousal' techniques, suggested in Chapt. 5 ?

- The confession of sins - a Catholic concept. Note the following, which enhances the concept of recognizing negatives, releasing them, then moving on :

The confession (or disclosure) of sins, even from a simply human point of view, frees us and facilitates our reconciliation with others. Through such an admission man looks squarely at the sins he is guilty of, takes responsibility for them, and thereby opens himself again to God and to the communion of the Church in order to make a new future Possible.

..... "for if the sick person is too ashamed /_ to show his wound to the doctor, the medicine cannot heal what it does not know."

- lack of awareness _ Shakespeare, & many classics, are replete with insertions on awareness. U're local library shud be u're friend!

Read ! The wisdom of the ages are trying to talk to you. Listen ! There is more to life than the 'Hollywood' 7 deadly sins, the 'controlled broadcast for the passive audience', the propaganda machine, the usual historical, merchants of chaos and confusion.

• neurolinguistics - This is an example of 'reality' . (Ed: see Chapt. two on: 'understanding':pg. 54)
Neurolinguistics is the study of how words trigger the mind. The mind is a machine, and is greased thru the use of words. That is the reality. Words create thots: create reality. Carefull! Be aware.

• **remove all negative words from u're vocabulary. Never say never !**

- example: what if I said to u : " I do not have any money, " ?
 - > what affect wud these words have on your machine?
 - ,,, the reaction wud be ? : shock ! negativity ?
 - no interest in Drummond ?
 - Drummond no longer useful ?

> and all of this simply due to words ! It has nothing to do with whether true or not.

• Ouspensky - awareness - chapt. 2

• consider Ouspensky's statement, that by age 21 we are wearing 21 winter coats & we shud start to peel them off one by one. This will develop awareness.

• consider this exercise : walk down the street, be aware of every pebble or item on the sidewalk, be totally aware of yourself, and note at the same time, the number of each house, and then when have completed walking an entire block, stop, and recall each house number. This exercise assists awareness. U are forced to become aware.,, to know u are a machine, to become a new machine and go on from there. When u become aware, u will leave the rest of the world in the dust. (this is one of the techniques taught by Ouspensky)

• psychology, is basically, philosophy: historically,, thus when we discuss psychology, we can easily assimilate it in a philosophical mode, even if we are inexperienced in either.

• go to your local library, or a good book store & search out 'Ouspensky, Gurdjieff, Nicoll', or visit the Ouspensky website, mentioned on pg.8, & start the search. (Follow the third 'ancient wisdom': verify everything for yourself.) For example, note the following quote by psychiatrist Dr. Nicoll, on the teachings of Gurdjieff,Ouspensky, from a series of papers, written 1948-51, entitled: "Trying to see without negative associations ": work, work, work.

ON TRYING TO SEE WITHOUT NEGATIVE ASSOCIATIONS

We have heard on many occasions that if we could see without mechanical associations laid down in us we would really see what things or people are like. Unfortunately impressions fall on a network of associations and prevent us after a certain age from seeing the essential meaning of things. We see life, as it were, through a thick network, a spiderweb, of associations, and in consequence we never really see anything or anyone. Most of these associations lead down to negative parts of centres. When we have a moment of love we may be exalted above the negative power of Emotional Centre and anything we see falls on centres themselves and not on the network of associations overlaid on the centres. I remember such a moment in which even the buses, the uproar, the rain, the traffic, and the grim faces of the people,

did not touch associatively any part of negative Emotional Centre. I was free momentarily. That is why this Work says that we must work on negative associations because so many impressions stimulate this negative part of us, which, if it is not separated from, shuts all Higher Centres and their influences off from us. Now one cannot, save rather artificially, look at anything *without* associations. And if this could be done, we would lose ourselves completely. But we can gradually see things without so many negative associations. On the occasion when I experienced this momentary state I mentioned I perceived nothing negatively and so knew at once that I was in a special state which would very soon fade but which was quite wonderful while it lasted because it gave a sense of freedom. At the same time I did not see *everything* without associations, because that would have been very startling and frightening. I once had a patient who had undergone some war-strain and wounds, who sitting, say, by his fireside with his hands on his knees, would look at his hands and not know what they were and look at his wife and not know who she was. This terrible experience usually ended in some sort of fit. Now I am not going on with this conversation about associations. I will only add that to make an aim not to see what you see always through negative associations is a very good aim for all your life and gives you a feeling of living more consciously, the feeling of being more conscious of what you are doing and thinking.

(Ed: to Drummond, this is 'freedom'.)

- awareness is for the non-kidnapped mind. An aware mind will know it is being kidnapped.
- for the thinking man's diet: awareness increases thinking capacity, yet it will be lean, since the first step to awareness is to know that one knows nothing. And, it can be refreshing.

- sources of information can affect awareness

- is 'the media': radio, T.V., newspaper news, negative, or positive? Caveat Emptor ! Avoid that "controlled broadcast for the passive audience", the media, whose purpose could be said to create chaos and confusion ! A friend of mine equated the media with the ole Roman forums and circuses, with the slaughter of Christians & all that stuff, all in order to keep the populace quiet and unaware and entertained thru chaos. (Ed: see '7 sins', pg. 154) Negative, negative, negative ! Disorientation, chaos, confusion ! However, this is good practise, in watching, identifying, negatives: be aware of its affect on u, & practise in de-energizing its negatives.

- the alternative press: private people, creating private newsletter, private thinking, the private thinking man's diary which survives without advertising sales, could be said to be better, than the media, the controlled broadcasts for the passive audience. Yet, even these private thots, and sources of alternative truths and information, can be laden with negatives, chaos and lies. (verify everything for u'reself!). Caveat emptor. However, Drummond finds them more varied, and honest in opinion, since these private people attempt to back up their bias and prejudice with facts, thru their private 'grapevine'. Bias and prejudice, altho possibly negative, but with facts, if true, then positivity can grow thru its truth, no matter how bitter or negative the truth is. (lies are always sweet.)

- to practise on developing awareness :

- Major problem: with increased awareness, u are lite years ahead of nearly everyone around u, & what u say, & do, can make them very uncomfortable. . (angry, think u crazy etc.) Winston Churchill was such a person. He was aware, during the 1930's, that a great war was coming, that Hitler could not be trusted, that the Nazis were preparing for their "New World Order". Churchill was denigrated as a gloom and doomer: as a fear monger or even worse, a warmonger; as a dangerous fanatic: as a mentally unstable paranoid nut. He threatened people's psychological comfort zone and told them their lives of comfort and ease were about to end. He was hated. He made the optimists of his day very uncomfortable, very angry. That is, until the crisis arrived. And, then the people of England turned to Winston Churchill. (is that why Churchill succumbed to booze, cigars, and deep depression? Or, did

Churchill derive awareness by watching the negativity of his depression?, positivity/awareness resulting)

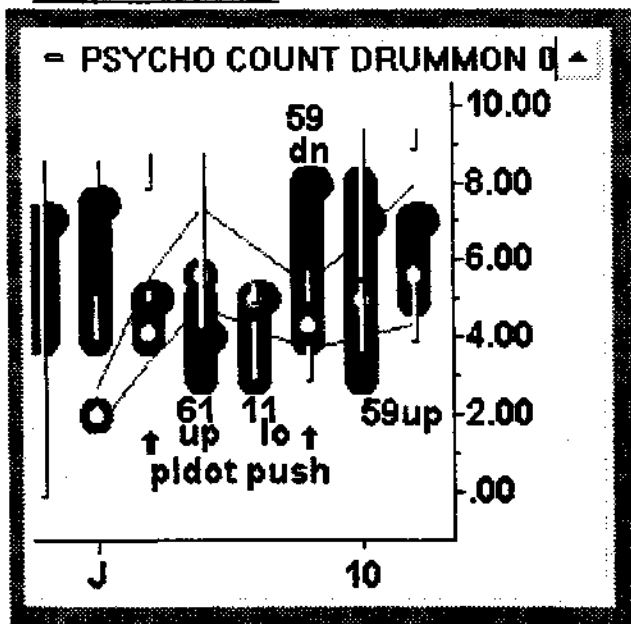
If u becum more aware, u are not on the plain or in tune with the reality of the unaware world, & u're 'positivity' can turn into negativity for them, and then their negativity starts to create u're reality, and u react, negatively,,, work, work, work. On occasion, u 'lose it ' (which is natural and healthy, since as long as u identify this as a negativity, u grow it out, as u turn this negativity into a positive.) and blast out at what u percieve as banality around u. U often raise u're arms to the gods in dispair. But, in a flash, u catch u'reself up, since u are trained in awareness, and then u watch u're reaction to u're own negativity, which basically states: " Gosh, I hope I did not do too much damage.", especially, since u may have been wrong with u're analysis in the first place, & most likely are, since u know nothing !

• one result of increased awareness: more energy. Minimalizing negativity prevents its drain. Not reacting to negativity leaves room for energy to grow, since negativity is very draining. (Try repeating to u'reself: " I feel awful ", to know this reality.) Identifying negativity makes room for positive energy. A cup full of energy builds energy and provides energy for more awareness. U try to eat better (or at least try), u sleep better. Example: I can work from 3:00 a.m. until 8:00p.m., and still have energy. First thing in the morning, am at lowest, & slowest, but, even in spite of low interpretation of what energy I have, it is still there. Huge reserves develop.

NOTE #4 :

Psychology: expressing it in P&L terms

• my P&L day count.



The graph to the left is a result of every hour, each day, of noting how I feel, in a count of 0-10, with 10 being in best of moods. Each bar represents a day. I did not cheat. There was virtually no way, I cud know, that my moods were being created by a 59, 11, or 61, or plidot push, or 'envelope' confine.

This clearly shows, that I am a machine, driven by energy, and that energy is mechanical, and, of course, has geometric and P&L shape.

Clearly, we are all driven by energy, and we shud be aware of it : watch it.

A suggestion has to be made: that people shud be made aware of this graph. This is likely the first picture in the history of the human race, that suggests that our moods are geometric, and

driven by energy & we have no control over them. We have no choice. Our environment creates us entirely. Not pleasant news, to this author, if true: verify ! Drummond is not pleased with the stark reality, that he is indeed, just an automan. (Ed: see chapt. 2) A puppet on an environmental string, even if it is one of his favourite topics: energy. Perhaps, freedom then is an issue of a release from negative 'associations', from which awareness derives.

NOTE #5 :

Some aspects of Drummond's association with awareness

- I do not read newspapers, t.v. radio news, unless I want training in handling negatives, but it's hard work ! : (total mind poison, & energy drain, since deals with chaos and confusion, and negativity: a controlled broadcast for a passive audience. The good news, is that many people are starting to feel the same way., at least we presume this is good news, since we know nothing.)

- I always note the increased energy and mental awareness, when away from same, & draining if do hear. On occasion, I do listen, & immense feelings of pity surface, and this is good practise on handling negatives.

- private discussion : **Luddite** Luddites were a group of people, who fought against the onset of the industrial age. (Ed: &, they are right. Look what it has created for us: pollution ! And, now man is starting to pollute the universe with his rocket-toys! What presumptuous banality, is the unaware state of man!) Drummond regards himself as a 'non-violent Luddite' , yet, enjoys the dichotomy, & his hypocrisy, being electronically connected to the 'new civilization'. Drummond grows own food, in order to have chemical free food. Drummond avoids the unaware world: yet, is plugged into its negativity, electronically, since aware that positivity can result from negativity, and wishes same for growth, while at same time, identifying and not reacting to the negatives themselves. (or, if does, then quickly identifies, and then its emotional impact immediately goes away.) As a Luddite, of some sorts, Drummond is aware that all those **tin cans up there, all those satellites**, which have difficulty in finding a parking space around earth, which are trapping us all into the electronic concentration camp, laden with **electronic pollution**, ('Greenpeace', where are u when we need u!), which will force the 'Mark of the Beast', (the electronic computer chip which will eventually be required in order to buy or sell anything), or even to think privately, is in actuality, **frying us all**, in its electronic field, as if we were in a **microwave oven**. Yet, Drummond knows its advantages, but, then again, sees the dialectical process that is totally destroying the earth's natural environment, as the energy from the universe has to be filtered thru all those atomic-tin-cans, which are beaming all that energy on us: **cows will not produce milk under electric lines; head cancer from cellular phones?** So, what is one supposed to do?;; drown in the sea-sickness of this negativity, or be aware of it, & not react to it, except to try to create good food and things? This is one aspect of Drummond's awareness: (knew u wanted to know.) Drummond is also aware, that man in his doomed condition, is not content in polluting our planet, with its satellites, electronic pollution, but, is determined to take his unawareness and do the same job on the universe. (Ed: people say that Drummond sounds like a duck, when talks these things: such is the state of awareness: quack, quack.)

- How does Drummond deal with success ? : (presume I have some)
- what do I do ? - a result ? : become argumentative, desiring awakening, or even a fresh thot, in

others:- constant look @ apposing views. (Jesuit technique.) Example: Drummond has never voted, since alert to the 'swindle', but, now wishes to vote, or at least do something, as 'globaloney', the dictatorship of the unaccountable global government, fascism, communism,(both are capitalists?), whatever 'arises from the depth of hell', thinking that democracy, and nation states, with its representative governments, have a least a chance, to avoid the 'planned' (?) Marxist regional governments, to circumvent the unaccountable, governors, for the bureaucratic caesars etc, etc, etc., to support a possible positive, for the negativity of a possible horrendous unaccountable power structure: controlling the world. Also, as previously mentioned, Drummond is acutely aware of the inevitable downsizing of the world population, perhaps by design, which is only natural, to include other natural elements, such as weather, electronic pollution, government sponsored sterilization, eugenics, bugs, human funded wars (can u afford a war?,, I cannot ! ,, the issue is: who is funding these wars? ,, it costs money ! ,, I do not know,, just asking.)

- I can be obnoxious - why?,, to create my own negativity about myself. If Drummond trains others to think negatively about him, then only positives can grow,, ho. If trained others to think positively about him, then negatives grow ? Drummond rather takes pride in the fact, that if he actually becums interested in something, he can clear a room in five minutes.

- Drummond has always been provocative in his statements, just trying to jolt people to get their minds alive & get on with it,, to avoid the windmills of life,, to set the mind free,, yet, he is aware that may be wrong. Perhaps, there is nothing he can do , using these techniques. Perhaps , he can achieve more thru P&L, to teach P&L, so that minds become aware of apposing factors that create reality,, to be alert to the necessity of awareness. That may be the best he can offer, if leaves the world in the dust,, teaching P&L,, & of course,, if one understands this dichotomy, one can do well, become independant of that & action, be able to support in life, those u love, to include oneself, & thru this, avoid the dangerous reality of negativities, which being a power source, that in order to exist & consume , becums very destructive in its final stages, and has to be avoided at all costs.

- awareness, is a backdrop to an expression of energy, no matter how u wish to look at it, or which technical tools u use. Awareness grows.

NOTE #6 :

psycho politics,, here we have an example of the brain-machine. And, one reason, for chaos ,, a reason why we have few skills in the positive, in order to create a good trading psychology. Psychopolitics develops an overload of negativity, chaos, confusion, for the political purpose, a power structure, power being a negative expression of energy, which in order to survive, must consume and destroy, and move along in its trend, until there is nothing left by way of apposing energy, to feed it, at which point, it reaches its 'Peter Principle', and exhausts itself. Power, as it loses its energy, can swing out, and become very violent as it struggles to survive. (witness the desire to reduce the world population, ,, if true,, see pg: 63) New power, such as a rose, can be soft and beautiful. The trick is to grow aware, thru fresh roses, and move on, when they wilt, yet aware of the process.

- - Let's do a quickie analysis of awareness on the political front: Muslims, Christ, propaganda,, Hitler, communism, libertarianism,,, let's attack it! (One way to understand a reality, is to look at the opposite: to try to disprove.) Mankind is doomed, since he assumes he has the power he does not have: awareness. We are created and live in this reality!

The following is an example. Once again: see if u can read this thru, with no emotions, and then see if can view in a positive way, which is simple: simply think "the awareness of Lavrentii Pavlovich Beria", the author of the science of 'Psychopolitics'.

-BERIA

It was Lavrentii Pavlovich Beria, the author of the science of 'Psychopolitics', who taught that a nation could be brought under control by diverting the loyalties of a single generation of potential leaders. Beria also spoke (in a speech before American students at Lenin University in about 1953: of mass mind control, and of hypnotising a whole nation, through the subversion of political thought, and by means of the revolutionary device of changing the meaning of words. He and his colleagues taught that state institutions should be ridiculed and subverted - and, with Lenin, that democratic assemblies should be brought to prepare for their own destruction.

BERIA ON CHANGING AND DESTROYING LOYALTIES

In conclusion, we quote from the previously mentioned notorious speech by Lavrentu Pavlovich Beria, Stalin's henchman, before a gathering of American students at the Lenin University in 1953. Sensible readers will see the connection:

"Degradation and conquest are companions. In order to be conquered, a nation must be degraded... degradation can be accomplished... insidiously... and effectively by consistent and continual defamation... Continual and constant degradation of national leaders, national institutions and national heroes must systematically be carried out... By attacking the character and morals of Man himself, and by bringing about, through contamination of youth, a general degraded feeling, command of the populace is facilitated to a very marked degree.

The first thing to be degraded in any nation is the state of Man himself. Nations which have high ethical tone are difficult to conquer. Their loyalties are hard to shake, their allegiance to their leaders is fanatical,, and what they usually call their spiritual integrity cannot be violated by duress. It is not efficient to attack a nation in such a frame of mind. It is the basic purpose of Psychopolitics to reduce that state of mind to a point where it can be ordered and enslaved. Thus, the first target is Man himself. He must be degraded from a spiritual being to an animalistic reaction. He must no longer think of himself, or of his fellows, as capable of "spiritual endurance", or nobility.

The attack on the mind of a nation involves changing loyalties. The changing of loyalty consists, in its primary step, of the eradication of existing loyalties... in rearranging loyalties, we must have a command of their values. [There is] loyalty to the family unit, his parents and brothers and sisters. This is destroyed by LESSENING THE VALUE OF MARRIAGE, by making an easiness of divorce and by raising children wherever possible by the State... by bringing about and supporting propaganda to destroy the home, creating continuous juvenile delinquency, forcing upon the State all manner of practices to divorce the child from it [so as] in the end to create the chaos necessary to Communism....

BY MAKING READILY AVAILABLE DRUGS OF VARIOUS KINDS, by giving the teenager alcohol, by praising his wildness, by stimulating him with sex literature and advertising to him or her practices as taught in the Sexppg, the psychopolitical operator can create the necessary attitude of chaos, idleness and worthlessness into which can then be cast the solution which will give the teenager complete freedom everywhere - Communism.

By this means, the patriotism of youth for their... flag can be dulled to a point where they are no longer dangerous as soldiers. While this might require many decades to effect, capitalism's short term view will never envisage the lengths across which we can plan [this is an explicit, authoritative acknowledgment by Beria of the capacity of the anti-state strategists to plan strategy for implementation over prolonged periods of a generation or more - an understanding of which is essential for the analyst of contemporary developments.].

The mix-alignment of the loyalty of youth to a capitalistic nation sets the proper stage for a re-alignment of their loyalties with

Communism. ... The subject of lotalities and their realignment is in fact the subject of non-armed conquest of an enemy....

The educational programmes of Psychopolitics must, at every hand, seek out the levels of youth who will become the leaders of the country's future, and educate them into the belief in the animalistic nature of Man. This must become fashionable. They must be taught to frown upon ideas, upon individual endeavour....

As it seems in foreign nations that the church is the most ennobling influence, each and every branch and activity of each and every church must, one way or another, be discredited. Religion must become unfashionable by demonstrating broadly, through psychopolitical indoctrination, that the soul is non-existent. There must be no standing belief in the church, and the power of the church must be denied at every hand.

By perverting the institutions of a nation and bringing about a general degradation [a population can be brought psychologically to heel]. It is a long and arduous road for the psychopolitical operative to achieve this state of mind on the part of a whole nation, but no more than twenty or thirty years should be necessary in the entire programme, having at hand, as we do, weapons with which to accomplish our goal. "

'We set ourselves the ultimate aim', Lenin wrote in 'State and Revolution', 'of destroying the state'.

So: Is this the reality, in which our minds must function, as we trade? Which is to say, *if true*, (and evidence suggests that it is,,) then all of our lives, for nearly all of us, has been conditioned by the process of chaos and confusion, so that the state can be destroyed, and replaced, with communism. (,, are states being replaced?) Our minds are functioning under 'chaos and confusion.' ? Or, is chaos and confusion normal anyways, due simply to power structures, which in order to survive, historically have found this to be the better way. (consider the middle ages, when pictures of open stomachs were displayed in churches, or the immense hangings that took place, during the Reformation,,, etc, etc, etc,,, all used to create chaos, fear, & confusion, in order to control people) Anyways, to test the validity of our current situation, one has to ask the simple question: " Are we losing our sovereign states? " : yes, or, no ? If so, then we move on from there and, this condition of 'chaos and confusion' thus has credibility & as traders we take this into the pit. We are not allowed to have positive emotions to build with. Our experience with positives is minimal: due to planned chaos and confusion. (Ed: verify! : the 3rd ancient wisdom.)

If u have avoided this trap, u may be saying something like the following, from a P&L'er, who being a P&L'er is becoming aware, who made the following recent comment:

" Plenty of examples of misunderstands in world and governments etc. Merchants of chaos thrive on such actions and misinformation. They do not like order and calm. They all have a common underlying belief that they will not survive in a world of calm, growth and order. therefore must keep things in turmoil and constantly in congestion. Hubbard calls these kinds of people SP's (Suppressive personalities). One must learn to identify..then they have no control. It's that simple. Sp's don't like groups of good. Real key here is when detects such , they will try anything to disburse. Once a group finds out about them, problem is solved. Another interesting trait: if Sp discovers they did something to help a group instead of destroy, they go absolutely nuts..freak out etc. It's pretty funny. Have applied such technique in Client projects ... tracked down source of problems, identified, helped group to discover, no names mentioned, no tricks, no witch hunting.... sp's went nuts and left. Result...calm and order. In the organization...profits up etc.....amazing!!!! " That is Ouspensky in triumph ! A practical application of the technique of 'identification removes the negative', from someone who has never heard of Ouspensky, unless 'Hubbard' has plagiarized Ouspensky, Gurdjieff, which if think about it, that likely a lot of the 'alternative' psychology ideas originated with the efforts of Ouspensky, Gurdjieff, as they wandered around the world, over a hundred years ago, searching out the folklore of historical philosophy, & ancient wisdoms, and returned home, to grow and teach and experience thru awareness, starting in the 1920's. (,, there may be advantages in being an 'Ouspensky-ite'.)

NOTE #7 :
relation of psycho to money

One of the issues we have to deal with, as we move thru our awareness, is the issue of money. In chapter two, we arrived at the approach, that psychology is historically none other than philosophy. Thus, how did history deal with the issue of money? One source we have, a source we are being trained to deal with as a source of evil, are the biblical scriptures. In keeping with an open mind, to monitor awareness, let's see what history, in one respect, had to say about 'money', from a philosophical viewpoint, which was the old method of psychology.

Of all the people in history who probably had a healthy perspective on riches, it was Solomon - who may have been the richest man who ever lived. Early in his career as king of Israel, he asked God for wisdom - and it was given to him, and he recorded hundreds of principles of wisdom in the book of Proverbs. He also wrote the Book of Ecclesiastes, which is a dissertation on his various experiments to find happiness. The book of Ecclesiastes describes the cumulative effect of Solomon's spiritual decline, idolatry, and life of self indulgence, and how it left him at the end disillusioned with pleasure and materialism as a way to happiness. The book records his cynical reflections about the futility and emptiness in life apart from God and his Word. He had experienced wealth, power, honor, fame, and sensual pleasures - all in great abundance - yet they ended up in the end leading to emptiness and disillusionment: *'Meaningless! Meaningless!... Everything is meaningless'* Ecclesiastes 1: 2

Solomon sought wisdom, he gathered incredible riches, he built cities, he worked hard, he had hundreds of beautiful women as wives and concubines. He had friends -but throughout the book he wrote that all of these riches, pleasures, and accomplishments (which most people suppose are the answers to happiness) only brought him emptiness and frustration. As he repeated, Over and over, *"this too is meaningless."*

Of riches, he write in Ecclesiastes 5 10-12 *"Whoever loves money never has money enough. whoever loves wealth is never satisfied with his income. This, too is meaningless. As goods increase, so do those who consume them. And what benefit are they to the owner except to feast his eyes on them? The sleep of a laborer is sweet, whether he eats little or much, but the abundance of a rich man permits him no sleep.*

"I have seen a grievous evil under the sun: wealth hoarded to the harm of its owner, or wealth lost through some misfortune... Naked a man comes from his mother's womb, and as he comes, so he departs. He takes nothing from his labor that he can carry in his hand."

Solomon finally concludes in Ecclesiastes 12:13-14:

'Now that all has been heard, hear the conclusion of the matter: Fear God and keep his commandments, for this is the whole duty of man. For God will bring every deed into judgment, including every hidden thing, whether it is good or evil.'

As one ponders wealth, riches, the financial markets, the accumulation of great wealth by some, the loss of great wealth by others, it is good to keep the Biblical perspective of wealth in view. Certainly the Lord wants us to be good stewards of the assets or finances he has provided. That is made clear in the parable of the talents in Matthew 25.

But the Bible warns against the lust for wealth that leads to greed, gambling, and an inordinate love for money. It might be good perspective for all of us to read (and reread at least annually) the Book of Ecclesiastes written by one of history's wealthiest and wisest men.

And as one surveys the present speculative buying frenzy and greed in the U S stock market and on wall Street, it might be helpful to remember Solomon's admonition *"Riches do not last forever," and "Whoever trusts in riches, will fall."*

(Then there is the story, of the man who tried to corner the silver market, who apparently went from a \$2billion worth, to die penniless, with neighbours feeding him food as approached death: Mr. Hunt.)

Do u note in the above, the dialectical process, the moving back and forth from positive, negative, as the positive of wealth creates a negative which feeds on it? Solomon became aware, but, he was not aware that he was a slave to negativity. What if he was able to identify his negativity, and use his wealth to create more positives, and retract from the power of negativity which seeks to destroy his

wealth? What wud have been created for future generations, if a philosophy was built with a library full of positives? More negatives for sure, but, the negatives wud have been controlled by positives, not positives controlled by negatives, which perhaps, is the historical history of mankind, and along he goes to his continued doom. (oh well,, it is always great to chatter.)

Now: here's an issue for u ! This question is never brought up ! Why do we trade? The answer is simple! To flee from negativity! To obtain wealth, thru which we assume freedom. Freedom from what? Negativity? This can be done in a more inexpensive way, such as visiting Ouspensky, (avoiding 'negative associations') or visits with "good" psychiatrists,, avoiding drugs. And, then we take this huge desire into the trading pits? And, a bad trade clobbers the desire: &, this is built on a lifetime of winter coats? The negative was fully energized due to its backup system of a 'lifetime of negatives'! An entire book shud be written on this issue. Why are u trading? And, in this context, face that reality, and become aware ! U are a machine. Realize that you know nothing. You are a slave only to desire: the desire to get away.. and, u do not know how. To build positives. No wonder people become upset when they trade, when they desire that which they do not know they do not have: positives on which to grow. How can one grow on something we do not have? How can one enter the pit, when have little experience in the positive? Impossible. Becum aware.

– then we have to deal with the issue of normal cycles as relates to money. It comes and goes. U make lots, it disappears. So, why worry, when u have lots? It's going to go anyways,, . It is a well known fact, that family wealth rarely gets past the third generation.- this is an example of negative energy, in that if make lot of it, then energy will force its power to take it away.

So, why fuss about making or losing money, when with the grand view, it does not matter anyways? It is your reaction to it, that matters. Get working on awareness: a lifetime work .

NOTE #8 :

relation of psycho to trading

- in chapt.4, (to follow) , we have a compilation of comments on psychology, pertinent to the experiences of P&L'ers themselves. It is a very important collage of info, and advice on psychology, since was offered openly as a contribution to the **School of P&L** , by P&L'ers themselves, and merits serious study by P&L'ers
(others please buzz off, please,, thank u,, .). Awareness grows. Please note some of my private note-making to follow:
- mental discipline - we are a machine ! Work, work, work,,, lifetime work . (Ed: see Ouspensky)
- some minds are conceptually based, some more mechanically based . (Ed: see Ouspensky)
- the mechanical mind figures that with practise on specific patterns, that with constant practise, as in basket-ball, eventually u throw into the net, every time.
- the conceptual mind, likes to know how the ball gets into the net. It also is aware, that practise

makes perfect. The aware mind has more fun, and appreciation, since can watch the event, and less likely to get upset with occasional miss, since is able to identify the reason for the negativity.

- the emotional mind, wants to be happy about the throw, or happy about what others (Ed: 'considering' - pg.32) think about it.

(please review chapt.2 & 6)

- Money Management is a key component to trading psychology. If u have a reserve of positives, in this case, capital reserves, then, these positives provide room for awareness, built on these positives, without which, lacking money, feeds the negativity of fear and greed: fear, since have no money, and greed becus u need money, then want it.

- success depends entirely on personality ; what develops personality ? - see Ouspensky , Chapt.2.

- when u are not trading well, one day,,,, - outta there ! Identify the negativity (yet, do not become identified with it,, read Ouspensky.) Becum aware.

- in trading, we are dealing with largely, the only honest endeavour on this planet, since dealing with geometric energy, which controls us all, and in order to survive, u do not let negatives grow, thus only positives result, and u are forced to feed only on positives, not the destructive feeding frenzy of negatives. Technically impossible to survive the trading pits feeding negative emotions !

- all P&L'ers trade independantly: they do not counsel,, they are an independant lot. P&L'ers tend to grow in awareness, leaving mankind in the dust. If P&L'ers get to know each other, they may be able to grow thru their communal positivities.

- P&L'ers are looking for a direction of movement, to know where the energy is coming from, to know what to expect, and why, to be aware. They feed on the positives of what they know: energy. They are becoming 'aware'.

- P&L'ers do not deal with specific position taking, or action price. That is the mechanical part. P&L'ers move towards conceptualization, towards awareness, which is not to say, that not aware of the mechanicalness, since we know we are all simply a machine. P&L is a great teacher of training the mind in awareness, since deals with the constant dialectical, dichotomy of energy, which is likely why once one is into it, one does not wish to leave.

- it's not that important folks ! We are machines !

- U need fun in u're life. A break from work, work, work. Fun is positive, since built on positives.

– Rules

- avoid negative people at all times, unless u feel they are on to something .

- if near to negative people, listen to them. There may be wisdom surfacing from their negativity, since that's the only positive thing about them, since even their negativity, creates a positive , especially as it dissipates, such as a rose wilts, only to resurface again. Do not become a slave to negativity, do not react, but, identify, then collect positives.

Please note:

• This book is basically, not for sale. It is part of the private collection, for P&L'ers & intended only for same. All materials are of a private nature, & not intended for general distribution to the 'public domain.' After all, only a true P&L'er, who has worked, worked, worked, can understand what we are talking about, since only they have raised their awareness to that level. Also, P&L is basically a 'school of thought', & its instruction can be carried on from one generation of the elect to another. And, there is the observation that knowledge is valuable, and that students be prohibited from talking about the work, that the information is special and of unique value. There is a sense, that a school has rules, and the rules apply to matters of conduct and administration and membership, as well as to the work itself. There is the sense of the elect group itself, that the students are chosen, in that, once they make the commitment, they are accepted within the group, and by virtue of the special knowledge, as well as the acceptance and support, they can hold themselves apart from the crowd. There is a specialness of the knowledge, in that this information has been distilled from the observations of many traders together, with observations on human behaviour and natural phenomenon, and built into a system, by Drummond. There is a sense of tradition: others have passed this way before, and learned lessons even as the current students learn them.

Chapter Four: pages 79 - 124

Topic: Comments amongst P&L'ers

In this chapter, you will find comments recieved by Drummond , from P&L'ers, pertaining to psychology. There is a possibility, that this source of information is "special", in that relates to P&L-driven psycho issues.

Why?: becus, P&L'ers are forced to look at the dialectical, at once, & this forces the emotions. AS u know, this 'paper' is a private discussion, for P&L'ers, and not intended for anyone who is not a P&L'er,(plain and simple,, any plagiarism will be dealt with harshly,, ho,, but, abruptly. Or, to put it another way Drummond intends to 'keep the faith' & P&L'ers seek the same) U will learn how other P&L'ers think. There are the successful ones, and the still 'struggling' ones. See if you can find the successful ones. Do they have a constant theme? (,, yes, they do.)

Each item is a quote recieved, or information exchanged. At the end of each quote, Drummond will make a comment, in bold ,under label: "**Comment** : " *Comments will result from the energy and concepts portrayed in this 'awareness-thesis'*. Please verify the comments for u'reself. Remember: Drummond knows nothing & is presumptuous that his comments wud have any import; however,, he is doing so, since that is what is expected.

A horizontal line will separate each item. Emphasis will be added, in order to increase focus.

Names have been changed, to protect the guilty.

Also, Drummond agrees with Ouspenky, in that mankind wud be better off, if he had fewer words. Note in the following, the morass of words, & to include Drummond himself. Man is lost in a sea of conceptualization.

COMMENTS TO/FROM PEOPLE

To: JOKEL: (from Drummond)

This 'Psycho-Paper '96' is turning into more than I expected,,a sort of slavery, ,, an old trend aborting sort of thing,,, taking us all along, over the cliff,, I wonder where the new trend is psycho is coming from, currently building.

Comment : *clearly, due to the graph relating to Drummond's psychological mood, we are becoming aware of what is driving our moods: energy. (see pg. 70 & cover page.) And, we are a machine, created by our environment.*

To: KIRK, (from Drummond)

Awareness is the key,,, totally, and completely, and that is a life project: also there is the issue of **how to handle the growth of awareness as u leave most of mankind in the dust,,,** that's me personal problem,, and it is not easy,,, we will chatter about this someday.

There is a specific conclusion on paranoia, psychiatrically speaking,, & I forget how it goes,, but, there is a difference between a certain awareness, and becoming enslaved or something. As I say, my paranoia stems from constantly, as a P&L'er, observing two sides of an issue at once, and I become impatient when I verbally express some of the analysis or respond to stimulae a certain way during this analysis, that a person would conclude that am paranoid. At that point, the restlessness of the increased awareness I have developed surfaces, and I am left gasping at the dull mind that am faced with, in the person making such claims,,, try to explain,,?,, sure,,, .

Comment: the above comment which I made, cud indeed be fodder for a psychiatrist,, must feed the people -machine !

from: Dr. George: (: psychiatrist)

I am going to make some observations regarding Psychology of Trading,from a purely personal angle, as nobody can be objective and psychology is a very subjective science due to the human observer element. It is governed by the laws of commonsense which although relative like the laws of gravity one defies at one's own peril.

What needs to be done is to **analyse one's own attitudes** in general and as they are affected by trading in particular. A trader must become **insightful into his own motivations**, strengths, weaknesses, and other factors along this line of thought. Having done so alone, or with help, his task is to evaluate where in his LIFE CYCLE, he finds himself and what is the makeup of the baggage he is carrying e.g. personal aspirations,past experiences,presure of relationships,work, etc...

He **should obtain a professional assessment** of his own cognitive profile regarding learning , coping styles and behaviour repertoire. (Ed: see also pg. 147) This would include his planning mode ,executive style ,approach to loss,fear,greed and comfort zone in dealing with ambiguity and uncertainty. This should be done by someone who does not utilise computerised questionnaires but **who is an experienced clinician, and psychotherapist whom people pay money to see** and not a person working for an institution or agency. I have a deadly bias against Neurolinguistic practitioners.

In passing, without being flippant ,or facetious, I should add that **he should know what his mourning style is** , because loss in trading involves a mourning reaction made up of 4 or 5 phases just as in loss of health , relatives , or body parts. Loss in trading involves a loss of self image or body image in psychoanalytic terms. I refer those interested to all the excellent books on Grief Work ,and reactions. Also to books on Post Traumatic Stress Reactions.

The Gann brigade love to say that all is a repetition of the past and there is no new thing under the sun. The **best predictor of one's reactions to crisis is one's previous reaction to a similar one** : e.g ,, Go and do another course or forget about the markets and sulk for a year etc... **We are creatures of habit** , a dog will bark and bite but will not scratch. However, with knowledge, discipline and

organisation, one can learn and implement preventive measures. It helps immeasurably if one **keeps a personal diary of one's emotions and daily mental state** to correlate with one's trading record as we are not just interested in navel gazing. A very important symptom of depression, which should be tackled seriously is irritability, aggressiveness, suspiciousness of others, and avoidance of change and the unfamiliar.

Analysing what one is doing is ultimately the aim, because we often deceive ourselves.

1. We look but do not see.
2. We hear but do not listen.
3. We learn but do not know.
4. We touch but do not feel.
5. We understand but do not sense.
6. We resolve but do not implement.
7. We hope but cannot justify.

For example, how many of us after a losing trade when we were long and wrong saw in retrospect that the bar closed well below the 5/1 down for the next day and that the dotted line was just above? Well I am sure no one would do such a thing but it is just an example easy to visualise. What I am driving at here is that: **focusing and channeling one's perceptions along a disciplined and structured deduction and decision tree, one can avoid those common mistakes.** What caused the above mistake ?

It was due to a bullish mindset.

My argument here is that the **mindset of a person creates blindspots** causing the above 7 failings : (Ed: due to 71 deadly sins? - see pg.154) it would be useful to create here in P&L terminology a new dot : the **BLIND DOT**, in lieu of the blind *spot* to emphasize the point. **One little technique which can be helpful to some is to imagine one is an adviser talking to a client and explaining systematically the chart pattern and showing why a trade should be taken and its likely prospects and saying it aloud.** You would be surprised at what you would hear yourself saying and you would be amazed at how often you could be talking yourself out of a trade. Carry the exercise a step further and as the client asks simple dumb questions like "please define what you mean by support here, or oversold, or good run", and you may find yourself speechless. This shows that **we take words and their presumed meanings for granted to the extent of becoming quite vague.** **One of the benefits of Psychotherapy is to get people to hear themselves say aloud something they have deep down felt or feared but never acknowledged or deliberately avoided thinking about.**

Psychology of Backtesting:

Computerised backtesting is not of value unless one's methodology is a mechanical black box system. **Manual backtesting is better but not statistically or psychologically robust** because:

1. Retrospective testing can NEVER beat PROSPECTIVE testing on account of observer bias and knowledge of the outcome. (Ed: when pattern picking, do not conceptualize. Save that for when u apply the pattern.) **If you are serious about it test yourself with a method like AUDITRACK and get an independent record of your performance.**

2. When you backtest you are on the lookout for all the rules: to apply ,use all the tools appropriately. (Ed: if u have done u're pattern picking research, then conceptualization & rules can be mechanically applied. - Drummond's opinion.) In real time trading you not only must contend with accumulation and distribution of the PLD RBD EB ET but if such is your fate you can always count on the BLIND DOT distributing you down in a seawave.

3. A price oscillates up and down many times before closing on its high. How do you know what you would have done during the day ? Similarly for hourly bars etc...Only by experiencing it live can you test for real and not dreamtest.

4. Backtesting could be valid if ticks are replayed live but only if you have no knowledge of what the market has already done and are sequestered like a jury. How practical is that ?

I can't help but criticize the KISS advocates who promote the myth that futures trading is and ought to be simple, with perhaps 3 qualifiers. Well, it is not so. They have a vested interest in saying so, to market their simplistic methodologies to traders who are yearning for a nostalgic return to the comfort of a simple foetal position of the decerebrate. (Ed; see pg.77: reasons why people trade.) Life was not meant to be easy and I challenge anyone to tell me that trading is simple or easier than life in general. Last, but not least one: of the most important pillars of harmonious trading and hence successful outcome is NOT TO BE UNDERCAPITALISED. SCARED MONEY, CANNOT WIN .

To conclude: I find that one can gain tremendously from studying commonsense rather than psychology per se. The best books are the unabridged "Tales of the Arabian 1001 Nights" and , Aesop's "Fables", both highly recommended by George Bayer. They deal with emotions ,commonsense, the psychology of gain and loss, which is money management.

Comment: awareness is the key. Drummond wishes to mention, that 3 students (that he knows of), required the services of a psychiatrist, before they became successful. The above mentioned 'technique', & others cud indeed, increase the level of awareness. The above person is a psychiatrist. Note the focus in the above, on awareness, & tends to suggest that indeed we are machines. Also, note the suggestion for a trade diary on emotions, & note the Drummond Psycho chart, pg.70 . Also, note in the above, that the three basic principles of Ouspensky are addressed (the intellectual mind, the mechanical mind, the emotional mind), as well as the Ouspensky issue of 'lying', as well as the three ancient wisdoms: 1) know thyself 2) nothing too much 3) verify everything for yourself. Re-read the above, and see if you can trace out these items.

from: JIM :

One of our more successful prime ministers who won two landslide victories said that life was not meant to be easy and there was no reward for the ignorant or indolent. On a visit to Cal or Las Vegas he had his drink spiked and was picked up by the police draped in curtains having been robbed of his clothes and locked up in a hotel room.

Comment: about time ! However, without 'paranoia', success can get to u.,, ho.,, but, there goes that dialectical, positive to negative energy thing,, which without awareness, a negative can get u.

from Dr. George, again :

I wish to say that with respect to what you said at the 1990 Labour Day seminar of P.S. to be very careful about the thoughts one allows into one's head, this can be crucial in shaping a +ve or -ve attitude to the outside or the self. In fact, if you sow bad ideas and irrigate them you will reap plants true to the seeds sown. (Ed: see chapt.5)

I wonder however, how effective +ve affirmations ,autosuggestion and self-hypnosis can be if devoid of positive reinforcement from recorded experience. You gave an example then of repeating to yourself "I am a great trader" etc...,this would have worked only because you would have proven it to yourself. For example, I could say I am a great stock trader but would not convince myself I am a great futures trader. Hence if I carry out the exercises of RK and listen to his mental harmonics tapes I could end up believing "I AM THE BEST " and the blind dots would turn into blind envelopes, and not even the airbags would save me from the market.

My belief is that the use of psychology is ideally to help you monitor what you are doing,thinking,reacting to etc... also to monitor and recognise what you are avoiding and how you are deceiving yourself and of course your wishful thinking. The key here is PERCEPTUAL PROCESSES in all their complexity because they get contaminated and impaired by the subconscious factors already described. We spend a lot of time(or no time) deliberately avoiding issues,turning blind eyes,deaf ears,procrastinating,being selectively attentive to certain details etc... leading to a fragmented view instead of an integrated view. Understanding oneself and one's thinking,emotional processes and MOTIVATIONS is vital. Monitoring them Real Time is the Ultimate.

One of my pet topics is Self Sabotage(SS) by traders. This can be active SS for secondary psychic gain or passive SS when traders don't create or don't afford themselves the optimum conditions for trading and analysing which they need (I have done this by practising and trading at the same time). In the first case (secondary ps. gain) you could have a perfectionist trader afraid of failing and taking full responsibility for it , saying: "Well if I had done all the right things this would not have happened ,but since I half tried it is natural I half won".

Comment: good point on positive re-inforcement, on an actual positive experience !
- builds on positives only. The only way to drive. Work.Work.Work. Note also, the Ouspensky aspect of: monitoring, awareness, lying.

from: TERRY :

But back to trading -- it seems like I have turned a corner (hope I am not premature in feeling this) and can do this with less **struggle** now. Something seems to have said "enough seeming" now, and I just want to do it and **not bother** with anything else about the market -- for example I can't for the life of me remember a trade from one day to the next -- I'm in it and conscious of what is going on, but I really have to stop and think about previous day's activity very carefully, and see the numbers, and the chart, etc. **before I can remember anything.** Of course I **forget** most of what I do right away, can't off-hand remember a meeting or whatever, **unless** I really make an effort. I think this is actually a sign of health, and of living **rather than thinking about living.**

Comment: the above person is controlled by emotions. Notice also, how the above proves that our memory, our consciousness is illusory, since we are really not conscious, we are a machine, & the above proves Ouspensky's hypothesis, that even tho we are awake, we are asleep. Note also the constant use of negatives, which are hillited - negativity enjoying itself, in

full control.

Personal psycho issues, in trading, seem to revolve around the ability to isolate and observe the feelings and thoughts one has as they occur, to avoid being captured by them and unduly influenced by any one fear or force. Here I am thinking of techniques/actions which might enhance or support the personal psycho training for an individual by virtue of his participation in a group that is, itself, supportive, sophisticated about such psycho issues, and bound together by common philosophy, common trading approach and methodology, by the common team-building bonding exercises, athletics etc, and by economic incentive, ie, we do well, as the group does well. Seems to me from my studies of group behavior and individual behavior change that I have been reading about, that supportive groups of peers hold immense power for encouraging and supporting positive change. In short, can we "brain-train" ourselves better by working alone, or working as part of a group? Anyway would wonder what your thoughts are on the matter.....

Comment: group behaviour can lead to enslavement: example,, propaganda resource, creates the reality. Group support cud be supportive, towards the purpose of the group, so this cud work. If achieved, then perhaps the advice wud be that one shud rise eventually above the group, since its energy cud change. "Awareness", once again. The group must not create negatives, & if they do, identify them, so they will go away. If P&L'ers became a 'school' of positive energy, then this group wud be a positive growth machine,,, perhaps it shud be encouraged. Thus, Drummond is interested in same. However, "never do what other people do": see pg. 8 .

from: TURK

I am spending time thinking about the psycho aspects of trading, and how these might be managed in a fund. Seems like there ought to be a better way than just saying "stop trading" which is what I do now...

Comment: fund management, likely finds a different psycho element, since many personalities can be involved. Drummond does not know of any P&L'er who is successful, that does not trade alone, and avoids advice of others, to include other P&L'ers. Each trader in a fund, wud have to be isolated, perhaps, with all having the same basic studies, and theory. Given the minimal experience of Drummond in the 'fund' area, he cud be dead wrong. That said, a fund group, if alert to awareness, trained thru the 'School of P&L', cud support each other very well .

from: DAVID

.. I am much more attune to the idea that we have personal cycles and personal "flows" just like the market does. Maybe this is a framework for the kind of psychology talk you might be giving at CMI in July. I have often wondered if I charted my moods and personal feelings of confidence/withdrawal if I could construct bar charts and if they would follow the rules of P&L. Certainly the metaphor makes sense of encountering resistance and a reaction at etops, and having one's personal PL dot push or pull, etc.

Comment: note personal P&L graph chart,,, Drummond's psycho-chart. see pg. 70

from: LEWIS

If speculation abounds ,and facts are hard to pin down, then as you say ,we shud take the predictions of both schools of thought, project into the future, and then look for signs that one or the other is happening, just as if they were new price bars developing, unfolding, so we could say to ourselves, now if ~this course of action is happening, then how must it happen, and what must we see? And if the contrary course of events is to take place, then ~that. and ~that. must occur, and so we will see the trends develop because we have a means and standard against which to measure new developments, just like a etop, or PL line, etc. If we know what must happen, if it doesn't, the something else is happening, possibly the opposite, etc etc. Right?

Comment: the issue is 'monitoring the reality'. This requires technical tools that show that the opposite is happening, to the technical tools used for position taking that presumed what was to happen. In P&L, we tend to be unique, in the development of technical tools, by monitoring the technical tools that created a trade, using mirror images. Most of technical analysis deals with position-taking plus stops. P&L uses technical tools for position taking (based on theory), and technical tools to cross-check the energy,, we do not simply use a stop-backup,, our backup is the technical mirror-image of the theories which created position taking in the first place, This does not negate the use of stops for money management purposes. But, Drummond feels that stops shud be based conceptually, not mechanically,,he may be wrong.

from: STELLA

Well, will look forward to the CMI gig. Psychology is surely a key -- as you know. (Although sometimes I think that some of the **psychology issues for you were resolved long in the past** and that they have not been an issue for you for so many years,,, that it is as if they don't exist....) But you are a good model in that seem to be relatively in good shape as far as trading stability is concerned. Of course, do not really know since I can't see you during those times but it seems so anyway. But I suspect that you will have a lot to say about it if you were to think of your mental workings as another might observe them, which is what I think you actually do.... Again, the interested, intelligent 12-year-old audience would be a key to the successful explanation....

Comment: am too busy being aware, and see too much, to communicate to a 12 year old,, ho. Drummond has never looked at himself as others may observe him. This wud be an interesting exercise, altho at times, I get the idea that people think I am mad, so , I think in order for someone else to be up to my "speed", they wud have to be more aware, but, in awareness, new adventures arrive, quite apart from the group mind set, and this venture may obliterate any chance that someone cud observe my mental workings. (this is an example of my mental workings,, ho.)

from: LEN

Mishandling trades yesterday: not taking profits on a long at the highs 'cause I **expected prices to achieve the airbag**, which they never did.. and then neglecting to take profits at the 360 Etop... and then when doubled up to get myself out of a jam (I think that was the right thing to do) didn't execute properly and take the scratch but held on for more and got unceremoniously dumped for a bigger loss than I would have had if I just took the first loss.... Anyway a series of errors all going back to the root cause of : "My trying to get the market to do it MY way", which is of course death. So am cautious

today.

Comment: notice the distortion and lack of focus in the above, as the mind becomes disoriented due to negatives. Focus is minimalized. If had not reacted to the negatives, wud the words seem to be flaying about? Notice in the above "expected to achieve", : this is not awareness, watching, identifying. U cannot force your energy into the market energy. U just apply it, built on awareness, which builds positives,, the negatives kicked out of the library.

from: CHRISTINE

Trading continues OK, though imperfection the extreme. But feeling very good about it. Although I am rotten trader in many ways, it is something to think that I could make an excellent living doing only as good as I am doing, if I can only maintain the consistency I am now showing. So the goal is to maintain what I have while getting better at the skills. I seem to go with the flow a lot more...the best thing, is that I have no anxiety and thus can see and do much better than before. Sometime soon I should increase contract size to a couple, then three. But not just yet...

Comment: note the concentration/focus of that, due to positive energy. Negative energy wud have produced the flaying about concept. Also, if 'feeling very good about it', shud one try to recall, to be conscious of that moment, by watching and identifying it, and plugging it into memory library in order to build on later ?

from: JOHN

My trading has taken a turn for the better -- \$1500 out of grains in a couple of days before I went to Florida, 45 bond ticks trading three days this last week after I got back, all one one-lots, of course. I am very pleased, not with the money necessarily which is not that significant, but with the consistency, the mental ease and lack of any trace of anxiety, my willingness to identify days in which I should not trade due to overload or poor personal or market condition. It is really starting to all come together and if I can maintain this then I can see that money will not be a problem for me ... The point is, that I am *already* there ,is I just relax and do what I am *already* doing -- just knock it out every day, following the flow the same way, and avoiding the times when I am all wrought up and apt to make bad decisions, then the good days take care of them selves and the whole process becomes really easy.

Comment: once again, note the simplicity of focus, when in a positive mind set. A negative energy wud have created a more random, disconnected, disoriented, multi-issue response. Negativity is prickly, and disoriented. Positivity is smooth, tight together and organized in simplicity. (Kirlian photography proves this. -see pg. 143)

from: MONIQUE

Biggest concern in that area is how to be alert to a lapse in discipline that arises out of or after a successful trade or string of them: not pure happy euphoria but rather the uneasy sense that should not be in this area because if success continues then will have to get used to it, and that strikes one as uncomfortable. So you make mistakes and stay in the same area, instead of growing. Hard to enforce monitoring for destabilizing thoughts arising out of success, because just at that time you need it the most, you are believing you are doing especially well, but in actuality you are very vulnerable to distortions, mistakes, queasy feelings of something wrong but can't put your finger on it.

Comment: *It is an issue of energy: opposing forces, positive and negative, the ebb and flow, the 59's, the Peter Principle (the closer u arrive at perfection , the closer u are to being redundant). The key lays in awareness, and not becoming a slave to normal cycles. If negativity arising, then shud be aware of it, and react in the following manner: lighten up on trades, stop trading, or continue trading and monitor carefully; if cannot concentrate, then u know the negativity is distorting your positive energy, and this is o.k., since will make the positive energy stronger, and this is achieved by watching, being aware during the attack of the negative on the positive, and by watching, u will learn the faults of the positive, from which the positive since enjoys positive, will grow stronger. If u are aware, and have increased awareness, the simple identification (Ed: not 'with' - see Ouspensky) of the negative will make it go away. Thus become aware and build a life on a foundation of positives, where negatives wander around bored, & eventually they will wonder off and annoy someone else who is not aware, since thru that, the negative grows.*

from: MICHAEL

How best to "reset" optimal state of self-monitoring after a misstep ?

Comment: *this perhaps shud be left to the 'experts'. Psychiatric or other help, may be of assistance, since may be due to personal energy. However, after several years of awareness development, one shud be able to address the issue quickly, since one is automatically at all times, in 'self-monitoring' mode. If even then, one cannot focus and monitor, then due to awareness, one knows that one is stressed out, and time for 'some fun'. Also, continual practise in 'watching', 'random arousal', may help - see chapt. 5 .*

from: Rupert

Yes, I have some thoughts on psychology that I wish to share. The concept is "habitual domain." This is the barrier that we place on ourselves because of our environment (or upbringing). Thus we hinder ourselves because of this mental domain we place on ourselves. Which in actuality , does not exist, just mentally. Also, I do have some thoughts about focus and other interesting points. I will prepare a write-up and e-mail it to you by Monday if that is ok. It will give me great pleasure.

"Intellect annuls fate. So far as a man thinks, he is free."

Ralph Waldo Emerson

Have finished thots on psycho concerning, meditation, positive attitude, tid bits and facts, and finalizing how to 1) identify mental domain 2) expand mental domain (break down mental barriers) 3) exercise on how to grow mental domain to reach untapped domain. Did not participate in discussion on keeping temple physically healthy, rather hard to reach mental peek on drugs etc,,,And will go thru notes of past to pull more tidbits of interest. I am sure you will enjoy.

Comments: *as of this writing, Drummond has not rec'd the 'domaine' concept from Rupert. One has the feeling that 'Rupert', has developed awareness to some degree. Will be interesting to see what has to say.*

Here is what Rupert finally sent: (Drummond has hilited sum sections for emphasis)

The human brain has 100 billion neurons. Studies have shown only about 10 percent of human neural cells are actively working at any time. What if you added just one percent more usage? That would be one billion neurons. What would be your potential if more of this resource is tapped?

Any habit can be made or broken in about three weeks of steady effort. For example, choose a new place to keep your keys. Every time you enter or leave the house, put it in that place. Within three weeks, you will find yourself walking toward that place without thinking as soon as you leave or enter the house. You have just reprogrammed your mental circuit patterns. If you can do this for a set of keys is it possible to change circuit patterns for emotions such as fear? (Ed: man is a machine.)

To begin this journey of reprogramming your mental circuits, you must welcome changes. You must also welcome the journey to accomplish these changes. (Ed: a willingness to hear something new- Ouspensky)

The goal of the following is to reprogram and expand our actual mental domain. **Your actual or current domain is everything about how your mind works now.** Your potential domain is everything you can become. The purpose is to give an understanding of yourself and others. **For if you don't understand yourself and others, then you face the worse kind of poverty: ignorance.**

(Ed: ignorance = 7th deadly sin - pg 154, & "Greek thot-sin")

A simple exercise will illustrate the concept of your potential mental domain.

Stand up and relax.

Turn your body to the right without moving your legs. Point to, with your finger, and memorize the farthest position to the right that you can turn.

Return to your original standing position.

Close your eyes. In your mind, imagine returning to the starting position and turning again, only this time you will turn two times as far as you first did.

Repeat the mental exercise, this time imagine you have turned three times as far as you initially did.

Now open your eyes and turn as far as possible. Point to the farthest point you can turn.

You will find that you've turned much farther than you did the first time. This demonstrates your mental power. It illustrates the range of what you can accomplish if you put your mind to work.

The above exercise points to two key concepts. One, the first movement is known as actual domain or the parameters in which you currently operate. After working on your mental ability, you found that you could expand your actual domain, this increase in movement came from your potential domain. **Your potential domain is limitless. Your potential domain is what you can be.**

Your actual domain is formed from the very beginning of your life to now. Or in other words, it is who you are. (Ed: see pg. 15) Every experience you have encountered is somehow put into your brain for some future date to use as a reference or association. (Ed: see pg.41) Over time, this may give you confidence, experience and various skills. Depending on the inputs, it can also inhibit your potential. The important point is this : is who you are and not who you can be.

Why do so many fail to realize their potential? As we grow older we learn more. By the time we reach

adulthood our actual domains are very comprehensive. This learning has created a base of association and may fail us to try to expand our mental capacity. Worse yet, we become comfortable or feel safe within the mental domain we have built. Or we are inhibited by some past event that has created a mental boundary.

To consider how we may be inhibited by a some past event consider the circus elephant. When you go to a big top show you will notice these animals tied to poles by just ropes. Surely these large animals can easily break these ropes and perhaps the pull poles down as well. But they don't. Why?

(Ed: man is a machine: controlled & created by its environment. Be the machine u want! Not what the environment wants!)

Well, ever since elephants were young they were chained to large steel columns. The elephants would struggle with all their might to escape but could not. After time, the elephants became accustomed to their new habitat. They became reprogrammed.

Now they associate being tied-up with the thought that they cannot get away. So when they are tied with just rope, they never try to get away. They have had their potential domain restricted. They have built mental circuit patterns that will not allow them to reach their potential. **Since it blocks their potential, it also blocks their ability to welcome new ideas. Which of course limits their potential domain.** (Ed: see bottom of page 160 !)

These circuit patterns are the process by which our brain processes information. A road map though our 100 billion neurons. Just a roads or streets can be rebuilt or moved, so too can your circuit patterns. Consider the following simple example.

Consider what happens to you when you become angry. As you become angry, your face may become red, sweaty and tense. Your blood pressure may rise. You may not think clearly. Your mind has been conditioned to emit these responses when you become angry.

Now there is a way to control your anger. Think of smiling.

When you smile your face will send 40 or so happy messages to the brain. When your brain receives these messages, it will turn off the anger emotion. So the next time you become angry, try smiling or laughing. Your brain will not be able to become angry, or at least not to the same extent as it once did. This is an important lesson as you have learned to control your emotions and circuit patterns at will.

One use of the word "paradigm" can mean a circuit pattern for a self-imposed limitation we have developed over time and placed on ourselves, sometimes at an unconscious level. (Ed: a 'winter-coat'.!) A paradigm can take many forms, from the belief you cannot trade, or are not good at math, or the feeling that you cannot succeed in life. Any limit you impose on yourself can be considered a **paradigm- believing it results in self-fulfilling outcomes. Think about the paradigms you have imposed on yourself and what you can do to stop believing them.** (Ed: make a list !, & then, start to work.)

Some people will reach more of their potential than others because they will focus more intently on the possibilities. They may have a better understanding of themselves and their environment. (Ed: 1st ancient wisdom: & chapt. 2 !)

Do you have unlimited potential? What is the greatest thing you could accomplish in your lifetime if from now on everything went just as you would want it to? What is the greatest thing you would like to accomplish if things go as they have been in your life? What is the greatest thing you really expect to accomplish? Are these answers different? Why?

Think of times when you said to yourself you were too scared, too nervous, too unsure to execute a trade (or whatever). Analyze what it was that you felt was lacking. Very likely that fear was a part of your actual domain. Make a list of these situations and as the opportunities present themselves again, address the issues that held you back. This is the process of inward looking. To understand yourself you must look inward to know yourself. (Ed: first ancient wisdom: &, as u do this process, apply the 2nd wisdom: 'Nothing too much', & do not over do it, and then when u're finished, apply the 3rd wisdom.)

To understand yourself well, **you need to become an archaeologist of your own past.** You're going to delve deep into your own past, examining the events and people that shaped you. Once you understand why you are, who you are, you can begin to address whatever parts of your personality and your life you want to change. Take the time to smell the roses you have planted. (Ed: building your positive library !!) I will not go into how to explore your past. There have been many books written on this subject, (Ed: see pg. 146-50) which is vast. You may also consider investing in a psychologist. Now is the time you must do some homework. (Ed: work, work, work! Avoid the 7th deadly sin - see pg.154 - sloth, ignorance!)

To be truly successful, you must look inward and evaluate your internal make-up or internal domain. After understanding your internal domain, you must also understand your external domain or environment. (Ed: it controls u! - see chapt.2 -: avoid 'environmental' pollution!) In his famous book, "The Art of War" the ancient Chinese military strategist Sun Tzu stressed the need for commander to know both himself and his enemy. Sun Tzu had three key points: **If you know your enemy and yourself, you cannot lose.** You might draw, but you cannot lose. If you know only yourself but not your enemy (or vice versa), then your chances of winning are 50-50. If you know neither yourself nor your enemy, you may fight to a draw, but you cannot hope to win.

Do not assume that others are similar to yourself.

Keep an open mind, peaceful and serene - then your mind will then be conducive to deep thinking. A place that not many visit. (Ed: & it can be lonely, if u let it. U're inner peace makes up for it. U are with u're true friend: u!)

"Knowing when to stop produces calmness; after calmness, tranquility can arrive; after tranquility, inner peace can be achieved; with inner peace, deliberation can be effective, which leads to the attainment of goals." Confucius (Ed: 'random arousal' gives experience in this realm. - see also pg. 127)

The meditations presented below can help change your energy flow and help you get into deeper reflection and thought. The goal of these is to relax you to create a deeper inner thought so that you can listen to what you don't hear and see what you don't see. (Ed: while meditation helps, Drummond feels that meditation treats a symptom, not the problem. Problem is an imbalance within the body. Drummond finds that chewing a mouthful of food 50 times, provides a means to get in touch with your balance, your body.)

Stand in a relaxed way or sit in a comfortable chair. Hold your arms in front of you and your hands cupped gently upward as if you were holding in each palm a tiny, brilliant sun. Raise your arms until your hands are level with your head bringing your arms to either side of your body and turning your palms toward your face so that the little suns can warm you.

Breathe in a deep and relaxed way and close your eyes. Feel the suns warming your face, as if you were lying on a tropical beach. Move your arms so that the suns warm your whole face and the top of your head. Gradually move your arms so that the suns can warm your neck and chest.

Feel the sun soaking into your muscles, soaking deeper into the cells of your body. Imagine every cell is drenched in sunlight. Move your arms to sun yourself down through your midsection and further onto your legs. If you are standing, sun your back at waist level. Feel the relaxation basking in the sun brings.

Do this for a few minutes every day and experience well-being. Do it when you are stressed and be revitalized.

The following is a table meditation used in **Kung fu**. The purpose of this meditation is to free you from stress, anger, tension and worries. Your body should feel relaxed, calm, refreshed, at ease and energized. The total time to do the meditation should not take more than five minutes. To gain from the purpose, all steps must be followed closely or the benefits may not follow.

Start in a kneeling position with your feet under your butt and flat on floor, back straight, head-up and eyes closed. Keep your eyes closed throughout the meditation. Begin by rubbing palms against knees in a circular motion as you picture a table with bread crumbs spread all over in a mess. Stop rubbing knees and pull hands back one inch from knee cap with palms flat against leg. Then begin to visualize yourself cleaning the table with your hands. The visual hand motion should be slow and steady. As you see yourself doing this, the palms should become warm and sweaty; this is chi. Chi is life's energy. Once the table is clean -

Swing legs straight out from under you, keeping eyes closed, and then pull right foot to left leg inner thigh, with foot touching it (or as flat as possible). Then pull left leg so that the heel of the foot is against the shin of the right leg and toes pointing straight out, same direction as where your head is pointing. Then, place scholar hand under warrior hand (left hand is scholar and right is warrior), keeping hands open, in the center of your lap, just under belly button. Visualize as if you were holding a ball. Now visualize the bread crumbs on the table and then clean them off. Again, your palms should become sweaty with chi. Once table is clean -

Place hands (back part) on knee caps and join thumb and index finger (a Buddha position). Now visualize table with bread crumbs and then clean the table. As you clean the table your palms should become warm and sweaty with chi. After table is clean, straighten hands out and create a ball at your solar plex, then push the ball away from you.

After completing the table meditation, you should feel refreshed and free from all negative energy. Your body should be calm, refreshed and at ease.

True, at the office or trading desk it may not be conducive to do the above meditations, however, to **create a calm and open mind throughout the day**, say the following very slowly and softly to yourself. Listen to the harmony of each syllable. By taking a few moments to do this, one will be surprised by the results.

Tranquillity
Serenity
Calm

Also on the trading desk or office try to practice daily silence for at least 15 minutes a day. No writing, speaking, reading or whatever. The goal is to develop inner peace. (Ed: & from there, build energy ! It can only be positive.)

If your mind is open and not stressed it will achieve deeper thought and quicker responses. To aid your brain in positive thought and happiness do the following: (Ed: see also chapt.5: the following exercise wud prepare u !)

- 1) Sit in a chair and relax every part of your body, tell each part to relax. Start at the head and finish with the toes.
- 2) Think of your mind as a lake in a storm and then relax the storm to create a calm glassy smooth lake. Visualize the lake as placid.
- 3) Spend 2 or 3 minutes of thinking of the most beautiful and peaceful places on earth.
- 4) Repeat slowly, quietly, bringing out the melody in each series of words with expressions, quietness, tranquillity, serenity and calm.

You may find the following a great way to spend the last five minutes before bed and to start each morning:

- 1) Visualize your mind empty. View trash cans of negative thoughts, worry and fear all being emptied out.
- 2) Now visualize success, courage, victory, imagination, positive thoughts and patience being poured into your mind to fill the void. (Ed: man is a machine. Do for 3 wks., so becomes a habit, then for 6 mths so becomes a belief system,, & there u have it !)

Remain humble in your success. Attract no attention. The world needs only one Dennis Rodman. As Lao Tzu said "Why is the ocean king of a hundred rivers? Because it lies below them. Therefore it is king of a hundred rivers." (Ed: 2nd ancient wisdom, 'Nothing too much'. Note Drummond's obsession with privacy, & private comments, chapt.3)

To expand your potential, you must be able to see life from a variety of perspectives. (Ed: see chapt.2 - pg. 49-50,, 'fixed ideas'.) That's another way of saying that you have to broaden current habits to include many ways of approaching an experience.

Abraham Maslow once noted, "If you only have a hammer, you see all problems as nails."
(Ed: mankind is doomed, and unaware.)

There are eight methods to expand your domain. While there are many ways to expand your domain, these are core methods. The benefits are multiplied when you combine two or more.

- 1) Learn actively. Whenever you decide to add to your knowledge base, you are practicing active learning. (Ed: read chapt. 2, 20 times,, work, work, work,, u cannot survive otherwise !)
- 2) Take a higher position or different perspective. (Ed: becums a snob if need be,, ho.)
- 3) Active association - Make a habit of looking for connections between seemingly disparate objects.
(Ed: note the 'I's mentioned in chapt.2)
- 4) Change relative parameters. Every event has a number of parameters or characteristics. By altering these parameters, we can produce new concepts and ideas. (Ed: use 'the work', chapt.2)
- 5) Change the environment. A new environment will provide new information to be absorbed which will expand your domain to adapt to new situations. (Ed: either physical or use Drummond's 'random arousal' - see chapt.5)
- 6) Brainstorming.
- 7) Retreat in order to advance. (Ed: Lenin's 'two steps forward, one step back'.)
- 8) Pray or meditate.

Mental focus permits us to control the action of our brain circuit patterns. If we are happy or sad, it is because we are receiving mental inputs that tell us to be happy or sad. We can control these mental inputs and thus free ourselves from being prisoners of our emotions. For example, if we are sad, then to control that emotion try smiling. Or if we are down, listen to upbeat music. If you practice this, you will be able to control your emotions. Your brain will reprogram its circuits. (Ed: man is a machine.)

Let's say your confidence is low. Focus on events in your past when you were very confident. (Ed: see pg. 83) It could be from doing well on an exam, winning a sporting event or winning some special award. By focusing on these past confident events your brain will be reliving these positive brain patterns. Focusing on these patterns will fill your mind with thoughts of success and confidence. These past experiences will flow over into your current life and fill you with the confidence that may be lacking. (Ed: build a positivity library - see 'recorded experience' - pg. 83)

To build self confidence try the following: (Ed: also: chapt.5)

- 1) Formulate a picture of success and keep that image always
- 2) Voice out all negative thoughts
- 3) Minimize all obstacles, don't make a task more than what it is
- 4) Be yourself and copy no one. No one is better at being you than YOU. (Ed: Never do what other people do. - pg.8)
- 5) Understand your strengths and weaknesses, self knowledge
- 6) Develop respect for yourself

Always focus on experiences in a positive light. Regardless if you won or lost, you will always be a

winner if you ask yourself; What can I learn from this? (Ed: -see pg.131) If you only learn just one new thing from any experience you are that much better. Imagine if you learned one new thing every day. How much better will you be at the end of one day, week, year, or decade?

Only focus on positive energy. Never par take in negative discussions or negative thought. You will be wasting your time. Your progress will be backward and not forward.

Reprogramming yourself will take time and energy. (Ed: - 6 mths. - see pg.147) You must have patience. You must have perseverance. **If you keep the faith, you will be well rewarded.**

Quotes: (Ed: advice: -> read these quotes once a day for a while< 3 mths?: turn off that T.V.,radio, newspaper!)

- "The common sense is that which judges the things given to it by other senses." Leonardo da Vinci (Ed: - read Ouspensky)
- "Being entirely honest with oneself is a good exercise." Sigmund Freud (Ed: 1st ancient wisdom)
- "To achieve, you need thought." Ayn Rand (Ed: use u're mind-machine)
- "History teaches nothing, but only punishes for not learning its lessons." Vassily Kliucheskyy (Ed: & such is the dismal state of modern psychology.)
- "An appeaser is one who feeds a crocodile - hoping it will eat him last." Winston Churchill
- "There is nothing permanent except change." Heraclitus (Ed: see pg. 140)
- "The best politics is no politics." Henry M. Jackson (U.S. Senator)
- "A committee is a group that keeps minutes and loses hours." Milton Berle
- "Standing in the middle of the road is very dangerous; you get knocked down by traffic from both sides." Margaret Thatcher
- "Patience is the very best remedy for trouble." Plautus
- "Be not afraid of growing slowly; be afraid only of standing still." Proverb (Ed: -see pg. 147 - "6 mths'.)
- "The man who doesn't read good books has no advantage over the man who can't read them." Mark Twain
- "Income tax returns are the most imaginative piece of fiction being written today." Herman Wouk (writer)
- "Patience is bitter but its fruit is sweet." Jean Jacques Rosseau
- "The only reason some people get lost in thought is because it is unfamiliar territory." Paul Fix
- "The difference between genius and stupidity is that genius has its limits." Unknown
- "I don't know if there are men on the moon but if there are they must be using the earth as their lunatic asylum." George Bernard Shaw (Ed: mankind is doomed, becus is unaware.)
- "Imparting knowledge is only lighting other men's candles at our lamp, without depriving ourselves of any flame." Jane Porter (writer)
- "A good scar is worth more than good advice." Ed Howe (hockey player)
- "I broke a leg skiing last week. Fortunately, it wasn't mine." Anon
- "Good judgement comes from experience, and experience comes from bad judgement." Barry LePatner
- "The gods cannot help those who don't seize opportunities." Confucius
- "The mere imparting of information is not education. Above all things, the effort must result in making a man think and do for himself." Carter G. Woodson
- "Chaos often breeds life, when order breeds habit." Henry Adams

- "Riches do not consist in the possession of treasures, but in the use made of them." Napoleon Bonaparte (Ed: what to do with u're wealth?, & read pg. 75-76)
- "Take time to deliberate; but when the time for action arrives, stop thinking and go in." Andrew Jackson (Ed: mechanical patterns, plus conceptual - see chapt.6 & 'Pattern-Picking Paper'.)
- "In all recorded history there has not been one economist who has had to worry about where the next meal would come from." Peter F. Drucker
- "Words or language, as they are written or spoken, do not seem to play any role in my mechanism of thought. The physical entities which seem to serve as elements in thought are certain signs and more or less clear images which can be voluntarily reproduced and combined." Einstein (Ed: moving towards 'third state' - se pg. 19)
- "The most beautiful thing we can experience is the mysterious." Einstein
- "Patience and knowledge" (The two most important attributes of successful traders)
Jesse Livermore
- "He who knows much about others may be learned, be he who understands himself is more intelligent. He who controls others may be more powerful, but he who mastered himself is mightier still." Lao-tsu
- "There are very few original men. Most are wholly governed by custom and education."
Voltaire (Ed; man is a machine.)
- "Current usage would call a methodical and consistent intelligence geometrical." Voltaire
- "Do not write in snow. Do not waste your teaching on soft and feeble minds." Voltaire
- "For of all sad words of tongue and pen, the saddest are these: it might have been." John Whittier
- "He who would accomplish little must sacrifice little; he who would achieve much must sacrifice much; he who would attain highly must sacrifice greatly." James Allen
- "Every successful speculator and every student of psychology knows that the mass of people are less intelligent than the few." Anon (Ed: leave mankind in the dust. Become aware.)
- "I've found economists the most independent breed of the human species with the exception of the press. I have found that my economic advisers are not always right but they are always sure." Richard M. Nixon
- "If a man will begin with certainties, he shall end in doubts; but if he will be content to begin with doubts, he shall end in certainties." Francis Bacon (Ed: positive becums negative, & visa versa.)

Comment: *comes very close to the thesis in Chapt. 2 . Keep the faith: you will be well rewarded. A thesis built with positive energy.*

from: LAMBERT

Solve one set of problems, only results in new problems. Best to keep the current ones under control and happy, so that new problems do not take over,,, fresh new ones ! I struggle with motivation and procrastination. Human fight or flight defense mechanisms so as to avoid taking on the beast (marketplace). I've never been able to back down from a good fight, but I do put it off as long as possible, sometimes.

Comment: *this person seems in 'attack' mode. Can one question that the assumption of personal power, will solve a problem? Simply that one sets a mind set to solve the problem, the problem will thus be solved? Is personal power an immediate solver of problems? However, note the blushes of awareness surfacing. 'Keep the current problems happy',..*

from: GARY

I'm interested in exploring the idea that paranoia might help create the reality that is feared in the first place. Not becoming a slave to it is a very interesting 'take' on it, by you. **The best way I can figure how not to become slave to it is to express it, so it doesn't fester and all that kind of stuff.**

Comment: I suppose if one feels strong paranoia, that shud check with a psychiatrist to see if true paranoia. If not, then, enjoy. This person is becoming 'aware'. (Ed: a bit presumptuous on Drummond's part.)

from: NETHANIAL

Whenever I make a **choice to succeed at something it opens up the doors to self-actualization.** This process of self-actualization forces me to open my eyes and get to know me, whether I want to or not. This is a wonderful process! I and the process will not allow me to wallow in ignorance; although, there is something to be said for the bliss of ignorance. (Ed: who was it that said, if decrease the amount of words we use, that awareness will surface?)

The next fork in the road is coming clearly into vision, now. That section of road I **get to choose in what direction I want to grow.** I have figured out I will reward myself with success now that I've gotten to know myself and learned how to be happy with who I have discovered. I have achieved a level of personal growth I am starting to be pleased with, opening the doors to self-love. This is a never ending process.

Psychology is a tough one, for me. I've always believed if I came up with consistent objective ways of taking action, psychology would take care of itself. After all of these years of struggle and floundering...I can believe there might be some issues with psychology, I'm not so sure. P&L with all it's different facets is very hard to organize into my one little brain. Don't know if psychology has anything to do with that.

Comment: this person is in early stages of awareness. The various parts of its machine is starting to organize themselves. They are trying to figure out what is all about. All the machine has to do is get the basics, build on the positives, and go on off to something else; build a machine for trading, in full place, and automatic, like putting on shoes; built on positives.

from: BRAD (Brad asks multiple questions, thus Drummond comments directly)

> Day in and day out preparation, the mental toughness it takes to pull this off !!!
Exercises for mental toughness??? How tough does an individual have to be???

Comment: pretty tough, if going to fight negatives all the time. Identify, to go away. (Ed: but not 'with'- see Ouspensky.)

> What do you think about crowd psychology, although you did touch on this in "how to" book. I don't know if looking at market behaviour from that angle is of any help, it just seems to confuse me even more. Probably no need to hear about it unless you have some awareness that applies to P&L that would be of help. Might confuse people.

Comment: mankind is doomed. P&L'ers will leave it in the dust, since we thru usage, become aware. The crowd, with its negativity, will destroy itself, and buy at tops, sell at bottoms.

Negativity always evaporates: a rose when wilt, like lost energy, is gone. Crowds are controlled by energy, negative energy built on unawareness.

> Fear of success, when does an individual decide to reward himself? I have found I have no trouble rewarding myself financially in some other areas in my life, but just can't seem to pull it off in trading. This especially contributes to my belief that psychology has little to do with trading.

Comment: mankind is unused to success, since is not aware to the negativity in which it lives. So, how can most people know what success is? Only when u know success and have built on it, does one become aware of it, until it becums natural, a growing force of one's life. There is no room in your library for negatives. (if the negatives are up on the shelf: look at them occasionally, & put them bak, without reacting to their power: identifying, watching, looking at helps.)

> Consistent, somewhat objective places where to take action is what trading is about. Which pldots do CMLers buy, which do CMLers avoid. Or buy them all and monitor ? I guess if an individual had consistent somewhat objective proven places to take action and still can't pull the trigger now we have an issue with psychology.

Comment: " Which pldots do CMLers buy, which do CMLers avoid." Those that are being confirmed by lower time periods. Observing this, and being aware of this, and identifying any negative emotions, and not reacting to them, wud alleviate the issue of psychology,,,only awareness is the issue. Do not forget, that historically, psychology is phillosophy, and modern psychology is not that at all. Read Ouspensky. It is a lie. All of life is a lie. We are machines. Monitor the PLdot, monitor reality,, that is awareness. Observing, watching, awareness: that's what it's all about. P&L ! (Ed. "CML" refers to a particular group of P&L'ers, a former 'school of P&L', who now trade privately.)

> If you took " Knowing Where the Energy is Coming From " paper and took examples and said to class ,, " anytime you see this setup you buy and if this this and that doesn't happen then you get out" ,,, I think people want to hear you say the words buy and sell a lot more frequently than you do,,, giving people very specific ways of taking action, when and where and specifically how to monitor,,, which may be a tall order considering the complexity of P&L?,,I am currently investigating this on charts you instructed me to print out. My feedback from CMLers is that you get into theory, but very much leaving it up to them to figure out how and where to buy and sell. I've gotten off on a tangent here,,, kind of drifted away from psychology,,,I guess it's all related,,,This must be so frustrating for you,,, it's really as if you have to take everybody by the hand and walk them through some examples of you buying and selling and why,,,You have developed to a level where you have left the a lot of the human race in the dust,,,I wonder do the people who can't take your theory and strategically figure out how to take action with it, and succeed, deserve a handholding course or should they be left in the dust?

Comment: the theory states that is does not really matter where u act, if u are going with the energy, and this analysis is achieved by knowing the theory of what organizes the energy. Thus, it does not really matter where u buy, or sell,,, except, do not buy resistance or sell support,,, plain and simple. If at weekly 59dn, for example, do u sell daily support? Do u look to sell from daily pldot towards daily resistance? If wkly 59dn is valid, then how is the daily supposed to act out its energy? If this does not happen, then what does this say to the wkly 59dn ? The other two papers being presented tonight and tomorrow nite, 1) pattern picking 2) predicting next wk's high and lows,,, will show how to do this monitoring, based on the concept of energy, & if u

read the energy correctly, then does not matter where u buy or sell, except do not buy resistance, sell support.

> help as a focus: **///Lateral thinking, is this the same as strategic thinking? Are these related to psychology? If they are, can you talk a little about each and how a person might develop these traits. If they're not related to psychology, would you be so kind as to lecture me personally on lateral thinking and strategic thinking and materials to read that might be helpful in acquiring these traits. I have been thinking more and more about never ending opposing energies and how they strategically apply to P&L.**

Comment: Drummond knows very little about 'lateral' 'strategic' thinking. As to opposing energies, u simply take the time period u are interested in, and monitor that reality with a lower timer period. It is that simple. Also, please note that this 'psycho-paper' is a constant look at that "never ending opposing energies".

> of concern

///How to deal with emotions in an expressive healthy manner, when trading might make an individual very pissed off, or feel like crying, or very cocky.

Comment: If u are trading well, then u know the energy. U have technical tools that enable u to know when it is going wrong. U are able to pull the trigger, due to experience. The above emotions shud have no place in trading activity, or if they do, then respond with high energy,,, pound the desk,,, scream and shout,, if insist on getting involved,,, get energized, do not let the negative energy turn u silent, or morose,, that is negativity which is happy since is in full control,, that is the function of negativity. Save emotions, for off-duty moments,, for the bed! Defuse negativity by identifying them. Do not react to them or if do, as in the above, have a routine. See chapter five for other techniques on dealing with negatives. If u're library is full of positives, then be expressly healthy,,u wud have to be.

> info by way of suggestion

///In the envelope paper you gave at cmi(oakbrook) when you started going through weekly bars in bonds. If you went through specific buys and sells (using those words) for each week and when they're going bad and when they're going good and when to stay with for the next week. Showing the kinds of risks to take and how the rewards far exceed the risks in the long run,,, where to cover some or all of the position ,, what psychological states at different stages of the trade. I'm sure I have no idea of the work involved in pulling that off. I found myself wondering these types of things as I recently reread envelope paper. The envelope/cycle theory is a good way to monitor the energy.

Comment: action is taken, per the envelope concept, based on p&l cycle analysis, and specific references were made as to action taking, in relation to wide 11-zones, &/or time period usage, around higher time period, envelope, and pldot, with cycle concept in mind.

The plans(1-6) in the advanced manual that actually rack up profits and show you specifically where to take action. Could this be applied to work like Knowing Where the Energy is Coming From or Envelope paper, by you?

**Comment: to quote from above: " what psychological states at different stages of the trade".
Reply: at trade execution, there shud be alertness and awareness as to what shud happen if the trade is correct, and if not, then minimize negative reaction, as u pull the trigger and get out of the trade, as u monitor the opposite happening, and await for signs of kind of trading currently**

underway. If trade goes in your favour, then have to avoid happy thots, since have to immediately analyse the apposing energy and assess whether will break or hold.

As to applying the 'envelope/cycle' theory to plans 1-6 of 'Advanced Manual', u will see comments on this in the 'Pattern Picking Paper'. Drummond suggests, that it's 'cycle-concept', is one of his personal, best ways, to monitor what is happening: to reveal true 'yes or no', as to higher time period energy.

from: ROB

Please: I need thots re: stops, trade location, and stuff on how bad trades drain energy - how to control the day to suit your needs.

Comment: one cannot control the day. What u can do, is be aware of the mood u are in. Per one of the P&L'ers above, it is advantageous to keep a diary, as to how u feel, for practise, and, this shud increase awareness of positivities. Bad trades will not drain energy, if u are aware enough to avoid negative emotions, and have built on positives. If bad trades are draining energy, it is becus your library is full of negatives,, u have no other reference. Technically speaking, there shud never be any losses, if one is able to monitor, to be aware at all times, but, the condition of man, states that he is a machine, and has few awareness skills. This is why Drummond tries to train conceptually, to increase awareness. Awareness surfaces, when u realize that success patterns are conceptually built, and this conception reveals opposite patterns, which occur when the pattern is unsuccessful, and this is used to monitor the mechanical patterns. (see paper - 'Pattern Picking' - to be delivered later this evening.)

I have spent a lot of time thinking that success and failure are less and less related to the "system" that one uses, but rather to the frailties of our mind's; the tricks it plays etc.

Comment: unawareness.

The description of what a real trader, someone who really does appreciate the risks involved, and is prepared to take the trade when the risk is at its highest level in a **calculated and dispassionate way. The person who thinks he is a trader but isn't , ponders and procrastinates over the trade until it has either gone against him, (in which case they feel justified at not having taken it), or it has worked out, which they use as confirmation that they know what's going on and take refuge in that and tell themselves that next time it will be different. SOUNDS A BIT TOO FAMILIAR?**

Comment: a slave to negativities. Identify/defuse. Do not let emotional negatives re-activate. This is achieved thru awareness development,, work, work, work.

. I still managed to walk into the door of Euphoria, big time, even though I knew it was there - Euphoria?

Comment: so what is Euphoria? Is it a positive, or positivies that are losing energy? The dictionary states: " feeling of well-being not always justified,,".

I have to figure out what are the focus areas for me. When we lack confidence its easy to take solace from someone else and use their methods.

Comment: unaware! Work, work, work.

What did all this amount to? For me the focus was/is trust and belief. I was and have been trying to build a trading plan of my own, and nail down something that will work if applied consistently. The hardest part to P&L is finding the consistency of one's own ideas and methods so that this can be built into an exercise ...the focus of belief. I now understand and see why we have to believe in what we do and the method / system we use. We have to know that given a set of rules we will take the trades we see every single time, and use the same rules every single time. Whether the last three trades have been winners, or losers, or a mixture, if we see a setup/pattern that is part of our trading plan we have to know we will take it. Without the consistency here, then long term success will be as elusive as it is to 90% of traders.

Comment: no matter what patterns u decide on, even if not conceptually based, they will work or they will not. That is a start. If they work, then monitoring with the lower time period, will have certain patterns, conceptually built, and when they do not work, the lower time period's conceptualization will reveal the opposite patterns to those which drove success.

However, (and I still haven't done it completely) we have to find a system, a plan that we can work with, time after time. Because P&L is conceptually based, and you have always taught us to find our own path, this is the hardest part of the game: **what path to take**. This is why my focus right now is on defining the trades to take, using stops, and working with different mkts to see how best to utilize what I know, so that I can sit back and put on the trades I want. The problem I keep coming up with are the **contradictions I see in P&L**, and the best way to execute. Perhaps we can discuss this separately but I still confuse myself as I see **both sides of the coin**, after all this time. On the one hand I want to be selling into resistance. At the same time I have to recognize the power of the trend and stay with the move. I know its all to do with monitoring the accum and distn of the lower time period, but I still get myself in a mess over it at times. Differentiating between when I should be trying to catch the end of the 360 cycle and sell the top of the 11zn's etc outside of the env and when I should NOT be fighting the trend and go with the flow, is the hardest part to P&L. What I am getting at here is that without a definitive set of rules I have just experienced how it **all gets out of control**, and all the knowledge of P&L becomes useless, as it's easy to get blown out of the game.

Comment Let's take the above highlighted items one at a time :

- ***what path to take*** (Ed: see chapt.6 & 'Pattern Picking Paper) -place trades based on research, and 5 kinds of trading, then monitor with the lower time period, which will reveal what is unfolding, as if as expected. The monitoring shud make one aware of what is happening.
- ***contradictions I see in P&L (both sides of the coin)*** - this is the function of P&L: training in the constant apposing of energy, so that one does not becum a slave to either.
- ***it all gets out of control***, - this is becus u cannot conceptualize how the lower time period is supposed to unfold. The blind spots, dots, that negativity creates, prevents the awareness that conceptualization provides. The way to overcome this, apart from experience and skills in totally leaving negatives behind, is to set up a library of patterns, then have patterns on the lower time peroid, for reference, that reveal how they work, and do not work.

The other focus and which is all part of the same thing is: **how to combat negative energy**. Mark Douglas's idea is to take your plan, whatever it is, and your set of rules and go and find 20 trades. Do them. Take each trade as each setup comes along and execute perfectly. Then monitor what happens. I suppose I still need to do this. Why do I think it is so important is because of the doubt and

problems I face day after day. Sounds a little dramatic but what I am working on here is how to deal with success and failure through the day.

Comment: well,,, becom an Ouspensky-ite. This is what this 'paper' is all about. Work, work, work, realize u are a machine,, understand, if can, what awareness is,, get a life.

I find it easy to reset my mind each day and tell myself to consider it as a new set of opportunities. Thus I walk in thinking : " today is going to be the day" . First trade is Ok, second maybe a small winner, nothing great then the next a small loser and then a bit more doubt. Take time off and get out of the mkt., miss the next, works well, blast! Take the next, oops no good, more doubt. Stop trading. Obviously its even worse when the first couple are wrong. What I find and this is what might be of interest to you is, how I feel. I start the day with a certain energy level, but as the day goes on, that energy seems to dissipate. If like yesterday, I screw up from the start, then I find it nigh on impossible to get going again.

Comment: u are walking into the day, with expectations. Expectations cannot control market energy. Expect nothing: u are a machine. U're little machines have to get organized, and conscious, to the extent they becom part of memory, and then become automatic. If it was me, I wud re-read Ouspensky, twenty times. Also, create u're own library of patterns and positives ! Work, work, work.

This has to be my focus - main discipline and regardless of wins or losses, keep on playing. Easier said than done. That is my focus and concern. As you can gather I am not an original thinker, or of someone who plays with and adapts others to "improve". Wish I could be more creative, that's where people like you are special in how they can use lateral thinking to expand on ideas.

Comment: - see Einstein quote - pg. 95 One of the true joys in the life of Drummond, is to make someone alert to the fact, they know nothing; the first step to awakening, & the freedom, & high energy it provides.

- I got used to seeing false breakouts
- I must admit it did hurt watching the mkt. go down like that
- But, unless I get use to the pain and pleasure of mkts, then I will never really know how to handle it.
- as I shud have and hoped that
- This sapped the energy for the day
- Started to be smarter than the mkt., & fought the down move
- when bailed out, then saw the mkt rally in my face
- Probably too desparate in my trading and this seriously affected my judgment
- Got to work on the early buy, keep on trading however hard it may be especially when the good setups come along.
- Trying too many things at once.
- once the position goes past the stop level then I lose control, and old habits of HOPE come back.
- easy to loose perspective
- get my feel back.

Comment: woe !,,,negatives in total control. Don't fight them: that's what they want. Learn to handle negatives, one at a time , so that u will know when one no longer controls u: then, move on to the next : identify, do not react, observe, be aware,,, work,work, work. Unbelievable ! What a sesspool ! Drummond cannot help, becus never been there. In a nutshell, he really does not know what to say.

from: BERT

Now, what does this all add up to ??????????????

Well, this is new territory. This is unusual success. This is the stuff that euphoria is built on. This is a series of things that come upon you quickly with not much time to get used to the new feelings and new emotions connected with the idea of winning, and winning, and winning. The air is too thin up at this level. You don't believe it is really possible. You don't believe that it is really this easy. You start to think that if things are going this well, then why not change the rules a bit, and try trading more markets. More contracts. Take the stops away. Stick to your guns when the market is moving a little slowly in your direction – stick to your guns when the market runs against you, all f-cked up because you are not (used to this success and the whole constellation of new feel is disorienting you. There is some guilt, perhaps? There is some disbelief that you are worth this? There is some sense that things are not really in harmony? You have been feeling tense despite the run of good trades began to go sour and as it started to happen? You have been feeling like you HAD to trade, even when things were going wrong and you couldn't find a good trade in the old way? Basically you thought that you were bigger than the discipline you had, and you didn't need it. This is what euphoria feels like –not giddy but just moving away from the solid, stable pillars of your discipline, and that it doesn't matter. Thinking you are bigger than the market is deadly, and the consequences of this thought are bloody, I am here to tell you. **Remember when CD has said that the problems of success are more difficult to understand and to solve than the problems of failure?** Well now I have some experience of what that means. I had a wiggle and a bounce when I passed through my "personal E-TOP", now I am reacting in a more violent way to my personal 5/9 down.

Comment: here is someone, dealing with positives, and unacustomed to same. Negatives float around, haunting, enjoying themselves, knowing, they are welcum, and has a feeding ground of fresh young positivity sprouts. Solution? : start to throw the negatives off the bookshelf, and start to load up on positives,, becum aware,, leave mankind in the dust,, u are not doomed, since u are aware ! Also, Drummond agrees with Ouspensky, in that if man had fewer words, he wud be less doomed. - & less information ! The 'Information Age' is driving us all mad ! - see "end result", bottom pg. 7

The fact is that many of the above positive events lead me to shift responsibility for my trading to somewhere else – to " * ", to the market, to the fact I don't have "enough" capital.. Then there is also this tendency to look to another,,,,,, etc, as a "bail out" or something akin to that. I think the "bail out" has to do with more recognition of the stress that success, from movement away from the familiar, and from myself and comes from change of my internal picture. What would it mean if I gave up the hard grinding push to force trading to "work" ? What if when I had a good trade, I quit for the day and just lazed about. How could I justify this to myself. Just lazing about? What? A movie in the middle of the day? Me? I don't know how to handle success. I have to learn.

Comment:,, work at it,, all your life . Becum familiar with positives, so that they are U're internal picture, & not that of negatives. Work on your library of patterns & positives !

from: FRANK (Drummond will reply to each of items listed.)

1. Think in probability.

Do not think of only one scenario. An unexpected event may tip the market in the opposite direction.

Better to consider also "the less probable" scenario so as not to be caught by surprise. Also think in terms of "what could go wrong" and what is your contingency plan should the unexpected happens (when do you know that things are not working out and where your stop-loss is)..

Comment: This is the same as 'monitoring', put in a different way. Viewing the 'less probable' wud indeed prepare for the unexpected. This is the same as our dialectical process, of looking at the positive and the negative at the same time: both sides of the argument.

2. Do not think in terms of being "right" or "wrong".

The market is never right or wrong; so do not put your ego on the line. The market does not need to obey your views. The market is neutral; it treats everyone as equal .

Comment: No matter how much u try to force u're thots on to the mkt., its energy controls u, not the other way. We are all machines, caught in the web force of life energy, etc, etc. See Graph on cover-page.

3. Following from above, do not over-analyse the market to the last degree.

The perfect setup may not come. There is "no sure-win trade"; there is always an element of risk that things may not work out. It is a matter of probability of winning. Let your trade plan and money management take care of trades that do not work out.

Comment: Drummond panics when the perfect setup comes, since that usually means the opposite will happen. If the mkt. is healthy, its dialectical will have apposing energy fields that appear equal. When one side is definite, watch out, although usually, hints are everywhere, but, they have to be monitored. It is when a pattern does not appear to have to be monitored, that exactly that time, it needs to be monitored. Such is the nature of lies: they are sweet ! Also, note pg.49, on 'fixed ideas'.

4. Avoid "tunnel vision"

Traders must make money; so there is tremendous pressure to focus on the mechanics of trading (looking for a signal to buy or sell; watching the position; take profit or cut losses) and to concentrate on the lower time frame (hourly, 15min, ticker charts). **Natural tendency to lose sight of the bigger picture (e.g.: the 3 time-frames) and to fail to develop a conceptual framework of understanding the markets .**

- a. Useful then to work out the support/resistance, especially of higher time frame. Then if prices are fluctuating in a range between support and resistance, the trader need not get stressed watching every tick ,or so frightened of the market turning against him and take profit prematurely.
- b. Define which time-frame he is trading.

Comment: the big picture, comes from 'Knowing Where the Energy is Coming From': per paper presented 1995.

6. With the need to make money (and for some traders involving million of dollars), there is an egotistic pressure to "deny" a losing trade (ascribing it to bad luck, or market volatile etc). This inability to admit to oneself or peers of "getting it wrong" prevents the trader from learning from his

mistakes, since he did not admit it that a mistake was made in the first place. The right question to raise from a losing trade is "What can I learn from it? I am willing to learn.", not "I cannot be wrong, only the market is. Therefore it is not my fault."

A losing trade is a traumatic experience. A trader may then avoid taking trades with a similar setup because he associates it with the pain. Conversely a trader, having made money from a profitable trade, will be looking for a similar setup. I have known foreign exchange dealers who made money by just selling the US\$. When the trend turned, they found it impossible to buy US\$ even when the trend was obvious. There was a mental barrier to overcome. A clear/unambiguous definition of a trend/congestion may be needed to inform the trader (or rather his sub-conscious) where the market is heading. Only then can he trade with the flow of the market.

Comment: Most traders walk into the trading day, with 21 wintercoats, to protect themselves against the sea of negatives, but, they are not enough. If coats gone, then they are not needed. They will be gone and unnecessary, when negatives no longer have an affect. Start identifying and taking those negatives off the bookshelf, so the warmth of positives will encourage u to take off some coats, until they are gone.

7. Essentials of a methodology to focus on:

- a. Where is the market heading (trend, congestion entry, congestion, congestion exit).
- b. The support/resistance of the market, especially of the higher timeframe
- c. Define which time-frame the trader is trading (Daily, Weekly, Monthly)

With a robust methodology in place, the trader can then develop his understanding of the market (which markets are suitable for his methodology) and his money/risk management.

Comment: agreed,, but, then along comes the need for another winter-coat.

8. Matching methodology with personality

A trader must find the **appropriate methodology** for his given personality (strength and **subconscious preference**.) The basis of the methodology may either be **conceptual** (e.g. : P&L) or **mechanical** (the majority of systems found). For example, a trader whose strength is the ability to analyze a situation conceptually will not do well if he is required to use a mechanical approach alone in trading. This also works in reverse for a trader whose preference is to take every signal generated, and not wanting to think through the situation. This is the one aspect of psychology which I have never come across in any of the trading psychology books I read, and I believe is the fundamental basis between success and failure in trading. I reached this conclusion from my own experience and having observed friends who are also in trading. If the above is clear to the trader, he would know what to do and not be stressed.

Comment: a very good point: how personality determines how one thinks, in order to trade. Since there does not appear to be any work done on this, then here we have another opportunity for yet another expert. Worth checking out, how \what personality is. (read: Chapt.2.) Yet, being aware of your personality, is well,,,,,, a step in awareness ! Excellent. Also, note books mentioned, pg. 147-9 .

from: RAY

I am always interested in the **psychology of just staying with a long position**. It's my thought that the money in trading commodities is made in just getting on a position and staying with it. How do you keep out all of the extraneous matter and don't get influenced by the chatter of the market, brokers, et cetera. How do you learn to have "nerves of steel", and get on a position and just 'ride it' ? Charlie, I would be very interested in a comment or a discussion on how you approach a position and how you simply stay with it, assuming that you do.

Comment: depends on how 'long' is? Catching monthly patterns is certainly one way, and the same for yearly, and five yearly is certainly one way, for long term trades. And we certainly know how to do this. To avoid 'extraneous' matter, involves skills of awareness. Without full awareness of time period usage, one will never know when a long term position cud exist, & then one does not know until it is all over, & during this process, u monitor with the basic tools of P&L. The easiest way to obtain a reasonably long term trade, is to predict the next month's high, low, per the paper to be presented tomorrow night; " Predicting the Next Week's High & Low", and then monitor same, with weekly, daily.

from: VICTOR

Thank you for invitation to engage in psych. paper. There is an area I am currently interested in and would like to do further research on this, anyway. I don't know if it is pertinent to what you are working on. I'm thinking of "attribution theory" coming out of the field of social psychology. That is, agent executes behaviour XYZ and this theory examines what is the cause of XYZ. People may attribute behaviour to one of two things: either disposition of agent or situational factors. Each person, says the theory, makes these sort of attributions about his/her own behaviour. I'm curious about the relationship between attributions and self esteem. I am also testing a belief that a social system can use characteristic styles of attributions in order to cover-up injustices. For example, the dispositional attribution may be that a person is "oversensitive," rather than a situational one which would require the consideration of inherent systematic injustices. My concern about the theory as a whole, however, is that it handles all of human behaviour with an excessive "determinism." **Perhaps one can act in a manner which contradicts the effect of personality factors or social factors.** I am suggesting that there is such a thing as "free will." Can we circumscribe our natural inclinations or peer pressure in order to do the "right" thing, or for that matter, the "wrong" thing? I think so, perhaps. Of course, now I'm dragging ethics into the whole business of human behaviour.

Comment: we are machines, made of machines. My mood, or situational factors, are driven by energy: my energy, all my machines : see Drummond Psycho chart. The above use of words, is an example of 'language', discussed by Ouspensky in Chapt. 2 . Free will is determined by energy, & energy can be affected by input, such as the amount of negativity it is dealing with. Note, herein, also the morass of psychologists: all with their own theory, too much information, driving us all mad - see pg.11, & 147 .

From: REGGIE

Hi Charlie: _ I don't know how my 'simple' understanding of psychology cud possibly be of any help, becus it seems to me that most everything on the subject has already been written about. But, also, I have noticed sum things in my one full year of watching & learning & a little trading: i.e. The fear of losing money:,,, and the only thing that seems to diminish this fear: that knowledge, more knowledge = less fear.

Comment: awareness provides knowledge. Awareness makes negativity disappear completely, yet, this is a lifetime work, since even a positive can become a negative. Get u're machine organized ! Know its parts.

Another curiosity is how things start to go awry, at what seems like a critical point in my learning. Just as I am feeling confident in applying a system you have helped me to develop, I suddenly have computer and software problems, at the same time. Now I can't even get into Tradestation. It sumtimes seems like a test on the psyche: to give up: or develop perserverance.

Comment: u're energy fields are just normal. Do not react. If Tradest. does not work, just do what I do, and go out into the fields and scream.,, One thing about markets: they are not very 'physical'. Drummond finds markets easier than physical items, and has yet to learn how to be aware of the pleasures of hitting the thumb with a hammer.,, he will work on it.,, work,work,work. Markets are conceptually based: hammers have a mind of their own.,, in fact, they are rather mindless.,, like a machine.,, come to think of it, not too sure if want the hammer to become aware. I prefer my own machine.

One last thing, that I remember us talking about, & hoped that you wud address, was ' A stop that we want taken out'. Probably not much to do with psychology,, but,, then again.

Comment: ' a stop u wanted taken out' means, a stop that likely will get u in a better position, to take on more contracts. The first contract, is so that u will not miss the energy in the first place. Sell 2, in first place,, stop out one,, at stop point, then immediately sell 3,, monitor carefully, and out of there quickly, if stop that was meant to be taken out, does not create energy in the direction u anticipate,, this is a topic I shud not discuss.. cud be rather difficult pyschologically, for the unaware.

Probably won't be in Chicago,,, 2 jobs & prior committments, and will certainly appreciate a copy of your manuscript. I'll read it again & again, just like 'Knowing where the energy is coming from.'" After all, this is how I got over the fear of losing money.

Comment: if u know where the energy is coming from, then this means that conceptualization and awareness is developing. U, then have to focus down, towards simplicity, fewer words, ideas, towards "Pattern Picking".

from: MARVIN

Among the things I am mailing to you on Monday is a copy of a brochure touting "The Second Annual Congress on the Psychology of Investing." This will be held in Boston June 17-19 and is sponsored by the Massachusetts Mental Health Center,an affiliated teaching hospital of Harvard Medical School.

Comment: There go those 1,000 experts again ! - driving us all mad - see pg.11 & 144. No wonder mankind is doomed. All these experts, who function to survive in their sleep, to make a living. Truth is always bitter: lies sweet.

My first reaction to your request is that you already know more than enough to address the topic. In looking at the mass of material I've collected from Van Tharp, Elder and others, the first things to pop into my head having to do with psychological issues involve

- 1) pulling the trigger, and
- 2) issues concerning worthiness to win.

Those, therefore, must be my issues!

Comment: *life is a lie; 'pulling the trigger' means u have no fear, u're library is full of positives and that negatives have no place in your life, nor trading: u have no chaos, no confusion, the stuff that negativity feeds on,, negativity is a very powerful, structive force,, after all, that is how it survives. " worthiness to win", has no place in your library: u are worth nothing, since u are nothing: u are a machine. Who determines your worth?,,someone else,, another machine?*

from- CMI

(Commodity Management Inc.-Chicago, where this presentation is delivered. CMI has been teaching P&L concepts for 6 years, and will now not be doing same, as all their time will now be devoted to trading. These presentations, of "Psycho-Paper", "Pattern-Picking", "Predicting Next Week's Highs and Lows", are given as a positive to their positivity, & in respect to their 'keeping the faith": the faith in building awareness.)

In discussing the topic of psychology ,, we have come up with the following *areas in* psychology that seem esoteric to us, and some of the traders we talk to:

- 1) Does self-esteem play a role in one's success ?

Comment: *it shud not. Awareness does. Some say that all mental illness is related to self-esteem. Low self-esteem is a library built on negatives. A machine that is asleep, even when awake. Read Chapt. 2, twenty times.*

- 2) How do you face the fear of executing the next trailing signal after you didn't execute your rules during a current opportunity and it would have been a huge winner ?

Comment: *pain will surface. It will cause u to freeze in future trades. The library fills up with negatives. Be aware of the situation: identify the negative, and it will go away. My reaction to lost opportunities is: " oh , well ". Then, I await the surfacing of pain,,, watching and alert, since know it will come,, when it arrives,, I cut it off,, ignore it, identify it for what it is: a negative,, it defuses immediately,,, and then I mutter to myself, something along the lines: " well,at least I will not have to worry about the money.",, which basically turns the negative around, with another negative, which has a positive tilt. The original pain is gone, permanently. Also, the issue of the 'psychology of money' , which is addressed elsewhere herein, comes to surface, since what does it all really matter anyways? If I had only \$5,000, and cud have made \$15,000*

on the move, which wud have emotionally meant a lot ,, (which it shudn't), then, wud simply say to myself: " It has to be. It is a machine ". Practise at not allowing negatives to get hold of u: this is achieved thru awareness. Anyways: if u see a move that is underway, and missed its early stages, then if u know P&L, u know how to get on board a trend, & u also have some idea how long a trend will last, & how u monitor it .

3) How does a trader stay totally focused on the job at hand?

Comment: u cannot, and that is the key. U cannot be aware all the time: u have to work at it. The trick is to have patterns which monitor the reality, and occasionally glance at it. 'Tickitis' is not awareness,,, it is an modality that prevents awareness,, a slave-master,, the human condition has tickitis, & information overload, and it is doomed,, only working on awareness, brings alive the energy of positivity, which in itself, increases the longevity of focus. We are machines. (Read Chapt. 2, 20 times)

4) Learning to accept that being successful may only take a winning percentage of 35%-45% ,while our whole lives resolve around trying to be close to perfect.

Comment: Interesting idea, but, who says u have to be perfect? Other machines? Become aware. Perfection is impossible: awareness is impossible. We know nothing. We are machines. A perfectly running machine, is perfect, which is impossible. Perfection is a negativity, waiting to be born: it is losing its positive energy,, the end of the line. Try to be aware: not perfect. And, yes, winning 35% of the time, can create financial success, & then on comes the 'success button', which likely is built on negatives, a lifetime of negatives, 21 winter coats, & our bodies have little exposure to the warmth of positives,, then guilt arrives, with all the happy little munchers of negativity, which feed on positives. Cancer is a bit of a negative, and needs healthy tissue in order to survive: so does communism, corporativism, fascism, & all power structures, since force is their bloodline. Even blood has been let, in the name of love.

5) How does one prepare themselves to accumulate large sums of money when \$50,000 annually is the most they have ever made.

Comment: this is a negativity issue, and must be identified right out of the box, and it will go away. Create your own reality, thru awareness. Build it on positives. Negatives have no place in your life: leave mankind in the dust. \$50,000 a year ! What a wimp! Get a life! Look at the rest of the world, to see what \$50,000 a year would mean. Really ! Maybe, what De Tocqueville said, over a hundred years ago, about America, & it's Disney-Land like mentality is true: "Nothing so petty, so crowded with paltry interests, in one word, so anti-poetic, as the life of man in the United States". If U are an American, careful how u react to this. Good training on negatives and awareness. Besides, if this is true, then the opposite must be happening: negative becums positive, positive negative, especially if dealing with emotions.

6) Working a real job versus trading. One can make thousands in trading with little physical or mental effort. HOW DO we get rid of the guilt. (Our fathers worked so hard to bring home \$400.00/week and we can make/lose that amount in minutes).

Comment: Do u know where the word 'guilt' comes from? It is the Dutch word for 'tax'. Guilt cud be identified as a negative. Observe negatives, identify them, become aware, leave all negatives at the door,, they are not allowed in. Chapt. 5 has some ideas on how to handle some of these things,, but, chapt. 2 is the best. Also, be sure to consider the issue of

neurolinguistics, in efforts to remove negatives: virtually remove from your vocabulary, the phrase: " I'm sorry ". The closest Drummond gets to saying same is to say: " I never say I'm sorry, unless I mean it. And, I do." Drummond has likely said this twice in the last ten years, since is very careful in trying to create negatives for others, since if tries to remove from personal environment, it goes without saying, that will likely discourage creating for others, since the issue is to remove negatives. Drummond enjoys seeing the positives grow in others, and this adds to his own positivity library. A life building positives, makes the word 'guilt' redundant, and usage only for tax authorities, since their function is to consume positives, being a negative built on the word 'guilt', & 'power'.

7) being the bread winner all your life (with little risk) and now moving into an area where risk is the name of the game.

Comment: very difficult, becus love is involved here, and love is a positive force, and negativity simply luuuuuvs, to work on it. Once again: awareness,, add plenty of dashes of money management. Do not allow any negative input from the family in,, do not react to it. With increased awareness, trading style will improve: it cannot if negativity is allowed in.

8) Fear of missing out on the 'move'. Especially, if you hear that another trader is already in that position.

Comment: another negative. Deal with it: identify it. If feel it, aware of it, then this is the first step. Next step; practise getting rid of it,, any first steps in removing a negative, is the long walk along the lifetime road towards awareness. Worship the devil, if u have to.

9) Fear of not having the capabilities to become a proficient trader: **bad organizational skills, being a slow learner, no discipline.**

Comment: u are a machine. Get used to that fact. Awareness will increase positivities, which will enhance focus. Ouspensky addresses some of these issues. In some ways, this person is more aware, than an intellectual,, check it out.

10) For the trader who does not use stop orders, how do we keep our losses from getting out of hand and from always thinking that the position will eventually turn back in my favor.

Comment:if u are monitoring,,, being aware,,, conceptually based, that something is wrong: then all that is left, is having a minimal amount of negativities in your library, and pull the trigger, and get out. With lower time period monitoring, u shud know immediately, that something is wrong: monitoring is awareness. So, is conception: conception increases with awareness,, it is that simple,, until u are aware.

11) What are the steps to becoming a proficient trader.

Comment: awareness, awareness, awareness. Understand, then build on the positive of your first 'understanding'. Understand , conceptualize: choose some patterns that are well researched, and conceptualized, then monitor them,, build slowly,, remove the negatives completely,, build on positives,, monitor,, be aware.

From: LARRY

Charlie: you did a lot of work years ago in preparation of "How To..". There are 2 or 3 psychologists advertising their wares constantly in Stock & Comm. Mag . . ., Investors Daily, so obviously a great deal of interest in by traders. Unfortunately, you & I both know that **self-awareness is the key**, so will think about that area over the week-end.

Thank you for the opportunity to share what trading psychology means to me. I have been a P&L advocate since my receipt of your "How To" book in 1982 to the present status of being one of CD's "Advancers".

(1) First and Foremost - A belief in yourself and a strong belief that money can be made in the markets - stems from a "psychology of optimism". If it is not innate in you at this time, it can be learned, (an author by the name of Martin Seligman wrote a book on it).

(2) A strong desire to find out "what works" in the markets to make money! P&L works - prove it to yourself by verification - whatever how many 16hour days it takes to pay that price - paper trade in real time for x many days, months - you must back up your belief with your own proof.

(3) This takes us to step 3 which is your own P&L model/system (dislike the word system since it denotes a lack of learned personal discretion and intuition.). P&L provides a wealth of information for any serious trader to accomplish a personal model of high probability trading !! What should a P&L student anticipate when a 5 min P&L dot is sitting on a one hour P&L dot that is sitting on daily support vis a vis a dly 59,52,etc. Do we have a 90% probability here? If we do, based on your own observation of historical data then you know its time to pull the trigger! This example represents oversimplification of P&L's many analytical joysticks but becomes a starting point for the development of unconscious/consciousness in the mind of the high probability P&L trader.

(4) The high probability P&L trader is a winner because he follows his own model of P&L analysis ~ has it written down either on paper or etched permanently in the sub-conscious so his rules are not stretched or broken including his money management rules!

(5) So the psychology of successful P&L trading becomes simply the process of knowing and understanding where the highest probability trades lie in whatever time frames(1) your comfortable in trading.

For this student it has evolved to strictly day-trading the five minute S&P chart ,but always having the wary P&L eye on the higher time periods of where daily and weekly support/resistance P&L lines are waiting to be tested!

The above has represented my psychological focus for success in the markets!

Comment: this person is at some stage of awareness... note the minimal of negatives. This person has worked, worked, worked, and is still working. Get on with it! Simple awareness does build self-awareness.

From: ESTER

It's hard to know what's meant by "psychology"—we'll assume that we mean anything having to do with the "you factor" in trading. Our biggest issue is two pronged:

Comment: Exactly! There is no such thing as 'psychology'. It is rubbish. Historically, it is 'philosophy'. Better to look at in terms of philosophy, using the wisdom of the ages, or view in terms of professional people, such as psychiatrists, who have skills in surfacing self-observation and awareness, or schools or sources of information that increases same.

- —not pulling the trigger when the situation is right, due to a fear of losing money

Comment: deal with negatives,, get rid of them, completely,,, work on becoming aware.

- —pulling the trigger and jumping in when the situation is not right, due to fear of missing the trade.

Comment: a well stocked library of well built and nourished negatives. Identify.

- —getting out too early, because we've gone too long without making money

Comment: there we are: "riding the crest of fear". Identify. Identify it the moment it surfaces: it will go away. How do u 'identify'? Watch, observe, recognize, do not react to it,, this is done thru awareness. It can have no control over u, if it does not control u: u are a machine,, awareness will create the machine required for the job. Awareness: work,work, work.

It all comes down to discipline. How do you make yourself 'be disciplined'? The big question in a lot of areas of life, really. Can you teach psychology, or discipline? Or the process of getting over the fears? Or is it just a matter of doing? Are there any "exercises" that are helpful? Pep talks help, but only so much.

Comment: how do u make u'reself 'disciplined' ? Work, work, work,,, develop skills of self-observation which then releases awareness. Can discipline be taught? Yes: re-read Ouspensky at least twenty times. Get to know the tune of awareness, through self-observation,, some help exists in chapt. 5 as well. The only exercises that help are those of self-observation, awareness, identifying,, psychiatric assessment,, but, one has to start ! Then, awareness is a lifetime issue,,, u leave mankind doomed, and in the dust. U will know when awareness is increasing: your energy levels will increase, with more 'stamina'. When u are aware of ,(thus do not react to negatives,) then their energy draining force, cannot apply. U will be astounded at the energy supply, when u turn on the lights of awareness, & u will see so mcuh that is exciting & beautiful.

From: BRUCE

Even more fascinating is the fact that I have had periods of very efficient and successful trading - the type of results I visualize should be gotten with objective trading decisions and money management. But, I have invariably resorted back to a lack of discipline - usually by a string of losing trades that make me want to bend the rules for a winning one. Part of this phenomenon is the fact that winners never give as much gratification as losers do pain.

Comment: this person has learned that losing is more interesting, and has more energy

attached to it, than winning. Yes, I have found, that winning can be dreadfully boring, and will often make a bad trade on purpose, just to get the juices going,, but, unfortunately, like in the above, the intended losing trade ends up a winner,, & that really confuses me. (this is partly a joke, but, it has happened,, and indeed, I become stunned and literally freeze. On occasion, I am so dumb-struck, that cannot turn on the awareness-button, and on occasion, the negativity has sucked me in, and lost tons of money,, interesting.)

On a somewhat related subject, I am reading a book that could be of interest. I have been reading it solely for the benefit of some spiritual growth, but, it occurred to me in reading your letter that it also applies to psychology quite readily. It is called "Sermon on the Mount", written by Emmet Fox in the 1930's, went out of print, then was renewed by a woman (forget the name), in 1966. On the surface, the book can be seen as a 'religious' book, but I am referring it more on the philosophical side. In particular, you once mentioned in talking about energy, that even "thought patterns have shape". This sentiment that thoughts are in fact real, and sooner or later manifest themselves on the 'plane of action', is spoken of at length in the book.

Comment: the spiritual elements can be most important. That is why, u will notice, in this 'psycho-paper', the skirting of the issue, but, it is always there. The spiritual issue has many dimensions, and here we get into, or back to, the basic tenet of what is called 'psychology': it is actually 'philosophy', and historically speaking, that is what it is, and thus one shud jump into spiritual realms, to increase awareness: this wud include biblical reading, becoming involved in the '4th-space', Ouspensky, u name it. One of the world's foremost fund managers, Sir John Templeton, every year, rented 'Massey Hall' in Toronto, to report to shareholders, and it always started off with the Christian element: prayers and much more. Removal from life, of the determinist/humanist/communist , power-structure mode, towards the more historical spiritual, philosophical, '4th-space', biblical, etc mode, increases awareness,, it has to, since that is what it is. Perhaps, when the current power structure, that may remove cash, encase us all in the electronic concentration camp, and the world order bloodbath being 'planned' and most certainly, contemplated, as mentioned elsewhere unfolds, then skills of awareness, may enable one to leave mankind in the dust, and survive: better get working on awareness. Perhaps, that is what the 'wisdom of the ages' is trying to tell us.

From: DREW

Re: your query on psychology: very complex & difficult to express. I think that there are basically 2 main areas a trader should think about - the simpler the better, " **keep it simple** ": that is **proper motivation & removal of stress**. The 2 are often inter-twined.

There is good motivation, but also, we forget that there may hidden poor motivation, as greed. Greed can destroy a trader. Set an achievable goal & stay with it.

" The not for real goal " - , a trader , who either inherently wants to self destruct, a mild form being one who won't pull the trigger, inspite of good "signals", in his trading rules. So, good motivation is where a trader wants to **earn reasonable income**.

So, what can destroy good motivation, besides greed & those who want to S.I.F.(~self inflicted wound). First, what is your **mental status before the trading day starts?** One should be in good mental state,

or else don't trade. Poor mental state, can be difficult to determine on one self, but ask self these questions: did I have a good sleep, am I hung-over, did I take sleeping pills last nite or drowsy taking antihistamines, did I have bad nite from arguing with spouse, etc. In other words, your mind is at "peace". Think about it in a.m. ~ say I am O.K. ~ ready for trading.

Focus or concentration go with the above, if you lose it, you S.I.F. The average person can only fully concentrate for approximately 40 minutes. So, take a 5-10 minute break; get a coffee, look at wall paintings, etc., , then go back to it.

This is voluntary self-regulation!" It is the ability to "calm the mind" & **requires practice & should** become a natural part of you- if you are to be serious in the game of trading (ie. trading can be fun & exciting.) Then one may also **enhance normal levels of mental performance.**

Inter-Twined, then, with the above, is stress. The more stress, the poorer the trading results. Stress can be genetically predisposed, & also affected by diet, exercise patterns (lack of), environmental influences, alcohol, tobacco, divorce, moving, changing jobs, strained marriage, or &/or kids, etc. So, if under stress, don't trade.

For "simple" stress,, as with a big trade on, try relaxation ~techniques (voluntary self-regulation). There are several techniques as relaxation exercises, with eyes closed, occasional deep breathing & slowly allowing muscles to relax. Or close eyes & let mind go blank & repeat to yourself eg, -" I am very quiet " ~ Or use self-directed imagery ~close eyes ~ develop a scene in your mind as being on a Caribbean beach (I prefer the nude beach scene „ho), skiing, etc. These are abbreviated, but I think you get the idea.

By way, one could use this story to conclude talk on trading psych & concentration: "Like the chap who got fired at the orange juice factory~—he could not concentrate" !!!!!

Comment: the above P&L'er offered suggestions as to what to do. Thank u. The 'technique department' is very important. It is mechanical. We are machines.

from: Hal

Charlie, are you sure you want to do this ? You could end up as the pet shrink for all the traders out there, and **some of them have got a lot of problems.**

To be serious, I think you hit most of it bang on in How to.. **You have to know yourself.** You need to be able to read the "tells" about yourself, the same way as a poker player reads the other players. For example, many years ago when I was trading in the spot fx market, I would sometimes say to a colleague "this is very interesting what the market is doing". This actually meant, I am buried, I don't know what's going on, I've given up thinking about it and I am just hoping that the market is going to come my way." This, of course, is coming from a full time "professional" trader, with a good track record. So what happens with an amateur? They don't have the profits to back up this type of failure and they are normally finished or they are using funds up that they will never recover. To get over this problem I think you need to have studied Transactional Analysis a bit , if not a lot. I

would read both Harris and Byrne. Get to understand what triggers the brain to react. Get to understand why you are in the market in the first place. Is it to make money or to have something to talk about at parties? I have a situation at the moment where I am being moved farther away from trading than I have ever been because I am considered to be too old. Some of the guys who are the right age (25-30) have the psychological profile of a dead gerbil. They make money when it is all happening normally, but, cannot receive new information when it goes wrong. Even when the information is there, they cannot see it or even refuse to listen to it. The brain has gone into overflow mode.

From my side I started to get annoyed . So we come back to the question of why I got into trading in the first place. To make money. I am making more money now from talking about markets to our dealers and customers than I did when I traded. So why have a hang up. Knowing this fact takes away the pressure. I don't, therefore, need to prove anything if I move back into trading. I am, psychologically neutral. So the risks taken at trading will be risks connected with market action not office politics. It happens all the time in dealing rooms whereas I think many private traders are competing with each other in terms of Kudos. The trade is made not just to make a profit but to make a social point.

Oh, before I forget, Mark Douglas's book The Disciplined Trader is quite good from the New York Institute of Finance, but it wouldn't hurt just to go back and read "How to,,". Most of it is in there although I suspect many people don't see it that way.

Maynard Holt (Advanced Market Analyst software), who says that you know each other, did a seminar here in the UK and spoke about losses. He said that if you expect to win 80% of the time and you take a loss, what should you do ? The answer is to say " SO WHAT ! " You know that 20% of the time it should happen, so why the big surprise?

I think that mentally though many traders will equate 80% with "nearlyalways" and nearly always is not far from "always" ,so, a loss is a disaster.

I think it is a good idea to back track your ideas into old data and see how it performs. Back tracking keeps things on line when things are not going so well. Know that bad patches are normal. Can see what is going wrong and don't panic. Probably lighten on trades for a while. Then increase them. This is different to a private trader who often increases his trades until he loses and then decreases them until he wins. Many trading profiles have a typical LOSS LOSS WIN LOSS LOSS LOSS WIN WIN pattern and so they lose overall.

With 5/9's I tested the reaction on years of data, by hand, not on a computer. I looked to see what they liked, what didn't work. When the controlling 5/9 switched position. When the probability is low for a 5/9 to hold. In short all the numbers were looked at in all time periods right out to annual 5/9's (not enough data for your 5 year 5/9's). The end result is that I am comfortable with knowing what the market is trying to tell me. I also know when I don't know. I am happy to say "I don't know". If you don't know, then try and find out if you have missed something. If you still can't find it, don't panic, just don't have a position or bring the stops in very tight.

Now **STOPS** - You could do a PHD in psychology on this one.

In 1990 in Scottsdale I stated that I never traded with stops. This has changed because the game is different from the employers side. In '90 I would trade until it felt wrong to be in. If the market was not doing what I thought the numbers were telling me , I came out. Not taken out, I came out. The boss was happy that I would make a good profit on the year. He didn't care how it came about within reason.

He knew that even if I took a rare big hit, overall we would win. Since then I have had bosses who have never had this type of trader so they can only equate with guys who must be controlled tightly. Therefore stops must always be in the market even when it is wrong to do so. They, the bosses, cannot psychologically cope with the risk being controlled by someone else. They still mentally need to be the trader and therefore set rules that they deem to be safe. Now if I were to trade for myself, I would probably trade with stops because a big loss may not damage the overall available funds (to the extent where I am severely hurt) but it would damage the ability to trade freely. I would be trading from a level of fear not from what the market is telling me.

I want to be able to say, even if I use stops, "This market is topping here and I want to sell it. I don't know the correct stop level but I will recognise when it is wrong to be short." I know the maximum I am prepared to lose but if I put the stop at that level it makes it difficult to come out earlier. This mental dynamic stop takes a lot of will-power to control. You have to be able to say to yourself "Great idea, pal but you are wrong". Very difficult to do, especially 30 seconds after you put the trade on in the first place.

As you know, I have for years been on the point of going back to trading for myself but the risk/reward is always on the wrong side. With a wife and two kids of school age (and a mortgage) I need to maintain a steady income. So what happens if I trade for myself? If it is my sole income then it will not be as easy as if I had another source of funds. The pressure would be there to constantly win and not to lose. To combat this, I reversed the usual profile. Analyse, trade, count profit and loss. I took the necessary profit, looked at the volatility of the market I would trade, and analyse which P&L numbers worked best on the number of lots I needed to run.

The number of lots was far bigger than those considered normal even by some locals. When I ran the numbers by one of them, he was amazed. He realised that he was seriously undertrading the market. Now from my side the risk/reward profile is coming back fast to the point where trading from home is acceptable. It is still not something that I need to do as I am not at a stage where my long term plans are under threat from working for someone else. If that changed or I lost my job (which could come at any time with all the downsizing), I hit the ground running. No psychological hang-ups, no "Why me?". Just "Earlier retirement here I come".

Comment: "You need to be able to read the "tells" about yourself, the same way as a poker player reads the other players." Yep! **Work, work, work.** There is a lot in the above missive, as in other contributions by P&L'ers. Drummond believes they shud all be read many,many times. **Work, work, work: it increases the energy level, and awareness, and awareness builds energy, since stands on positivities.** Drummond has tried to pack a lot of information into this paper, doing his part to drive mankind mad. It shud be read continually for a period of 6 mths, so that u're machine can get going on an organizational path.

from: KIM

I think I told you in the past that I had studied Symmetrics under Robert Krausz. It was actually from this, that I reached the conclusion about matching personality with methodology. My strength had always been in thinking thru concepts, which explained why I was never comfortable in just executing the mechanics of symmetrics. Had I not come across P&L, I would still be in the hole without a means to climb out. However I had made some very significant discoveries, which enables one to tie in multiple time-frames and filters out the noise generally found in mechanical systems. I have also learnt to combine it with P&L.

Comment: well, it may help, for some people, to find a mechanical way to apply the conceptual

aspects of P&L. However: is that not "what monitoring with lower time periods" do? Yes, the 'School' of Drummond is conceptually based, as its basic premise, & then moves on to the mechanical.

P&L., being conceptually based, assists in the development of awareness since it deals in dichotomy, the dialectical, & will enhance life in general,,, but, it is always an ongoing work, to study, observe, watch, to be aware of the positives and negatives,,, the trick is to at least continually balance the two, and especially not let negatives force one to wear all those winter coats.

from: SAMBO

I am looking forward to your psycho insights. Seems like many of these principles are known – **objectivity depends on full clear vision – full vision depends on no fear and no anxiety – no fear depends on acceptance of risk and discounting of same so as to maintain independence and balance – no anxiety depends on repetition, which means experience backed by stone old understanding of theory and historical analysis – and if can see clearly, then have to see both sides and maintain cases for both sides in mind at all times, also for independence and balance – and then through mkt analysis also have to have an "edge", which is the same thing as saying a probably outcome – if probably outcome is clear then whenever you see it you have to take the trade, since you never know when you are right or wrong in any individual trade – but can know with confidence that your "edge" gives you the probability advantage over time, 7 of 10, 8 of 10, whatever.**

P&L's great strength is that it can give you a very substantial edge once you lock in the insight and analysis, better than anything else I know of anyway. If all these things are in place, then results should be good.

Things that interfere: growing size, which makes each new level of winnings a new environment, and which then requires the trader to become accustomed to the environment – this means new elements of fear to be conquered by acceptance of new risks (should be the same percentage of risk but the actual numbers make it seem different) and also the issue of accumulation levels and growing wealth enters in, with accompanying issues of self-worth and self-valuation.

Tricky thing is that the natural human state mitigates against key issues in the above, in particular the ability to be objective and the adherence to the analysis of the edge pattern. The natural human state is to belong to the group, and to be secure with the crowd by not being different (I am "wrong", the market is going the other way) or by being apart (I have to get back to the group). Warm comfortable feelings are the norm when fully accepted by the group; trading required that humans go against the grain and experience the opposite of warm, comfortable feelings, taking positions when everyone else is not taking them, or at the opposite extreme from what the crowd seemed to be doing, or taking positions first before the crowd follows along. So the answer or the antidote to these tricky areas is that we must expect feelings of isolation, loneliness, differentness, discomfort, etc, and get used to them so they hold no power and the ability of these feelings to influence our actions is greatly diminished or eliminated entirely.

The other tricky thing is that we have to maintain our vigilance against the innate "draw" or

"attractive strength" of these fundamental emotions all the time, they never go away permanently, because we are human, and we have the human need for contact, for tribal or herd-like or family or clan togetherness consequently we are always susceptible to making trading errors based on these feelings.

These errors happen particularly often when we are stressed, as when we are tired, or overwhelmed, or trying to do too much, or when we are ill, or when we are euphoric and have flooded our system with the happy feelings of great confidence, grandiosity, invulnerability, invincibility, etc. These states make us vulnerable to the errors that come from not being objective, not seeing both sides, and not standing apart from the crowd.

Well I seem to be getting carried away here. What I mean to be saying is that **these principles and psycho-dynamics are known, and when some experience builds up then they can be recognized within one's own personality and actions in trading and in other areas. But the thing is, we have to live these principles, and watch them constantly, otherwise we can slip and fall.....**

Comment: that is some sure fine aware P&L'er ! Do u want to write the book for me? Cud u imagine how well I cud get the message across, if I cud write like the P&L'er above ? Drummond's problem is his minimal skills in communication: they do not bother me, since observe same, and have identified them, but, am aware that this is true. Since Drummond is so conceptually oriented, he has difficulty with the 2 C's : clarity & conciseness. At least I am aware of it, since presume to be aware, & perhaps that is the problem: too conceptually aware, not enuf of a machine,, oh well,,, a lifetime work!,,,he.

From: Deblin,,

Thank you very much for your letter from last week concerning your notes on psychology. Please find hereafter some thoughts I wrote down over the weekend. Feel free to contact me if you have further questions.

I have read, during the last two years, a great number of investment books. Some of them included a chapter on psychology, some of them were exclusively on psychology.

For my own understanding, I classified psychology (for trading purposes) into two categories:

- 1- crowd psychology (also called sentiment);
- 2 my own (the trader's) psychology .

Crowd psychology is used when sentiment measures reach extremes. I do not trust single indicators based on any one measure of psychology, because of the difficulty to define unambiguously, "extreme" A cluster of sentiment measures reaching extremes at about the same time, however, would be much

more reliable. I do not use these psychological measures in my trading, because of lack of data availability.

When talking about the trader's psychology, I would point to two directions:

a) Traits of Character: I spent 15 years of my engineer's career managing construction sites. My trading experience made it clear that the character of a successful trader resembles that of any successful businessman. Broadly speaking, it is the character of a mature adult thinking for himself, disciplined, objective oriented, taking full responsibility of his own achievements, and learning from, that is reflecting on, his own mistakes.

b) - Psychology of initiating, keeping, exiting the trade. This is the energy that is spent, or necessary, to follow the signals of one's system. This required energy is inversely correlated to the quality of, or the knowledge one has of the system being used. As I have not yet found a way to trade that satisfies my needs, (see my second letter dated May 7 1996), this amount of energy, has been considerable for me. I have had pain in my chest (=stress) for months, while I traded. Psychological difficulties in this case are, in fact, of secondary importance. They merely witness the real problem, which is lack of market knowledge.

- I know that a successful trader is from time to time hit by a losing streak. I ignore how his psychology is affected, because I have never experienced a prolonged successful period.

Comments: the above person, is yet to be a P&L'er. Will P&L remove the chest pains? This is possible, since will be forced to constantly monitor the reality, and be too busy monitoring same, thus having more focus, knowing what is going on, left to worry about monitoring, and not become a slave to an unknown. There is a chance here, that not having some awareness or idea as to what is going on, gives one fear. There is a loss of this helplessness in our studies, since when trading, we are forced to conceptualize, to think, to become aware, even if this process in itself creates confusion, but, at least, u know there is an answer somewhere,, u are not left completely to the vagaries of the market place. U worry about your position perhaps, and hope and even, pray; but, being forced to analyse constantly, gives one more contact with the energy, than leaving it alone, and having virtually no control over it, thus chest pains.

From: Bernard

I feel that trading should be simple. As social animals, we tend to complicate things, to over analyse. What is it I need to attain or possess, to achieve the art of trading throughout my life? Can you provide some thoughts on this?

Comments: Trading will become simply, when able to quickly analyse both sides of an issue, & this comes with awareness, which is a lifetime work, and when one becomes conceptually based, at which time, one can apply a mechanical approach, since it will automatically be monitored by noting the opposite, which created it in the first place: the dichotomy of the positive and the negative. The art of trading comes from knowing where the energy is coming from, and how.

From: Allen (this P&L'er forwarded sections of a book entitled: Zen in the Market by Edward Toppel,

& to follow is a section chosen by Drummond.)

SMALL IS BIG, BIG IS SMALL

How big a position you should take in the market usually is governed by the amount of money in your account. It seems that when you trade a small number, things go right. No matter what you do, you are a winner. Money rolls in. Your account swells.

Many people are not content to have their accounts roll up the dough. They will always want to accelerate the process of money accumulation. They reason that if they traded a certain size, all they have to do is increase that number, and they will increase their earning power.

Somehow, it just doesn't work that way. When we increase the size of our positions, a funny thing happens. We usually begin to lose money. And a lot of it. It all depends on how you increase your size. Weight lifters gradually put more iron on the bar. They don't suddenly go from one hundred to three hundred pounds. They go in small increments. Our minds are very much like muscles. They can handle only a gradual increase in the risk that we assume in the market. Too sudden a shift in risk size disturbs our equilibrium and sense of the market's ebbs and flows.

I'll give you an example. I know traders who are consistent winners. They trade a small size. In the S&P pit at the Chicago Mercantile Exchange, where I trade, there are traders who never trade bigger than a one lot. When they do, they invariably lose. They have found a number that their minds can accept. Some have gradually increased their number and been successful. Others have tried to jump from one to ten and were eventually destroyed. The market is like Santa Claus: it knows when we've been bad.

Eventually we reach a number that we can't seem to exceed. We can be successful at one level but not at a higher one. I guess there is a Peter Principle in trading, too. We all reach our level of incompetency. It seems the smaller numbers always work. Gradual increases in risk seem to work also.

Most of the big traders I have known eventually met their own Waterloo. Some are truly great and continue to trade huge numbers. Most, however, must return to being small traders. It has happened to me many times. The pain of losing lots of hard-earned cash eventually returns the ego to its **proper proportion**. Why is it that this phenomenon of size occurs? What makes it difficult to trade large numbers and continue to be successful? What magical power takes over when we've increased our risk and sense of adventure?

Knowing that this law of size increase results in a disaster, why can't we restrain ourselves and live with this truth? What keeps us returning to retest this great law? Our egos' insistence that this won't happen again seems to overpower our judgment. It can't believe that it isn't ready to be a bigger trader.

Our sense of self is enhanced by size, be it in trading large numbers, living in a big house, driving a big car, or owning a big boat. Our egos swell in proportion to the bigness of our risk assumption. Egos want to be bloated, and one way is to trade bigger than we are capable of doing successfully.

Egos often will deny the reality of their inability to function at a higher risk level. They will tell us that they have it under control this time and that they are strong enough to do well at a greater trading size.

The pain of being wrong seems to increase exponentially in relation to the size of the position. If we normally trade one lots and now we are trading twos, the degree of difficulty in acting quickly when we are wrong is not twice but perhaps five times as great. Herein lies the magic that seems to cast its spell on each trader's psyche. The pain to our ego is in proportion to the size of trades. Avoidance of pain is what keeps us from acting fast. Losing that fear is the key to success. We must trust the process.

Very few people have problems taking profits. The ability to take losses quickly is what separates the great market players from the also-rans. It is also what separates us from our money. This ability is a function of the ego's willingness to admit that it is wrong. The person with the smallest ego can take losses quickly. Also, the smaller position usually results in a smaller loss. The smaller the amount of pain the ego has to work through, the less time it will take to get it out of the way.

There is a paralysis that sets in when the losses begin to mount. These losses are much too much for the ego to admit. It would rather deny and postpone judgment day than face the truth. The greater the size, the greater the pain when we are on the wrong side of the flow of the market. It's easier to swallow our medicine when the pills are small than when they are big.

Comment: *this book has good info on what can trigger 'negative emotions'.*

From: Edward

In response to your fax inquiry regarding thoughts on psychology of trading, I have put together some old and new thoughts. Please forgive the rambling nature they may have, but, the concepts should be crystal clear.

15 or 16 yrs ago (?), you told us that trading is 90% psychological. At that time, I thought that was whacky, but, in the last 4 yrs of full time trading off the floor, I fully agree and believe that fact cannot be stressed enough.

Success in trading is dependant upon first developing a trading plan/methodology that:

A) is 80-90% mechanical in nature (consistently applied rules/parameters)

B) has a positive mathematical expectation (i.e. is a consistent winning method over 5-10 yrs. of data [longer database, the larger the focal time period, e.g. dly vs 60min])

C) thoroughly backtested by the user (don't trust anyone else's research at face value). This is **important** because it helps develop an ingrained and subconscious belief system to witness how your trading plan and each of its facets react over time. For example: if you've seen series in the past where you have 7 losers in a row and then 2 winners, then 7 losers again and the very next trade makes enough dollars to offset all those losers. This experience also helps you see that it does not usually pay to second guess your system/method, especially when your mettle is seemingly being tested to the nth degree.

D) Do not fall into the trap of developing too many rules to avoid losses. **Losing is part of the game and get used to it - FAST.** If a rule/concept/method does not add to the plan over the entire time series of backtesting, toss it out. (also, as you initially test ideas, test one at a time so you avoid overlooking occurrences of your primary focus due to other distractions, but, **keep an 'idea' sheet handy** to jot down things that come to mind that may be worth checking out independantly at a later time.

E) needless to say, but, keep a running log of each concept you are researching for reference and analysis.

F) look at each bar as if you are living thru it live time with no fudging: you only cheat yourself.

G) if you run into a questionable area, assume the worst case scenario: if your concept is valid, it can weather any such blip.

H) try to keep it simple, with as few rules to apply to your overall static homework as possible.

I) **Use concepts that appeal to you personally**, i.e. personalize your plan. Just because a plan is presented a certain way, particular elements may not appeal to you, so bounce them out if possible, and try to plug in something different on your own variation on it, or nothing.

A simple method of measuring one's performance against one's own system is to **keep a daily tally every month that you update at the end of each day to give you a sense, in real time, of how well you are sticking to your plan.** The purpose of this exercise is very important since it shows you with glaring simplicity the folly of deviating from the plan, which should only be done under very rare circumstances, which I will explain shortly. But, first, here is what your tally sheet should look like:

(e.g.) December

Date	<u>ME</u> (total ticks/pts)	<u>IDEAL</u> (not total)
1)	+5=+5	+5 = +5
4)	-3=+2	-3 = +2
5)	+13=+15	+13=+15
6)	0=+15	0=+15
7)	-11=+4	-11=+4
8)	-8= -4	-8 = -4
11)	0 = -4	+15 = +11 <<-- this kind of thing should <u>NOT</u> happen!

To finish what I alluded to earlier, the circumstances under which one should deviate from the plan are situations like the following:

Do not wait for a signal, just get out & go flat (or stay flat if not already in), if you are emotionally stressed (very bad news, spousal argument, beef etc.); if you are in a deep funk (bad day for whatever reason [depressed]); if you are sick and below 85% of capacity (because you won't be as alert as you should be and will invariably make a mistake in judgment, and miss a signal or have a blip in discipline); if situation arises where you cannot devote 100% of your attention to the business of trading , which is strict adherence to the plan and if your quote machine does out, or phones fail, or if you have become unnecessarily embroiled in a floor or backoffice related error.

I believe that **with enough work, one can make almost any methodology work** (of course, some will be better than others), but, **you must stick to the rules of your plan without making up new rules as you go along, that have not been thoroughly backtested.** You must stick to your plan religiously, and avoid the fatal flaw of deviating from your plan, and 2nd guess: never do that !

As an aside, I almost forgot. Larry Williams once sold a fairly decent system that avg. 70% year return (pretty good), to a couple hundred people. After one year, only 3 people were still using it, & then only occasionally. He found out that most of the original 200 buyers dropped out after 3 losers in a row !,, so much for their belief systems. End of story. If had stuck it out, they would have been o.k.

Your belief system is developed by thorough backtesting (more on backtesting later). (Ed: it takes 6 mths to create a 'belief system'.) You must fight the temptation to skip trades, & make unjustified trades, and don't take profits rarely (you need all the trend runs you can get.) Never panic out, have a trading plan that is a programmed approach. Never trade price (i.e. "it's too high","it's too low"). There's no such thing as too high or too low. Let the market tell you what it wants to do; you can't tell the market it's at a bad or wrong price level. Never get married to a position or opinion (market talk is deadly: What do you think?) Avoid all "tips' or "touts"; they are deadly. You don't care: you want to be long if its going up, & short if going down, and to hell with fundamentals (funnymentials), and all that crap.

Research (backtesting): - This is a very important area that will help you develop your belief system which will give you the necessary iron discipline; it will foster new ideas, and give you something to do during the trading day, which can be very boring,, but, some research during the day will keep your head in the game. Some guidelines are useful, such as:

1) If you want to test a concept on daily data for use in a daily trading plan, you should use a data series covering at least 5 years, but, much preferably 10 years of data. If you are testing for an intraday plan (60min, 80min, 45 min, 5min, whatever), you should look at about 3 years, but, ideally 5 years of data. (Don't use 'continuous' contract data, use the real data & find out the rollover dates for sake of accuracy.)

2) check only one concept at a time (i.e. if you are testing for reactions off of isolated highs/lows, just focus on that and nothing else, it will break your concentration and badly skew your results) (Ed: this will be one of u're major problems ! - see chapt. 6)

3) keep a running log of your research, as you are doing it so you can accurately analyse your results, when you've gone thru all your charts and you can go bak to specific areas (dates), of interest.

4) simultaneously, keep a sheet of paper handy to write down any questions you may come upon that deserve research on their own, but, not during the current run thru or backtesting

5) look at each bar as though you are living thru it real time with no fudging. You actually want to challenge your nascent concepts to prove themselves to you. Always assume the worse case scenario to make your concept work for any merit or recognition as a viable concept. (you will find they are mostly garbage; if 1 ut of 20 tested concepts work, you're doing great.)

6) Ideally, you do not want to overoptimize, which means coming up with a rule for every contingency.

You want to strive for concepts (techniques, parameters), that work on any market, any time frame, with minimal adjustments, depending on the market characteristics ([s&p500] volatile vs. [euro\$] slowboat) and time frame (weekly, daily, or 1 minute)

7) You should keep your overall trading plan simple with only a few (approx. 5) hardcore parameters, with a handful of relatively rare side rules that you could live without if necessary. This is good, not just for the sake of simplicity, but, extensive research shows that this is a good measure of robustness and longevity.

8) Stick to concepts that appeal to you personally (i.e. if one is very math inclined vs. just cursory elemental mathematical skills) (cyclic vs. moving avg. etc.), the plan you use must feel comfortable, and seem logical for you.

A transitional tangent in this rambling saga: Once you have thoroughly backtested your trading plan, paper trade real time for 3 mths (at least), and always keep charts by hand (if practical), in addition to the many computerized charting packages out there. This will provide a good simulation for

how you will deal with your trading plan and SELF, and the hand-charting (if you are following greater than a 30minute timeframe), is a form of discipline and backup to some computer failure since your computer chart and hand chart provide a check for one another to spot any problems that the market will invariably discipline and spank unmercifully, to punish you for your mistep.

Money Management:- If u had a billion \$ & you were given a choice of:

- A) flip a coin and double your money if you win, lose it all if you fail
- B) no nothing or
- C) risk 1% of your billion \$ each trade (in perfectly liquid mkts.) using a trading plan that your backtesting shows an average return of 50% + per year,

The choice is obviously "C)" in most cases, "B)" under certain personal circumstances. The point is that if you have a backtested trading plan with a positive mathematical expectation (i.e. a winning system, vs casino gambling with a negative math expectation & the bad edge), the odds of going broke are very small and therefore manageable no matter how many consecutive losers or when a deep drawdown occurs. You should only risk about 1% of your trading capital if you have a lot of \$\$\$ at stake (\$million +), or if you have a small stake, you should risk 3-5% of your capital per trade. Roughly figuring, you should ideally have 5 times the amount of \$\$ lost in the worst drawdown period you've seen during your historical backtesting of your trading plan. Keep in mind that for our purposes, drawdown is defined not as \$\$\$ lost via consecutive losers per se, nor is it the biggest singles loser, it is the largest decrease in cumulative trading capital:

e.g.	<u>raw</u>	<u>cum. total</u>	<u>drawdown</u> (from previous peak)
	50,000 start		
	+500	50,500	
	+200	50,750	
	-800	49,950	-800
	+1500	51,450	
	-700	50,750	-700
	-500	50,250	-1200
	+200	50,450	-1000
	+350	50,800	-650
	-1200	49,600	-1850
	-400	49,200	-2250

The overall idea is to minimize the odds of failure (risk of ruin), and to stay alive, in the game, as long as possible. It may be frustrating at first, because you might be itching for faster returns or to trade bigger or to play for more action, but, like the proverbial tortoise and hare, the slow and steady approach will win; especially when you glimpse into the future using conservative rates of return, the power of compounding is phenomenal when it kicks in.

Further more, trading is not a linear activity (i.e. if you make \$5,000 this month, don't assume you'll repeat that return every mth) (e.g., reality is more like - > +5,000,,, -7000,,, +12000,,, +3000,,, -1,500 etc.) For this reason, combined with minimizing risk of ruin, a good conservative and initial rule of thumb for money management is as follows:

Assume \$50,000 starting capital:

- Rule:** for every 20% increase in equity, increase size by 10%
for every 10% decrease in equity, decrease size by 20%

- @ 50,000, trade, say a 5 lot (based on drawdown of backtest)
- 60,000, trade say a 5 lot (no such thing as 5.5 lots)
- 72,000, trade say a 6 lot
- @ 45,000 (-10%), trade say a 4 lot ($5 \times .2 = 1 - 5 = 4$ lot)
- 40,000 (-10%), trade say a 3 lot ($4 \times .2 = .8 >> 4 - .8 = 3.2$ lot rounded)

Following this format, (long with risk % is discussed earlier), **it is virtually impossible to lose all your trading capital** because if you get down to a 1 lot for an extended period of time, your plan does not have a positive mathematical expectation and is garbage.

Conclusion: If your trading plan has a positive mathematical expectation as verified by rigorous backtesting, the bottom line is, - stick to it (the plan), to the death (i.e. broke !), because if you follow your plan and apply a simple money management technique as outlined above, it will take a very long time to knock you out of the game and theoretically should never knock you out as long as you stick to all the rules.

Comment: the above treatise recognizes that trading is psychological, and illustrated a foolproof way to overcome, allowing for noting those times, when the sea of negativity even then, can prevent good trading. The thesis of this 'psycho-paper', is that awareness can limit those times, when a negative moves in to control your actions, which is not to say, that a negativity such as 'grief', a natural condition of man, (as compared to false negative emotions) can easily be overcome. Apart from that, the above provides a means to make psychological issues in trading, redundant.

SUMMARY: (of chapter four)

- U may be able to detect the successful P&L'ers in the above. If u can, then note the clues.
 - U may be able to detect in the above, the struggling P&L'ers. Note the clues.
 - In the above, we can see the problems.
 - Is there a theme?
 - Negativity rides again?
 - How do u get rid of negativity?
 - We suggest that there are rising levels of awareness, and it goes on all your life. Let the work begin !
 - Success is as much of a negative, as failure, and as explained elsewhere, even worse. But, that is all it is: a negativity.
- Note the increased focus, the less chaos and confusion, in those, in the above, who seem to be 'successful', & the increased level of awareness: the lack of being trapped by negatives. (& few negative words.) Trading does not have to be 100% psychological ! It shud and can be zero. **As awareness goes up, psycho goes down.** As u becum aware of this truth, it becum less bitter. Eventually, this truth becum sweet, and then a lie, and, then u turn on the awareness button again, to obtain the next level of truth. Get started: since if do not, then success will pale u by, & U will lie with mankind,,, doomed,,, & in the dust. Get a life. Work, work, work. **Becum a machine: that works. U're own machine : not that of the environment !**

Chapter Five : pages 125 -144

Topic: A description of thought processes, based on the concept that thots are a form of energy.
(and that they have physical shape)

This chapter may help provide some ideas & techniques to develop some awareness. There are ways that are better, such as: " Using awareness to build awareness", but, this is a start.

Let's start with some random thoughts, and see what we can build.

- If u were to accept that thots have physical shape, and are actually a form of energy, (see pg. 143) and, perhaps geometrically shaped, and u indeed accepted this, cud u sense that this cud increase your field of awareness? Cud every aspect of your life be enhanced ?

Are u a little more powerful than u thot? Can u build a library of positive thots, that u're mind wanders around in, as apposed to a library of negative thots? Is there any chance that u currently have a library of negative thots that are holding u back? Is this a possibility? How much in life, provides the material for a positive library? Shud u seek out only the positive and implant it, either thru repetition or re-inforcement , possibly thru repeating and building on positive experience? Which library of thots will provide a growth experience? Can we override what society offers us, if we deem it negative, for whatever purpose society has in mind, be it political mind-control , or the nature of the beast, - its own energy. ?

- Are we born, without any help, as to what we are supposed to do with this machine, called the brain? What implantion/indoctrination, starts to occur at birth? Info on how to think? Info on how to use the machine? Are we born with an operational manual on how to use the brain ?

- What is the best way to handle the brain-machine?

- an open mind? Free to roam: not controlled by its environment, thus not asleep ?

- constant work, work, work, at opening the gates of awareness further and further and further? Shud we interrupt ourselves several times a day, and say to ourselves: "Get on with it - be alert, be alive, open the mind, be aware ! !" (wud exercises like this help ?)

Do WE LIVE SIMULTANEOUSLY IN TWO REALITIES ?:

The Inside reality of our thoughts & the outside reality of circumstances and situations that happen to us , which 'environmentalize' our inside reality ?

Confidence, fear, worry, happiness, and sadness are all properties of the Inner "Reality" ? They have no existence outside the Inner reality? They do not exist in the Outside Reality ?

Shud we recognize these two realities? They are separate and independent of one another?

Recognize how they influence each other? Is this one route to awareness?

We cud say we become dominated by the Outside reality and use the Inside reality only as a ~mirror~ for the Outer. Thus, our Inner world reacts constantly and since we spend all our time reacting, we never experience its own energy. **You begin to create your reality the day, the hour, the minute you cease constantly reacting to ' the outer world' ? ... &, U get energy: u're own !**

LET'S ASK SOME QUESTIONS

- i) Are you reacting or creating in your life?
- ii) How much of your Inner world time is spent in reaction? How much in creation?

Here's a thot: - Everything in the universe is governed by laws. We are no exception? We are governed by laws and the things that happen to us. What laws?

You are the cause of everything that happens to you. You are it? Is this awareness? A source to new awareness?

You create your reality by who and what you are. Your energy, your vibration causes things to happen.

The sooner you can accept this, the sooner things will change for you ?

Maybe your life is a reflection of "you". Take responsibility for it?

.... Now we have to consider something very serious: is " The within" the cause of everything, good and bad, that is happening ?

If you change and alter your personal energy, will reality change and alter to match this new vibration ? Are you are 'it' ? Will awareness allow you to be different, if u are 'it ' ? Can u force u're environment to respond: " tit for tat " : u can control it. It controls u ? Does U're environment have to have all the fun?

Now, let us look at the CONSCIOUS MIND. (please check Chapt. 2 - extremely important: re-read 20 times)

(Also, the above may seem in contradiction to chapter two, in that u can determine how the environment affects u, but, in reality, it is the same, as long as u realize that u are a machine. This chapter suggests ways to become the machine u want, & then u can use that machine to remove u/yourself from the state of sleep more often, & at which point, u become aware.)

The Conscious Mind:

i) Is it in constant motion? Is it a form of energy, back and forth between positive and negative? 59's up, 59's dn. Can u determine the positive and negative 'library' and any element of it? (see Drummond Psycho Chart pg. 70)

ii) is the mind a great trickster.. does the mind play tricks on u? If it does, then why does it play tricks? Because each little bit of energy has to release itself? Each little 59 is intent on its own purpose, and even has to deal with smaller 59's than itself, that may have its own energy, or higher energy? Is basically, everything out of control, in the awareness dept, and we are simply a machine, working along unknowingly? Can this machine be greased to make it work better? Is the *grease-can*: awareness? Is the mind spinning out of control, insufficiently greased, one in which the windmills of life play little games back and forth? (re-read Chapt.2)

iii) Is our machine-brain, basically, full of useless thoughts, and garbage? What if u allowed in only non-useless thoughts, thoughts that grease the wheel of growth, thru awareness? Can u become the machine u want?

We can learn a lot about the mechanism through which we experience life. We are filtering our experience through a mind which is in constant motion, plays games, and is filled with useless thoughts.

We are not experiencing life directly, but are living in states of flux, which are in constant flux. Are we a machine? A machine u do not want? U do not want to be a machine built on negatives and out of control? Is there an advantage to this?

We have lost control of the mind? A machine that is running wildly but because we are unaware of it, we accept it as normal? Luckily, we can regain control as soon as we awaken to the fact that we have lost it, or never had it. The start of awareness.

If we use **Self Observation**, will this stroke life into awareness?

The following technique that can be used to watch the conscious mind (if u have one, re-read Chapt.2): simply stop what we're doing and watch. Drummond calls this '*random arousal*': breaking the chain that controls our immediate environment, to see what else is there. To observe the thoughts that are going through our minds, observing and watching the mechanism in operation, & doing so without comment or criticism. (Ed: Random arousal would also include suddenly sitting on earth when walking, or go to airport & take the first plane out.)

- Now, let's look at negatives.

The mind cannot differentiate between constructive and destructive thoughts. It works with whatever material you feed it or that it feeds itself. It does not matter to the mind what thoughts it thinks, but it matters absolutely - to you.

We must cultivate the mind.

Four excellent, separate, independent techniques for removing a negative thought:

- i) Cut it off - replace it with a different thought.
- ii) Become the observer of the negative thought.
- iii) Exaggerate it into ridiculousness.
- iv) Counteract it with its exact opposite.

Always remember: **NEGATIVES ONLY HAVE POWER OVER YOU IF YOU REACT TO THEM.** The mind plays great games and loves to feed you negatives, especially if that is what u have taught it. We must recognize them and deal with them as they occur.

Don't be harsh on yourself or treat your negative thoughts as adversaries, just work some techniques regularly (!) and easily. Your inner garden will quite naturally respond as you diligently cultivate your awareness.

WHAT ABOUT CONCENTRATION ?

Always concentrate easy. Nice and relaxed. Don't force it.

Concentration is having the ability to focus our attention.. Our mind likes to wander; we use gentle discipline, not willpower, to convince it to focus. Conscious mind needs training. Concentration is excellent training. Be aware of this.

Remember: the power of concentration can be compared to a magnifying glass held still long enough to focus the sun's rays.

Our ability to concentrate is like developing a muscle - an inner muscle. It gets stronger with practice and training. And, awareness could also be considered a muscle: a machine.

CAN: "CONTEMPLATION" BE OF ANY HELP?

Contemplation has a dual purpose:

- i) It exercises the mind and develops concentration.
- ii) It deepens insight and brings greater understanding of whatever you contemplate.

All truths and all laws have many levels of understanding. We fool ourselves if we believe that our surface understanding is all there is to know. That is what awareness is for !

Our attention span is so very short. Our mind loses interest quickly. When contemplating, you must capture and recapture your interest in the subject of your reflection. Read Ouspenski, for explanations.

Think deeply about it. Lose yourself in it. What does it really mean? What is its significance? Think of all its implications. Do they apply to me? If so, how can I use them? Go over your subject time and time again.

Don't be disheartened if no new information or understanding comes. Repetition is all important. It will bring awareness. With time, new insights will naturally come to you. Write them down: the discipline of this exercise could be very important.

THINGS TO THINK ABOUT

● ARE THOUGHTS A REAL FORM OF ENERGY?

Every thought you think is a force and an energy? Weak and scattered thoughts are weak and scattered energy? Strong and concentrated thoughts are strong and concentrated energy?

Become consciously aware that every thought you entertain in your mind creates energy, since it is energy, and a vibration both within you and in the external world. We all know that thoughts seem to move about.

● THE MIND BOTH SENDS AND RECEIVES THOUGHT!

You are forever affecting the outside environment with your thoughts and the outside environment is forever affecting you through the thoughts of those around you. The exchange of energy between the two never stops.

● THE LAW OF ATTRACTION: THOUGHTS THAT ARE ENERGIZED THRU EMOTION, THUS BECOMING EMOTIONALIZED, BECOME MAGNETIZED AND ATTRACT SIMILAR AND LIKE THOUGHTS!

Any thought with emotion becomes a different type of thought. It attracts similar thoughts the way a magnet attracts iron filings.

● LAW OF CONTROL: WE ARE FOREVER THINKING THOUGHTS BUT WE HAVE THE POWER AND ABILITY TO EITHER ENTERTAIN THESE THOUGHTS OR DISMISS THEM.

Any negative thought that is persisting in your mind is there because you are allowing it to be there.

Cultivate your mind. Don't allow negatives, insecurities, or inadequacies to have a place. We carry around a lot of junk inside us that we should have let go a long time ago? Peel off the 21 winter coats.

● **THE LAW OF INSERTION: WE HAVE THE POWER AND ABILITY TO INSERT ANY THOUGHT OF ANY TYPE INTO OUR MINDS.**

This is our greatest possibility, for this is where we can create, and can do it thru awareness. . We can create any thought and insert it into our mind. This cud be very powerful. Even if the thought is not real, we can still insert it into our mind. Now, isn't that fascinating? What if thots are only a machine, a form of energy, that exists on its own, or can be created , either involuntarily, or voluntarily, thru awareness ? Learn to create, to be aware, all the time? Don't limit yourself to reality. Work on awareness.

Everyday thoughts on health, success, power, happiness, and inner peace cud be put into the mind-machine. Create every day in your Inside world ?

● **MY INNER AND OUTER 'REALITIES' ARE CONNECTED**

What goes on in the OUTER world influences and affects what goes on in the INNER world - this we know only too well. But what goes on in the INNER world also influences and affects what goes on in the OUTER world.

You must learn to control and direct your thoughts if you wish to control and direct your circumstances.

What you think about yourself makes all the difference in the world. What you believe is what you get. If your mind has picked up worry, or any other negative thoughts, it will accept them as true and will work to bring about the corresponding situation. It is extremely important, therefore, to think prosperous and happy, positive thoughts. (*Try thinking always of debilitating, unhappy, and negative thots, and see what happens to u,, go ahead, and do it,, see how u feel. Is it possible that implanting the apposing thot can have an affect as well?,, that is: positive thots,, especially built on the foundation of increasing awareness ?*)

Imprint all the things you want to happen to you. You should imprint that you are a great and marvelous trader: or whatever u want. (*Try imprinting what a terrible person u are,, try it,, and see how u feel. Is the opposite possible? Why not? : positive and negative are each a form of energy, and each can affect u,, chose u're master !*) You are only as good and as powerful as you believe.

Make a list of items, and imprint them ?

Just like learning the multiplication tables, say "6 x 6", the answers have been imprinted in your mind through repetition. You probably don't remember learning how to read but you did so by the same method: repetition. U are a machine. (& u do not have an instruction manual.) (This 'paper' cud help.)

When imprinting, use a combination of affirmations and contemplations. While repeating the idea to yourself, think about it, really think about it,, becum aware of it. There is a necessary germination period before any new idea will take root and flourish in our consciousness. This takes time. Work, work, work. One positive thot does not a day make. True imprinting takes two to six months before its effects are firmly fixed in the mind. Every new belief needs time and attention to flourish. Grow, grow,

grow: nourish by creating awareness. Implant, implant, implant, work, work , work, seek awareness all your life, and all your life, implant what u want, and if positive, positive will build on positive.

Here's a quote for u : !

"PROBLEMS - There are no such things as problems: only opportunities."

The universe is forever giving us definite messages and signals, often in the form of problems. When you have a problem, ask yourself: "What is this problem trying to tell me?" or better, "What opportunity can I find here?" Take action in your thinking and turn every problem into a situation that will serve you or assist you in some way.

OPPORTUNITIES COME DISGUISED AS PROBLEMS

- **Know thyself** : this is the first of the great ancient wisdoms. Come to a deep and clear realization.

Understand your depth and capacity.

You have a mind whose scope and magnitude have never been measured, whose limits have never been reached. And, that's the truth: and, feeding it, will feed awareness.

Now, let's look at the intellectual, mechanical, emotional MIND (re-read Ouspensky-Chapt.2)

In understanding our minds, it is helpful, sometimes, to use analogies. For example; think of the mind as a rich, fertile garden. Whatever thought is planted in this garden and tended and nourished, will grow.

This garden may be intelligently cultivated or neglected; its yield will reflect its cultivation. If you do not consciously feed it, it will feed itself. This is very important to understand. We must cultivate and work in our inner garden. We are its master gardener.

Your life always accurately and reliably reflects the condition of your mind.

What is happening to you is your harvest.

Questions

What thoughts have you been dwelling upon to bring about the conditions and circumstances you are now experiencing?

What can you do to change these conditions?

To change conditions in your life, change the causes that have created these conditions. Begin to create. Begin thinking thoughts (**real energy!**) independently and beyond what your present and normal circumstances would suggest.

You are not limited to reality when working with your thoughts. Always remember this. You are only stuck in reality if your thoughts are stuck in reality.

You must learn to create reality and not just react. **CREATE NOT REACT!**

Remember that you live simultaneously in two worlds, not just one.

Work diligently in the Inner world. Everything you do in the Inner world is a cause, a form of energy. Create causes in the Inner world so that you can affect the Outer world ?

Don't limit yourself by **merely mirroring** in the Inner world what is happening to you in the Outer world. It currently and perhaps historically, is built on chaos and confusion, the natural element of power, which functions in this way, to consume, in order to survive, the condition which creates unawareness and in which man is doomed.

To change your reality, your inner world must be different from the Outer world. U must be different from that which is around u. Never be like anyone else. Gurdjieff (see pg. 8) told his grandson: " Never be like anyone else." ("Never do what other people do".)

There is a technique called: . **SEEDING** It is a possibility.

Seeding is placing a specific thought into your mind and holding it there to the exclusion of all other thoughts. The thought you hold is that you ~already have~ the thing you desire.

You claim possession of your desire , bathing and soaking in the feeling. Vibrating with the feeling. You have it. You are it .

One need not be limited to a reality that simply presents itself to u. U can choose u're own reality ?

Begin experiencing what it would feel like to have the thing you want. Use your imagination to picture it. Then feel it throughout your body. Just relax and soak in that feeling.

Create these vibrations daily in the Inner reality; the Inner and Outer realities are connected.

ANOTHER TECHNIQUE OFTEN RECOMMENDED IS: **VISUALIZATION**

Visualization is using your imagination to see something that hasn't happened yet. It is projecting in

u're inside reality, what you want to see happen to you in the Outer reality.

It is a motion picture that you create within. In this inner movie, you imagine all the details of what it is you would like to have happen to you. See it as an already existing fact, not something that is going to happen to you, but something that has happened. It is real. Make it real in the Inner world.

(see also pg. 146)

Practicing this exercise is not living an illusion. This is an exercise that you do in the Inner world perhaps, for 5 minutes. During this 5 minutes make it real. See all the things that are happening to you as a result of your ~having it~ & see yourself at trading, or with your friends on social outings. Live it out in the Inner world as if it was really happening to you.

Make the Inner pictures more and more precise. Clarity and accuracy come with repetition. Be aware. If practised long enough, this wud overcome all difficulties in trading. This process wud take several mths,, work, work, work,, allow only positive thots in your machine, and build on the positive ones that actually occur, such as a good trade.

Conditions

i) Live it in your mind as if it were actually happening to you.

ii) *Do it regularly - each and every day,,, work, work, work,,, do not let negatives capture you. U do not have to work at negatives,,, they come naturally. If you build on negatives, you will do down , down , down. If you build on positives, then you grow. Discard the negatives: nurture the positives, but, this requires work. We are not used to positives. Awareness, will alert the awareness-machine.*

Now,,, how about,,, . " **REALIZATION** " ?

Come to realize that your power to choose your thoughts is your power to create your life. This understanding can be vital.

PROSPERITY BELIEFS

● We deserve to be prosperous in every aspect of our life. A Prosperity mind-set.. involves a number of beliefs and attitudes that we form within ourselves.

● It is an abundant universe that we live in. There is a surplus of food everywhere, & the potential to grow more. People are starving, not because of a shortage but because of distribution(caused by all sorts of lovely things), and because of what we believe in our minds. (Ed: man 'does not know'. He is asleep. He is unaware.)

- We don't have to work hard to get ahead. We should work smart. Awareness. Work, work, work, is positive work, if nurtured and built with awareness.
- There are staggering numbers of opportunities in every aspect of our life. Opportunities don't come waving flags - we have to search for opportunities. A scarcity mindset believes there are very few opportunities available. Scarcity consciousness is built from a library of negatives. Prosperity consciousness believes there is an abundance of opportunities. The more money we have, the more awareness we have, the more help we can give to others. We have a responsibility to be aware, so we can help others, but, mainly to help ourselves, so we will not be left in the dust while we are alive.
- Look for and acknowledge prosperity, built on awareness, right now.
- Don't focus on your limitations.
- We have to program our minds for awareness. Find things in your life right now to feel aware.
- Having lots of money is good - It is our responsibility to be successful. Recognize prosperity everywhere, and for positives in all negatives. For negatives, analyse to see what positive therein lays. For positives, analyse the negatives, to see if your positives are growing.
- Do you realize how much money there really is around you? Money is everywhere. Be happy for people who are successful: that helps you to be prosperous. Let wealth create positives and not react to the force of negativity: negativity feeds on positives,,, positives encourage negatives to become positive,,, negatives consume positives since it needs it. Negatives drag down, positives drag up. Negatives try to control, positives give birth.
- Read inspirational books. Be with prosperous people - this creates prosperous vibrations around you. Have pictures of "successful" people in your office. This stimulates you and helps to create prosperous vibrations for you.
- Develop awareness / consciousness - it doesn't happen by chance. You must keep planting & nurturing the seeds every day. Feel successful with what you are now and become even more successful.
- To become financially independent, we must first develop a "prosperity consciousness",, this can be done thru increasing awareness. No one is born with it nor can it be given to you. It is a state of mind tuned and vibrating to expect, acknowledge, and see prosperity and abundance everywhere.
- The opposite of prosperity is scarcity: and, it's all most people know. You will never achieve financial success, or awareness, with a scarcity mindset. It isn't possible. ***You cannot simultaneously travel both the path to riches and the path to poverty for they go in opposite directions. You cannot simultaneously travel both the path to awareness and unawareness, for they go in opposite directions.*** (Ed: yes/no !) Both roads are clearly marked; whatever path you have chosen to travel will determine what will happen to you. **CHOOSE PROSPERITY CONSCIOUSNESS. CHOOSE AWARENESS. Get a life. Grow !**

Every thought that you think, every thought you entertain, creates energy within u'reself. All is law, All is cause and effect. We are machines.

Every time you consciously and purposely **become aware, to visualize, to seed, to affirm, or to create** something that hasn't happened yet in your life, you are taking control. Remember, you are either consciously creating your life or you are reacting to it.

You have complete control over how you react to circumstance and situations that happen to you. Exercising this ability gives you energy when combined with creating awareness.

When you can control and direct your thoughts, you can control and direct your circumstances. But first, you must control and direct your thoughts. Recognize that control of our thoughts always comes first. Be conscious of what type of thoughts go through your mind each day. Be aware. Cultivate and create. Cultivate and create. Work, work, work.

Persistence.

Persistence is necessary in developing your mind , and, thus, developing your reality. Persistence is your single most important quality. You must persist even when you are not seeing results. Persist in ~creating ~ ..., work, work, work.

HEALTH !

The mind and body are inter-connected. If thoughts can cause illness which we know they can, doesn't it seem logical that they can also cure illness? (It is known that depression can cause cancer.)

Half the people lying in hospitals sick and possibly even dying could be completely cured by changing their thinking and the remaining half could be greatly improved..

What you think and how you think makes all the difference when it comes to illness. Your reaction determines how disease affects you.

~ "When the will and imagination are opposed, the imagination always wins." ~ . -- Emile Coue.
We must train our imagination to serve us in our health care.

Visualization is very potent in curing illness.

SOMETHING ELSE TO CONSIDER :- AFFIRMATIONS

Affirmations are statements you repeat to yourself, over and over again.

They are subtle but powerful.

You do not have to believe the affirmation. (It is a form of energy - a machine. And, of course, if u are affirming a previous positive actual experience, it has even more energy - see 'acknowledging' below.) All you have to do is repeat it over and over again and it will soon seep into the mind machine. It also

helps control the mind. It is a simple, but effective technique.

Things to remember in practicing affirmations:

- i) Continually affirm things to yourself. Have two or three affirmations that you use each week to assist you with your goals. Change them as you feel the need.
- ii) You are not limited to reality in your affirmation.
- iii) When making up an affirmation, make it rhythmic and short, and very simple. A short sentence or phrase is ideal. Also, do not affirm in the negative.
- iv) Affirmations are another way to deal with negativity.

AND, HOW ABOUT: ACKNOWLEDGING (See comments: pg. 83)

Acknowledging is recognizing areas where you have achieved some success, both in the present and in the past. We acknowledge to create an energy of success and a feeling of accomplishment within ourselves. Too often we focus only on what we wish to accomplish in the future forgetting what we have already achieved.

Acknowledging creates a vibration of achievement and success in the now.. The more we acknowledge ourselves, even in the smallest detail, the more we build up a pattern of success and well being to follow in the future.

Get into the habit of crediting yourself every day for your progress in some area of your life. Make a list of your strong points and accomplishments. Don't focus solely on the future - stop and recognize what's happening in your life now. Work, work, work,, be aware. One can create with diligence.

Build on positive experiences, and think on them, and re-implant them.

TRY THIS: CREATING

Find time in even the busiest day to create.

Your creation has nothing to do with reality. It is your time to create thought forms and energy using awareness techniques.

Train yourself to think in new and different ways. Train yourself to create rather than react. Becum u're own machine.

The whole world is made up of energy and you have a mechanism- the mind-machine that produces energy. Create, using this mechanism.

Don't be limited by reality. Create. Most people let the circumstances of their life determine how they're going to think. You must think differently. You must create. Being aware makes creation easier.

Opportunities open up when you open up your thoughts. It is all there waiting for you; waiting for you to stretch your limitations; waiting for you to create your reality, as your awareness grows, and u're awareness grows thru positive energy. U can be aware of negative energy, but, let the positive that rises from it, as u apply u're awareness, build awareness further.

SHUD WE LOOK AT RHYTHM ? - There is a rhythm to everything in life ?

for example, a Willow Tree - never breaks, but always bends with the wind; snow on a pine tree is in the rhythm of nature - the snow just naturally falls off when it becomes too heavy for the branch; waves of the ocean - waves will just push you along effortlessly if you relax. 59's are bouncing all over the place. See Drummond Psycho Chart, on cover page.

The rhythm is appropriate to each situation. Seek out the positive rhythm and bask in its awareness. There is a rhythm appropriate to each situation, and there is a rhythm not appropriate to each situation. **You must get into the flow and find the appropriate rhythm & feel the energy.**

For example, let's say you have decided to go to a movie but your friends want you to go to a picnic. You are disappointed because you really wanted them to go to the movie with you. You can adjust and get into the appropriate rhythm for that situation or you can get into an inappropriate rhythm. You must learn to adjust with each situation and go with the flow. **Avoid if the flow is negative, or if exists, do not react to it, simply observe, since negatives only have control over u, if u react to it, or becum identified with it (in Ouspensky terms).**

Set your sails with the wind, just like sailing,, handle the flow appropriately, and let the positive energy carry u along,, enjoy, relax, rest, have fun.

There is a rhythm for succeeding and a rhythm for failing.

BE HERE NOW - This very moment is the most important moment of your whole life. Be aware of it: read its energy, do not react to it if it is negative, remember it and implant it if it is positive, re-live the positives constantly, until they are automatic, then build more positives.

All we really have is the now so enjoy this particular moment.

Recognize everything as special and beautiful. Can you acknowledge 100 things right now ? There are 1000 treasures happening to you every day - you have eyes to see, ears to hear, the sounds of rain, the smell of a flower, meeting new people; the information you are getting right now is a treasure.

You should appreciate everything for what it is. If it is negative, do not be critical, do not react to becum its slave. If it is positive, then apply the awareness-machine, so it can be greased for further growth.

HOW ABOUT: EVERYTHING MATTERS AND NOTHING MATTERS -

What you eat, wear, work, everything matters but nothing matters: for example, don't sweat the small stuff - its all small stuff. (see the big picture. - see pg. 84) Learn how to have an overview. We get so caught up in little things (perfection) ,but who cares. Become aware, & leave mankind in the dust. Pick out the items in this 'paper', so u know what we're talking about.

Thoughts are magical, yet they are so common and ordinary in our lives that we fail to recognize their power. Knowing and understanding that thoughts are a form of energy and creating daily with these energies that we develop , increases awareness. But, u have to work at it,,, constantly,,, work, work, work, day after day, year after year,,, keep that machine going.

If you want a radical change in your life you must be prepared to enter a radical discipline and train your mind to think differently from other people's. Think in new and different ways.

You are caught in reality only insofar as your thoughts are caught in reality.

LET'S LOOK AT : HABITS (see "Rupert" - pg. 87)

Make thoughts a habit. Habit controls our thots. Check your thought patterns, your habitual ways of thinking. Eliminate any negative thought habits and develop newer, more effective, thought patterns to serve you. You are a machine. Be a positive , moving force. Use only negatives to prod, and develop the positive.

When the thoughts you want, become a habit - when it becomes automatic - that's when the real results start happening consistently and regularly.

Watch how you habitually respond in different situations. Always be creating new thought habits that serve you. And, do it thru hard work, constantly building awareness. Have fun sometimes: this helps to absorb some of the negative energy of work.

LET'S LOOK AGAIN AT ,,,,, INNER SELF/ THE MIND MACHINE/ INTUITION (Instinct Centre)

Each of us has a faculty that we can use to get information and answers to all our questions.

We are a hologram(a 3 dimension image,, growing to a "4th-space" ?) of the whole Universe. As such, we have access to all information. We are plugged in. We are not limited to the mind machine. We can receive information through our intuitive and other(?) channels.

To receive intuitive information, consider these three steps (others will surface as you become more aware, and grow even into a '4th-space' ? What is '4th-space'?, , very few people know about it,, will be replacing contemporary science, much to the annoyance of same.)

● Recognize that there is a correct answer. The correct answer exists and the mind machine, & instinctive centre, has access to it. The pressure is off. You have only to retrieve the right answer from your mind & instinctive centre.

● State clearly and repeatedly what it is you require from the instinct centre. (re-read Chapt.2) During this step don't try to come up with answers. The purpose of this step is to clearly instruct the instinct centre to comply with your request. You will reach the instinct centre through repeated instructions from the mind machine.

● Realize in faith and confidence that the answer will come. Imagine what it would feel like to have the correct and perfect answer - how great it would feel. Feel those sensations now and bathe and soak your mind in these feelings, knowing that the answer will come to you.

Spend approximately 3 - 4 minutes on each step, once a day. (Best time is either first thing in the morning or just before you go to sleep.) Repeat this procedure **every day until** the answer comes to you. Intuition is a form of energy: use it. Create it. With increased awareness, as the years go by, you will grow further with it.

Your belief that intuition is something difficult or mystical or strange is your only stumbling block. Intuition is easy - natural - normal - you were born with this ability. Affirm daily to yourself that you have this faculty and you will always make the right decision. U have an instinct centre. (see Chapt.2)

SOME MORE THOTS:

● Thought is a living, creative, vibrant energy. It creates our reality. Thought is a reality of a different dimension. It can affect our outer world (what is going on around us) .

● You can send thoughts and energy to other people. Thoughts are not limited by time or space. Whatever you send to someone else, whatever you think of someone else, you absorb, so energize people with your thots. In doing so you will energize yourself & becum aware.

● You attract conditions and circumstances to match your predominant thought patterns. Your predominant thought patterns create your reality.

● Do you know what you don't want? Good. Then don't create it by thinking those thoughts. Don't focus on them. Don't feed them. Energize the opposite.

● **Your real wealth and security lies in your ability to think whatever thoughts you choose.** But, you must train your mind to think and to be aware. Don't be limited to reality in the inside world. Create thoughts and feed the inner world with thoughts that will bring you what you require. Create. Create. Always create in the inner world, and be aware that it can affect the 'outer world', energy has a habit of moving around. This is where you can be energized. This is how you influence and affect your reality.

● The inner world creates the outer world **once you cease reacting and begin creating.**

HOW ABOUT: SELF IMAGE ?

Our self image determines who you are. It is a creation that you yourself have developed, & most likely, rather haphazardly over the years, since u're environment creates what u are. Your self image is a box that limits and can enslave u or enrich u, within its boundaries. You will always be consistent with who and what you are according to the self image you hold. Awareness can have physical shape and power, & it is a positive power that will continually grow if its awareness is built on positives.

You can expand your limits by expanding your self image. Self image is not a fixed reality, but an artificial reality held only by your thoughts.

You can create a new self image by changing the thoughts you have about yourself. Be creative, don't get stuck in reality. Understand this clearly: you create your self image and then your self image creates you. It has no basis in reality; it's a creation of your thoughts.

Your big breakthrough will come when you recognize that all your inadequacies, all your limitations, all your failings, are only temporary and artificial realities you cling to with your thoughts.

IS THERE ALWAYS: CONSTANT CHANGE ?

Everything in the Universe is in the process of changing and so are you. Nothing remains the same. You will change whether you want it or not, because you, cannot, and will not, remain the same. Such is the nature of life, of reality, of awareness, of growing, of energy: the result of the dialectical process, of negative and positive, of apposing 59's. You can use this to your advantage by:

- Recognizing it. Be aware.
- Actively participating in the change.

Most people do not realize their individuality. They are not aware,,, and this is due to their environment, the energy of the environment, whose energy and power structure survives by controlling you, by forcing u to live by its energy, its own reality. You should not only recognize your individuality,, you should proclaim it, build it with positives. There is nobody else like you. Be like no one else, & never do what other people do.

- YOU CAN DO ANYTHING. Recognize this and awaken to your freedom. To awareness.
- YOU HAVE UNLIMITED POTENTIAL AT YOUR DISPOSAL

Nobody need tell you how to think or what to think, unless their function is to control you, (the natural energy of 'force'). You determine the thoughts that go through your mind. You can feed this mechanism in whatever way you choose. Your thoughts create your reality. You have this energy. Always carry yourself with dignity and respect in every situation you find yourself in – always!,, and do this thru awareness,,, - always ! And, work, work, work at it,,, your entire life ! Live a life of nobility !

Think deeply, seriously, courageously, about the marvelous energy that is waiting for you, as long as you become more and more aware. And, energy; is waiting out there for you. Yes, you can dip into the honey-pot of energy, that which u do not currently have,,, energy is everywhere,, search out the positive,,built on it with awareness. And, if need be, search out the negative in u, identify it, but, not with it (see Ouspensky),& build on the positivity that results when it changes.

You have not come here by chance. You were ready to receive it and it has come to you. You now have a great responsibility to use it. Responsibility to yourself.

and,,, become all you are capable of becoming. It is all you!!!

SINCE WE SUGGEST THAT PSYCHOLOGY IS BASICALLY A FUNCTION OF PHILOSOPHY,
SHUD WE LOOK AT THE : - "BELIEF SYSTEM" ?

WORKING PREMISE - Your working premise is your belief system that you have about yourself. You are living in your presumed consciousness most of the time. Your surroundings are very important. The state of your home influences you. Imagine if your consciousness was messy and your home was messy -what would things be like. Think of an architect - he can select what he wants to build. You should be like an architect - be an architect of your own consciousness - be an architect of your working premise. You have to have a premise that you operate in, in this very intricate universe. You don't know everything about the universe and you don't have to know everything about it. There are thousands of galaxies and the universe has given us a "consciousness" and our machines, and has given us the laws with which to operate and grease them. (please note that in Ouspensky terms, "consciousness relates to moments when not asleep, and when awakened.)

You are a very great and marvelous creation - you are unique - you live in a very loving and supportive universe (apart from the immense power of negative power structures, whose only intent is to survive thru its own power.) and you have total free will - your home, your clothes, your thoughts, your belief system - you are unique. Whatever you CHOOSE, u can become. You are a piece of the whole. The seed of whatever you want in life is already in you - just cultivate the seed. You have a guidance system - you are plugged in to the whole universe - you are not limited to consciousness. You have unlimited energy at your disposal - you have the energy to think any thoughts you choose.

There are staggering numbers of opportunities that exist for you in every aspect of your life. Opportunities don't come to you like a neon light but come disguised. They are timid; you must catch them on the run. Things are changing rapidly; opportunities are plentiful.

Consider the premise that everybody is a star - everybody deserves respect. Don't judge people on the surface - look deeper; treat a problem person like a star. Tell that person that he or she is a little ray of joy, love, hope and faith, & if it is a nasty person, simply state that u can see that it is there. Seek out and play with only positive energy. If experience negative energy, automatically turn it into positive energy, to avoid being caught in its web. Birds cannot fly in a tight net. Fish cannot fly in air for very long. Avoid negativity, whose intent can enjoys and becomes powerful by enslaving u.

Thoughts create your reality - imprint that on your consciousness.

Create for yourself a new belief system. (This takes 6 mths - see pg. 147)

Take on at least one new belief system. Life is a wondrous adventure and is open to all. Try the belief system that 'you and everyone else is a messenger of hope'. (& , faith and love - see Ouspensky) This may be one way to build positives.

SHALL WE LOOK AT: " **DIGNITY** " ?

You should work toward having a healthy self-image. Many people have become neurotic and have lost dignity and nobility. (Ed: due to the merchants of chaos & confusion.) Your self-image is very important.

In the haste after material things (the second ancient wisdom: nothing too much : Luddites anyone ?), many people have lost the true essence of what they are (or what they have become). You must learn to feel great about yourself - to feel *noble*. However, you must work at it; avoid the merchants of chaos & confusion & their prodigies: just like a car that requires maintenance and checkpoints , so , we require working at our self-image. The self-image does not reflect who we are but rather the self-image is what we are.

Of course, don't carry around a negative self-image because of incidences that have happened in your life,, your 21 winter-coats. Your limiting self-image tells people about you. You create your own self-image - you can become whatever you think of yourself; if you think you are successful that's what your self-image will reflect. Your big breakthrough will be when you realize that you can create for yourself whatever self-image you choose - *your life is your creation*. Do not let your environment choose it for you.

Imprint whatever u want - you are unique and can be anything you choose. Thoughts are real energy, a real machine, and every day you wake up you can choose to be whatever you want. You have a '6th sense' (intuition) and can pull in answers to any problems you want to find answers for.

If you have a weak self-image you will not be able to use all your potential energy, or very little of it - believe you have energy and project it in everything you do, even in your work. Learn to enjoy your work - look at the job you are doing right now and ask yourself what service you are providing to other people - you are part of the service to mankind, but, especially to yourself, and do this thru awareness. The attitude you bring to your job is so important - Acknowledge yourself .

Feel energized and endeavour to make other people energized, even if it drives them crazy,,,. The law of constant change says that everything in the universe is in the process of becoming something else - this law is working in your life -participate in the changes by recognizing that you are changing too. Take a very positive attitude and work with thoughts empowered by ever-increasing awareness. Create a self-image for yourself that projects that you are something great -show you have nobility and dignity. You must love yourself before you can love anyone else: that is the historical record.

Every new piece of information you receive changes you. Every negative thought habit you eliminate, changes you for the better. Every bit of negative information can drag you down, if U let it.

EVERY DAY YOU WAKE UP YOU CAN DECIDE WHAT KIND OF A DAY YOU WILL HAVE - YOU CAN CHOOSE YOUR OWN THOUGHTS: THOUGHTS ARE A FORM OF ENERGY, SO CHOOSE THEM WELL,, THEY CAN AFFECT YOUR DAY, YOUR OUTER WORLD.

SHUD WE LOOK AT CONCEPTS OF - " HEALING " ?

You have an amazing miraculous body, mind and spirit. You are made up of body, mind and spirit, but each one must be nourished. And, the best way to nourish is thru awareness: work, work, work, all u're life. Each one of these vital components can be subjected to a blockage of energy ... the body needs proper nutrition to function properly. The body also needs exercise and relaxation/fun on a regular basis. You should learn how to cooperate with your body. The mind needs a positive mental attitude along with a good self image, while the spirit requires fun, joy, inner peace and love. When you have a good flow of energy in all areas, nourishing one another, you will experience good health. A blockage of energy will show up in sickness and disease. (U are out of balance.)

You must nourish yourself by affirming and visualize yourself in good health. You don't think about health until you get sick. Do otherwise ! Take responsibility for yourself and be aware of your own energy to keep yourself healthy.

Kirilian photography was invented by a Russian amateur photographer who put together high speed equipment and saw strange illuminated energy around the picture--matched at acupuncture points. A study was done with Kirilian photography whereby a couple were asked to think of hateful thoughts. The picture taken of them revealed energy appearing like a cactus plant, prickly. The couple were then asked to think good thoughts. The energy began merging together. Then they were asked to think of loving thoughts--the energy emerged and began to flow together into one energy body. Thus, you have energy all around you that is directed by your thoughts. (We highly recommend the following new book: " THE DARK SIDE OF THE BRAIN" by Harry Oldfield, Roger Coghill, Element Books, P.O. Box 830, 21 Broadway, Rockport, MA 01966 U.S.A. , Tel: (508) 546 - 1040, Carolyn J. Bertrand. < \$17.00 plus postage >. The photographs of cornflakes, cooked cabbage, lard and so on will shock you. Disease can be caused and cured by external electromagnetic frequencies. < satellites , anyone? >)

It has been said that your hands are a great conductor of energy and can be used to heal yourself and others. Place your hands within 6 inches of the person's body to send energy to that person. If someone is sick ,, you, apparently, can help to heal them by placing your hands in the area (for example a broken bone). Leave your hands there for a few minutes. You can heal yourself in the same way. Even Jesus did this, and so do many living today. (Ed: I recently had a painful axe cut on my left thumb. Someone, who lives nearby, luvs to wander around, <especially after a couple of glasses of wine>, & put 'hands' on people, to cure same. I let her do it, to my thumb. Her hand did not touch, but, was close to the wound, & I felt a huge concentration of energy in the centre of the wound, & in about 3 hours, the intense pain was gone.) **Avoid the trap of negative energy.** Have an open mind: explore: become aware: experience and grow. Then, apply the third ancient wisdom: *verify everything for yourself.*

Fear, guilt, hate, resentment and self pity (emotion) are toxic substances. Learn to rid yourself of these negative emotions. Fear is a sign of the lack of mental discipline. Natural life forces will heal you when you rid yourself of fear, etc.

Love is a very potent energy healing emotion. If any part of your body is not responding, feed lots of love. This you should do every day. Learn the capacity of love. Pick someone you dislike --send that person love. Return love for hate. Praise your body. When you are having fun you have great healing power. When you are feeling stress, illness can occur.

Two very important endorphins are produced when your body is having fun. If the body isn't healing itself, there is a blockage of energy.

Visualize every day that you are in perfect health. Use the affirmation - **EVERY DAY IN EVERY WAY I'M GETTING BETTER AND BETTER.**

(Well,.. at least, this is a start, to positive thoughts,, negative thots will try to overcome this affirmation, but, that is the nature of energy,, it survives by positive/negative, 59's up, 59's dn - feed the positive,, it will create its own negative,but, at least this way, u control the negative thru positive input. The negative will become more positive and positive, as its negativity attached to it grows more positive, and all this is enhanced thru increasing awareness.)

Self observation. Several times every day, right in the midst of doing something, suddenly and unexpectedly catch yourself thinking. Just become aware of how the mechanism works. **Don't be judgmental of yourself.** Don't try to say "This is wrong," or "This is right." , just become aware of it. Self observation is observing the self. " **Random Arousal** " !

I want you to become Aware of how your machine works.

Above all, follow the 3 principles of the 'ancient wisdoms':

- 1) know thyself
- 2) nothing too much
- 3) verify everything for yourself.

I cannot guarantee that U will hear new ideas, ideas u never heard before, from the start; but, if u are patient, u will very soon begin to notice them. And, then I wish u not to miss them, and try not to interpret them in the old way.

Chapter Six : pages - 144 - 155

Topic: ' Building on +ve/-ve,, the Pldot !'
- our resolution: the solution

Before we move on to our resolution:

... let us review our current situation. We tried to look at what psychology is, and then we looked at what it really is, knowing to some degree how our machine works. We also learned, that negatives can be an all consuming enjoyment. We described the realities in which we live, which create our realities. In order to survive, man must move away from the enjoyment of negatives, and we provide some techniques as to how. All of this was presented orally by Drummond to a group of approximately 60 'advanced' P&L'ers, in Chicago, July 30th, 31st, 1996. Chapter four reveals the thoughts of some of these P&L'ers, plus many others, who were not there. In chapter five, we looked at mechanical ways, to trigger our mechanical minds, our mind machine, into the reality we want. Now, we come to our resolution and solution. *However, before we go ahead, there are some contributions that were made, at the above conference, by P&L'ers in attendance, and we shall look at them now, before moving on to our resolution: the solution.*

The first contribution:

This one is very interesting. It wud strike terror into any teacher, or student. Yet, it does show an advantage, to Drummond in developing a 'School of P&L'. Do u want to be a teacher, student ?

Quote:

Who am I ?

I am your greatest helper, or I am your worst enemy.
I can push you on to success, or I can tear you down to failure.
And, yet, I am under your complete control.
Half of the things that you do you can turn them over to me,
and I will do them automatically and efficiently.
I am not a machine, yet, I work with the precision of a machine and the intelligence of a man.
Those who have become great, I have made great.
Those who fail, I have made fail.
Alas, I am the servant of every man and woman, and I am the master of all those who fail.
If you take me and train me and be firm with me, I will lay the world at your feet.
If you go easy with me, I will destroy you.
Who am I ?

The second contribution:

This contribution, was made by someone who discovered the advantages of mental implantation, claiming that this changed this person's life, and everyone asks him: " U have really changed,, how did u do it ? " This is how it was done. Man is a machine. Apply this for six months, & u have a belief system, permanently implanted.

Quote:

" You can start with these values but as you do the exercise your subconscious may change them to fit your needs. Of course your movies are your own creation and should be private. Look up the meaning of each value, you may get a larger perspective. Create a movie from each value. Bright colors, lots of action with you in it. Make the movie very positive with a great ending. Every time you say the value, you will see the movie. The more times you repeat the values, the faster you will see the movies. If you repeat the values 200 times a day for 30 days, you will be able to see each movie in 1 second. You will also notice that your values will become much of your self talk. Of course you know the power of the conscious mind is minimal compared to the power of the subconscious mind. You know the main function of the subconscious mind is to keep everything the same. Understanding this, you know you will have to have the discipline to do this exercise mechanically or the subconscious mind will stop you because it will recognize the power of this exercise to change everything for you. Attach each value to a body part to aid in memory and to aid in the value becoming a part of you. Say "I Am" before each value.

Right foot- I am creative.

Left foot- I am adventurous.

Right knee- I am competent.

Left knee- I am confident.

Right thigh- I am courageous.

Left thigh- I am Decisive.

Right hip point- I am alert.

Left hip point- I am aware.

Point 2 inches below navel- I am centered.

Right hand- I am active.

Left Hand- I am flexible.

Navel- I am focused.

Solar plexus- I am light.

Imagine a bright white light coming from the solar plexus and surrounding yourself. Aids immunity.

Right chest- I am forgiving.

Left chest- I am loving.

Center chest- I am respectful.

Larynx- I am responsible.

Mouth- I am cheerful.

Nose - I am patient.

Eyes- I am joyful.

Forehead- I am a winner (huge neon sign).

Left brain - I am fit - I am healthy.

Right brain- I am intelligent - I am wise.

Center brain - I am grateful - I am spirit.

GOOD LUCK. (Ed: it takes 3 wks to develop a habit. It takes 6 mths to create a belief system.)

The third contribution:

This is a contribution, made by a psychiatrist in attendance, who graciously created this during the conference itself, for the group. It's title is: "Self Analysis for the non-Psychiatrist", and is a powerful read, and contains valuable information for P&L'ers as traders and persons, who want to work, work, work. Man is a machine.

Quote:

" So, you think knowing yourself will help you trade better. And, judging by the growing number of books dealing with 'psychology' (quote belongs to Drummond), of trading, you are not alone.

So, where do we start? First consider this; the learning curve can be as steep as starting out in P&L; for the reason that a new vocabulary must be learned. **To make matters worse, most definitions in any psychologic framework are not as precise as P&L definitions. Worse still, there are more than 200 schools of psychological therapies; many with subschools. Worst of all, few practitioners practice a single minded devotion of their method. Buyer beware !**

So where do you start! Now consider this: the key to success lies not in the method of psychology you choose, but in your knowledge and understanding of **YOUR OWN BELIEF SYSTEM**. Your belief system is your ultimate HTP (higher time period - a basic P&L concept) .

What is your faith (beliefs are faith) ? Before you answer, be aware of this: it is not a matter in our lives of faith or no faith, but a matter of **FAITH IN WHAT OR WHO**.

The limits of your faith form the ultimate support and resistance < P&L terminology > within which your experience can exist. To have unlimited opportunity, you must have unlimited faith. To borrow from a common T-shirt: **LIFE IS FAITH, THE REST IS DETAILS**.

Descending from the pulpit to the couch, let us explore some accessible paths. But first one final caution. Any method of psychological exploration is a MAP, and not the reality of our existence. The philosophy of General Semantics contains this one great caution: **THE MAP IS NOT THE TERRITORY**. Ignore this at your own risk.

Perhaps, the safest avenue to travel is that of Cognitive-Behaviour Therapy. Cognitive therapy asserts that learning to change your thoughts can lead to changes in feelings and behaviours. Thoughts are considered to have both rational and irrational components, which are the result of and trigger feelings, which (feelings) are connected to underlying beliefs and ultimately " core beliefs "... Schemas. (You see how we psychology types like to look smart by changing the names of things !). Research suggests that meaningful changes in core beliefs take **at least six months** (see how this approaches what you have been taught about how long it will take to become a MASTER P&L'ER).

Following is a short list of Cognitive Therapy books that are readable by the layman (all in paperback.)

- The Feeling Good Handbook - Burns
 - do the exercises !
- Learned Optimism - Seligman
 - learn to turn pessimism into optimism
- Love is Never Enough - Beck
 - about relationships

Another approach to understanding yourself is in the area of temperament. This approach does not deal with psychopathology; rather, it looks at each of us as having character preferences such as introversion and extraversion. Temperament is well correlated with vocational interest, and I believe certain temperaments are more likely in good traders than others. Here are 2 books (again, paper)

- Please Understand Me - Keirse, Bates
 - take the test
- Do What You Are - Teiger
 - career finder

Alternatively, there are a number of other books out there which I have found have great value. Here is my top 10 (for July 30th, 1996 - it may change tomorrow), with a few comments about each. There is no particular order to the list.

- 1) The Mind Map Book - Buzan
 - creative note taking and making
 - a system designed to enhance associations
 - try mapping your P&L system ,, understanding will increase
 - 2) Lesson from the Art of Juggling - Gelb
 - juggling as a metaphor for lifelong learning
 - introduces the 'Alexander technique' - of which Chicago has many practitioners.
 - learn to juggle ! ,, it will enhance the book
 - 3) Man's Search for Meaning (correct title?) - Frankl, Victor
 - a Jewish psychiatrist survives a Nazi concentration camp.
 - 4) Siddhartha - Hesse
 - a story of Buddha
 - 5) The New Nutrition - Colgan
 - Optimum Sports Nutrition
 - all assertions supported by references
 - a great trader is a world class athlete
- The Inner Athlete - Buzan
 - another good book, relating to sports
 - fascinating comments about awareness

- 6) Thinking Body, Dancing Mind - Huang and Lynch (?)
 - Taoist principles in sports, business, and life
 - example - change expectations to preferences
 - uses affirmations, visualization

- 7) Zen in the Art of Archery - Herrigal (spelling?)
 - a classic
 - zen flesh, zen bones
 - read the little stories
 - warning! - view zen as purely a form of thought,, eliminate the Buddhism

- 8) Jump Start Your Brain - Hall
 - dozens of exercises to get creative juices flowing

- 9) Choose the Right Word - S.I. Hayakawa (sp?)
 - written by the former US Senator from California
 - actually an interesting reference book with several hundred short essays explaining the differences between similiar words.
 - precise words create precise energy !

- 10) The Bible
 - the only book that answers all the questions of psychology (literally, a study or science of the SOUL.) (Ed: underline that !)
 - read this book from the standpoint that it is the inerrant inspired Word of God first. If you choose to impose your own limitations (such as personal interpretation) at a later time, that is solely your choice.
 - WARNING! - this book can literally change your life.

Another book, that is worthwhile is: Genesis and the Big Bang - Lagniappe,,, a Jewish astrophysicist looks at creation and science.

A few final thoughts. I have a number of sayings I use from time to time with patients,,, I'll include a few:

- Respect is given
Trust is earned

- Rest is not an option
It is a commandment

- It never ceases to amaze me
What a man will do for sex

- It never ceases to amaze me
What a woman will do for the illusion of security.

- Fifteen words to improve all relationships (especially marriage)

Please. 1
Thank you. 2,3
I love you. (doesn't count when for sex) 4,5,6
I'll think of you. 7,8,9,10
I'll pray for you. 11,12,13,14
[The other person's name.] 15

- When sex enters a relationship
the focus changes
from relationship development
to getting to the sex

- All science is tentative.

I thank you for your patience.

So, those contributions were very interesting ! And, guess what? They deal with man as a machine. He can be programmed, & is programmed: so consider it.

Now, we get down to the nitty gritty, and our conclusion: the resolution, the solution.

We have dealt with man as a machine, and its parts, and what to do. With all this, now we must look at how to make that machine create a successful trader.

As you can tell from the previous chapters, man is out of balance. He is constantly touching base with termination of energy as defined by negative and positive experience, which is randomly driving both his intellect, and emotions. Something is missing: the pidot, the resolution ! His pidot is being dragged all over the place. He has little focus. No trend runs; that he wants. He has no awareness. He cannot trade. And, there appears little hope to resolve his doomed state. However, assuming we know nothing, we are now free to think, to organize, to find a resolution that will make everyone a good trader, less doomed. And, this can be done, if realize that something is out of balance. And, we know what it is ! The mechanical part ! Man is a machine, so we might as well get used to it, and become a good one. It is a machine totally controlled from without, a machine yanked here and there by its environment. (*There's environmental pollution for u !*) Man's environment is totally polluted by the environment! Man must get his machine organized, and more balanced, and less random, less responsive to the environment. Only then can he become a good trader. Only then is man not doomed. There is little likelihood that man will change, but, as P&L'ers, we have a chance, & we can change !

Let's review what has happened. In learning P&L, you became conceptually oriented. There was no other way, in which to learn P&L, except thru the intellectual centre. Then u finally think you know all the lines, and all the theories, and off u go to trading, and believe u can figure it all out. U cannot. U're intellect has to deal with faster energies, which come swooping in, and one of the fastest is that of emotions (see pg. 43), be it negative or positive. The emotions come swooping in, and take over, pushing the intellectual centre aside. This results in the intellectual centre trying to figure out what is happening, or what is going on, but, if the emotional centre has its way, the intellectual centre will freeze: in trading terms this is called : " freezing'., unable to make a trade. Why? Becus the emotional centre has turned off the conceptual, intellectual centre, since it is faster. So, there u sit, in spite of all the wonderful theory u have, and u are unable to make a trade, since u are now under the control of the emotional centre. So, what is the missing link? If you have read Ouspensky & understood, U know that the missing link is the 'Mechanical Centre'. If it is in control, then the intellect and emotional centre is not. It is as simple as that. But, you know what? U cannot have a good mechanical centre without a good intellectual centre, and an emotional centre appropriately built. And, the instinctive centre must be kept at hand. It is good to know the machine. Read Ouspensky .

Let's give an example of our machine: Driving a car.
 .. and later we will compare this example, with trading, and u will see at once our resolution.

You are a young person, just learning to drive. Daddy is in the seat beside you. You carefully close the door, and guess what u start to do? You start to think your way thru the process. Now what do I do? Put hand on steering wheel,,, Daddy says to turn the key,,, that makes sense,, and you 'think' that that is the process, so you move on. You stick your tongue out, and concentrate, and think heavily about putting your foot on the gas peddle. You immediately, test the brakes, to make sure it works. You are thinking (!), about what next to do, besides not going onto the sidewalk as you move out onto the street. Along you go, watching everything that moves, knowing, thinking, carefully concentrating so you will not miss anything . But, you are going too slow ! (u do not know, what we know, from Chapt. 2, that the intellect is the slowest part of man),,,, doing all this thinking, causes u to drive very carefully, since have to think about what is there, and everywhere. A car pulls up behind u, and honks the horn,, to get u to speed up,,,Daddy says to go faster , or roars at the other car,," shut up,,, he's just learning to drive." Suddenly, you start to get concerned,,, u have to speed up, but, can't deal with everything,,, u start to panic,,,a little,,, u get scared with the speed,, U swerve a little,,,, Daddy sort of yells,,, "slow down,,, turn left,,, wait!,,, u hang on to the steering wheel as hard as u can, but, u cannot move it, and thru the intersection u go,,,a cat jumps in front, u panic,,, hit the little ole lady walking her dog,,, run off the road, onto the sidewalk, and up a lawn, thru the hedge, into the back yard, where a horse is being walked, and u kill it. What happened ? The emotional centre took over, causing u to be unable to think , and u froze, in a highly emotional state. Now, what happens, if U keep up the driving lessons? The resolution: driving becomes fully automatic, and u do not think about it anymore, and if anyone tells u to speed up, or hit u with an emotion, u tell them to shut up, and that u do not like bak-seat drivers: u are a machine ! U drive well.

Now, with this analogy, u must realize, that driving cannot be fully mechanical. What if a drunken driver was coming toward you, in the oncoming lane, weaving and bobbing? U see it coming, and the intellect alerts u, to be ready, and to do something, and if it is in control, it will slow u down. What if instead, u panicked, which in our terms, means the emotional centre took over? U wud freeze, and do nothing, and achieve no evasive procedures, such as driving off the road to the right, if no lake just there.

Thus, in this emergency situation, with the emotional centre not in control, then the intellectual centre could take over, and tell the mechanical centre what to do. The instinct centre would be preparing your body for the event.

Thus, we have our resolution for trading. In trading, we must be conceptually prepared, but, with the intellect not in control; emotions must never be allowed to affect your mechanical aspects, so that when danger presents itself, the intellect, the conceptual, can take over, to determine what to do. (It is all right, to take acceptance of the instinct centre, if the intellect centre gets turned on, as a qualifier for the mechanical centre, to determine if the instinct is correct.)

Thus, unsuccessful traders, will have only one or two, of the three main centres, (intellect, mechanical, emotional), affecting how they trade, & they will be randomly activated, with each one doing what it wants, when it wants. They may be totally mechanical, with no idea what is going on, thus vulnerable to hitting the drunk driver. The emotional trader is doomed from the start, and such is the condition of man. The intellectual trader, finds a reason for everything, and certainly, P&L feeds that trough. Thus, the answer? It is: intellect centre has done its work. Emotional centre is turned off, only allowing a link to the instinct centre. And, the mechanical centre is in full control!

Thus, with unsuccessful P&L'ers, which of these three is the missing link? The mechanical !

Notice the three papers, we are giving at the moment »

- 1) 'Psychology Paper' - deals with emotions
- 2) 'Pattern Picking' - deals with mechanical patterns
- 3) 'Predicting Next Week's Highs and Lows' - deals with the intellectual

Do u realize what is happening?

The "Advanced Manual", written in 1981, deals with some mechanical, plus philosophical, (intellectual, conceptual), and so do the other works written since then.

Once you have become fully versed in all Drummond written material, you will be conceptually based. And, 'How To,,,', and our current 'psychology paper', handles the emotional centre. The missing link, is the mechanical. If you are unsuccessful, you are not developed in this area. You simply must have mechanical patterns, that you have researched out, and have learned how to handle, thru 'yes or no' patterns on the lower time period, which u know only so well how to apply, since u are conceptually built in u're P&L studies. Drummond, thruout the years, with private students, has encouraged each to find their own way, constantly offering the conceptual, knowing that when they find their patterns, they will be o.k., since everyone always want to do it their own way, due to personality, or the instinct driving its own survival.

The "Pattern Picking Paper", the other paper presented tonight, will give u some ideas as to pattern research. So, get to it, and learn to drive without thinking, and use your brain, when needed, to have, for example, an idea why this pattern may work when u actually do the trade. When u are at the stage, when u know the conceptual, u must move on to the mechanical part! :: : u must have the mechanical centre in control, and the intellectual, and instinct centre on standby, & the emotional centre not allowed in, since it is a false conception.

Let us now do a review, to prove on conclusion and resolution, the solution:

Let us briefly look at our four centres: intellectual/ moving mechanical / emotional / instinct

**Intellectual
centre**

conception
- on standby,
waiting for
action as
required.

**Moving/Mechanical
Centre**

The "steering wheel"

**Emotional
Centre**

- of no value,
in trading

**Instinct
Centre**

- ready to send
signals to the
intellect centre
for qualification,
then over to the
mechanical centre
for action.

-no association
with the emotional
centre

(I have placed the instinct centre
near to the moving centre: ready
to move.)

Trading needs all 4 of the above, but requires - > MECHANICAL !

U cannot drive that car, unless u are mechanical !

In chapter four, note the mechanicalness of those who appear successful, who have put the intellectual and emotions behind them. Then note the ones who do not appear successful, those still locked in conceptualizations or have moved on to emotions and become "identified" (see Ouspensky - pg.32), with them.

Only thru mechanicalness can u survive: conceptualization will slow u down; emotions can take all your time and energy. Mechanicalness has to be learned, and this requires thinking, and some emotional experience, just as a child learns to walk: it has to think, and do a bit of crying. A driver must do some thinking, and learn to turn off the emotions, before driving becomes mechanical.

Let's digress a little & see if the three basic centres, intellectual, moving, and emotional, exist in other identities. Let's look at the 'ancient wisdoms', based on 3 principles. (there goes that rule of 3 again !)

1) Know thyself - this is: 'intellectual centre': to conceptualize, to analyse yourself. In ancient Greece, 'sin' was 'thought-sin': which was looked upon as in essence a failure on the part of man to achieve his true expression and to preserve his due relation to the rest of the universe: attributed mainly to ignorance.

(notice 7th deadly sin below)

2) Nothing too much. (emotional) - example: '7 deadly sins' (Hollywood <movies> cannot exist without them?)

1. Pride
2. Covetousness
3. Lust
4. Envy
5. Gluttony
6. Anger
7. Sloth - stupidity

3) Verify everything for yourself. (mechanical : yes, or no.)

And, look in the above, as to what is third ! The mechanical: verify,,, yes, or no!

Do u really know yourself? (first wisdom) Verify. Do you really have too much? (second wisdom) Verify.

Yes, or no, is exactly what the mechanical is all about. U either drive the car correctly, or u do not. U either love or hate. 59up or 59dn. Yes, or no. The pattern either works, or it does not. That is the mechanicalness of life, and that is what u do in pattern picking: the mechanical part of trading. You obtain your patterns that work, and ignore those that do not. And, as P&L'ers, we have the key. We can tell whether a pattern works, by whether the lower time period is saying yes or no. (see Pattern Picking Paper.) (P&L'ers know, when talk in these terms.)

Also, note this: the intellectual centre, and mechanical centre have definite yes and no's (read chapt.2) However, the emotional centre has no permanent yes or no's, it has no permanent +ves and -ve's,, (read Chapt.2).., love can turn to hate,, u can feel good,, then it can turn to bad. Emotional centre is a waste of time, especially in trading.

IT IS THAT SIMPLE: YES, OR NO.

Mechanical: yes, or no .
Intellectual: yes, or no.
Emotional: no definite yes or no.

Let's review the successful trader !

- They did 'the work'.
 - 78 hrs. per day if need be (Sorry: u're going to have to do 'the work'. Otherwise, U are doomed to live other peoples' reality, & remain in their sleep.)
 - researched "their" patterns
- Were able to focus
 - the key » awareness & conscious states (chapt.2)
 - to be aware enough, to be conscious of
 - conceptual aspects
 - mechanical aspects
 - emotional aspects : negativity of negatives do not control
: positives are built on.
- They became a machine.
 - had worked on conceptual, mechanical, emotional
 - all parts working well

So, you must become mechanical !

And, to pick Patterns.

Now, here are reasons why you will not !

- requires work
- cannot focus, since have few awareness skills
 - : very difficult to be aware, to stay focused (read Ouspensky)
- laden by negative psychological issues, thus controlling the intellect and mechanical

So, u know what u must do.

Please be reminded, that the 3 'papers' currently being presented, were chosen for a purpose.

- 1) 'Psychology Paper '96" - for the emotional centre
- 2) 'Pattern Picking' - for the mechanical centre
- 3) 'Predicting Next Wk's High and Lows" - for the intellectual centre.

So, u must get to the mechanical part. It is essential.

How do u do u're research and Pattern Picking? (see psycholgy of backtesting- pg.80 & 'Edward': pg.120)

● start off with weekly. (once they becum a habit,<3 wks>, then a belief system,<6 mths>, then they can be applied to any time period, & as u know, monitored by lower time period yes/no.)

● pick one lead indicator and add lines to it.

-example: 59 as the lead line- then add lines to it

or, test 52 as a lead line- look for times when they are associated with 51's, or 11's

or, test 61 as the lead line - a 59, &/or 52/51 in the area?

Thus, u create a book, with these patterns in it, with each section set to a

lead-line. (U can also create a library for each of our lines by themselves.)

(see "Pattern Picking Paper").

● look to the lower time period, & catalogue how the pattern both holds and fails: yes, or no.

● find a minimum of 5 year data base for each commodity or stock u analyze.

(CSI in Boca Raton, Fla. U.S.A. seems to be developing an interesting data concept: Unfair Advantage,,, mite check it out.

Tel: 561. 392. 8663 Fax: 561. 392. 663 E-mail: marketing@csidata.com)

Note the number and percentage of winners and failures.

Determine what constitutes a winner: money target?,, will it get as far as the pldot, as a target? ET? etc.

Try to use actual contract months, if analyzing commodities, as in actual trading.

● as u research, do not conceptualize: do not think about kinds of trading etc. Simply put: does the energy work, or does it not: yes or no,, no reasons why. But, look to the lower time period as to how ! (see Pattern Picking Paper).

● when pattern picking, do not conceptualize. Save that for when u apply the pattern !

Once u have your patterns, then what? U trade !

And, when u trade:

- then u can conceptualize ! What is driving that pattern? (see pg.22 of 'Pattern Picking Paper)
(,example: dotted line? pldot?)

When u have u're high-success, well researched patterns; then u will see why they work, and fast; becus the intellect can tell u what is happening,, the part u know so well! But, at least u have a good steering wheel to grip on to: the mechanical part.

- mechanical plus conceptual will make emotions redundant.
- if an emotion is triggered, it is mechanically trained, to go to the instinct centre, which will turn on the mechanical and intellect centres, and the emotional centre will not be in control. The intellect centre will know immediately the yes or no pattern, and the mechanical centre will take over, and will decide whether to take u out of your trade. U're emotions will not be allowed to do the job: u will not panic and drive into the backyard and kill the horse.

Now u are in control. : of your machine. Your machine is not polluted by the environment.

Once u are trading successfully, return to that which created the success.

- u know nothing : u are becoming aware
If need be, fall back on this, or,
return to the 3 ancient wisdoms.
 - 1) know thyself
 - 2) nothing too much
 - 3) verify everything for yourself

U have a choice to make: yes or no.

Do u wish to becum aware or not?

The mass mind or not?

Successful trader or not?

To remain asleep; or, awaken ?

Let us do a brief summary, on awareness:

What is consciousness? :

- in a scientific manner, it is proven that consciousness is a particular kind of awareness in man, that is independant from the mind's activity.
- the situation is that consciousness never remains in the same state. And, only when it is highly activated, is it valid, & it then becoms memory.
- modern thought states that consciousness has no degrees, that it exists or doesn't. This is incorrect: there is duration, frequency, extend & penetration.

Thus, if consciousness is connected to memory, do u remember everything? No. U do not remember what I said 5 minutes ago. Impossible. Thus, we are rarely conscious or awake.

We are machines. Dragged here and there. If we accept that, then one can analyze the machine, & learn what parts of the machine can be used for awareness: to awaken. It can be made continuous & controllable by special effort & special study.

The most important deduction we can make, is that scientifically, & philosophically, we can prove that man is not conscious of himself. The illusion of his being conscious of himself, is created by memory & thought processes.

We can then, move along to various stages of consciousness, or which it is argued, & proven, that there are four.

The first two are important.

- 1) when we sleep
- 2) when we are awake, but, we are still asleep

These first two are the condition of man.

Man can be conscious of himself only in rare flashes, & even then, he probably does not recognize it, becus he does not know what it wud imply if he actually possessed it. These glimpses of consciousness come in exceptional moments, in high emotional states. And, when asleep or when awake, he is really asleep, since man has no control over consciousness. (memory of a bad trade.) Moments of consciousness come & go by themselves, being controlled by external circumstances.

With right methods & right efforts, man can acquire control of consciousness, & can becom conscious of himself, with all that it implies. Man can awaken from his sleep, & becom less of a machine.

Man is ignorant of himself: he assumes that he knows himself at least to a certain extent, when, in reality, he does not know himself at all, & cannot be sure of himself even in the smallest things.

Thus, psychology really means: self-study. The first of the Ancient Wisdoms: Know Thyself.

Then, in chapter two, in our 'Psychology Paper '96 - P&L's Association with Awareness', the work begins:

To create the functions of man.

1. Intellect
2. Emotion
3. Instinct
4. Moving (such as walking)

& the study begins on knowing the machination of man, to provide the balance, in order to turn on the lights of self-remembering, consciousness, awareness, & to awaken.

For example: the Bible is constantly telling u to awaken. But, it does not say how.

Chapter two does!

End of story.

- re-read Chapt. 2 - 20 times.

(please assist Drummond in verifying this: 3rd Ancient Wisdom , since he is a special expert at knowing nothing.)

Learn the +ve, -ve, the 59's of intellect, emotions, instinct, movement, & get a life ! Get alive. Awaken! Leave mankind in the dust, in his sleep, & learn about u'reself, & u're place in the universe, if u so wish.

Before u enter chapter 2, have courage & understanding, & learn how to peel off the winter coats,

& learn the truth of love, faith and hope,

as u becom awake, & move from sleep,

& leave the emotional positives & negatives behind, since each can turn to the other, when u are asleep: the condition of man.

There is nothing more mechanical in life, than negative emotions. No inner development is possible so long as man keeps and worships, identifies with, his negative emotions. In reality, people would sacrifice anything than their negative emotions. They worship them ! They are enslaved by them ! There is no pleasure & no enjoyment man would not sacrifice, for quite small reasons, but, he will never sacrifice his suffering. And, there is a reason for this: man expects to gain something by sacrificing his pleasures, but, he cannot expect anything for sacrifice of his suffering.

What is the origin of negative emotions, if they are artificial, unnatural, & useless?

Read, & find out.

And, U will also learn, the ways to understanding, to bring u'reself into consciousness, & to awaken.

Bring with u, courage & understanding, & leave your negatives at the door, prepare to peel off the winter coats. Awaken. Let P&L help u.

This paper is presented on the concept of love, faith and hope. Read Ouspensky, and see if you can find it's mention.

I cannot guarantee that U will hear new ideas, ideas u never heard before, from the start; but, if u are patient, u will very soon begin to notice them. And, then I wish u not to miss them, and try not to interpret them in the old way.